UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended November 30, 2002

EMMIS COMMUNICATIONS CORPORATION (Exact name of registrant as specified in its charter)	**EMMIS OPERATING COMPANY** (Exact name of registrant as specified in its charter)
INDIANA (State of incorporation or organization)	**INDIANA** (State of incorporation or organization)
0-23264 (Commission file number)	**333-62172-13** (Commission file number)
35-1542018 (I.R.S. Employer Identification No.)	**35-2141064** (I.R.S. Employer Identification No.)
ONE EMMIS PLAZA **40 MONUMENT CIRCLE** **SUITE 700** **INDIANAPOLIS, INDIANA 46204** (Address of principal executive offices)	**ONE EMMIS PLAZA** **40 MONUMENT CIRCLE** **SUITE 700** **INDIANAPOLIS, INDIANA 46204** (Address of principal executive offices)
(317) 266-0100 **(Registrant's Telephone Number, Including Area Code)**	**(317) 266-0100** **(Registrant's Telephone Number, Including Area Code)**

NOT APPLICABLE
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes__X__ No________

The number of shares outstanding of each of Emmis Communications Corporation's classes of common stock, as of January 3, 2003, was:

48,536,277	Shares of Class A Common Stock, $.01 Par Value
5,002,460	Shares of Class B Common Stock, $.01 Par Value
0	Shares of Class C Common Stock, $.01 Par Value

Emmis Operating Company has 1,000 shares of common stock outstanding as of January 1, 2003 and all of these shares are owned by Emmis Communications Corporation.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Shareholders
Emmis Communications Corporation and Subsidiaries

We have reviewed the accompanying condensed consolidated balance sheet of Emmis Communications Corporation (an Indiana corporation) and Subsidiaries as of November 30, 2002, and the related condensed consolidated statements of operations for the three-month and nine-month periods ended November 30, 2002, and the condensed consolidated statements of cash flows for the nine-month period ended November 30, 2002. We have also reviewed the accompanying condensed consolidated balance sheet of Emmis Operating Company (an Indiana corporation and wholly owned subsidiary of Emmis Communications Corporation) and Subsidiaries as of November 30, 2002, and the related condensed consolidated statements of operations for the three-month and nine-month periods ended November 30, 2002, and the condensed consolidated statements of cash flows for the nine-month period ended November 30, 2002. These financial statements are the responsibility of the Companies' management. The condensed consolidated balance sheet, statement of operations, and statement of cash flows of both Emmis Communications Corporation and Subsidiaries and Emmis Operating Company and Subsidiaries as of November 30, 2001, and for the three-month and nine-month periods then ended, were reviewed by other accountants who have ceased operations. Those accountants' report (dated January 8, 2002) stated that they were not aware of any material modifications that should be made to those statements for them to be in conformity with accounting principles generally accepted in the United States.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data, and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, which will be performed for the full year with the objective of expressing an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated financial statements as of November 30, 2002, and for the three-month and nine-month periods then ended for them to be in conformity with accounting principles generally accepted in the United States.

ERNST & YOUNG LLP

Indianapolis, Indiana
January 3, 2003

PART I – FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2001	2002	2001	2002
GROSS REVENUES	$ 158,346	$ 179,064	$ 482,404	$ 501,270
LESS: AGENCY COMMISSIONS	20,057	23,520	61,215	65,698
NET REVENUES	138,289	155,544	421,189	435,572
OPERATING EXPENSES:				
Station operating expenses, excluding noncash compensation	88,617	87,781	266,102	260,076
Time brokerage fees	-	-	479	-
Corporate expenses, excluding noncash compensation	5,354	5,571	14,879	15,750
Noncash compensation	1,559	6,470	5,890	17,600
Depreciation and amortization	25,935	10,738	75,157	32,090
Restructuring fees and other	-	-	768	-
Total operating expenses	121,465	110,560	363,275	325,516
OPERATING INCOME	16,824	44,984	57,914	110,056
OTHER INCOME (EXPENSE):				
Interest expense	(32,055)	(24,468)	(99,204)	(80,611)
Loss from unconsolidated affiliates	(1,366)	(128)	(3,462)	(4,208)
Gain on sale of assets	-	(33)	-	8,900
Other income (expense), net	(6)	(385)	1,730	872
Total other income (expense)	(33,427)	(25,014)	(100,936)	(75,047)
INCOME (LOSS) BEFORE INCOME TAXES, EXTRAORDINARY LOSS AND ACCOUNTING CHANGE	(16,603)	19,970	(43,022)	35,009
PROVISION (BENEFIT) FOR INCOME TAXES	(4,905)	9,156	(11,777)	15,808
INCOME (LOSS) BEFORE EXTRAORDINARY LOSS AND ACCOUNTING CHANGE	(11,698)	10,814	(31,245)	19,201
EXTRAORDINARY LOSS, NET OF TAXES	-	-	(1,084)	(11,117)
CUMULATIVE EFFECT OF ACCOUNTING CHANGE, NET OF TAXES OF $102,600	-	-	-	(167,400)
NET INCOME (LOSS)	(11,698)	10,814	(32,329)	(159,316)
PREFERRED STOCK DIVIDENDS	2,246	2,246	6,738	6,738
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	$ (13,944)	$ 8,568	$ (39,067)	$ (166,054)

See independent accountants' review report and accompanying notes.

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (CONTINUED)
(Unaudited)
(In thousands, except per share data)

	Three Months Ended November 30, 2001	Three Months Ended November 30, 2002	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
Basic net income (loss) available to common shareholders:				
Before accounting change and extraordinary loss	$ (0.29)	$ 0.16	$ (0.81)	$ 0.24
Extraordinary loss, net of tax	-	-	(0.02)	(0.21)
Cumulative effect of accounting change, net of tax	-	-	-	(3.16)
Net income (loss) available to common shareholders	$ (0.29)	$ 0.16	$ (0.83)	$ (3.13)
Basic weighted average common shares outstanding	47,415	53,358	47,322	53,019
Diluted net income (loss) available to common shareholders:				
Before accounting change and extraordinary loss	$ (0.29)	$ 0.16	$ (0.81)	$ 0.23
Extraordinary loss, net of tax	-	-	(0.02)	(0.21)
Cumulative effect of accounting change, net of tax	-	-	-	(3.14)
Net income (loss) available to common shareholders	$ (0.29)	$ 0.16	$ (0.83)	$ (3.12)
Diluted weighted average common shares outstanding	47,415	53,507	47,322	53,280

See independent accountants’ review report and accompanying notes.

In the three months ended November 30, 2001 and 2002, $1.6 million and $4.8 million respectively, of our noncash compensation was attributable to our stations, while $0 million and $1.7 million was attributable to corporate. In the nine months ended November 30, 2001 and 2002, $5.0 million and $14.3 million respectively, of our noncash compensation was attributable to our stations, while $0.9 million and $3.3 million was attributable to corporate.

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands, except share data)

	February 28, 2002	November 30, 2002
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,362	$ 8,255
Accounts receivable, net	95,240	114,111
Prepaid expenses	14,847	17,798
Income tax refund receivable	-	11,095
Other	23,657	26,467
Assets held for sale	123,416	-
Total current assets	263,522	177,726
PROPERTY AND EQUIPMENT, NET	231,139	225,370
INTANGIBLE ASSETS (Note 3):		
Indefinite lived intangibles	1,743,235	1,509,019
Goodwill	175,132	138,986
Other intangibles, net	34,964	26,222
Total intangible assets	1,953,331	1,674,227
OTHER ASSETS, NET	62,077	57,454
Total assets	$ 2,510,069	$ 2,134,777

See independent accountants’ review report and accompanying notes.

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)
(Unaudited)
(In thousands, except share data)

	February 28, 2002	November 30, 2002
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts Payable	$ 38,995	$ 39,620
Current maturities of long-term debt	7,933	14,602
Current portion of TV program rights payable	27,507	30,085
Accrued salaries and commissions	7,852	8,879
Accrued interest	14,068	6,619
Deferred revenue	16,392	15,990
Other	7,531	8,564
Credit facility debt to be repaid with assets held for sale	135,000	-
Liabilities associated with assets held for sale	63	-
Total current liabilities	255,341	124,359
LONG-TERM DEBT, NET OF CURRENT MATURITIES	1,343,507	1,218,963
OTHER LONG-TERM DEBT, NET OF CURRENT MATURITIES	6,949	2,806
TV PROGRAM RIGHTS PAYABLE, NET OF CURRENT PORTION	40,551	35,945
OTHER NONCURRENT LIABILITIES	26,966	20,236
DEFERRED INCOME TAXES	101,198	23,514
Total liabilities	1,774,512	1,425,823
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Series A cumulative convertible preferred stock, $0.01 par value; $50.00 liquidation value; authorized 10,000,000 shares; issued and outstanding 2,875,000 shares at February 28, 2002 and November 30, 2002	29	29
Class A common stock, $.01 par value; authorized 170,000,000 shares; issued and outstanding 42,761,299 shares at February 28, 2002 and 48,438,046 shares at November 30, 2002	428	484
Class B common stock, $.01 par value; authorized 30,000,000 shares; issued and outstanding 5,250,127 shares at February 28, 2002 and 5,002,460 shares at November 30, 2002	53	50
Additional paid-in capital	843,254	989,359
Accumulated deficit	(95,822)	(261,875)
Accumulated other comprehensive loss	(12,385)	(19,093)
Total shareholders' equity	735,557	708,954
Total liabilities and shareholders' equity	$ 2,510,069	$ 2,134,777

See independent accountants’ review report and accompanying notes.

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (32,329)	$ (159,316)
Adjustments to reconcile net loss to net cash provided by operating activities -		
Cumulative effect of accounting change	-	167,400
Extraordinary loss	1,084	11,117
Depreciation and amortization	94,065	50,020
Accretion of interest on senior discount notes, including amortization of related debt costs	18,081	- 19,789
Provision for bad debts	2,782	3,189
Provision (benefit) for deferred income taxes	(11,777)	15,808
Noncash compensation	5,890	17,600
Gain on sale of assets	-	(8,900)
Other	726	(7,098)
Changes in assets and liabilities -		
Accounts receivable	(18,272)	(22,060)
Prepaid expenses and other current assets	4,185	(6,400)
Other assets	(11,700)	6,281
Accounts payable and accrued liabilities	(7,168)	(7,542)
Deferred revenue	(1,805)	(402)
Other liabilities	(2,655)	(22,981)
Net cash provided by operating activities	41,107	56,505
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(25,786)	(21,035)
Cash paid for acquisitions	(140,746)	-
Proceeds from sale of assets, net	-	135,500
Other	(5,831)	(1,087)
Net cash provided by (used in) investing activities	(172,363)	113,378

	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on long-term debt	(113,000)	(291,525)
Proceeds from long-term debt	5,000	13,000
Proceeds from senior discount notes offering	202,612	-
Cash held in escrow		-
Proceeds from issuance of the Company's Class A common		

See independent accountants' review report and accompanying notes.

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(Unaudited)
(Dollars in thousands)

	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on long-term debt	(113,000)	(291,525)
Proceeds from long-term debt	5,000	13,000
Proceeds from senior discount notes offering	202,612	-
Proceeds from issuance of the Company's Class A common stock, net of transaction costs	-	120,239
Proceeds from exercise of stock options	2,194	6,466
Preferred stock dividends paid	(6,738)	(6,738)
Premium paid to redeem senior discount notes	-	(6,678)
Debt related costs	(16,616)	(2,754)
Net cash provided by (used in) financing activities	73,452	(167,990)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(57,804)	1,893
CASH AND CASH EQUIVALENTS:		
Beginning of period	59,899	6,362
End of period	$ 2,095	$ 8,255
SUPPLEMENTAL DISCLOSURES:		
Cash paid for -		
Interest	$ 84,318	$ 55,371
Income taxes	1,249	630
ACQUISITION OF KKLT-FM, KTAR-AM and KMVP-AM:		
Fair value of assets acquired	$ 160,746	
Cash paid, net of deposit	140,746	
Deposit paid in June 2000	20,000	
Liabilities recorded	$ -	

See independent accountants' review report and accompanying notes.

EMMIS OPERATING COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(Dollars in thousands)

	Three Months Ended November 30, 2001	Three Months Ended November 30, 2002	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
GROSS REVENUES	$ 158,346	$ 179,064	$ 482,404	$ 501,270
LESS: AGENCY COMMISSIONS	20,057	23,520	61,215	65,698
NET REVENUES	138,289	155,544	421,189	435,572
OPERATING EXPENSES:				
Station operating expenses, excluding noncash compensation	88,617	87,781	266,102	260,076
Time brokerage fees	-	-	479	-
Corporate expenses, excluding noncash compensation	5,354	5,571	14,879	15,750
Noncash compensation	1,559	6,470	5,890	17,600
Depreciation and amortization	25,935	10,738	75,157	32,090
Restructuring fees and other	-	-	768	-
Total operating expenses	121,465	110,560	363,275	325,516
OPERATING INCOME	16,824	44,984	57,914	110,056
OTHER INCOME (EXPENSE):				
Interest expense	(25,245)	(18,589)	(81,127)	(60,847)
Loss from unconsolidated affiliates	(1,366)	(128)	(3,462)	(4,208)
Gain on sale of assets	-	(33)	-	8,900
Other income (expense), net	(17)	(387)	744	872
Total other income (expense)	(26,628)	(19,137)	(83,845)	(55,283)
INCOME (LOSS) BEFORE INCOME TAXES, EXTRAORDINARY LOSS AND ACCOUNTING CHANGE	(9,804)	25,847	(25,931)	54,773
PROVISION (BENEFIT) FOR INCOME TAXES	(2,536)	11,075	(5,722)	22,235
INCOME (LOSS) BEFORE EXTRAORDINARY LOSS AND ACCOUNTING CHANGE	(7,268)	14,772	(20,209)	32,538
EXTRAORDINARY LOSS, NET OF TAXES	-	-	(1,084)	(2,889)
CUMULATIVE EFFECT OF ACCOUNTING CHANGE, NET OF TAXES OF $102,600	-	-	-	(167,400)
NET INCOME (LOSS)	$ (7,268)	$ 14,772	$ (21,293)	$ (137,751)

See independent accountants' review report and accompanying notes.

In the three months ended November 30, 2001 and 2002, $1.6 million and $4.8 million respectively, of our noncash compensation was attributable to our stations, while $0 million and $1.7 million was attributable to corporate. In the nine months ended November 30, 2001 and 2002, $5.0 million and $14.3 million respectively, of our noncash compensation was attributable to our stations, while $0.9 million and $3.3 million was attributable to corporate.

EMMIS OPERATING COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in thousands, except share data)

	February 28, 2002	November 30, 2002
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,362	$ 8,255
Accounts receivable, net	95,240	114,111
Prepaid expenses	14,847	17,798
Income tax refund receivable	-	11,095
Other	23,657	26,467
Assets held for sale	123,416	-
Total current assets	263,522	177,726
PROPERTY AND EQUIPMENT, NET	231,139	225,370
INTANGIBLE ASSETS (NOTE 3):		
Indefinite lived intangibles	1,743,235	1,509,019
Goodwill	175,132	138,986
Other intangibles, net	34,964	26,222
Total intangible assets	1,953,331	1,674,227
OTHER ASSETS, NET	51,147	49,693
Total assets	$ 2,499,139	$ 2,127,016

See independent accountants' review report and accompanying notes.

EMMIS OPERATING COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)
(Unaudited)
(Dollars in thousands, except share data)

	February 28, 2002	November 30, 2002
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Accounts Payable	$ 38,995	$ 39,620
Current maturities of long-term debt	7,933	14,602
Current portion of TV program rights payable	27,507	30,085
Accrued salaries and commissions	7,852	8,879
Accrued interest	14,068	6,619
Deferred revenue	16,392	15,990
Other	6,408	7,441
Credit facility debt to be repaid with assets held for sale	135,000	-
Liabilities associated with assets held for sale	63	-
Total current liabilities	254,218	123,236
LONG-TERM DEBT, NET OF CURRENT MATURITIES	1,117,000	1,026,898
OTHER LONG-TERM DEBT, NET OF CURRENT MATURITIES	6,949	2,806
TV PROGRAM RIGHTS PAYABLE, NET OF CURRENT PORTION	40,551	35,945
OTHER NONCURRENT LIABILITIES	26,966	20,236
DEFERRED INCOME TAXES	108,988	38,565
Total liabilities	1,554,672	1,247,686
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDER'S EQUITY:		
Common stock, no par value; authorized , issued and outstanding 1,000 shares at February 28, 2002 and November 30, 2002	1,027,221	1,027,221
Additional paid-in capital	8,108	94,168
Accumulated deficit	(78,477)	(222,966)
Accumulated other comprehensive loss	(12,385)	(19,093)
Total shareholder's equity	944,467	879,330
Total liabilities and shareholder's equity	$ 2,499,139	$ 2,127,016

See independent accountants' review report and accompanying notes.

EMMIS OPERATING COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (21,293)	$ (137,751)
Adjustments to reconcile net loss to net cash provided by operating activities -		
Cumulative effect of accounting change	-	167,400
Extraordinary loss	1,084	2,889
Depreciation and amortization	93,263	50,020
Provision for bad debts	2,782	3,189
Provision (benefit) for deferred income taxes	(5,722)	22,235
Noncash compensation	5,890	17,600
Gain on sale of assets	-	(8,900)
Other	726	(8,122)
Changes in assets and liabilities -		
Accounts receivable	(18,272)	(22,060)
Prepaid expenses and other current assets	4,185	(6,400)
Other assets	(10,894)	6,304
Accounts payable and accrued liabilities	(7,168)	(7,542)
Deferred revenue	(1,805)	(402)
Other liabilities	(2,655)	(22,981)
Net cash provided by operating activities	40,121	55,479
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(25,786)	(21,035)
Cash paid for acquisitions	(140,746)	-
Proceeds from sale of assets, net	-	135,500
Other	(5,831)	(1,087)
Net cash provided by (used in) investing activities	(172,363)	113,378

	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on long-term debt	(113,000)	(238,102)
Proceeds from long-term debt	5,000	13,000
Distributions to parent	(6,738)	(6,738)
Contributions from parent	193,760	67,630
Debt related costs	(4,584)	(2,754)

See independent accountants' review report and accompanying notes.

EMMIS OPERATING COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(Unaudited)
(Dollars in thousands)

	Nine Months Ended November 30, 2001	Nine Months Ended November 30, 2002
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on long-term debt	(113,000)	(238,102)
Proceeds from long-term debt	5,000	13,000
Distributions to parent	(6,738)	(6,738)
Contributions from parent	193,760	67,630
Debt related costs	(4,584)	(2,754)
Net cash provided by (used in) financing activities	74,438	(166,964)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(57,804)	1,893
CASH AND CASH EQUIVALENTS:		
Beginning of period	59,899	6,362
End of period	$ 2,095	$ 8,255
SUPPLEMENTAL DISCLOSURES:		
Cash paid for -		
Interest	$ 84,318	$ 55,371
Income taxes	1,249	630
ACQUISITION OF KKLT-FM, KTAR-AM and KMVP-AM:		
Fair value of assets acquired	$ 160,746	
Cash paid, net of deposit	140,746	
Deposit paid in June 2000	20,000	
Liabilities recorded	$ -	

See independent accountants' review report and accompanying notes.

EMMIS COMMUNICATIONS CORPORATION AND SUBSIDIARIES
AND EMMIS OPERATING COMPANY AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
November 30, 2002

(Unaudited)

Note 1. General

Pursuant to the rules and regulations of the Securities and Exchange Commission, the condensed consolidated interim financial statements included herein have been prepared, without audit, by Emmis Communications Corporation ("ECC") and its subsidiaries (collectively, "our," "us," "Emmis" or the "Company") and by Emmis Operating Company and its subsidiaries (collectively "EOC"). Unless otherwise noted, all disclosures contained in the Notes to Condensed Consolidated Financial Statements in this Form 10-Q apply to Emmis and EOC. As permitted under the applicable rules and regulations of the Securities and Exchange Commission, certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations; however, Emmis believes that the disclosures are adequate to make the information presented not misleading. The condensed consolidated financial statements included herein should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Annual Report filed on Form 10-K for the year ended February 28, 2002. The Company's results are subject to seasonal fluctuations. Therefore, results shown on an interim basis are not necessarily indicative of results for a full year.

In the opinion of Emmis and EOC, respectively, the accompanying condensed consolidated interim financial statements contain all material adjustments (consisting only of normal recurring adjustments) necessary to present fairly the consolidated financial position of Emmis and EOC at November 30, 2002 and the results of their operations for the three and nine months ended November 30, 2001 and 2002 and their cash flows for the nine months ended November 30, 2001 and 2002.

Note 2. Accounting Policies

Basic and Diluted Net Income Per Common Share

Emmis

Basic net income per common share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period. Diluted net income per common share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted. Potentially dilutive securities at November 30, 2001 and 2002 consisted of stock options and the 6.25% Series A cumulative convertible preferred stock. Neither the 6.25% Series A cumulative convertible preferred stock nor the stock options are included in the calculation of diluted net income per common share for the three and nine months ended November 30, 2001 as the effect of their conversion to common stock would be antidilutive. Weighted average shares excluded from the calculation of diluted net income per share that would result from the conversion of the 6.25% Series A cumulative convertible preferred stock and the conversion of stock options amounted to approximately 3.8 million and 4.1 million shares for the three and nine months ended November 30, 2001, respectively. The 6.25% Series A cumulative convertible preferred stock was excluded from the calculation of diluted net income per common share for the three and nine months ended November 30, 2002 as the effect of their conversion to common stock of 3.7 million shares would be antidilutive.

EOC

Because EOC is a wholly-owned subsidiary of Emmis, disclosure of earnings per share for EOC is not required.

Reclassifications

Certain reclassifications have been made to the November 30, 2001 and February 28, 2002 financial statements to be consistent with the November 30, 2002 presentation. The reclassifications have no impact on net income or retained earnings previously reported.

Advertising Costs

The Company defers major advertising campaigns for which future benefits are demonstrated. These costs are amortized over the shorter of the estimated period benefited (generally six months) or the remainder of the fiscal year. The Company had deferred $2.2 million of these costs as of November 30, 2002 and a nominal amount as of November 30, 2001.

Recent Accounting Pronouncements

In June 2001, the Financial Accounting Standards Board (FASB) issued SFAS No. 141, "Business Combinations." Statement No. 141 addresses financial accounting and reporting for business combinations and supersedes Accounting Principle Board ("APB") Opinion No. 16, "Business Combinations" and FASB Statement No. 38, "Accounting for Preacquisition Contingencies of Purchased Enterprises." Statement No. 141 is effective for all business combinations initiated after June 30, 2001 and eliminates the pooling-of-interest method of accounting for business combinations except for qualifying business combinations that were initiated prior to July 1, 2001. Statement No. 141 also changes the criteria to recognize intangible assets apart from goodwill. The Company adopted this Statement on July 1, 2001. The Company has historically used the purchase method to account for all business combinations and adoption of this Statement did not have a material impact on the Company's financial position, cash flows or results of operations.

In June 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets." See Note 3 for a discussion of Statement No. 142.

In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations" that applies to legal obligations associated with the retirement of a tangible long-lived asset that results from the acquisition, construction, development and/or the normal operation of a long-lived asset. Under this standard, guidance is provided on measuring and recording the liability. Adoption of this Statement by the Company will be effective on March 1, 2003. The Company does not believe that the adoption of this Statement will materially impact the Company's financial position, cash flows or results of operations.

Effective March 1, 2002, the Company adopted SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. While SFAS No. 144 supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of," it removes certain assets such as deferred tax assets, goodwill and intangible assets not being amortized from its scope and retains the requirements of SFAS No. 121 regarding the recognition of impairment losses on other long-lived assets held for use. SFAS No. 144 also supersedes the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring events and Transactions" for the disposal of a segment of a business. However, SFAS No. 144 retains the requirement in Opinion No. 30 to report separately discontinued operations and extends that reporting to a component of an entity that either has been disposed of (by sale, abandonment, or in a distribution to owners) or is classified as held for sale. The adoption of this statement did not have a material impact on the Company's financial position, cash flows or results of operations.

In April 2002, the FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections". Statement No. 145 rescinds FASB Statement No. 4, "Reporting Gains and Losses from Extinguishment of Debt", and an amendment of that Statement, and FASB Statement No. 64, "Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements". Statement No. 145 also rescinds FASB Statement No. 44, "Accounting for Leases", to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. Statement No. 145 also amends other existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. Adoption of this Statement by the Company will be effective on March 1, 2003. Upon adoption of this statement, the Company believes future write-offs of deferred debt fees resulting from extinguishments of debt will be recorded as interest expense and not as an extraordinary charge.

In June 2002, the FASB issued SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities." Statement No. 146 supersedes Emerging Issues Task Force Issue No. 94-3. Statement No. 146 requires that the liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred, not at the date of an entity's commitment to an exit or disposal plan. The provisions of Statement No. 146 are effective for exit or disposal activities initiated after December 31, 2002. The Company does not anticipate that the adoption of Statement No. 146 will have a material impact on its consolidated financial position, results of operations or cash flows.

In December 2002, the FASB issued FASB No. 148, "Accounting for Stock-Based Compensation – Transition and Disclosure." Statement No. 148 amends FASB Statement No. 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition to Statement No. 123's fair value method of accounting for stock-based employee compensation. Statement No. 148 also amends the disclosure provisions of Statement No. 123 and APB Opinion No. 28, "Interim Financial Reporting," to require disclosure in the summary of significant accounting policies of the effects of an entity's accounting policy with respect to stock-based employee compensation on reported net income and earnings per share in annual and interim financial statements. Adoption of this statement by the Company will be effective March 1, 2003. The Company does not anticipate that the adoption of Statement No. 148 will have a material impact on its consolidated financial position, results of operations or cash flows.

Note 3. Intangible Assets and Goodwill

Effective March 1, 2002, the Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets," which requires the Company to cease amortizing goodwill and certain intangibles. Instead, these assets will be reviewed at least annually for impairment, and will be written down and charged to results of operations in periods in which the recorded value of goodwill and certain intangibles is more than its fair value. On February 28, 2002, prior to the adoption of SFAS No. 142, the Company reflected unamortized goodwill and unamortized FCC licenses in the amounts of $175.1 million and $1,743.2 million, respectively. FCC licenses are renewed every eight years for a nominal amount and historically all of our FCC licenses have been renewed at the end of their respective eight-year periods. Since we expect that all of our FCC licenses will continue to be renewed in the future, we believe they have indefinite lives. The Company had previously amortized these assets over the maximum period allowed of 40 years. Adoption of this accounting standard eliminated the Company's amortization expense for goodwill and FCC licenses. For comparison purposes, for the three and nine months ended November 30, 2001, the Company recorded amortization expense for goodwill and FCC licenses of $15.3 million and $45.5 million, respectively.

The following unaudited pro forma summary presents the Company's estimate of the effect of the adoption of Statement No. 142 as of the beginning of the periods presented. Reported income (loss) before extraordinary loss and accounting change and reported net loss available to common shareholder are adjusted to eliminate the amortization expense recognized in those periods related to goodwill and FCC licenses as these assets are not amortized under this new accounting standard.

EMMIS

(Dollars in thousands, except per share data)	Three months ended November 30, 2001	Three months ended November 30, 2002	Nine months ended November 30, 2001	Nine months ended November 30, 2002
Reported income (loss) before extraordinary loss and accounting change	$ (11,698)	$ 10,814	$ (31,245)	$ 19,201
Add back: amortization of goodwill, net of tax provision of $898 and $2,193 for the three and nine months ended November 30, 2001	1,174	-	3,579	-
Add back: amortization of FCC licenses, net of tax provision of $5,873 and $15,087 for the three and nine months ended November 30, 2001	7,505	-	24,616	-
Adjusted income (loss) before extraordinary loss and accounting change	$ (3,019)	$ 10,814	$ (3,050)	$ 19,201
Reported net income (loss) available to common shareholders	$ (13,944)	$ 8,568	$ (39,067)	$ (166,054)
Add back: amortization of goodwill, net of tax provision of $898 and $2,193 for the three and nine months ended November 30, 2001	1,174	-	3,579	-
Add back: amortization of FCC licenses, net of tax provision of $5,873 and $15,087 for the three and nine months ended November 30, 2001	7,505	-	24,616	-
Adjusted net income (loss) available to common shareholders	$ (5,265)	$ 8,568	$ (10,872)	$ (166,054)
Basic net loss available to common shareholders:				
Reported net income (loss) available to common shareholders	$ (0.29)	$ 0.16	$ (0.83)	$ (3.13)
Amortization of goodwill, net of taxes	0.02	-	0.08	-
Amortization of FCC licenses, net of taxes	0.16	-	0.52	-
Adjusted net income (loss) available to common shareholders	$ (0.11)	$ 0.16	$ (0.23)	$ (3.13)
Diluted net loss available to common shareholders:				
Reported net income (loss) available to common shareholders	$ (0.29)	$ 0.16	$ (0.83)	$ (3.12)
Amortization of goodwill, net of taxes	0.02	-	0.08	-
Amortization of FCC licenses, net of taxes	0.16	-	0.52	-
Adjusted net income (loss) available to common shareholders	$ (0.11)	$ 0.16	$ (0.23)	$ (3.12)
Basic Shares	47,415	53,358	47,322	53,019
Diluted Shares	47,415	53,507	47,322	53,280

EOC

(Dollars in thousands)	Three months ended November 30, 2001	Three months ended November 30, 2002	Nine months ended November 30, 2001	Nine months ended November 30, 2002
Reported income (loss) before extraordinary loss and accounting change	$ (7,268)	$ 14,772	$ (20,209)	$ 32,538
Add back: amortization of goodwill, net of tax provision of $898 and $2,193 for the three and nine months ended November 30, 2001	1,174	-	3,579	-
Add back: amortization of FCC licenses, net of tax provision of $5,873 and $15,087 for the three and nine months ended November 30, 2001	7,505	-	24,616	-
Adjusted income before extraordinary loss and accounting change	$ 1,411	$ 14,772	$ 7,986	$ 32,538
Reported net income (loss)	$ (7,268)	$ 14,772	$ (21,293)	$ (137,751)
Add back: amortization of goodwill, net of tax provision of $898 and $2,193 for the three and nine months ended November 30, 2001	1,174	-	3,579	-
Add back: amortization of FCC licenses, net of tax provision of $5,873 and $15,087 for the three and nine months ended November 30, 2001	7,505	-	24,616	-
Adjusted net income (loss)	$ 1,411	$ 14,772	$ 6,902	$ (137,751)

Because EOC is a wholly-owned subsidiary of Emmis, per share data is excluded.

Indefinite-lived Intangibles

Under the guidance in Statement No. 142, the Company's FCC licenses are considered indefinite-lived intangibles. These assets, which the Company determined were its only indefinite-lived intangibles, are not subject to amortization, but will be tested for impairment at least annually. As of November 30, 2002 and February 28, 2002 (prior to the adoption of SFAS No. 142), the carrying amounts of the Company's FCC licenses were $1,509.0 million and $1,743.2 million, respectively.

In accordance with Statement No. 142, the Company tested these indefinite-lived intangible assets for impairment as of March 1, 2002 by comparing their fair value to their carrying value at that date. The Company recognized impairment on its FCC licenses of approximately $145.0 million, net of $88.8 million in tax benefit, which is recorded as a component of the cumulative effect of accounting change during the three months ended May 31, 2002. Approximately $14.8 million of the charge, net of tax, related to our radio segment and $130.2 million of the charge, net of tax, related to our television segment. The fair value of our FCC licenses used to calculate the impairment charge was determined by management, using an enterprise valuation approach. Enterprise value was determined by applying an estimated market multiple to the broadcast cash flow generated by each reporting unit. Market multiples were determined based on information available regarding publicly traded peer companies, recently completed or contemplated transactions within the industry, and reporting units' competitive position in their respective markets. Appropriate allocation was made to the tangible assets with the residual amount representing the estimated fair value of our indefinite lived intangible assets and goodwill. To the extent the carrying amount of the indefinite-lived intangible exceeded its fair value, the difference was recorded in the statement of operations, as described above. In the case of radio, the Company determined the reporting unit to be all of our stations in a local market, and in the case of television and publishing, the Company determined the reporting unit to be each individual station or magazine. Throughout our fiscal 2002, unfavorable economic conditions persisted in the industries in which the Company engages. These conditions caused customers to reduce the amount of advertising dollars spent on the Company's media inventory as compared to prior periods, adversely impacting the cash flow projections used to determine the fair value of each reporting unit and public trading multiples of media stocks, resulting in the write-off of a portion of the carrying amount of our FCC licenses. The required impairment tests may result in future periodic write-downs.

Goodwill

Statement No. 142 requires the Company to test goodwill for impairment at least annually using a two-step process. The first step is a screen for potential impairment, while the second step measures the amount of impairment. The Company completed the two-step impairment test during the quarter ended May 31, 2002. As a result of this test, the Company recognized impairment of approximately $22.4 million, net of $13.8 million in tax benefit, as a component of the cumulative effect of an accounting change during the three months ended May 31, 2002. Approximately $18.5 million of the charge, net of tax, related to our television segment and $3.9 million of the charge, net of tax, related to our publishing segment. Consistent with the Company's approach to determining the fair value of our FCC licenses, the enterprise valuation approach was used to determine the fair value of each of the Company's reporting units, and a portion of the carrying value of our goodwill was written-off due to reductions in cash flow and public trading multiples of media stocks resulting from the unfavorable economic conditions that reduced advertising expenditures throughout our fiscal 2002. As of November 30, 2002 and February 28, 2002 (prior to the adoption of SFAS No. 142), the carrying amount of the Company's goodwill was $139.0 million and $175.1 million, respectively. The required impairment tests may result in future periodic write-downs.

Definite-lived intangibles

The Company has definite-lived intangible assets recorded that continue to be amortized in accordance with Statement No. 142. These assets consist primarily of foreign broadcasting licenses, subscription lists, lease rights, customer lists and non-compete agreements, all of which are amortized over the period of time the assets are expected to contribute directly or indirectly to the Company's future cash flows. In accordance with the transitional requirements of Statement No. 142, the Company reassessed the useful lives of these intangibles and determined that no changes to their useful lives were necessary. The following table presents the gross carrying amount and accumulated amortization for each major class of definite-lived intangible asset at February 28, 2002 and November 30, 2002 (dollars in thousands):

	February 28, 2002			November 30, 2002		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Foreign Broadcasting Licenses	$ 22,542	$ 8,694	$ 13,848	$ 18,731	$ 10,229	$ 8,502
Subscription Lists	12,189	11,077	1,112	12,189	11,968	221
Lease Rights	11,502	407	11,095	11,502	623	10,879
Customer Lists	7,371	1,734	5,637	7,371	3,686	3,685
Non-Compete Agreements	5,738	5,561	177	5,738	5,590	148
Other	4,335	1,240	3,095	4,211	1,424	2,787
TOTAL	$ 63,677	$ 28,713	$ 34,964	$ 59,742	$ 33,520	$ 26,222

Total amortization expense from definite-lived intangibles for the three and nine months ended November 30, 2002 was $1.8 million and $5.3 million, respectively, and for the year ended February 28, 2002 was $7.6 million. Foreign currency exchange rate differences reduced the carrying value of the foreign broadcasting licenses and related accumulated amortization as of November 30, 2002 by $3.8 million and $0.4 million, respectively. The following table presents the Company's estimate of amortization expense for each of the five succeeding fiscal years for definite-lived intangibles recorded on our books as of February 28, 2002 (dollars in thousands):

FISCAL YEAR ENDED FEBRUARY,		
2003	$	4,454
2004		3,434
2005		1,862
2006		903
2007		873

Note 4. Significant Events

Equity Issuance

In April 2002, ECC completed the sale of 4.6 million shares of its Class A common stock at $26.80 per share resulting in total proceeds of $123.3 million. The net proceeds of $120.2 million were contributed to EOC and 50% of the net proceeds were used in April 2002 to repay outstanding obligations under our credit facility. The remainder was invested, and in July 2002 distributed to ECC and used to redeem approximately 22.6% of ECC's outstanding 12 ½% senior discount notes (see below).

In addition, during the three months ended May 31, 2002, 300,000 shares of Class B common stock were converted to Class A shares.

Dispositions

Effective May 1, 2002 Emmis completed the sale of substantially all of the assets of KALC-FM in Denver, Colorado to Entercom Communications Corp. for $88.0 million. Proceeds from the sale were used to repay outstanding term loans under our credit facility. In connection with the sale, Emmis recorded a loss on sale of assets of $1.3 million. On February 12, 2002, Emmis entered into a definitive agreement to sell KALC-FM to Entercom and Entercom began operating KALC-FM under a time brokerage agreement on March 16, 2002. Entercom paid Emmis approximately $0.5 million under the time brokerage agreement, which is included in net revenues in the accompanying condensed consolidated statements of operations. The assets of KALC-FM were reflected as held for sale in the accompanying condensed consolidated balance sheets as of February 28, 2002. The $87.7 million of credit facility debt repaid with the net proceeds of the sale was reflected as a current liability in the accompanying condensed consolidated balance sheets as of February 28, 2002.

Effective May 1, 2002 Emmis completed the sale of substantially all of the assets of KXPK-FM in Denver, Colorado to Entravision Communications Corporation for $47.5 million. Proceeds were used to repay outstanding term loans under our credit facility. In connection with the sale, Emmis recorded a gain on sale of assets of $10.2 million. Emmis entered into a definitive agreement to sell KXPK-FM to Entravision on February 12, 2002. The assets of KXPK-FM were reflected as held for sale in the accompanying condensed consolidated balance sheets as of February 28, 2002. The $47.3 million of credit facility debt repaid with the net proceeds of the sale was reflected as a current liability in the accompanying condensed consolidated balance sheets as of February 28, 2002.

Credit Facility Amendment

On June 21, 2002, EOC amended its credit facility to (1) issue a $500.0 million new Term B Loan which was used to repay amounts outstanding under the existing $552.1 million Term B loan, (2) reset financial covenants for the remaining term of the credit facility, and (3) permit EOC to make a one time cash distribution to ECC for the purpose of redeeming a portion of its 12 ½% senior discount notes.

The existing Term B Loan was repaid, in full, with the proceeds from the new Term B Loan and borrowings under the credit facility's revolving line of credit (Revolver). The new Term B Loan has the same terms as the existing Term B loan except that the applicable margin over the Eurodollar Rate Loan decreased from a maximum of 3.5% to a maximum of 2.5%. In connection with the repayment of the existing Term B Loan, the Company recorded a $0.5 million extraordinary charge, net of taxes of $0.3 million, relating to the write off of deferred debt fees.

The amendment also decreased the total and senior leverage ratios (debt divided by pro forma EBITDA, as defined in the credit agreement) during the initial periods subsequent to the amendment and increased the total and senior leverage ratios in future periods. The interest coverage ratio requirement increased immediately following the effective date of the amendment but decreased in future periods, as compared to the previous requirements. The pro forma fixed charge coverage ratio requirement increased for the term of the credit facility. These changes to the financial covenants are applicable to the Revolver, Term A Loan and new Term B Loan.

Discount Notes Redemption

On July 1, 2002, ECC redeemed approximately 22.6% of its $370.0 million, face value, 12 ½% Senior Discount Notes due 2011. Approximately $60.1 million of the proceeds from the Company's April 2002 equity offering were used to repay approximately $53.4 million of the carrying value of the discount notes at July 1, 2002 and pay approximately $6.7 million for a redemption premium. The redemption premium and approximately $1.6 million of deferred debt fees related to the discount notes, net of taxes of $0.8 million, were recorded as an extraordinary charge in our quarter ended August 31, 2002 in the accompanying condensed consolidated statements of operations.

Discontinuation of LMIV

In the quarter ended August 31, 2002, the Company and other partners in the local media internet venture (LMIV) agreed to dissolve the joint venture. Consequently, in addition to recording our share of LMIV's losses for the quarter, the Company recorded a $2.1 million charge to write off our investment in LMIV. This charge is reflected in loss from unconsolidated affiliates in the accompanying condensed consolidated statements of operations. The Company will continue an internet presence independent of LMIV.

Acquisition of WBPG-TV

On November 13, 2002, Emmis entered into a definitive agreement with Pegasus Broadcast Television, Inc. to purchase substantially all of the assets of WBPG-TV, the WB affiliate in the Mobile, AL – Pensacola, FL market for $11.5 million. The acquisition will be accounted for as a purchase and is subject to obtaining various regulatory and other approvals prior to closing. We currently operate the Fox affiliate in this market.

Lease Agreements

During the quarter ended November 30, 2002, the Company commenced payments under a new operating lease for its studio facilities in Los Angeles and under a new operating lease for a Company airplane. Required future minimum lease payments under these new leases will total $6.9 million over the next five years, including $1.4 million in fiscal 2004.

Note 5. Comprehensive Income (Loss)

Emmis

Comprehensive income (loss) was comprised of the following for the three and nine month periods ended November 30, 2001 and 2002 (dollars in thousands):

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2001	2002	2001	2002
Net income (loss)	$ (11,698)	$ 10,814	$ (32,329)	$ (159,316)
Translation adjustment	(235)	397	(223)	(8,122)
Change in fair value of derivative instruments, net of associated tax benefit	(4,293)	1,447	(6,216)	1,414
Total comprehensive income (loss)	$ (16,226)	$ 12,658	$ (38,768)	$ (166,024)

The majority of the translation adjustment for the nine months ended November 30, 2002 relates to the foreign currency devaluation in Argentina, where we have a 75% ownership interest in two radio stations.

EOC

Comprehensive income (loss) was comprised of the following for the three and nine month periods ended November 30, 2001 and 2002 (dollars in thousands):

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2001	2002	2001	2002
Net income (loss)	$ (7,268)	$ 14,772	$ (21,293)	$ (137,751)
Translation adjustment	(235)	397	(223)	(8,122)
Change in fair value of derivative instruments, net of associated tax benefit	(4,293)	1,447	(6,216)	1,414
Total comprehensive income (loss)	$ (11,796)	$ 16,616	$ (27,732)	$ (144,459)

The majority of the translation adjustment for the nine months ended November 30, 2002 relates to the foreign currency devaluation in Argentina, where we have a 75% ownership interest in two radio stations.

Note 6. Segment Information

The Company's operations are aligned into three business segments: Radio, Television, and Publishing and Other. These business segments are consistent with the Company's management of these businesses and its financial reporting structure. Corporate represents expense not allocated to reportable segments.

The Company's segments operate primarily in the United States with one radio station located in Hungary and two radio stations located in Argentina. Total revenues of the radio station in Hungary for the three months ended November 30, 2001 and 2002 were $1.9 million and $2.0 million, respectively, and total revenues for the nine months ended November 30, 2001 and 2002 were $5.0 million and $6.4 million, respectively. The carrying value of long lived assets of this radio station as of November 30, 2001 and 2002 was $7.9 million and $5.7 million, respectively. Total revenues of our two radio stations in Buenos Aires, Argentina for the three months ended November 30, 2001 and 2002 were $2.5 million and $0.7 million, respectively, and total revenues for the nine months ended November 30, 2001 and 2002 were $6.8 million and $1.6 million, respectively. The carrying value of long lived assets of these radio stations as of November 30, 2001 and 2002 was $17.9 million and $4.4 million, respectively.

The Company evaluates performance of its operating entities based on broadcast cash flow (BCF) and publishing cash flow (PCF). Management believes that BCF and PCF are useful because they provide a meaningful comparison of operating performance between companies in the industry and serve as an indicator of the market value of a group of stations or publishing entities. BCF and PCF are generally recognized by the broadcast and publishing industries as a measure of performance and are used by analysts who report on the performance of broadcasting and publishing groups. BCF and PCF do not take into account Emmis' debt service requirements and other commitments and, accordingly, BCF and PCF are not necessarily indicative of amounts that may be available for dividends, reinvestment in Emmis' business or other discretionary uses.

BCF and PCF are not measures of liquidity or of performance in accordance with accounting principles generally accepted in the United States, and should be viewed as a supplement to, and not a substitute for, our results of operations presented on the basis of accounting principles generally accepted in the United States. Moreover, BCF and PCF are not standardized measures and may be calculated in a number of ways. Thus, our calculation of these non-GAAP measures may not be comparable to such non-GAAP measures calculated by other companies. Emmis defines BCF and PCF as revenues net of agency commissions and station operating expenses, excluding noncash compensation. The primary source of broadcast advertising revenues is the sale of advertising time to local and national advertisers. Publishing entities derive revenue from subscriptions, newsstand sales and the sale of print advertising.

The most significant station operating expenses, excluding noncash compensation are employee salaries and commissions, costs associated with programming, advertising and promotion, costs associated with producing a magazine, and station general and administrative costs.

The accounting policies as described in the summary of significant accounting policies included in the Company's Annual Report filed on Form 10-K for the year ended February 28, 2002 and in Note 2 to these condensed consolidated financial statements, are applied consistently across segments.

Unless otherwise noted, all information pertaining to segments applies to Emmis and EOC.

Three Months Ended November 30, 2002	Radio	Television	Publishing and Other	Corporate	Consolidated
	(Unaudited, dollars in thousands)				
Net revenues	65,710	69,910	19,924	-	$ 155,544
Station operating expenses, excluding noncash compensation	34,285	37,752	15,744	-	87,781
Broadcast/publishing cash flow	31,425	32,158	4,180	-	67,763
Corporate expenses, excluding noncash compensation	-	-	-	5,571	5,571
Noncash compensation	-	-	-	6,470	6,470
Depreciation and amortization (See Note 3)	1,989	7,141	448	1,160	10,738
Operating income (loss)	$ 29,436	$ 25,017	$ 3,732	$ (13,201)	$ 44,984
Total assets	$ 897,797	$ 1,060,321	$ 81,385	$ 95,274	$ 2,134,777

With respect to EOC, the above information would be identical, except corporate total assets would be $87,513 and consolidated total assets would be $2,127,016.

Three Months Ended November 30, 2001	Radio	Television	Publishing and Other	Corporate	Consolidated
	(Unaudited, dollars in thousands)				
Net revenues	$ 66,623	$ 52,556	$ 19,110	$ -	$ 138,289
Station operating expenses, excluding noncash compensation	36,376	35,959	16,282	-	88,617
Broadcast/publishing cash flow	30,247	16,597	2,828	-	49,672
Corporate expenses, excluding noncash compensation	-	-	-	5,354	5,354
Noncash compensation	-	-	-	1,559	1,559
Depreciation and amortization (See Note 3)	8,642	13,941	2,111	1,241	25,935
Operating income (loss)	$ 21,605	$ 2,656	$ 717	$ (8,154)	$ 16,824
Total assets	$ 1,078,366	$ 1,305,392	$ 90,764	$ 106,221	$ 2,580,743

With respect to EOC, the above information would be identical, except corporate total assets would be $94,987 and consolidated total assets would be $2,569,509.

Nine Months Ended November 30, 2002	Radio	Television	Publishing and Other	Corporate	Consolidated
			(Unaudited, dollars in thousands)		
Net revenues	$ 198,324	$ 182,493	$ 54,755	$ -	$ 435,572
Station operating expenses, excluding noncash compensation	103,793	109,816	46,467	-	260,076
Broadcast/publishing cash flow	94,531	72,677	8,288	-	175,496
Corporate expenes, excluding noncash compensation	-	-	-	15,750	15,750
Noncash compensation	-	-	-	17,600	17,600
Depreciation and amortization (See Note 3)	6,012	21,120	1,497	3,461	32,090
Operating income (loss)	$ 88,519	$ 51,557	$ 6,791	$ (36,811)	$ 110,056
Total assets	$ 897,797	$ 1,060,321	$ 81,385	$ 95,274	$ 2,134,777

With respect to EOC, the above information would be identical, except corporate total assets would be $87,513 and consolidated total assets would be $2,127,016.

Nine Months Ended November 30, 2001	Radio	Television	Publishing and Other	Corporate	Consolidated
			(Unaudited, dollars in thousands)		
Net revenues	$ 206,868	$ 159,417	$ 54,904	$ -	$ 421,189
Station operating expenses, excluding noncash compensation	111,223	105,834	49,045	-	266,102
Broadcast/publishing cash flow	95,645	53,583	5,859	-	155,087
Time brokerage fees	479	-	-	-	479
Corporate expenses, excluding noncash compensation	-	-	-	14,879	14,879
Noncash compensation	-	-	-	5,890	5,890
Depreciation and amortization (See Note 3)	25,097	40,200	6,360	3,500	75,157
Restructuring fees and other	-	-	-	768	768
Operating income (loss)	$ 70,069	$ 13,383	$ (501)	$ (25,037)	$ 57,914
Total assets	$ 1,078,366	$ 1,305,392	$ 90,764	$ 106,221	$ 2,580,743

With respect to EOC, the above information would be identical, except corporate total assets would be $94,987 and consolidated total assets would be $2,569,509.

Note 7. Financial Information for Subsidiary Guarantors and Subsidiary Non-Guarantors of Emmis Operating Company

The 8 1/8% senior subordinated notes of EOC are fully and unconditionally guaranteed, jointly and severally, by certain direct and indirect subsidiaries of EOC (the “Subsidiary Guarantors”). As of February 28, 2002 and November 30, 2002, subsidiaries holding EOC’s interest in its radio stations in Hungary and Argentina, as well as certain other subsidiaries (such as those conducting joint ventures with third parties), did not guarantee the senior subordinated notes (the “Subsidiary Non-Guarantors”). The claims of creditors of the Subsidiary Non-Guarantors have priority over the rights of EOC to receive dividends or distributions from such subsidiaries.

Presented below is condensed consolidating financial information for the EOC Parent Company Only, the Subsidiary Guarantors and the Subsidiary Non-Guarantors as of February 28, 2002 and November 30, 2002 and for the three and nine months ended November 30, 2001 and 2002. EOC uses the equity method with respect to investments in subsidiaries.

Emmis Operating Company
As of November 30, 2002
Condensed Consolidating Balance Sheet
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
CURRENT ASSETS:					
Cash and cash equivalents	$ 1,110	$ 4,990	$ 2,155	$ -	$ 8,255
Accounts receivable, net	-	110,854	3,257	-	114,111
Prepaid expenses	1,731	15,899	168	-	17,798
Income tax refund receivable	11,095	-	-	-	11,095
Other	25	26,412	30	-	26,467
Assets held for sale	-	-	-	-	-
Total current assets	13,961	158,155	5,610	-	177,726
Property and equipment, net	34,984	189,064	1,322	-	225,370
Intangible assets, net	3,686	1,662,039	8,502	-	1,674,227
Investment in affiliates	1,894,247	-	-	(1,894,247)	-
Other assets, net	40,021	14,617	261	(5,206)	49,693
Total assets	$ 1,986,899	$ 2,023,875	$ 15,695	$ (1,899,453)	$ 2,127,016
CURRENT LIABILITIES:					
Accounts payable	$ 14,050	$ 18,513	$ 7,057	$ -	$ 39,620
Current maturities of other long-term debt	34	3	16,780	(2,215)	14,602
Current portion of TV program rights payable	-	30,085	-	-	30,085
Accrued salaries and commissions	1,115	7,570	194	-	8,879
Accrued interest	6,619	-	-	-	6,619
Deferred revenue	-	15,990	-	-	15,990
Other	4,197	3,244	-	-	7,441
Credit facility debt to be repaid with assets held for sale	-	-	-	-	-
Liabilities associated with assets held for sale	-	-	-	-	-
Total current liabilities	26,015	75,405	24,031	(2,215)	123,236
Long-term debt, net of current maturities	1,026,898				1,026,898
Other long-term debt, net of current maturities	41	213	5,543	(2,991)	2,806
TV program rights payable, net of current portion	-	35,945	-	-	35,945
Other noncurrent liabilities	16,050	4,186	-	-	20,236
Deferred income taxes	38,565	-	-	-	38,565
Total liabilities	1,107,569	115,749	29,574	(5,206)	1,247,686
Shareholder's equity					
Common stock	1,027,221	-	-	-	1,027,221
Additional paid-in capital	94,168	-	4,393	(4,393)	94,168
Subsidiary investment	-	1,587,533	20,671	(1,608,204)	-
Retained earnings/(accumulated deficit)	(222,966)	320,593	(23,920)	(296,673)	(222,966)
Accumulated other comprehensive loss	(19,093)	-	(15,023)	15,023	(19,093)
Total shareholder's equity	879,330	1,908,126	(13,879)	(1,894,247)	879,330
Total liabilities and shareholder's equity	$ 1,986,899	$ 2,023,875	$ 15,695	$ (1,899,453)	$ 2,127,016

Emmis Operating Company
Condensed Consolidating Balance Sheet
As of February 28, 2002
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
CURRENT ASSETS:					
Cash and cash equivalents	$ -	$ 4,970	$ 1,392	$ -	$ 6,362
Accounts receivable, net	-	91,244	3,996	-	95,240
Prepaid expenses	612	14,049	186	-	14,847
Income tax refund receivable	-	-	-	-	-
Other	271	23,312	74	-	23,657
Assets held for sale	-	123,416	-	-	123,416
Total current assets	883	256,991	5,648	-	263,522
Property and equipment, net	35,957	192,690	2,492	-	231,139
Intangible assets, net	5,637	1,933,846	13,848	-	1,953,331
Investment in affiliates	2,274,321	-	-	(2,274,321)	-
Other assets, net	43,428	12,655	527	(5,463)	51,147
Total assets	$ 2,360,226	$ 2,396,182	$ 22,515	$ (2,279,784)	$ 2,499,139
CURRENT LIABILITIES:					
Accounts payable	$ 15,646	$ 18,373	$ 4,976	$ -	$ 38,995
Current maturities of other long-term debt	34	10	10,722	(2,833)	7,933
Current portion of TV program rights payable	-	27,507	-	-	27,507
Accrued salaries and commissions	214	7,363	275	-	7,852
Accrued interest	14,047	-	21	-	14,068
Deferred revenue	-	16,392	-	-	16,392
Other	2,813	3,595	-	-	6,408
Credit facility debt to be repaid with assets held for sale	135,000	-	-	-	135,000
Liabilities associated with assets held for sale	-	63	-	-	63
Total current liabilities	167,754	73,303	15,994	(2,833)	254,218
Long-term debt, net of current maturities	1,117,000	-	-	-	1,117,000
Other long-term debt, net of current maturities	41	366	9,172	(2,630)	6,949
TV program rights payable, net of current portion	-	40,551	-	-	40,551
Other noncurrent liabilities	21,976	4,403	587	-	26,966
Deferred income taxes	108,988	-	-	-	108,988
Total liabilities	1,415,759	118,623	25,753	(5,463)	1,554,672
Shareholder's equity					
Common stock	1,027,221	-	-	-	1,027,221
Additional paid-in capital	8,108	-	4,393	(4,393)	8,108
Subsidiary investment	-	1,883,897	20,650	(1,904,547)	-
Retained earnings/(accumulated deficit)	(78,477)	393,662	(21,380)	(372,282)	(78,477)
Accumulated other comprehensive loss	(12,385)	-	(6,901)	6,901	(12,385)
Total shareholder's equity	944,467	2,277,559	(3,238)	(2,274,321)	944,467
Total liabilities and shareholder's equity	$ 2,360,226	$ 2,396,182	$ 22,515	$ (2,279,784)	$ 2,499,139

Emmis Operating Company
Condensed Consolidating Statement of Operations
For the Three Months Ended November 30, 2002
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
Net revenues	$ 67	$ 152,829	$ 2,648	$ -	$ 155,544
Operating expenses:					
Station operating expenses, excluding noncash compensation	(25)	85,401	2,405	-	87,781
Corporate expenses, excluding noncash compensation	5,571	-	-	-	5,571
Noncash compensation	4,852	1,618	-	-	6,470
Depreciation and amortization	1,160	8,843	735	-	10,738
Total operating expenses	11,558	95,862	3,140	-	110,560
Operating income (loss)	(11,491)	56,967	(492)	-	44,984
Other income (expense)					
Interest expense	(18,337)	(203)	(210)	161	(18,589)
Loss from unconsolidated affiliates	(3,702)	3,574	-	-	(128)
Other income (expense), net	198	214	(561)	(271)	(420)
Total other income (expense)	(21,841)	3,585	(771)	(110)	(19,137)
Income (loss) before income taxes, extraordinary loss and accounting change	(33,332)	60,552	(1,263)	(110)	25,847
Provision (benefit) for income taxes	(11,935)	23,010	-	-	11,075
Income (loss) before extraordinary loss and accounting change	(21,397)	37,542	(1,263)	(110)	14,772
Extraordinary loss, net of tax	-	-	-	-	-
Equity in earnings (loss) of subsidiaries	36,169	-	-	(36,169)	-
Net income (loss)	$ 14,772	$ 37,542	$ (1,263)	$ (36,279)	$ 14,772

Emmis Operating Company
Condensed Consolidating Statement of Operations
For the Three Months Ended November 30, 2001
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
Net revenues	$ 353	$ 133,552	$ 4,384	$ -	$ 138,289
Operating expenses:					
Station operating expenses, excluding noncash compensation	232	84,680	3,705	-	88,617
Corporate expenses, excluding noncash compensation	5,354	-	-	-	5,354
Noncash compensation	1,170	389	-	-	1,559
Depreciation and amortization	1,241	23,721	973	-	25,935
Total operating expenses	7,997	108,790	4,678	-	121,465
Operating income (loss)	(7,644)	24,762	(294)	-	16,824
Other income (expense)					
Interest expense	(24,765)	(36)	(609)	165	(25,245)
Loss from unconsolidated affiliates	-	(1,366)	-	-	(1,366)
Other income (expense), net	(2,468)	2,478	118	(145)	(17)
Total other income (expense)	(27,233)	1,076	(491)	20	(26,628)
Income (loss) before income taxes, extraordinary loss and accounting change	(34,877)	25,838	(785)	20	(9,804)
Provision (benefit) for income taxes	(12,298)	9,762	-	-	(2,536)
Income (loss) before extraordinary loss and accounting change	(22,579)	16,076	(785)	20	(7,268)
Extraordinary loss, net of tax	-	-	-	-	-
Equity in earnings (loss) of subsidiaries	15,311	-	-	(15,311)	-
Net income (loss)	$ (7,268)	$ 16,076	$ (785)	$ (15,291)	$ (7,268)

Emmis Operating Company
Condensed Consolidating Statement of Operations
For the Nine Months Ended November 30, 2002
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
Net revenues	$ 523	$ 427,052	$ 7,997	$ -	$ 435,572
Operating expenses:					
Station operating expenses, excluding noncash compensation	347	252,396	7,333	-	260,076
Corporate expenses, excluding noncash compensation	15,750	-	-	-	15,750
Noncash compensation	13,200	4,400	-	-	17,600
Depreciation and amortization	3,461	26,473	2,156	-	32,090
Total operating expenses	32,758	283,269	9,489	-	325,516
Operating income (loss)	(32,235)	143,783	(1,492)	-	110,056
Other income (expense)					
Interest expense	(59,720)	(656)	(983)	512	(60,847)
Loss from unconsolidated affiliates	(3,702)	(506)	-	-	(4,208)
Gain on sale of assets	-	8,900	-	-	8,900
Other income (expense), net	837	626	(65)	(526)	872
Total other income (expense)	(62,585)	8,364	(1,048)	(14)	(55,283)
Income (loss) before income taxes, extraordinary loss and accounting change	(94,820)	152,147	(2,540)	(14)	54,773
Provision (benefit) for income taxes	(35,581)	57,816	-	-	22,235
Income (loss) before extraordinary loss and accounting change	(59,239)	94,331	(2,540)	(14)	32,538
Extraordinary item, net of tax	(2,889)	-	-	-	(2,889)
Cumulative effect of accounting change, net of tax	(167,400)	(167,400)	-	167,400	(167,400)
Equity in earnings (loss) of subsidiaries	91,777	-	-	(91,777)	-
Net income (loss)	$ (137,751)	$ (73,069)	$ (2,540)	$ 75,609	$ (137,751)

Emmis Operating Company
Condensed Consolidating Statement of Operations
For the Nine Months Ended November 30, 2001
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
Net revenues	$ 1,455	$ 407,850	$ 11,884	$ -	$ 421,189
Operating expenses:					
Station operating expenses, excluding noncash compensation	948	254,600	10,554	-	266,102
Time brokerage fees	-	479	-	-	479
Corporate expenses, excluding noncash compensation	14,879	-	-	-	14,879
Noncash compensation	4,418	1,472	-	-	5,890
Depreciation and amortization	3,500	69,039	2,618	-	75,157
Restructuring fees and other	768	-	-	-	768
Total operating expenses	24,513	325,590	13,172	-	363,275
Operating income (loss)	(23,058)	82,260	(1,288)	-	57,914
Other income (expense)					
Interest expense	(79,247)	(181)	(2,200)	501	(81,127)
Loss from unconsolidated affiliates	-	(3,462)	-	-	(3,462)
Other income (expense), net	(1,251)	2,309	55	(369)	744
Total other income (expense)	(80,498)	(1,334)	(2,145)	132	(83,845)
Income (loss) before income taxes, extraordinary loss and accounting change	(103,556)	80,926	(3,433)	132	(25,931)
Provision (benefit) for income taxes	(36,223)	30,501	-	-	(5,722)
Income (loss) before extraordinary loss and accounting change	(67,333)	50,425	(3,433)	132	(20,209)
Extraordinary item, net of tax	(1,084)	-	-	-	(1,084)
Cumulative effect of accounting change, net of tax	-	-	-	-	-
Equity in earnings (loss) of subsidiaries	47,124	-	-	(47,124)	-
Net income (loss)	$ (21,293)	$ 50,425	$ (3,433)	$ (46,992)	$ (21,293)

Emmis Operating Company
Condensed Consolidating Statement of Cash Flows
For the Nine Months Ended November 30, 2002
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net income (loss)	$ (137,751)	$ (73,069)	$ (2,540)	$ 75,609	$ (137,751)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities -					
Cumulative effect of accounting change	167,400	167,400	-	(167,400)	167,400
Extraordinary item	2,889	-	-	-	2,889
Depreciation and amortization	5,863	42,000	2,157	-	50,020
Provision for bad debts	-	3,189	-	-	3,189
Provision (benefit) for deferred income taxes	22,235	-	-	-	22,235
Noncash compensation	13,200	4,400	-	-	17,600
Gain on sale of assets	-	(8,900)	-	-	(8,900)
Equity in earnings of subsidiaries	(91,777)	-	-	91,777	-
Other	(14)	-	(8,122)	14	(8,122)
Changes in assets and liabilities -					
Accounts receivable	-	(22,799)	739	-	(22,060)
Prepaid expenses and other current assets	(873)	(5,589)	62	-	(6,400)
Other assets	2,353	3,685	266	-	6,304
Accounts payable and accrued liabilities	(7,293)	(2,228)	1,979	-	(7,542)
Deferred liabilities	-	(402)	-	-	(402)
Other liabilities	(2,726)	(16,039)	(4,216)	-	(22,981)
Net cash provided (used) by investing activities	(26,494)	91,648	(9,675)	-	55,479
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases of property and equipment	(2,488)	(19,483)	936	-	(21,035)
Proceeds from sale of assets	-	135,500	-	-	135,500
Other	(1,087)	-	-	-	(1,087)
Net cash provided (used) by investing activities	(3,575)	116,017	936	-	113,378
CASH FLOWS FROM FINANCING ACTIVITIES:					
Payments on long-term debt	(238,102)	-	-	-	(238,102)
Proceeds from long-term debt	13,000	-	-	-	13,000
Intercompany	184,982	(133,592)	9,502	-	60,892
Debt related costs	(2,754)	-	-	-	(2,754)
Net cash provided (used) by investing activities	(42,874)	(133,592)	9,502	-	(166,964)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(72,943)	74,073	763	-	1,893
CASH AND CASH EQUIVALENTS:					
Beginning of period	-	4,970	1,392	-	6,362
End of period	$ (72,943)	$ 79,043	$ 2,155	$ -	$ 8,255

Emmis Operating Company
Condensed Consolidating Statement of Cash Flows
For the Nine Months Ended November 30, 2001
(Unaudited, dollars in thousands)

	Parent Company Only	Subsidiary Guarantors	Subsidiary Non-Guarantors	Eliminations and Consolidating Entries	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net income (loss)	$ (21,293)	$ 50,425	$ (3,433)	$ (46,992)	$ (21,293)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities -					
Extraordinary item	1,084	-	-	-	1,084
Depreciation and amortization	8,295	82,351	2,617	-	93,263
Provision for bad debts	-	2,782	-	-	2,782
Provision (benefit) for deferred income taxes	(5,722)	-	-	-	(5,722)
Noncash compensation	4,418	1,472	-	-	5,890
Equity in earnings of subsidiaries	(47,124)	-	-	47,124	-
Other	905	176	(223)	(132)	726
Changes in assets and liabilities -					
Accounts receivable	-	(18,108)	(164)	-	(18,272)
Prepaid expenses and other current assets	6,766	(3,083)	502	-	4,185
Other assets	(4,683)	(6,211)	-	-	(10,894)
Accounts payable and accrued liabilities	6,687	(14,967)	1,112	-	(7,168)
Deferred liabilities	-	(1,805)	-	-	(1,805)
Other liabilities	16,288	(19,268)	325	-	(2,655)
Net cash provided (used) by investing activities	(34,379)	73,764	736	-	40,121
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of property and equipment	(1,542)	(23,913)	(331)	-	(25,786)
Cash paid for acquisition	-	(140,746)	-	-	(140,746)
Other	(5,831)	-	-	-	(5,831)
Net cash provided (used) by investing activities	(7,373)	(164,659)	(331)	-	(172,363)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Payments on long-term debt	(113,000)	-	-	-	(113,000)
Proceeds from long-term debt	5,000	-	-	-	5,000
Intercompany	98,500	87,538	984	-	187,022
Debt related costs	(4,584)	-	-	-	(4,584)
Net cash provided (used) by investing activities	(14,084)	87,538	984	-	74,438
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(55,836)	(3,357)	1,389	-	(57,804)
CASH AND CASH EQUIVALENTS:					
Beginning of period	55,175	4,018	706	-	59,899
End of period	$ (661)	$ 661	$ 2,095	$ -	$ 2,095

Note 8. Regulatory and Other Matters

We acquired KGMB-TV in Honolulu, Hawaii as part of the Lee acquisition in October 2000. Because we already owned KHON-TV in Honolulu, and both KHON and KGMB were rated among the top four television stations in the Honolulu market, FCC regulations prohibited us from owning both stations. However, we received a temporary waiver from the FCC that has allowed us to operate both stations (and their related "satellite" stations). The FCC recently commenced an extensive review of its ownership rules, including the rule that prohibits our ownership of the two Hawaii stations, to determine whether the ownership restrictions continue to serve the public interest. We have requested a stay of divestiture until the FCC completes its review of the ownership rules and are currently awaiting the FCC's decision on our request. No assurances can be given that the FCC will grant us the stay of divestiture and we may need to sell one of the two stations in Hawaii.

FCC regulations require all commercial television stations in the United States to be currently broadcasting in digital format. Nine of our television stations are currently broadcasting in digital format and we requested waiver extensions until May 2003 for the remainder. Except for five of our satellite stations on which the FCC has not yet ruled, the FCC granted all of our waiver requests. We continue to work on the digital conversion for our stations and expect the conversion of all but the five satellite stations for which waivers have not been granted to be complete before the expiration of the FCC waivers. With respect to the five satellite stations, we continue to believe that the grant of waivers is appropriate because the delays are due to conditions largely beyond our control. However, no assurances can be given that such waivers will be granted. Based upon the FCC's treatment of certain broadcasters who were not granted extensions to the original May 2002 deadline, we believe that the FCC will issue a formal admonishment to any broadcaster whose waiver request is denied and may issue a monetary forfeiture if the station has not commenced digital broadcasting within six months of the date of the FCC's admonishment. We cannot predict the extent, if any, of the monetary fine, nor can we predict the other actions the FCC will take if the station does not commence digital broadcasts within six months after the date of the fine.

During the third quarter, Emmis and CBS revised and extended the affiliation agreements for all of our CBS-affiliated stations except our station in Terre Haute, which extends through December 31, 2005. The revised agreements will continue our affiliation with CBS through September 18, 2006. We are also engaged in discussions with NBC and Fox on the modification, renewal or extension of the affiliation agreements for our NBC and Fox affiliated stations. We expect that these affiliation agreements will be modified or extended on terms that will not have a material adverse effect on our results of operations.

The Company is a party to various legal proceedings arising in the ordinary course of business. In the opinion of management of the Company, however, there are no legal proceedings pending against the Company likely to have a material adverse effect on the Company.

Note 9. Subsequent Event

In December 2002, Emmis reached an agreement with the Hungarian broadcasting authority, the National Radio and Television Board (ORTT), that resolved pending legal issues and extended the national license for Slager, its subsidiary in Hungary, through 2009. Slager agreed to pay the fees due under the original broadcast contract in installments through November 2004, the date the contract was set to expire. The license has been extended an additional five years with payment terms more reflective of the current Hungarian advertising environment

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Note: Certain statements included in this report or in the financial statements contained herein which are not statements of historical fact, including but not limited to those identified with the words "expect," "will" or "look" are intended to be, and are, by this Note, identified as "forward-looking statements," as defined in the Securities and Exchange Act of 1934, as amended, and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future result, performance or achievement expressed or implied by such forward-looking statement. Such factors include, among others, general economic and business conditions; fluctuations in the demand for advertising and demand for different types of advertising media; our ability to service our outstanding debt; increased competition in our markets and the broadcasting industry; our ability to attract and secure programming, on-air talent, writers and photographers; inability to obtain necessary approvals for purchases or sale transactions or to complete the transactions; changes in the costs of programming; inability to grow through suitable acquisitions, including desired radio acquisitions; new or changing regulations of the Federal Communications Commission or other governmental agencies; competition from new or different technologies; war, terrorist acts or political instability; and other factors mentioned in other documents filed by the Company in other filings with the Securities and Exchange Commission. Emmis does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

General

The Company evaluates performance of its operating entities based on broadcast cash flow (BCF) and publishing cash flow (PCF). Management believes that BCF and PCF are useful because they provide a meaningful comparison of operating performance between companies in the industry and serve as an indicator of the market value of a group of stations or publishing entities. BCF and PCF are generally recognized by the broadcast and publishing industries as a measure of performance and are used by analysts who report on the performance of broadcasting and publishing groups.

BCF and PCF are not measures of liquidity or of performance in accordance with accounting principles generally accepted in the United States, and should be viewed as a supplement to, and not a substitute for, our results of operations presented on the basis of accounting principles generally accepted in the United States. Specifically, BCF and PCF do not take into account Emmis' debt service requirements and other commitments and, accordingly, BCF and PCF are not necessarily indicative of amounts that may be available for dividends, reinvestment in Emmis' business or other discretionary uses. Moreover, BCF and PCF are not standardized measures and may be calculated in a number of ways. Thus, our calculation of these non-GAAP measures may not be comparable to such non-GAAP measures calculated by other companies. Emmis defines BCF and PCF as revenues net of agency commissions and station operating expenses, excluding noncash compensation.

The primary source of broadcast advertising revenues is the sale of advertising time to local and national advertisers. Publishing entities derive revenue from subscriptions, newsstand sales and the sale of print advertising. Broadcasting revenue is recognized as advertisements are aired. Publication revenue is recognized in the month of delivery of the publication. The most significant station operating expenses are employee salaries and commissions, costs associated with programming, advertising and promotion, and station general and administrative costs.

The Company's results are subject to seasonal fluctuations. Therefore, results shown on a quarterly basis are not necessarily indicative of results for a full year.

Unless otherwise noted, all disclosures contained in the Management's Discussion and Analysis of Financial Condition and Results of Operations in this Form 10-Q apply to Emmis and EOC.

Critical Accounting Policies:

Critical accounting policies are defined as those that encompass significant judgments and uncertainties, and potentially derive materially different results under different assumptions and conditions. We believe that our critical accounting policies are those described below.

Impairment of Goodwill and Indefinite-lived Intangibles

The annual impairment tests for goodwill and indefinite-lived intangibles under SFAS No. 142 require us to make certain assumptions in determining fair value, including assumptions about the cash flow growth rates of our businesses. Additionally, the fair values are significantly impacted by macro-economic factors, including market multiples at the time the impairment tests are performed. Accordingly, we may incur additional impairment charges in future periods under SFAS No. 142 to the extent we do not achieve our expected cash flow growth rates, or to the extent that market values decrease.

Allocations for Purchased Assets

We typically engage an independent appraisal firm to value assets acquired in a material acquisition. We use the appraisal report to allocate the purchase price of the acquisition. To the extent that purchased assets are not allocated appropriately, depreciation and amortization expense could be misstated.

Allowance for Doubtful Accounts

Our allowance for doubtful accounts requires us to estimate losses resulting from our customers' inability to make payments. We specifically review historical write-off activity by market, large customer concentrations, and changes in our customer payment patterns when evaluating the adequacy of the allowance for doubtful accounts. If the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments, then additional allowances may be required.

Results of Operations for the Three and Nine Months Ended November 30, 2002 Compared to November 30, 2001

In April 2002, we sold 4.6 million shares of Class A common stock, raising $120.2 million in net proceeds. One half of the proceeds was used in April 2002 to repay outstanding indebtedness under our credit facility and the remaining half of the proceeds was used in July 2002 to redeem 22.6% of ECC's 12 ½% senior discount notes due 2011. In May 2002, we sold KALC-FM to Entercom Communications Corp. for $88.0 million and KXPK-FM to Entravision Communications Corporation for $47.5 million. The proceeds from the sales were used to repay outstanding term loans under our credit facility. These transactions impact the comparability of operating results period over period.

Summary of Segment Operating Results
(Dollars in thousands)

	Three Months Ended November 30, 2002	Three Months Ended November 30, 2001	Increase/ (Decrease)	Percentage Change
Radio net revenues	$ 65,710	$ 66,623	$ (913)	-1.4%
Television net revenues	69,910	52,556	17,354	33.0%
Publishing net revenues	19,924	19,110	814	4.3%
Total net revenues	155,544	138,289	17,255	12.5%
Radio station operating expenses, excluding noncash compensation	34,285	36,376	(2,091)	-5.7%
Television station operating expenses, excluding noncash compensation	37,752	35,959	1,793	5.0%
Publishing operating expenses, excluding noncash compensation	15,744	16,282	(538)	-3.3%
Total station operating expenses, excluding noncash compensation	87,781	88,617	(836)	-0.9%
Radio broadcast cash flow	31,425	30,247	1,178	3.9%
Television broadcast cash flow	32,158	16,597	15,561	93.8%
Publishing cash flow	4,180	2,828	1,352	47.8%
Total broadcast/publishing cash flow	67,763	49,672	18,091	36.4%
Radio broadcast cash flow margin	47.8%	45.4%		
Television broadcast cash flow margin	46.0%	31.6%		
Publishing cash flow margin	21.0%	14.8%		
Total broadcast/publishing cash flow margin	43.6%	35.9%		

Summary of Segment Operating Results
(Dollars in thousands)

	Nine Months Ended November 30, 2002	Nine Months Ended November 30, 2001	Increase/ (Decrease)	Percentage Change
Radio net revenues	$ 198,324	$ 206,868	$ (8,544)	-4.1%
Television net revenues	182,493	159,417	23,076	14.5%
Publishing net revenues	54,755	54,904	(149)	-0.3%
Total net revenues	435,572	421,189	14,383	3.4%
Radio station operating expenses, excluding noncash compensation	103,793	111,223	(7,430)	-6.7%
Television station operating expenses, excluding noncash compensation	109,816	105,834	3,982	3.8%
Publishing operating expenses, excluding noncash compensation	46,467	49,045	(2,578)	-5.3%
Total station operating expenses, excluding noncash compensation	260,076	266,102	(6,026)	-2.3%
Radio broadcast cash flow	94,531	95,645	(1,114)	-1.2%
Television broadcast cash flow	72,677	53,583	19,094	35.6%
Publishing cash flow	8,288	5,859	2,429	41.5%
Total broadcast/publishing cash flow	175,496	155,087	20,409	13.2%
Radio broadcast cash flow margin	47.7%	46.2%		
Television broadcast cash flow margin	39.8%	33.6%		
Publishing cash flow margin	15.1%	10.7%		
Total broadcast/publishing cash flow margin	40.3%	36.8%		

Net revenues:

Radio net revenues for the three months ended November 30, 2002 decreased $0.9 million, or 1.4%, and decreased $8.5 million, or 4.1% for the nine months ended November 30, 2002. On a pro forma basis (assuming the Denver radio asset sales had occurred on March 1, 2001), radio net revenues for the three months ended November 30, 2002 would have increased $2.1 million, or 3.3%, and decreased $0.3 million, or 0.1% for the nine months ended November 30, 2002. Radio net revenues were negatively impacted by the devaluation of the peso in Argentina, as international radio net revenues for the three months ended November 30, 2002 decreased $1.7 million, or 39.6%, and decreased $3.9 million, or 32.7% for the nine months ended November 30, 2002. Domestic radio net revenues were negatively impacted by a format change by one of our competitors in the New York market. The negative impact in our New York market, which represents approximately 30% of our radio net revenues, was offset by improved performance in our other markets.

Television net revenues for the three months ended November 30, 2002 increased $17.4 million, or 33.0% and increased $23.1 million, or 14.5% for the nine months ended November 30, 2002. This increase is due to our television stations selling a higher percentage of their inventory and charging higher rates due to ratings improvements, coupled with approximately $13.0 million and $17.3 million of political advertising net revenues in the three and nine months ended November 30, 2002, respectively.

Publishing revenues for the three months ended November 30, 2002 increased $0.8 million, or 4.3% and decreased $0.1 million, or 0.3% for the nine months ended November 30, 2002. Publishing revenues have been essentially flat for the year, as our publishing business has not seen the same level of recovery in advertisement spending that, in general, our radio and television businesses have experienced.

On a consolidated basis, net revenues for the three months ended November 30, 2002 increased $17.3 million, or 12.5%, and increased $14.4 million, or 3.4% for the nine months ended November 30, 2002 due to the effect of the items described above. On a pro forma basis, net revenues for the three months ended November 30, 2002 increased $20.3 million, or 15.0%, and increased $22.6 million, or 5.5% for the nine months ended November 30, 2002 due to the effect of the items described above.

Station operating expenses, excluding noncash compensation:

Radio station operating expenses, excluding noncash compensation, decreased $2.1 million, or 5.7% for the three months ended November 30, 2002, and decreased $7.4 million, or 6.7% for the nine months ended November 30, 2002. On a pro forma basis (assuming the Denver radio asset sales had occurred on March 1, 2001), radio station operating expenses, excluding noncash compensation, for the three and nine months ended November 30, 2002 would have increased $0.1 million, or 0.3% and decreased $1.7 million, or 1.6%, respectively. Increases in promotional spending for our radio stations were offset by the implementation of our stock compensation program in December 2001, whereby the salaries of our full-time employees were generally reduced by 10% and supplemented with a corresponding stock grant.

Television station operating expenses, excluding noncash compensation, for the three and nine months ended November 30, 2002 increased $1.8 million, or 5.0% and $4.0 million, or 3.8% respectively. This increase is due to higher programming, promotion and sales-related costs, partially offset by the impact of our stock compensation program.

Publishing operating expenses, excluding noncash compensation, decreased $0.5 million, or 3.3% for the three months ended November 30, 2002 and decreased $2.6 million, or 5.3% for the nine months ended November 30, 2002, due to cost control measures and our stock compensation program.

On a consolidated basis, station operating expenses, excluding noncash compensation, for three and nine months ended November 30, 2002 decreased $0.8 million, or 0.9%, and $6.0 million, or 2.3% respectively, due to the effect of the items described above. On a pro forma basis, station operating expenses, excluding noncash compensation, for three and nine months ended November 30, 2002 increased $1.4 million, or 1.6%, and decreased $0.3 million, or 0.1% respectively, due to the effect of the items described above.

Noncash compensation expenses:

Noncash compensation expenses for the three months ended November 30, 2002 were $6.5 million compared to $1.6 million for the same period of the prior year, an increase of $4.9 million or 315.0%. Noncash compensation expenses for the nine months ended November 30, 2002 were $17.6 million compared to $5.9 million for the same period of the prior year, an increase of $11.7 million or 198.8%. Noncash compensation includes compensation expense associated with restricted common stock issued under employment agreements, common stock contributed to the Company's Profit Sharing Plan, common stock issued to employees at our discretion and common stock issued to employees pursuant to our stock compensation program. Our stock compensation program increased our noncash compensation expense by approximately $5.1 million and $13.3 million for the three and nine months ended November 30, 2002, respectively. Our stock compensation program began December 2001; therefore, no expense related to this program was recorded in the three and nine month periods ended November 30, 2001.

Corporate expenses, excluding noncash compensation:

Corporate expenses, excluding noncash compensation, for the three months ended November 30, 2002 were $5.6 million compared to $5.4 million for the same period of the prior year, an increase of $0.2 million or 4.1%. Corporate expenses, excluding noncash compensation, for the nine months ended November 30, 2002 were $15.8 million compared to $14.9 million for the same period of the prior year, an increase of $0.9 million or 5.9%. These costs increased due to higher professional fees associated with financing and other transactions, health care costs and increases in training and personnel development, partially offset by benefits from our stock compensation program.

Depreciation and amortization:

Radio depreciation and amortization expense for the three months ended November 30, 2002 was $2.0 million compared to $8.6 million for the same period of the prior year, a decrease of $6.6 million or 77.0%. Radio depreciation and amortization expense for the nine months ended November 30, 2002 was $6.0 million compared to $25.1 million for the same period of the prior year, a decrease of $19.1 million or 76.0%. The decrease was mainly attributable to our adoption on March 1, 2002 of SFAS No. 142, "Goodwill and Other Intangible Assets," as described more fully in Note 3 to the condensed consolidated financial statements. Adoption of this accounting standard had the impact of eliminating our amortization expense for goodwill and FCC licenses. For comparison purposes, for the three and nine month periods ended November 30, 2001, we recorded radio amortization expense for goodwill and FCC licenses of $7.0 million and $20.5 million, respectively.

Television depreciation and amortization expense for the three months ended November 30, 2002 was $7.1 million compared to $13.9 million for the same period of the prior year, a decrease of $6.8 million or 48.8%. Television depreciation and amortization expense for the nine months ended November 30, 2002 was $21.1 million compared to $40.2 million for the same period of the prior year, a decrease of $19.1 million or 47.5%. The decrease was also mainly attributable to our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." For comparison purposes, for the three and nine month periods ended November 30, 2001, we recorded television amortization expense for goodwill and FCC licenses of $7.0 million and $21.0 million, respectively.

Publishing depreciation and amortization expense for the three months ended November 30, 2002 was $0.4 million compared to $2.1 million for the same period of the prior year, a decrease of $1.7 million or 78.8%. Publishing depreciation and amortization expense for the nine months ended November 30, 2002 was $1.5 million compared to $6.4 million for the same period of the prior year, a decrease of $4.9 million or 76.5%. The decrease was also mainly attributable to our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." For comparison purposes, for the three and nine month periods ended November 30, 2001, we recorded publishing amortization expense for goodwill of $1.3 million and $4.0 million, respectively.

On a consolidated basis, depreciation and amortization expense for the three months ended November 30, 2002 was $10.7 million compared to $25.9 million for the same period of the prior year, a decrease of $15.2 million or 58.6%. Depreciation and amortization expense for the nine months ended November 30, 2002 was $32.1 million compared to $75.2 million for the same period of the prior year, a decrease of $43.1 million or 57.3%. The decrease was also mainly attributable to our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." For comparison purposes, for the three and nine month periods ended November 30, 2001, we recorded amortization expense for goodwill and FCC licenses of $15.3 million and

$45.5 million, respectively.

Operating income:

Radio operating income for the three months ended November 30, 2002 was $29.4 million compared to $21.6 million for the same period of the prior year, an increase of $7.8 million or 36.2%. Radio operating income for the nine months ended November 30, 2002 was $88.5 million compared to $70.1 million for the same period of the prior year, an increase of $18.4 million or 26.3%. Substantially all of the increase was attributable to our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets," as described more fully in Note 3 to the condensed financial statements. Adoption of this accounting standard had the impact of eliminating our radio amortization expense for goodwill and FCC licenses, which totaled $7.0 million in the three months ended November 30, 2001 and $20.5 million in the nine months ended November 30, 2001.

Television operating income for the three months ended November 30, 2002 was $25.0 million compared to $2.7 million for the same period of the prior year, an increase of $22.3 million or 841.9%. Television operating income for the nine months ended November 30, 2002 was $51.6 million compared to $13.4 million for the same period of the prior year, an increase of $38.2 million or 285.2%. These increases were driven by higher revenues, as previously described, and our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." Adoption of this accounting standard had the impact of eliminating our television amortization expense for goodwill and FCC licenses, which totaled $7.0 million in the three months ended November 30, 2001 and $21.0 million in the nine months ended November 30, 2001.

Publishing operating income for the three months ended November 30, 2002 was $3.7 million compared to $0.7 million for the same period of the prior year, an increase of $3.0 million or 420.5% Publishing operating income for the nine months ended November 30, 2002 was $6.8 million compared to a loss of $0.5 million for the same period of the prior year, an increase of $7.3 million or 1,455.5%. The increase was primarily attributable to the implementation of our stock compensation program and our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." Adoption of this accounting standard had the impact of eliminating our publishing amortization expense for goodwill, which totaled $1.3 million in the three months ended November 30, 2001 and $4.0 million in the nine months ended November 30, 2001.

On a consolidated basis, operating income for the three months ended November 30, 2002 was $45.0 million compared to $16.8 million for the same period of the prior year, an increase of $28.2 million or 167.4%. Operating income for the nine months ended November 30, 2002 was $110.1 million compared to $57.9 million for the same period of the prior year, an increase of $52.2 million or 90.0%. These increases resulted from better operating performance at our stations, as described above, and our adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." Adoption of this accounting standard had the impact of eliminating our amortization expense for goodwill and FCC licenses, which totaled $15.3 million in the three months ended November 30, 2001 and $45.5 million in the nine months ended November 30, 2001.

Interest expense:

With respect to Emmis, interest expense for the three months ended November 30, 2002 was $24.5 million compared to $32.1 million for the same period of the prior year, a decrease of $7.6 million or 23.7%. Interest expense for the nine months ended November 30, 2002 was $80.6 million compared to $99.2 million for the same period of the prior year, a decrease of $18.6 million or 18.7%. This decrease is attributable to a decrease in the interest rates we pay on amounts outstanding under our credit facility, which is variable rate debt and repayments of amounts outstanding under our credit facility. The decreased interest rates reflected both a decrease in the base interest rate for our credit facility due to a lower overall interest rate environment, and a decrease in the margin applied to the base rate resulting from the June 2002 credit facility amendment.

In the quarter ended May 31, 2002, we repaid amounts outstanding under our credit facility with the proceeds of our Denver radio asset sales in May 2002 and a portion of the proceeds from our equity offering in April 2002, with the remaining portion being used to reduce amounts outstanding under our senior discount notes in the quarter ended November 30, 2002. With respect to EOC, interest expense for the three months ended November 30, 2002 was $18.6 million compared to $25.2 million for the same period of the prior year, a decrease of $6.6 million or 26.4%. Interest expense for the nine months ended November 30, 2002 was $60.8 million compared to $81.1 million for the same period of the prior year, a decrease of $20.3 million or 25.0%. This decrease is also primarily attributable to a decrease in the interest rates we pay on amounts outstanding under our credit facility, and repayments of amounts outstanding under our credit facility. The difference between interest expense for Emmis and EOC is due to interest expense associated with the senior discount notes, for which ECC is the obligor, and thus it is excluded from the results of operations of EOC.

Income (loss) before income taxes, extraordinary loss and accounting change:

With respect to Emmis, income (loss) before income taxes, extraordinary loss and accounting change increased to $20.0 million for the three months ended November 30, 2002 from a loss before income taxes, extraordinary loss and accounting change of $16.6 million for the same period of the prior year. Income (loss) before income taxes, extraordinary loss and accounting change increased to $35.0 million for the nine months ended November 30, 2002 from a loss before income taxes, extraordinary loss and accounting change of $43.0 million for the same period of the prior year. The increase in the income before income taxes, extraordinary loss and accounting change for the three and nine months ended November 30, 2002 is mainly attributable to: (1) better operating results at our stations, (2) the elimination of our amortization expense for goodwill and broadcasting licenses of $15.3 million and $45.5 million, respectively, (3) a reduction in interest expense as a result of the factors described above under interest expense, and (4) in the case of the nine months ended November 30, 2002, the gain on sale of our Denver radio assets of $8.9 million. With respect to EOC, income (loss) before income taxes, extraordinary loss and accounting change increased to $25.8 million for the three months ended November 30, 2002 from a loss before income taxes, extraordinary loss and accounting change of $9.8 million for the same period of the prior year. Income (loss) before income taxes, extraordinary loss and accounting change increased to $54.8 million for the nine months ended November 30, 2002 from a loss before income taxes, extraordinary loss and accounting change of $25.9 million for the same period of the prior year. The increase in the income before income taxes, extraordinary loss and accounting change is mainly attributable to: (1) better operating results at our stations, (2) the elimination of our amortization expense for goodwill and broadcasting licenses of $15.3 million and $45.5 million, respectively, (3) a reduction in interest expense as a result of the factors described above under interest expense, and (4) in the case of the nine months ended November 30, 2002, the gain on sale of our Denver radio assets of $8.9 million.

Net loss:

With respect to Emmis, net income was $10.8 million for the three months ended November 30, 2002 compared to a loss of $11.7 million for the same period of the prior year. The increase in net income is mainly attributable to better operating results, the elimination of amortization expense and decreased interest expense, each described above, and each net of taxes. Net loss increased to $159.3 million for the nine months ended November 30, 2002 from $32.3 million for the same period of the prior year. The increase in net loss is mainly attributable to (1) a $167.4 million impairment charge, net of a deferred tax benefit, under the cumulative effect of accounting change as an accumulated transition adjustment attributable to the adoption on March 1, 2002 of SFAS No. 142, "Goodwill and Other Intangible Assets." (2) a $11.1 million extraordinary loss, net of a deferred tax benefit, relating to the premium paid on the redemption of our discount notes and the write-off of deferred debt fees associated with debt repaid during the nine months, and (3) better operating results, the elimination of amortization expense, the gain on asset sales and the reduction in interest expense, all described above, and all net of taxes; With respect to EOC, net income was $14.8 million for the three months ended November 30, 2002 compared to a net loss of $7.3 million for the same period of the prior year. The increase in net income is mainly attributable to better operating results, the elimination of amortization expense, and the decrease in interest expense, each described above, and each net of taxes. Net loss increased to $137.8 million for the nine months ended November 30, 2002 from $21.3 million for the same period of the prior year. The increase in net loss is mainly attributable to (1) a $167.4 million impairment charge, net of a deferred tax benefit, under the cumulative effect of accounting change as an accumulated transition adjustment attributable to the adoption on March 1, 2002 of SFAS No. 142, "Goodwill and Other Intangible Assets;" (2) a $2.9 million extraordinary loss, net of a deferred tax benefit, relating to the write-off of deferred debt fees associated with debt repaid during the nine months, and (3) better operating results, the elimination of amortization expense, the gain on asset sales and the reduction in interest expense, all described above, and all net of taxes.

Liquidity and Capital Resources

Our primary sources of liquidity are cash provided by operations and cash available through revolver borrowings under our credit facility. Our primary uses of capital have been historically, and are expected to continue to be, funding acquisitions, capital expenditures, working capital and debt service and, in the case of ECC, preferred stock dividend requirements. Since we manage cash on a consolidated basis, any cash needs of a particular segment or operating entity are met by intercompany transactions. See Investing Activities below for discussion of specific segment needs.

At November 30, 2002, we had cash and cash equivalents of $8.3 million and net working capital for Emmis and EOC of $53.4 million and $54.5 million, respectively. At February 28, 2002, we had cash and cash equivalents of $6.4 million and net working capital for Emmis and EOC of $19.8 million and $21.0 million, respectively, excluding assets held for sale and associated liabilities. The economic stimulus package passed by Congress in March 2002 allowed Emmis to offset recent years' taxable losses against taxable income generated up to five years ago. As a result, Emmis has recorded a tax refund receivable of $11.1 million as of November 30, 2002. The remaining increase in net working capital primarily relates to accounts receivable increasing more than the increase in current liabilities.

Operating Activities

With respect to Emmis, net cash flows provided by operating activities were $56.5 million for the nine months ended November 30, 2002 compared to $41.1 million for the same period of the prior year. With respect to EOC, net cash flows provided by operating activities were $55.5 million for the nine months ended November 30, 2002 compared to net cash flows provided by operating activities of $40.1 million for the same period of the prior year. The increase in cash flows provided by operating activities for the nine months ended November 30, 2002 as compared to the same period in the prior year is due to our increase in net revenues less station operating expenses and corporate expenses, partially driven by cash savings generated by our stock compensation program. We experienced a significant increase in cash flows provided by operating activities in our third fiscal quarter of the current year. The third quarter of the prior year reflected the immediate impacts of the events of September 11, 2001. Cash flows provided by operating activities are historically the highest in our third and fourth fiscal quarters as a significant portion of our accounts receivable collections is derived from revenues recognized in our second and third fiscal quarters, which are our highest revenue quarters.

Investing Activities

Cash flows provided by investing activities were $113.4 million for the nine months ended November

30, 2002 compared to cash used in investing of $172.4 million in the same period of the prior year. This increase is primarily attributable to our sales of radio stations in the nine months ended November 30, 2002 as opposed to our purchase of radio stations in the nine months ended November 30, 2001, partially offset by a reduction in capital expenditures in the nine months ended November 30, 2002 over the same period in the prior year. Investment activities include capital expenditures and business acquisitions and dispositions.

As discussed in results of operations above and in Note 4 to the accompanying condensed consolidated financial statements, Emmis sold radio stations KALC-FM and KXPK-FM in Denver, Colorado for $135.5 million in cash in the quarter ended May 31, 2002. The net cash proceeds of $135.5 million were used to repay outstanding borrowings under the credit facility. As disclosed in the supplemental disclosures to the statements of cash flows, Emmis acquired radio stations KKLT-FM, KTAR-AM and KMVP-AM, in Phoenix, Arizona, in the quarter ended May 31, 2001 for cash of $140.7 million. The Company financed the acquisition through a $20.0 million advance payment borrowed under the credit facility in June 2000 and the remainder with borrowings under the credit facility and proceeds from ECC's March 2001 senior discount notes offering. Emmis began programming and selling advertising on the radio stations on August 1, 2000 under a time brokerage agreement.

Capital expenditures primarily relate to leasehold improvements to various office and studio facilities, broadcast equipment purchases, tower upgrades and computer equipment replacements. In the nine month periods ended November 30, 2002 and 2001, we had capital expenditures of $21.0 million and $25.8 million, respectively. We incurred approximately $9.0 million of capital expenditures relating to the construction of new operating facilities for WALA-TV in Mobile, Alabama in the first nine months of the prior year. This decrease is partially offset by capital expenditures associated with our conversion to digital television. We anticipate that future requirements for capital expenditures will include capital expenditures incurred during the ordinary course of business, including approximately $11.0 million in fiscal 2003 for the conversion to digital television. Although we expect that substantially all of our stations will broadcast a digital signal by the end of our fiscal 2003, we will incur approximately $8 million of additional costs, after fiscal 2003, to upgrade the digital signals of five of our local stations and an indeterminable amount to upgrade the digital signals of our nine satellite stations. We expect to fund such capital expenditures with cash generated from operating activities and borrowings under our credit facility.

Financing Activities

Cash flows used in financing activities for Emmis and EOC were $168.0 million and $167.0 million, respectively, for the nine months ended November 30, 2002. Cash flows provided by financing activities for Emmis and EOC were $73.5 million and $74.4 million, respectively, for the same period of the prior year.

As discussed in Note 4 to the accompanying condensed consolidated financial statements, in April 2002, ECC completed the sale of 4.6 million shares of its Class A common stock at $26.80 per share resulting in total proceeds of $123.3 million. The net proceeds of $120.2 million were contributed to EOC and 50% of the net proceeds were used in April 2002 to repay outstanding borrowings under our credit facility. The remainder was invested, and in July 2002 distributed to ECC to redeem approximately 22.6% of ECC's $370.0 million, face value, senior discount notes (see discussion below). As indicated in Investing Activities above, net proceeds of $135.5 million from the sale of two radio stations in Denver were also used to repay outstanding indebtedness under the credit facility during the nine months ended November 30, 2002.

On March 28, 2001, ECC received $202.6 million of proceeds from the issuance of $370.0 million face value, 12 ½% senior discount notes due 2011. The net proceeds of $191.1 million, less $93.0 million held in escrow at ECC, were distributed to EOC and used to fund the acquisition of the Phoenix radio stations discussed in Investing Activities above. In June 2001, upon completion of the Company's reorganization, the proceeds held in escrow were released and used to reduce outstanding borrowings under the credit facility.

As of November 30, 2002, EOC had $1,026.9 million of corporate indebtedness outstanding under our credit facility ($726.9 million) and senior subordinated notes ($300.0 million), and an additional $17.4 million of other indebtedness. As of November 30, 2002, total indebtedness outstanding for Emmis included all of EOC's indebtedness as well as $192.1 million of senior discount notes. Emmis also had $143.8 million of our convertible preferred stock outstanding. All outstanding amounts under our credit facility bear interest, at our option, at a rate equal to the Eurodollar rate or an alternative Base Rate plus a margin. As of November 30, 2002, our weighted average borrowing rate under our credit facility was approximately 5.6% and our overall weighted average borrowing rate, after taking into account amounts outstanding under our senior subordinated notes and senior discount notes, was approximately 7.3%. The overall weighted average borrowing rate for EOC, which would exclude the senior discount notes, was approximately 6.4%.

Based on amounts currently outstanding under our senior subordinated notes, the debt service requirements of EOC for these notes over the next twelve-month period are $24.4 million. ECC has no additional debt service requirements in the next twelve-month period since interest on its senior discount notes accretes into the principal balance of the notes until March 2006. However, ECC has preferred stock dividend requirements of $9.0 million for the next twelve-month period. The terms of ECC's preferred stock provide for a quarterly dividend payment of $.78125 per share on each January 15, April 15, July 15 and October 15. While Emmis had sufficient liquidity to declare and pay the dividends as they become due, it was not permitted to do so for the April 15, 2002 payment because Emmis' leverage ratio under the senior discount notes indenture exceeded 8:1 and its leverage ratio under the senior subordinated notes indenture exceeded 7:1. ECC's board of directors set a record date for the April 15, 2002 payment, but did not declare the dividend. Instead, a wholly-owned, unrestricted subsidiary of EOC made a payment of $.78125 per share to each preferred shareholder of record. This subsidiary was permitted to make the payment to the preferred shareholders under the senior discount notes and senior subordinated notes indentures. Currently, Emmis meets its leverage ratio requirements under both the senior discount notes indenture and the senior subordinated notes indenture. On July 2, 2002, ECC's board of directors declared the April 15, 2002 dividend, as well as dividends payable October 15, 2001 and January 15, 2002, and deemed the obligation to pay each dividend to have been discharged by the subsidiary's prior payment. On December 17, 2002, ECC's board of directors declared the January 15, 2003 dividend.

At January 3, 2003, we had $197.9 million available under our credit facility, less $6.9 million in outstanding letters of credit. As part of our business strategy, we continually evaluate potential acquisitions of radio and television stations, as well as publishing properties. If we elect to take advantage of future acquisition opportunities, we may incur additional debt or issue additional equity or debt securities, depending on market conditions and other factors.

Intangibles

At November 30, 2002, approximately 79% of our total assets consisted of intangible assets, such as FCC broadcast licenses, goodwill, subscription lists and similar assets, the value of which depends significantly upon the operational results of our businesses. In the case of our radio and television stations, we would not be able to operate the properties without the related FCC license for each property. FCC licenses are renewed every eight years; consequently, we continually monitor our stations' compliance with the various regulatory requirements. Historically, all of our FCC licenses have been renewed at the end of their respective eight-year periods, and we expect that all FCC licenses will continue to be renewed in the future.

New Accounting Pronouncements

In June 2001, the FASB issued SFAS No. 141, "Business Combinations." Statement No. 141 addresses financial accounting and reporting for business combinations and supersedes Accounting Principle Board ("APB") Opinion No. 16, "Business Combinations" and FASB Statement No. 38, "Accounting for Preacquisition Contingencies of Purchased Enterprises." Statement No. 141 is effective for all business combinations initiated after June 30, 2001 and eliminates the pooling-of-interest method of accounting for business combinations except for qualifying business combinations that were initiated prior to July 1, 2001. Statement No. 141 also changes the criteria to recognize intangible assets apart from goodwill. The Company adopted this Statement on July 1, 2001. The Company has historically used the purchase method to account for all business combinations and the adoption of this Statement did not have a material impact on the Company's financial position, cash flows or results of operations.

In June 2001, the FASB issued SFAS No. 142 "Goodwill and Other Intangible Assets" that requires companies to cease amortizing goodwill and certain other indefinite-lived intangible assets, including broadcast licenses. Under SFAS 142, goodwill and certain indefinite-lived intangibles will not be amortized into results of operations, but instead the recorded value of certain indefinite-lived intangibles will be tested for impairment at least annually with impairment being measured as the excess of the asset's carrying amount over its fair value. Intangible assets that have finite useful lives will continue to be amortized over their useful lives and measured for impairment in accordance with SFAS 121. In connection with the adoption of SFAS 142 effective March 1, 2002, we recorded an impairment loss of $167.4 million, net of tax, reflected as the cumulative effect of an accounting change in the accompanying condensed consolidated statements of operations. The adoption of this accounting standard reduced our amortization of goodwill and intangibles by approximately $15.3 million and $45.5 million in the three and nine months ended November 30, 2002, respectively. However, our impairment reviews may result in future periodic write-downs.

In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations" that applies to legal obligations associated with the retirement of a tangible long-lived asset that results from the acquisition, construction, or development and/or the normal operation of a long-lived asset. Under this standard, guidance is provided on measuring and recording the liability. Adoption of this Statement by the Company will be effective on March 1, 2003. The Company does not believe that the adoption of this Statement will materially impact the Company's financial position, cash flows or results of operations.

Effective March 1, 2002, the Company adopted SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" that addresses financial accounting and reporting for the impairment or disposal of long-lived assets. While SFAS No. 144 supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of," it removes certain assets such as deferred tax assets, goodwill and intangible assets not being amortized from its scope and retains the requirements of SFAS No. 121 regarding the recognition of impairment losses on other long-lived assets held for use. SFAS No. 144 also supersedes the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring events and Transactions" for the disposal of a segment of a business. However, SFAS No. 144 retains the requirement in Opinion 30 to report separately discontinued operations and extends that reporting to a component of an entity that either has been disposed of (by sale, abandonment, or in a distribution to owners) or is classified as held for sale. Adoption of this statement did not have a material impact on the Company's financial position, cash flows or results of operations.

In April 2002, the FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections". Statement No. 145 rescinds FASB

Statement No. 4, “Reporting Gains and Losses from Extinguishment of Debt”, and an amendment of that Statement, and FASB Statement No. 64, “Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements”. Statement No. 145 also rescinds FASB Statement No. 44, “Accounting for Leases”, to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. Statement No. 145 also amends other existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. Adoption of this Statement by the Company will be effective on March 1, 2003. The Company has not assessed the impact, if any, that will result from the adoption of Statement No. 145.

In June 2002, the FASB issued SFAS No. 146, “Accounting for Costs Associated with Exit or Disposal Activities.” Statement No. 146 supersedes Emerging Issues Task Force Issue No. 94-3. Statement No. 146 requires that the liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred, not at the date of an entity’s commitment to an exit or disposal plan. The provisions of Statement No. 146 are effective for exit or disposal activities initiated after December 31, 2002. The Company does not anticipate that the adoption of Statement No. 146 will have a material impact on its consolidated financial position, results of operations or cash flows.

In December 2002, the FASB issued FASB No. 148, “Accounting for Stock-Based Compensation – Transition and Disclosure.” Statement No. 148 amends FASB Statement No. 123, “Accounting for Stock-Based Compensation,” to provide alternative methods of transition to Statement No. 123’s fair value method of accounting for stock-based employee compensation. Statement No. 148 also amends the disclosure provisions of Statement No. 123 and APB Opinion No. 28, “Interim Financial Reporting,” to require disclosure in the summary of significant accounting policies of the effects of an entity’s accounting policy with respect to stock-based employee compensation on reported net income and earnings per share in annual and interim financial statements. Adoption of this statement by the Company will be effective March 1, 2003. The Company does not anticipate that the adoption of Statement No. 148 will have a material impact on its consolidated financial position, results of operations or cash flows.

Regulatory and Other Matters

We acquired KGMB-TV in Honolulu, Hawaii as part of the Lee acquisition in October 2000. Because we already owned KHON-TV in Honolulu, and both KHON and KGMB were rated among the top four television stations in the Honolulu market, FCC regulations prohibited us from owning both stations. However, we received a temporary waiver from the FCC that has allowed us to operate both stations (and their related “satellite” stations). The FCC recently commenced an extensive review of its ownership rules, including the rule that prohibits our ownership of the two Hawaii stations, to determine whether the ownership restrictions continue to serve the public interest. We have requested a stay of divestiture until the FCC completes its review of the ownership rules and are currently awaiting the FCC’s decision on our request. No assurances can be given that the FCC will grant us the stay of divestiture and we may need to sell one of the two stations in Hawaii.

FCC regulations require all commercial television stations in the United States to be currently broadcasting in digital format. Nine of our television stations are currently broadcasting in digital format and we requested waiver extensions until May 2003 for the remainder. Except for five of our satellite stations on which the FCC has not yet ruled, the FCC granted all of our waiver requests. We continue to work on the digital conversion for our stations and expect the conversion of all but the five satellite stations for which waivers have not been granted to be complete before the expiration of the FCC waivers. With respect to the five satellite stations, we continue to believe that the grant of waivers is appropriate because the delays are due to conditions largely beyond our control. However, no assurances can be given that such waivers will be granted. Based upon the FCC's treatment of certain broadcasters who were not granted extensions to the original May 2002 deadline, we believe that the FCC will issue a formal admonishment to any broadcaster whose waiver request is denied and may issue a monetary forfeiture if the station has not commenced digital broadcasting within six months of the date of the FCC's admonishment. We cannot predict the extent, if any, of the monetary fine, nor can we predict the other actions the FCC will take if the station does not commence digital broadcasts within six months after the date of the fine.

During the third quarter, Emmis and CBS revised and extended the affiliation agreements for all of our CBS-affiliated stations except our station in Terre Haute, which extends through December 31, 2005. The revised agreements will continue our affiliation with CBS through September 18, 2006. We are also engaged in discussions with NBC and Fox on the modification, renewal or extension of the affiliation agreements for our NBC and Fox affiliated stations. We expect that these affiliation agreements will be modified or extended on terms that will not have a material adverse effect on our results of operations.

Quantitative and Qualitative Disclosures About Market Risk

Management monitors and evaluates changes in market conditions on a regular basis. Based upon the most recent review, management has determined that there have been no material developments affecting market risk since the filing of the Company's Annual Report on Form 10-K for the year ended February 28, 2002.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Discussion regarding these items is included in management's discussion and analysis of financial condition and results of operations.

Item 4. Controls and Procedures

Based on their most recent evaluation, which was completed within 90 days of the filing of this Form 10-Q, the Company's Chief Executive Officer and Chief Financial Officer believe the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) are effective. There were not any significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is a party to various legal proceedings arising in the ordinary course of business. In the opinion of management of the Company, however, there are no legal proceedings pending against the Company likely to have a material adverse effect on the Company.

In December 2002, Emmis reached an agreement with the Hungarian broadcasting authority, the National Radio and Television Board (ORTT), that resolved pending legal issues and extended the national license for Slager, its subsidiary in Hungary, through 2009. Slager agreed to pay the fees due under the original broadcast contract in installments through November 2004, the date the contract was set to expire. The license has been extended an additional five years with payment terms more reflective of the current Hungarian advertising environment

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

The following exhibits are filed or incorporated by reference as a part of this report:

3.1 Second Amended and Restated Articles of Incorporation of Emmis Communications Corporation, incorporated by reference from Exhibit 3.1 to the Company's Form 10-K/A for the year ended February 29, 2000, and an amendment thereto relating to certain 12.5% Senior Preferred Stock incorporated by reference from Exhibit 3.1 to the Company's current report on Form 8-K filed December 13, 2001.

3.2 Amended and Restated Bylaws of Emmis Communications Corporation.

3.3 Articles of Incorporation of Emmis Operating Company, incorporated by reference from Exhibit 3.4 to the Company's Form S-3/A File No. 333-62172 filed on June 21, 2001.

3.4 Bylaws of Emmis Operating Company, incorporated by reference from Exhibit 3.5 to the Company's Form S-3/A File No. 333-62172 filed on June 21, 2001.

15 Letter re: unaudited interim financial information.

99.1 Certification of CEO of Emmis Communications Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

99.2 Certification of CFO of Emmis Communications Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

99.3 Certification of CEO of Emmis Operating Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

99.4 Certification of CFO of Emmis Operating Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

Neither ECC nor EOC filed reports on Form 8-K during the three months ended November 30, 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EMMIS COMMUNICATIONS CORPORATION

Date: January 14, 2003

By: /s/ WALTER Z. BERGER
Walter Z. Berger
Executive Vice President (Authorized Corporate Officer), Chief Financial Officer and Treasurer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Jeffrey H. Smulyan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Emmis Communications Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 14, 2003

/s/ JEFFREY H. SMULYAN
Jeffrey H. Smulyan
Chairman of the Board, President and
Chief Executive Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Walter Z. Berger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Emmis Communications Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 14, 2003

/s/ WALTER Z. BERGER
Walter Z. Berger
Executive Vice President, Treasurer
and Chief Financial Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EMMIS OPERATING COMPANY

Date: January 14, 2003

By: /s/ WALTER Z. BERGER
Walter Z. Berger
Executive Vice President (Authorized Corporate Officer), Chief Financial Officer and Treasurer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Jeffrey H. Smulyan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Emmis Operating Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing

the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 14, 2003

/s/ JEFFREY H. SMULYAN
Jeffrey H. Smulyan
Chairman of the Board, President and
Chief Executive Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Walter Z. Berger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Emmis Operating Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: January 14, 2003

/s/ WALTER Z. BERGER
Walter Z. Berger
Executive Vice President, Treasurer
and Chief Financial Officer

Exhibit 3.2

AMENDED AND RESTATED CODE OF BY-LAWS OF EMMIS COMMUNICATIONS CORPORATION

(As Amended Through December 17, 2002)

ARTICLE I
Identification and Offices

Section 1.1. Name. The name of the Corporation is Emmis Communications Corporation (hereinafter referred to as the "Corporation").

Section 1.2. Registered Office. The registered office and registered agent of the Corporation is as provided and designated in the Corporation's Amended and Restated Articles of Incorporation, as the same may be amended from time to time (the "Articles"). The Board of Directors may, from time to time, change its registered office or registered agent . On or before the day that any such change is to become effective, a certificate of such change shall be filed with the Secretary of State of the State of Indiana.

Section 1.3. Other Offices. The Corporation may establish and maintain such other offices, within or without the State of Indiana, as are from time to time authorized by the Board of Directors. The principal office of the Corporation is One Emmis Plaza, Suite 700, 40 Monument Circle, Indianapolis, Indiana 46204.

ARTICLE II
Meetings of Shareholders

Section 2.1. Place of Meeting. All meetings of the shareholders of the Corporation (the "Shareholders") shall be held at the principal office of the Corporation in the State of Indiana or at such other place within or without the State of Indiana as may be fixed from time to time by the Board of Directors, the Chairman of the Board or the President.

Section 2.2. Annual Meeting. The annual meeting of the Shareholders shall be held each year within six (6) months after the end of the previous fiscal year for the purpose of electing Directors and for the transaction of such other business as may properly come before the annual meeting. If for any reason an annual meeting is not held during the time period herein provided, such annual meeting maybe held at any time thereafter, or the business to be transacted at such annual meeting may be transacted at any special meeting of the Shareholders called for that purpose.

Section 2.3. Special Meetings. Special meetings of all Shareholders or a class of Shareholders for any purpose or purposes, unless otherwise prescribed by law or the Articles, may be called by the Chairman of the Board, the President or the Board of Directors.

Section 2.4. Notice of Meetings. Written notice of the place, date and hour of each meeting of the Shareholders and, in the case of a special meeting, the purpose or purposes for which such meeting is called, shall be mailed or delivered, not less than ten (10) days nor more than sixty (60) days prior to the meeting, to each Shareholder of record entitled to notice of such meeting. If such notice is mailed, it shall be deemed to have been given to a Shareholder when deposited in the United States mail, postage prepaid, addressed to the Shareholder at his address as it appears on the records of Shareholders of the Corporation. No notice shall be required to be given by mail or otherwise where the meeting is an adjourned meeting and the date, time and place of the meeting were announced at the time of adjournment.

Section 2.5. Waiver of Notice. Notice of any meeting may be waived in writing by a Shareholder before or after the date and time stated in the notice. Attendance by a Shareholder at a meeting in person or by proxy waives (i) objection to lack of notice or defective notice of the meeting unless the Shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting, and (ii) objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Shareholder objects to considering the matter when it is presented.

Section 2.6. Quorum; Adjourned Meetings. Except as otherwise required by law, the presence in person or by proxy of the holders of record of a majority of the combined voting power of the outstanding shares entitled to vote at a meeting of the Shareholders shall constitute a quorum for the transaction of business at such meeting. In case a quorum shall not be present at a meeting, those present may adjourn to such day as they shall, by majority vote, agree upon, without notice other than announcement at the meeting of the date, time and place of the adjourned meeting, unless the date of the adjourned meeting requires that the Board of Directors fix a new record date therefor, in which case notice of the adjourned meeting shall be given. At adjourned meetings at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. Once a quorum is present during the meeting, the Shareholders may continue to transact business until adjournment notwithstanding the withdrawal of enough Shareholders to leave less than a quorum.

Section 2.7. Voting. At each meeting of the Shareholders, every Shareholder entitled to vote shall have the right to vote either in person or by proxy, but no proxy shall be valid after eleven (11) months unless a longer period is expressly provided in the appointment. Upon the demand of any Shareholder, the vote upon any question before the meeting shall be by ballot. A plurality vote of the voting power of the outstanding shares that are entitled to vote for the election of a Director and that are represented in person or by proxy at any meeting at which a quorum for such election is present, shall be sufficient to elect the Director. On all other matters, the action or question shall be decided by the vote of a majority of the combined voting power of the outstanding shares represented in person or by proxy at the meeting at the time of the vote, except as otherwise required by law, the Articles or these By-Laws.

Section 2.8. Closing of Books. The Board of Directors may fix a time, not exceeding seventy (70) days preceding the date of any meeting of Shareholders, as a record date for the determination of the Shareholders entitled to notice of, and to vote at, such meeting, notwithstanding any transfer of shares on the books of the Corporation after any record date so fixed. The Board of Directors may close the books of the Corporation against the transfer of shares during the whole or any part of such period. If the Board of Directors fails to fix a record date for determination of the Shareholders entitled to notice of, and to vote at, any meeting of Shareholders, the record date shall be the date specified by the Chairman of the Board or the President in his call of the meeting or, if no such date is so specified, the record date shall be the twentieth (20^{th}) day preceding the date of such meeting.

Section 2.9. Organization of Meetings. The Chairman of the Board, or in his absence any person appointed by the Chairman of the Board, or if no such person is appointed, any person chosen by the Board of Directors shall preside at and act as chairman of all meetings of the Shareholders; and the Secretary, or in his absence any person appointed by the Chairman of the Board, shall act as secretary of the meeting. The order of business and all other matters of procedure at every meeting of the Shareholders shall be determined by the presiding officer.

Section 2.10. Shareholder List. The Secretary shall prepare before each meeting a complete list of the Shareholders entitled to notice of such meeting, arranged in alphabetical order by class of shares (and each series within a class), and showing the address of, and the number of shares entitled to vote held by, each Shareholder (the "Shareholder List"). Beginning five business days before the meeting and continuing throughout the meeting, the Shareholder List shall be on file at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held, and shall be available for inspection by any Shareholder entitled to vote at the meeting. On written demand, made in good faith and for a proper purpose and describing with reasonable particularity the Shareholder's purpose, and if the Shareholder List is directly connected with the Shareholder's purpose, a Shareholder (or such Shareholder's agent or attorney authorized in writing) shall be entitled to inspect and to copy the Shareholder List, during regular business hours and at the Shareholder's expense, during the period the Shareholder List is available for inspection. The original stock register or transfer book, or a duplicate thereof kept in the State of Indiana, shall be the only evidence as to who are the Shareholders entitled to examine the Shareholder List, or to notice of or to vote at any meeting.

Section 2.11. Shareholder Proposals.

(a) Nominations for the election of Directors and proposals for any new business to be taken up at any annual meeting of Shareholders may be made by the Board of Directors of the Corporation or by any Shareholder of the Corporation entitled to vote on the matter proposed or the Director to be elected. In order for a Shareholder of the Corporation to make any such nomination or proposal, the Shareholder shall give notice thereof in writing to the Corporation, delivered or mailed by first class United States mail, postage prepaid. The notice must be received by the Secretary of the Corporation not less than forty-five (45) days before the one-year anniversary of the date the Corporation first mailed its proxy materials for the prior year's annual meeting of shareholders; *provided, however*, that:

(1) if the month and day of an annual meeting of Shareholders is more than thirty (30) days earlier than the month and day of the annual meeting of shareholders for the prior year, the Secretary of the Corporation shall have received such written notice from the Shareholder on or before the close of business on the tenth day following the date of first public announcement of the date of the annual meeting; and

(2) if the month and day of an annual meeting of Shareholders is more than thirty (30) days later than the month and day of the annual meeting of shareholders for the prior year, the Secretary of the Corporation shall have received such written notice from the Shareholder on or before the close of business on a date forty-five (45) days before the actual first date of mailing of the Corporation's proxy materials for the annual meeting of shareholders for the current year.

(b) Any notice of a nomination or proposal pursuant to subsection (a) of this Section 2.11 shall include or be accompanied by a written statement which shall set forth:

(1) as to each person whom the Shareholder proposes to nominate for election or reelection as a Director, all information relating to such person that is required be disclosed in solicitations of proxies for election of Directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including such person's written consent to being named in the proxy statement as a nominee and to serving as a Director if elected;

(2) as to any other business that the Shareholder proposes to bring before the meeting, a concise description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such Shareholder and of the beneficial owner or owners, if any, on whose behalf the proposal is made; and

(3) as to each Shareholder giving the notice and beneficial owner, if any, on whose behalf the nomination or proposal is made, (A) the name and address of such Shareholder, as they appear on the Corporation's books, and of such beneficial owner and (B) the number of each class of shares of the Corporation which are owned beneficially and of record by such Shareholder and such beneficial owner.

(c) Notwithstanding anything in subsection (a) of this Section 2.11 to the contrary, if the number of Directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for Director or specifying the size of the increased Board of Directors at least fifty-five (55) days prior to the first anniversary of the first mailing of proxy materials by the Corporation for the preceding year's annual meeting, a Shareholder's notice required by this Section 2.11 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the Corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Section 2.11 shall be eligible to serve as Directors. Only such business shall be conducted at a meeting of Shareholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.11. The chairman of the meeting has the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 2.11 and, if any proposed nomination or business is not in compliance with this Section 2.11, to declare that such defective nomination or proposal be disregarded.

(e) For purposes of this Section 2.11, "public announcement" means disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(f) Notwithstanding the foregoing provisions of this Section 2.11, a Shareholder shall also comply with all applicable requirements of state law and the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.11. Nothing in this Section 2.11 shall be deemed to affect any rights of Shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(g) The chairman of any meeting of Shareholders may, if the facts warrant, determine and declare at such meeting that a nomination or proposal was not made in accordance with the foregoing procedure, and, if he or she should so determine, he or she shall so declare at the meeting and the defective nomination or proposal shall be disregarded. This provision shall not require the holding of any adjourned or special meeting of Shareholders for the purpose of considering such defective nomination or proposal.

(h) During any period of time in which the holders of the Corporation's 6.25% Series A Cumulative Convertible Preferred Stock (the "Preferred Stock") are entitled to vote for Directors under the Corporation's Articles of Incorporation, as amended from time to time, the number of Directors specified in Section 3.2(a) shall be automatically increased by two (2). As soon as the holders of the Preferred Stock are no longer entitled to vote for Directors, the term of any Director elected by the holders of the Preferred Stock shall automatically expire and the number of Directors shall automatically return to the number specified in Section 3.2(a).

ARTICLE III
The Board of Directors

Section 3.1. General Powers. The business and affairs of the Corporation shall be managed by or under the authority of its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law, the Articles or these By-Laws required to be exercised or done by the Shareholders.

Section 3.2. Number, Qualification and Term of Office.

(a) The Corporation shall have nine (9) directors (the "Directors") who need not be Shareholders.

(b) Effective as of the annual meeting of Shareholders in 2000, the Board of Directors shall be divided into three (3) classes, designated Class I, Class II and Class III, as nearly equal in number as possible. The number of Class A Directors in each class shall also be as nearly equal in number as possible. The initial term of office of directors in Class I will expire at the annual meeting of shareholders in 2001. The initial term of office of directors in Class II will expire at the annual meeting of shareholders in 2002. The initial term of office of directors in Class III will expire at the annual meeting of shareholders in 2003. At each annual election beginning at the annual meeting of shareholders in 2001, the successors to the class of directors whose term then expires shall be elected to hold office for a term of three (3) years and until his or her successor is elected and qualified or until his or her earlier resignation, removal from office or death. This subsection (b) does not apply to any directors elected pursuant to special voting rights of one or more series of Preferred Stock.

(c) The Chairman of the Board shall preside at each Board of Directors meeting, and in his absence, any person appointed by the Chairman of the Board shall preside at the meeting. If no such person is appointed, any person appointed by the Board of Directors shall preside at the meeting.

Section 3.3. Annual Board Meeting. Unless otherwise determined by the Board of Directors, the Board of Directors shall meet each year immediately after the annual meeting of the Shareholders, at the place where such meeting of the Shareholders has been held, for the purpose of organization, election of officers and consideration of any other business that may properly be brought before such annual meeting of the Board of Directors. No notice shall be necessary for the holding of the annual meeting of the Board of Directors. If the annual meeting of the Board of Directors is not held as above provided, the election of officers may be held at any subsequent duly constituted meeting of the Board of Directors.

Section 3.4. Regular Board Meetings. Regular meetings of the Board of Directors may be held at stated times or from time to time, and at such place, either within or outside the State of Indiana, as the Board of Directors may determine, without call and without notice.

Section 3.5. Special Board Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board or the President, at such place (within or outside the State of Indiana), date and hour as specified in the respective notices of such meetings. Special meetings of the Board of Directors may be called on twenty-four (24) hours notice if notice is given to each Director personally or by telephone or telecopier, or on five (5) days notice if notice is mailed to each Director.

Section 3.6. Waiver of Notice and Assent. A Director may waive notice of any meeting of the Board of Directors before or after the date and time of the meeting stated in the notice by a written waiver signed by the Director and filed with the minutes or corporate records. A Director's attendance at or participation in a meeting shall constitute a waiver of notice of such meeting and assent to any corporate action taken at such meeting, unless (i) the Director at the beginning of the meeting (or promptly upon his arrival) objects to the holding the meeting of or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting; (ii) the Director's dissent or abstention from the action taken is entered in the minutes of such meeting; or (iii) the Director delivers written notice of his dissent or abstention to the presiding office at such meeting before its adjournment or to the Secretary immediately after its adjournment. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 3.7. Quorum. At all meetings of the Board of Directors, a majority of the total number of Directors specified in Section 3.2(a) shall constitute a quorum for the transaction of any business, except (i) as provided in the Articles, (ii) for the purpose of filling vacancies, a majority of Directors then in office shall constitute a quorum, and (iii) a lesser number may adjourn a meeting from time to time until a quorum is present. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided by law, the Articles or these By-Laws.

Section 3.8. Conference Communications. Any or all Directors may participate in any meeting, or of any duly authorized committee of Directors, by any means of communications through which the Directors may simultaneously hear each other during such meeting. For the purposes of establishing a quorum and taking any action at the meeting, such Directors participating pursuant to this Section 3.8 shall be deemed present in person at the meeting, and the place of the meeting shall be the place of origination of the conference communication.

Section 3.9. Vacancies; Newly Created Directorships. Any vacancy occurring in the Board of Directors, including any vacancy resulting from an increase in the number of Directors, may be filled by a majority vote of the Directors then in office, although less than a quorum. A Director elected to fill a vacancy or a newly created Directorship shall hold office until his successor has been elected and qualified or until his earlier death, resignation or removal.

Section 3.10. Removal.

(a) A Director other than a Class A Director may be removed by the shareholders only for cause and only if the removal has been approved by an 80% majority of the combined voting power of the shares entitled to vote for the election of such Director, cast at a special meeting of the shareholders called for that purpose. A Class A Director may be removed by the holders of Class A Shares as provided in Section 7.4(b) of the Articles only for cause and only if the removal has been approved by the holders of an 80% majority of the Class A Shares, cast at a special meeting of the shareholders called for that purpose. Cause for removal exists only if:

(1) the director whose removal is proposed has been convicted of a felony by a court of competent jurisdiction and the conviction is no longer subject to direct appeal; or

(2) the director whose removal is proposed has been adjudicated by a court of competent jurisdiction to be liable for negligence or misconduct in the

performance of his duty to the Corporation in a matter of substantial importance to the Corporation, and the adjudication is not longer subject to direct appeal.

(b) This section does not apply to any directors elected pursuant to special voting rights of one or more series of Preferred Stock.

(c) Removal of a Director by the Board of Directors shall require the affirmative vote of the number of Directors constituting a majority of the total authorized number of Directors.

Section 3.11. Committees. A resolution approved by the affirmative vote of a majority of the Board of Directors may establish committees having the authority of the Board of Directors in the management of the business of the Corporation to the extent provided in the resolution and may appoint members of the Board of Directors to serve of them. Committees are subject to the direction and control of, and vacancies in the membership thereof shall be filled by, the Board, except as otherwise provided by law. A majority of the members of a committee present at a meeting is a quorum for the transaction of business, unless a larger or smaller proportion or number is provided in a resolution approved by the Board of Directors.

Section 3.12. Written Action. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all members of the Board of Directors, and such written consent is filed with the minutes of the proceedings. Such action shall be effective on the date on which the last signature is placed on such writing or writings or such earlier or later effective date as is set forth therein.

Section 3.13. Resignations. Any Director may resign at any time by giving written notice to the Secretary. Such resignation shall take effect at the time of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.14. Compensation of Directors. By resolution of the Board, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated amount as Director or a fixed sum for attendance at each meeting of the Board of Directors, or both. No such payment shall preclude a Director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed, pursuant to resolution by the Board of Directors, like compensation for attending committee meetings.

ARTICLE IV
Officers

Section 4.1. Number. The officers of the Corporation shall be chosen by the Board of Directors and shall include a Chairman of the Board, a President, at least one Executive Vice President, a Secretary, and a Treasurer. The Board of Directors may also choose additional Executive Vice Presidents, one or more Divisional Presidents, Vice Presidents, Assistant Secretaries or Assistant Treasurers, or such other officers as they may deem advisable. Any number of offices may be held by the same person.

Section 4.2. Election, Term of Office and Qualifications. The Board of Directors shall elect the officers of the Corporation, each of whom shall have the powers, rights, duties, responsibilities, and terms in office provided in these By-Laws or in a resolution of the Board of Directors not inconsistent herewith. Except for the Chairman of the Board, no officer need be a Director. The President and all other officers, except the Chairman of the Board, who may be Directors, shall continue to hold office until the election and qualification of their successors, notwithstanding an earlier termination of the directorship.

Section 4.3. Removal and Vacancies. Any officer may be removed from his office at any time, with or without cause, by majority vote of the entire Board of Directors. Such removal, however, shall be without prejudice to the contract rights of the person so removed. If there is a vacancy among the officers of the Corporation by reason of death, resignation, or otherwise, such vacancy shall be filled for the unexpired term by the Board of Directors

Section 4.4. The Chairman of the Board. The Chairman of the Board of Directors shall be the chief executive officer of the Corporation. The Chairman of the Board shall preside at all meetings of the Shareholders and Directors and shall have such other duties as may be prescribed from time to time by the Board of Directors. He may execute and deliver in the name of the Corporation, any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the Corporation unless the authority to execute and deliver is required by law to be exercised by another person or is delegated by the Articles or these By-Laws or by the Board of Directors to some other officer or agent of the Corporation.

Section 4.5. President. The President shall have general active management of the business of the Corporation. In the absence of the Chairman of the Board, he shall preside at all meetings of the Shareholders and Directors. He shall see that all orders and resolutions of the Board of Directors are carried into effect. He may execute and deliver, in the name of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation unless such authority to execute and deliver is required by law to be exercised by another person or is delegated by the Articles or these By-Laws or by the Board of Directors to some other officer or agent of the Corporation. He shall maintain records of and, whenever necessary, certify all proceedings of the Board of Directors and the Shareholders, and in general, shall perform all duties usually incident to the office of the President. He shall have such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.5.1. Radio Division President. The Radio Division President, if one is elected, shall have general active management of all radio operations of the Corporation. He may execute and deliver, in the name of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation unless the authority to execute and deliver is required by law to be exercised by another person or is delegated by the Articles or By-Laws or by the Board of Directors to some other officer or agent of the Corporation. He shall have such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.5.2. International Division President. The International Division President, if one is elected, shall have general active management of all international operations of the Corporation. He may execute and deliver, in the name of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation unless the authority to execute and deliver is required by law to be exercised by another person or is delegated by the Articles or By-Laws or by the Board of Directors to some other officer or agent of the Corporation. He shall have such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.5.3. Television Division President. The Television Division President, if one is elected, shall have general active management of all television operations of the Corporation. He may execute and deliver, in the name of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation unless the authority to execute and deliver is required by law to be exercised by another person or is delegated by the Articles or By-Laws or by the Board of Directors to some other officer or agent of the Corporation. He shall have such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.6. Executive Vice Presidents and other Vice Presidents. The Executive Vice Presidents and any other Vice Presidents shall have such powers and shall perform such duties specified in these By-Laws or prescribed by the Board of Directors or the President. Any Executive Vice President or Vice President may execute and deliver, in the name of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the Corporation unless the authority to execute and deliver is required by law to be exercised by another person or is delegated by the Articles or By-Laws or by the Board of Directors to some other officer or agent of the Corporation.

Section 4.7. Secretary. The Secretary shall be the secretary of and shall attend all meetings of the Shareholders and Board of Directors record all proceedings of such meetings in the minute book of the Corporation. He shall give proper notice of meetings of Shareholders and Directors. He shall perform such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.8. Assistant Secretary. The Assistant Secretary, if any, or if there shall be more then one, the Assistant Secretaries in the order determined by the Board of Directors, the Chairman of the Board or the President, shall in the absence or disability of the Secretary, perform such other duties and have such powers and duties as the Board of Directors or the President may prescribed from time to time. An Assistant Secretary may attest to the execution by the Corporation of all documents.

Section 4.9. Treasurer. The Treasurer shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Corporation. The Treasurer shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into the possession of the Corporation. The Treasurer shall immediately deposit all funds of the Corporation coming into his hands in some reliable bank or other depositary to be designated by the Board of Directors and shall keep such bank account in the name of the Corporation and shall perform such other duties as may be prescribed from time to time by the Board of Directors or the President.

Section 4.10. Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors or the President, shall in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such powers and duties as the Board of Directors or the President may prescribe from time to time.

Section 4.11. Delegation of Authority. In the case of the absence or disability of the Chairman of the Board, the President, the Radio Division President, the Television Division President, the Executive Vice Presidents and other Vice Presidents shall succeed to the President's power and duties in the order designated by the Board of Directors or the Chairman of the Board. In the case of the absence of any officer or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate the powers or duties of such officer to any other officer or to any Director, for the time being, provided a majority of the entire Board concurs therein.

ARTICLE V
Certificates of Stock

Section 5.1. Certificates of Stock. All shares of the Corporation shall be certificated shares. Every holder of stock in the Corporation shall be entitled to have a certificate signed by the Chairman of the Board, the President, or the Executive Vice President and the Secretary or an Assistant Secretary, certifying the number of shares owned by him in the Corporation. The certificates of stock shall be number in the order of their issue. Each certificate shall set forth the number and class of shares and series, if any, and shall state that the Corporation will furnish information relating to the rights, preferences and limitations of the class or series upon request.

Section 5.2. Issuance of Shares. The Board of Directors is authorized to cause to be issued shares of the Corporation up to the full amount authorized by the Articles in such amounts as determined by the Board of Directors and permitted by law. If shares are issued for promissory notes or for promises to render services in the future, the Corporation must comply with I.C. 23-1-53-2(b).

Section 5.3. Facsimile Signatures. Where a certificate is signed (i) by a transfer agent or an assistant transfer agent, or (ii) by a transfer clerk acting on behalf of the Corporation, and a registrar, the signature of the Chairman of the Board, the President, the Vice President, Secretary or Assistant Secretary may be a facsimile. In case any officer or officers who have signed or whose facsimile signature or signatures have been used on any such certificate or certificates shall cease to be such officer or officers of the Corporation, such certificate or certificates may nevertheless be adopted by the Corporation and be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of the Corporation.

Section 5.4. Lost or Destroyed Certificates. Any Shareholder claiming a certificate for shares to be lost, stolen or destroyed shall make an affidavit of that fact in such form as the Board of Directors, the Chairman of the Board or President shall require and shall, if the Board of Directors so requires, give the Corporation a bond of indemnity in a form, in an amount, and with one or more sureties satisfactory to the Board of Directors, the Chairman of the Board or the President, to indemnify the Corporation against any claim which may be made against it on account of the reissue of such certificate, whereupon a new certificate may be issued in the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

Section 5.5. Transfers of Stock. Subject to the power of the Board of Directors under Article XI of the Articles to provide certain transfers of stock ownership to Aliens (as defined in the Articles), upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares fully endorsed or accompanies by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 5.6. Registered Shareholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

Section 5.7. Restrictions on Ownership, Voting and Transfer Right to Redeem. Article XI of the Articles restricts the ownership, voting and transfer of shares of capital stock of the Corporation to the extent necessary to prevent ownership of such shares by Aliens from violating the Communications Act of 1934, as amended (the "Communications Act"), and the regulations of the Federal Communications Commission (the "FCC Regulations"). In addition, Article XI of the Articles entitles the Corporation to redeem shares of capital stock determined by the Board of Directors to be owned beneficially by an Alien or Aliens if such ownership violates the Communications Act or FCC Regulations. Each certificate representing shares of capital stock of the Corporation shall contain a legend referencing such restrictions and right to redeem set forth in Article XI of the Articles.

ARTICLE VI
General Provisions

Section 6.1. Dividends. Subject to applicable law and the Articles, dividends upon the capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting and may be paid in cash, in property or in shares of the capital stock.

Section 6.2. Record Date. Subject to any provisions of the Articles, the Board of Directors may fix a date not more than 120 days before the date fixed for the payment of any dividend as the record date for the determination of the Shareholders entitled to receive payment of the dividend, and, in such case, only Shareholders of record on the date so fixed shall be entitled to receive payment of such dividend notwithstanding any transfer of shares on the books of the Corporation after the record date. The Board of Directors may close the books of the Corporation against the transfer of shares during the whole or any part of such period.

Section 6.3. Checks. All agreements, checks or demands for money or notes of the Corporation shall be signed by such officer of officers or such other person or persons as the Board of Directors may from time to time designate. If no such designation is made, they may be signed by either the Chairman of the Board, the President, any Division President, any Executive Vice President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer, singly.

Section 6.4. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board and in the absence of such resolution, the Corporation shall have a February 28/29 fiscal year.

Section 6.5. Seal. The Corporation shall have no corporate seal.

ARTICLE VII
Amendments

Section 7.01. Any amendment of these By-Laws shall require approval by the number of Directors constituting a majority of the total number of Directors specified in Section 3.2(a).

Section 7.2. Amendments to be Consistent with Applicable Law. Any amendment of these By-Laws shall be consistent with the Articles and provisions of applicable law then in effect, including without limitation, the Communications Act and the FCC Regulations.

ARTICLE VIII
Securities of Other Corporations

Unless otherwise ordered by the Board of Directors, the Chairman of the Board or the President shall have full power and authority on behalf of the Corporation to purchase, sell, transfer, encumber or vote any and all securities of any other corporation owned by the Corporation, and may execute and deliver such documents as may be necessary to effectuate such purchase, sale, transfer, encumbrance or vote. The Board of Directors may, from time to time, confer like powers upon any other person or persons.

Exhibit 15

January 14, 2003

The Board of Directors and Shareholders
Emmis Communications Corporation and Subsidiaries

We are aware of the incorporation by reference in the Registration Statements on Form S-8 (Nos. 33-83890, 333-14657, 333-42878, 333-71904 and 333-92318) of Emmis Communications Corporation and the incorporation by reference in the Registration Statement on Form S-3 (No. 333-62172) of Emmis Communications Corporation and Emmis Operating Company (collectively, “Emmis”) of our report dated January 3, 2003 relating to the unaudited condensed consolidated interim financial statements of Emmis Communications Corporation and Emmis Operating Company that are included in Emmis’ Form 10-Q for the quarter ended November 30, 2002. Pursuant to Rule 436(c) of the Securities Act of 1933 our report is not part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933. It should be noted that we have not performed any procedures subsequent to January 3, 2003.

Very truly yours,

/s/ ERNST & YOUNG LLP

ERNST & YOUNG LLP

Exhibit 99.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned hereby certifies, in accordance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Emmis Communications Corporation (the "Company"), that, to his knowledge:

(1) the Quarterly Report of the Company on Form 10-Q for the period ended November 30, 2002, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 14, 2003

/s/ JEFFREY H. SMULYAN
Jeffrey H. Smulyan
Chairman of the Board, President and
Chief Executive Officer

Exhibit 99.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certifies, in accordance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Emmis Communications Corporation (the "Company"), that, to his knowledge:

(1) the Quarterly Report of the Company on Form 10-Q for the period ended November 30, 2002, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 14, 2003

/s/ WALTER Z. BERGER
Walter Z. Berger
Executive Vice President, Treasurer
and Chief Financial Officer

Exhibit 99.3

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certifies, in accordance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Emmis Operating Company (the “Company”), that, to his knowledge:

(1) the Quarterly Report of the Company on Form 10-Q for the period ended November 30, 2002, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 14, 2003

/s/ JEFFREY H. SMULYAN
Jeffrey H. Smulyan
Chairman of the Board, President and
Chief Executive Officer

Exhibit 99.4

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certifies, in accordance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Emmis Operating Company (the "Company"), that, to his knowledge:

(1) the Quarterly Report of the Company on Form 10-Q for the period ended November 30, 2002, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 14, 2003

/s/ WALTER Z. BERGER
Walter Z. Berger
Executive Vice President, Treasurer
and Chief Financial Officer