

## ADVERTISER Q&A

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### **Background:**

On March 31, 2009, Sun-Times Media Group, Inc. and certain of its affiliates filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code. Through the bankruptcy proceedings, we intend to focus on further improving our cost structure and stabilizing operations. We also will commence a process for the sale of assets pursuant to Section 363 of the Bankruptcy Code. It is important to note that we will continue to publish our newspapers and operate our online sites. Our loyal and important advertisers, readers and Web site users will not be interrupted during this process.

You may be interested to read our CEO letter to our readers and advertisers and keep informed by going to [www.thesuntimesgroup.com](http://www.thesuntimesgroup.com).

### **Does this mean that Sun-Times is going out of business?**

No. We will continue to operate our newspapers and online sites while we are in bankruptcy. Our readers will still enjoy the same publications and quality that they have come to expect from us. We will be exploring, as we have done in the past, ways to better run our newspaper businesses to address our readers' needs and the realities of today's marketplace.

### **Do you plan to raise advertising rates to help the bottom line?**

There will be no change in rate philosophy for our advertisers. We will continue to deliver the Chicago area's and Northwest Indiana's best value in connecting our clients to current and potential customers. It continues to be our experience that the market dictates advertising rates. This is not an aspect of Chapter 11. Rather, it is a normal part of managing a business.

### **What impact do you expect the filing will have on readership?**

We do not expect any impact to readership and circulation as a result of our filing.

### **Will there be any changes in service to subscribers?**

No. Newspapers will continue to be delivered as they are today, and our subscribers will continue to get the great mix of news, sports, features and opinion that they have come to count on.

### **Will your suppliers continue to provide you with newsprint, ink and other vital services?**

We have enjoyed long relationships with many of our suppliers and we will be working with them through the bankruptcy process. Importantly, as a Company in Chapter 11, we will be able to pay our suppliers for their post-petition goods and services in accordance with the normal terms of our agreements. Most large companies, which include the majority of our critical suppliers, are familiar with this process and understand that payments from us for services provided during the Chapter 11 process will be paid according to their ordinary payment terms.

### **How long do you think it will take for the Company to work out of Chapter 11?**

We intend to move through the Chapter 11 process as quickly as possible and expect the process to be completed in 2009.

**Will you be closing operations?**

It is a stated goal of our Chapter 11 process to reduce costs and make our operations as efficient as possible. At this time, it is premature to speculate on what changes will be made. Our commitment is to keep you informed every step of the way and to maintain an open dialogue with you, our employees, and our suppliers.

**What are you doing to reassure your employees?**

We clearly recognize that our employees are the lifeline of our business and are critical to the top-notch services and publications that we provide to our readers and subscribers. We are deploying key senior management to each of our offices to meet with employees and address any questions they may have. We also maintain open lines of communications with all employees, including telephone and email hotlines.

**Why didn't you tell me sooner?**

Once the Board voted to file for Chapter 11 protection, the process began and, only then, did we publicly disclose the information. It would not have been appropriate for us to speculate earlier.

**May I hold back payments until the situation clarifies?**

No. We expect that our advertisers will understand that they are required to honor their contracts and make required payments on time.

**Am I now able to cancel or renegotiate my contract with Sun-Times Media Group or its affiliates?**

The Chapter 11 process gives you no right to cancel or renegotiate your current contract. However, if you want to discuss any special contract issue or how the Chapter 11 filing affects your contract, please let us know and I will be happy to facilitate the dialogue with the appropriate people.

**How will you prevent the bankruptcy from becoming a major distraction?**

We have retained the services of restructuring advisors and attorneys to assist in managing the Chapter 11 process. The details will be handled by them, working alongside a core group of our leadership team. The advertiser and customer facing teams will remain focused on our daily duties and the programs to which we are assigned.