

Haight Cross Communications, Inc.

Reconciliation of net income to adjusted gross EBITDA

For the nine months ended September 30, 2003 and 2002

	Nine months ended Sept 30, 2003				Nine months ended Sept 30, 2002			
	Education Publishing Group	Library Publishing Group	Corporate & Discontinued Operatons	Total	Education Publishing Group	Library Publishing Group	Corporate & Discontinued Operatons	Total
Net (loss) income	9,158	3,462	(15,429)	(2,809)	(2,309)	(23,169)	(6,234)	(31,712)
Cumulative effect of accounting change	-	-	-	-	12,190	29,753	6,667	48,610
Net loss(income) from discontinued operations	-	-	973	973	-	-	(154)	(154)
Interest Expense and other	8,295	8,782	10,923	28,000	10,356	10,988	(6,687)	14,657
<b>Operating income</b>	<b>17,453</b>	<b>12,244</b>	<b>(3,533)</b>	<b>26,164</b>	<b>20,237</b>	<b>17,572</b>	<b>(6,408)</b>	<b>31,401</b>
Amortization of pre-publication costs	2,893	3,360	-	6,253	2,389	2,716	-	5,105
Depreciation and amortization	911	572	169	1,652	769	458	236	1,463
<b>EBITDA</b>	<b>21,257</b>	<b>16,176</b>	<b>(3,364)</b>	<b>34,069</b>	<b>23,395</b>	<b>20,746</b>	<b>(6,172)</b>	<b>37,969</b>
Restructuring charges and related	1,484	1,312	119	2,915	-	-	-	-
2002 Equity plan expense	-	-	-	-	-	-	2,100	2,100
<b>Adjusted Gross EBITDA</b>	<b>22,741</b>	<b>17,488</b>	<b>(3,245)</b>	<b>36,984</b>	<b>23,395</b>	<b>20,746</b>	<b>(4,072)</b>	<b>40,069</b>