Belo Corp.
Consolidated Statements of Operations

In thousands, except per share amounts (unaudited)	Three months ended December 31, 2007	Three months ended December 31, 2006	Twelve months ended December 31, 2007	Twelve months ended December 31, 2006
Net Operating Revenues	$ 406,716	$ 436,597	$ 1,515,625	$ 1,588,272
Operating Costs and Expenses				
Salaries, wages and employee benefits	147,647	145,580	563,423	581,516
Other production, distribution and operating costs	132,530	133,116	500,341	488,855
Newsprint, ink and other supplies	25,030	32,138	103,443	133,758
Depreciation	23,968	21,721	94,286	87,384
Amortization	1,625	2,087	6,941	8,348
Goodwill impairment (1)	366,561	-	366,561	-
Total operating costs and expenses	697,361	334,642	1,634,995	1,299,861
Earnings (loss) from operations	(290,645)	101,955	(119,370)	288,411
Other income and expense				
Interest expense	(22,487)	(22,618)	(94,494)	(95,654)
Other income, net (2)	1,258	966	11,489	10,926
Total other income and expense	(21,229)	(21,652)	(83,005)	(84,728)
Earnings				
Earnings (loss) before income taxes	(311,874)	80,303	(202,375)	203,683
Income taxes	21,570	28,954	60,438	73,157
Net earnings (loss)	$ (333,444)	$ 51,349	$ (262,813)	$ 130,526
Net earnings (loss) per share				
Basic	$ (3.26)	$ 0.50	$ (2.57)	$ 1.26
Diluted	$ (3.26)	$ 0.50	$ (2.57)	$ 1.26
Average shares outstanding				
Basic	102,262	102,262	102,245	103,701
Diluted (3)	102,262	102,433	102,245	103,882
Cash dividends declared per share	$ 0.125	$ 0.125	$ 0.50	$ 0.475

Note 1: As a result of the annual goodwill impairment testing as required under Statement of Financial Accounting Standards No. 142, the Company recorded a total non-cash charge to goodwill of $366,561. The Television Group recorded a $22,137 charge related to WHAS-TV in Louisville, Kentucky. The Newspaper Group recorded a $101,630 charge related to *The Press-Enterprise* in Riverside, California, and a $242,794 charge related to *The Providence Journal* in Providence, Rhode Island.

Note 2: Other income (expense), net consists primarily of equity earnings (losses) from partnerships and joint ventures and other miscellaneous income (expense).

Note 3: Potential dilutive common shares were antidilutive as a result of the Company's net loss for the three months and twelve months ended December 31, 2007. As a result, basic and diluted average shares outstanding were the same for these periods.

Belo Corp.
Consolidated Condensed Balance Sheets

In thousands	December 31, 2007	December 31, 2006
	(unaudited)	
Assets		
Current assets		
Cash and temporary cash investments	$ 18,980	$ 46,291
Accounts receivable, net	272,278	276,825
Other current assets	53,131	61,047
Total current assets	344,389	384,163
Property, plant and equipment, net	540,484	560,494
Intangible assets, net	2,205,886	2,574,218
Other assets	88,301	87,052
Total assets	$ 3,179,060	$ 3,605,927
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 59,644	$ 79,605
Accrued expenses	115,236	102,004
Other current liabilities	74,570	77,303
Total current liabilities	249,450	258,912
Long-term debt	1,168,140	1,283,434
Deferred income taxes	445,981	435,154
Other liabilities	63,781	101,279
Total shareholders' equity	1,251,708	1,527,148
Total liabilities and shareholders' equity	$ 3,179,060	$ 3,605,927

Note: Certain prior period amounts have been reclassified to conform to current year presentation.

Belo Corp.
Segment Information

In thousands (unaudited)	Three months ended December 31, 2007	Three months ended December 31, 2006	Twelve months ended December 31, 2007	Twelve months ended December 31, 2006
Television Group				
Net operating revenues	$ 217,976	$ 223,384	$ 776,956	$ 770,539
Segment costs and expenses	122,118	117,726	461,766	444,870
Segment EBITDA [1]	$ 95,858	$ 105,658	$ 315,190	$ 325,669
Newspaper Group				
Net operating revenues	$ 188,740	$ 213,213	$ 738,669	$ 817,733
Segment costs and expenses	150,760	162,181	602,814	659,155
Segment EBITDA [1]	$ 37,980	$ 51,032	$ 135,855	$ 158,578
Corporate				
Costs and expenses	$ 32,331	$ 30,927	$ 102,627	$ 100,104

Note 1: Belo's management uses segment EBITDA as the primary measure of profitability to evaluate operating performance and to allocate capital resources and bonuses to eligible operating company employees. Segment EBITDA represents a segment's earnings before interest expense, income taxes, depreciation, amortization and impairment. Other income (expense), net is not allocated to the Company's operating segments because it consists primarily of equity earnings (losses) from investments in partnerships and joint ventures and other non-operating income (expense).

Belo Corp.
Non-GAAP to GAAP Reconciliations

Consolidated EBITDA

In thousands (unaudited)	Three months ended December 31, 2007	Three months ended December 31, 2006	Twelve months ended December 31, 2007	Twelve months ended December 31, 2006
Consolidated EBITDA [1]	$ 102,767	$ 126,729	$ 359,907	$ 395,069
Goodwill impairment	(366,561)	-	(366,561)	-
Depreciation and amortization	(25,593)	(23,808)	(101,227)	(95,732)
Interest expense	(22,487)	(22,618)	(94,494)	(95,654)
Income taxes	(21,570)	(28,954)	(60,438)	(73,157)
Net earnings (loss)	$ (333,444)	$ 51,349	$ (262,813)	$ 130,526

Note 1: The Company defines Consolidated EBITDA as net earnings before interest expense, income taxes, depreciation, amortization and impairment. Consolidated EBITDA is nc a measure of financial performance under accounting principles generally accepted in the United States. Management uses Consolidated EBITDA in internal analyses as a supplemental measure of the financial performance of the Company to assist it with determining performance comparisons against its peer group of companies, as well as capital spending and other investing decisions. Consolidated EBITDA is also a common alternative measure of performance used by investors, financial analysts, and rating agencies to evaluate financial performance. Consolidated EBITDA should not be considered in isolation or as a substitute for net earnings, operating income, cash flows provided by operating activities or other income or cash flow data prepared in accordance with U.S. GAAP and this non-GAAP measure may not be comparable to similarly titled measures of other companies.

Net earnings excluding impairment

In thousands (unaudited)	Three Months ended December 31, 2007			Twelve Months ended December 31, 2007		
	Earnings	EPS	Shares[2]	Earnings	EPS	Shares[2]
Net loss	$ (333,444)	$ (3.26)	102,262	$ (262,813)	$ (2.57)	102,245
Goodwill impairment	(366,561)	$ (3.58)	102,262	(366,561)	$ (3.59)	102,245
Net earnings excluding goodwill impairment	$ 33,117	$ 0.32	103,346	$ 103,748	$ 1.01	103,128

Note 2: Potential dilutive common shares were antidilutive as a result of the Company's net loss for the three months and twelve months ended December 31, 2007. As a result, basic weighted average shares were used in the calculations of net loss per share and the per share effect of the goodwill impairment for these periods. In the absence of the net loss, potential dilutive common shares were added to weighted average common shares outstanding in the calculation of net earnings per share excluding goodwill impairment.