

Belo Corp.
Consolidated Statements of Earnings

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Net Operating Revenues	\$ 364,349	\$ 376,395	\$ 1,108,909	\$ 1,151,675
Operating Costs and Expenses				
Salaries, wages and employee benefits	136,861	145,098	415,776	435,936
Other production, distribution and operating costs	124,712	120,313	367,811	355,739
Newsprint, ink and other supplies	25,234	30,715	78,413	101,620
Depreciation	24,227	21,575	70,318	65,663
Amortization	1,625	2,087	5,316	6,261
Total operating costs and expenses	<u>312,659</u>	<u>319,788</u>	<u>937,634</u>	<u>965,219</u>
Earnings from operations	51,690	56,607	171,275	186,456
Other income and expense				
Interest expense	(23,608)	(24,944)	(72,007)	(73,036)
Other income, net ⁽¹⁾	1,618	260	10,231	9,960
Total other income and expense	<u>(21,990)</u>	<u>(24,684)</u>	<u>(61,776)</u>	<u>(63,076)</u>
Earnings				
Earnings before income taxes	29,700	31,923	109,499	123,380
Income taxes	<u>10,942</u>	<u>12,705</u>	<u>38,868</u>	<u>44,203</u>
Net earnings	<u>\$ 18,758</u>	<u>\$ 19,218</u>	<u>\$ 70,631</u>	<u>\$ 79,177</u>
Net earnings per share				
Basic	\$.18	\$.19	\$.69	\$.76
Diluted	\$.18	\$.19	\$.69	\$.76
Average shares outstanding				
Basic	102,228	102,153	102,240	104,186
Diluted	102,735	102,251	102,887	104,472
Cash dividends declared per share	<u>\$ 0.25</u>	<u>\$ 0.25</u>	<u>\$ 0.375</u>	<u>\$ 0.35</u>

Note 1: Other income (expense), net consists primarily of equity earnings (losses) from partnerships and joint ventures and other miscellaneous income (expense).

Belo Corp.
Consolidated Condensed Balance Sheets

<i>In thousands</i>	September 30, 2007 <i>(unaudited)</i>	December 31, 2006
Assets		
Current assets		
Cash and temporary cash investments	\$ 13,867	\$ 46,291
Accounts receivable, net	251,275	276,825
Other current assets	63,960	61,047
Total current assets	<u>329,102</u>	<u>384,163</u>
Property, plant and equipment, net	537,091	560,494
Intangible assets, net	2,573,466	2,574,218
Other assets	101,575	95,403
Total assets	<u>\$ 3,541,234</u>	<u>\$ 3,614,278</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 47,786	\$ 79,605
Accrued expenses	103,668	102,004
Other current liabilities	71,543	77,303
Total current liabilities	<u>222,997</u>	<u>258,912</u>
Long-term debt	1,202,811	1,283,434
Deferred income taxes	434,206	435,154
Other liabilities	117,871	109,630
Total shareholders' equity	<u>1,563,349</u>	<u>1,527,148</u>
Total liabilities and shareholders' equity	<u>\$ 3,541,234</u>	<u>\$ 3,614,278</u>

Belo Corp.
Segment Information

<i>In thousands (unaudited)</i>	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Television Group				
Net operating revenues	\$ 182,409	\$ 179,137	\$ 558,980	\$ 547,155
Segment costs and expenses	<u>111,827</u>	<u>109,284</u>	<u>339,648</u>	<u>327,144</u>
Segment EBITDA	<u>\$ 70,582</u>	<u>\$ 69,853</u>	<u>\$ 219,332</u>	<u>\$ 220,011</u>
Newspaper Group				
Net operating revenues	\$ 181,940	\$ 197,258	\$ 549,929	\$ 604,520
Segment costs and expenses	<u>151,273</u>	<u>162,527</u>	<u>452,054</u>	<u>496,974</u>
Segment EBITDA	<u>\$ 30,667</u>	<u>\$ 34,731</u>	<u>\$ 97,875</u>	<u>\$ 107,546</u>
Corporate				
Costs and expenses	<u>\$ 23,707</u>	<u>\$ 24,315</u>	<u>\$ 70,298</u>	<u>\$ 69,177</u>

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 and amortization. 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.
Consolidated EBITDA

<i>In thousands (unaudited)</i>	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Consolidated EBITDA ⁽¹⁾	\$ 79,160	\$ 80,529	\$ 257,140	\$ 268,340
Depreciation and Amortization	(25,852)	(23,662)	(75,634)	(71,924)
Interest Expense	(23,608)	(24,944)	(72,007)	(73,036)
Income Taxes	(10,942)	(12,705)	(38,868)	(44,203)
Net Earnings	<u>\$ 18,758</u>	<u>\$ 19,218</u>	<u>\$ 70,631</u>	<u>\$ 79,177</u>

Note 1: The Company defines Consolidated EBITDA as net earnings before interest expense, income taxes, depreciation and amortization. Consolidated EBITDA is not 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.