

**Belo Corp.**  
**Consolidated Statements of Operations**

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended September 30,		Nine months ended September 30,	
	2008	2007	2008	2007
<b>Net Operating Revenues</b>	\$ 170,823	\$ 182,409	\$ 534,619	\$ 558,980
<b>Operating Costs and Expenses</b>				
Station salaries, wages and employee benefits	56,523	59,188	175,851	178,769
Station programming and other operating costs	52,567	52,638	156,659	160,869
Corporate operating costs	5,954	8,401	21,662	29,002
Spin-off related costs	-	2,805	4,659	2,805
Depreciation	11,025	12,198	32,233	33,838
Amortization	-	-	-	442
Total operating costs and expenses	<u>126,069</u>	<u>135,230</u>	<u>391,064</u>	<u>405,725</u>
Earnings from operations	44,754	47,179	143,555	153,255
<b>Other income and expense</b>				
Interest expense	(21,188)	(23,609)	(65,427)	(72,007)
Other income, net <sup>(2)</sup>	543	1,188	1,616	6,594
Total other income and expense	<u>(20,645)</u>	<u>(22,421)</u>	<u>(63,811)</u>	<u>(65,413)</u>
Earnings from continuing operations before income taxes	24,109	24,758	79,744	87,842
Income taxes	<u>9,672</u>	<u>9,804</u>	<u>49,808</u>	<u>32,948</u>
Net earnings from continuing operations	14,437	14,954	29,936	54,894
Discontinued operations, net of tax	<u>-</u>	<u>3,804</u>	<u>(4,499)</u>	<u>15,737</u>
<b>Net earnings</b>	<u>\$ 14,437</u>	<u>\$ 18,758</u>	<u>\$ 25,437</u>	<u>\$ 70,631</u>
<b>Net earnings per share - Basic</b>				
Earnings per share from continuing operations	\$ 0.14	\$ 0.15	\$ 0.29	\$ 0.53
Earnings (loss) per share from discontinued operations	<u>-</u>	<u>0.03</u>	<u>(0.04)</u>	<u>0.16</u>
Net earnings per share - Basic	<u>\$ 0.14</u>	<u>\$ 0.18</u>	<u>\$ 0.25</u>	<u>\$ 0.69</u>
<b>Net earnings per share - Diluted</b>				
Earnings per share from continuing operations	\$ 0.14	\$ 0.15	\$ 0.29	\$ 0.53
Earnings (loss) per share from discontinued operations	<u>-</u>	<u>0.03</u>	<u>(0.04)</u>	<u>0.16</u>
Net earnings per share - Diluted	<u>\$ 0.14</u>	<u>\$ 0.18</u>	<u>\$ 0.25</u>	<u>\$ 0.69</u>
<b>Average shares outstanding</b>				
Basic	102,204	102,228	102,224	102,240
Diluted	103,336	102,735	103,357	102,887
<b>Cash dividends declared per share</b>	<u>\$ 0.15</u>	<u>\$ 0.25</u>	<u>\$ 0.225</u>	<u>\$ 0.375</u>

Note 1: Certain prior period amounts have been reclassified to conform to current year presentation and to reflect discontinued operations

Note 2: Other income (expense), net consists primarily of equity earnings (losses) from partnerships and joint ventures and other miscellaneous income (expense). In 2007, other income (expense) includes \$4,000 related to an insurance settlement for losses suffered from Hurricane Katrina.

**Belo Corp.**  
**Consolidated Condensed Balance Sheets**

<i>In thousands</i>	September 30, 2008 <i>(unaudited)</i>	December 31, 2007 <i>(unaudited)</i>
<b>Assets</b>		
Current assets		
Cash and temporary cash investments	\$ 5,924	\$ 11,190
Accounts receivable, net	143,593	181,700
Other current assets	22,472	24,789
Current assets of discontinued operations	-	126,710
Total current assets	<u>171,989</u>	<u>344,389</u>
Property, plant and equipment, net	223,608	226,040
Intangible assets, net	2,045,793	2,045,793
Other assets	80,188	51,650
Long-term assets of discontinued operations	-	511,188
Total assets	<u>\$ 2,521,578</u>	<u>\$ 3,179,060</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Accounts payable	\$ 19,279	\$ 31,153
Accrued expenses	51,241	65,575
Other current liabilities	43,560	46,667
Current liabilities of discontinued operations	-	106,055
Total current liabilities	<u>114,080</u>	<u>249,450</u>
Long-term debt	1,137,867	1,168,140
Deferred income taxes	440,260	425,652
Other liabilities	38,485	37,183
Long-term liabilities of discontinued operations	-	46,927
Total shareholders' equity	<u>790,886</u>	<u>1,251,708</u>
Total liabilities and shareholders' equity	<u>\$ 2,521,578</u>	<u>\$ 3,179,060</u>

Note: Certain prior period amounts have been reclassified to conform to current period presentation and to reflect discontinued operations.

