

Belo Corp.
Consolidated Statements of Earnings

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2007	2006	2007	2006
Net Operating Revenues	\$ 390,505	\$ 403,557	\$ 744,560	\$ 775,280
Operating Costs and Expenses				
Salaries, wages and employee benefits	138,538	142,472	278,915	290,838
Other production, distribution and operating costs	125,752	123,596	243,099	235,426
Newsprint, ink and other supplies	26,332	34,227	53,179	70,905
Depreciation	23,325	22,272	46,091	44,088
Amortization	1,625	2,087	3,691	4,174
Total operating costs and expenses	<u>315,572</u>	<u>324,654</u>	<u>624,975</u>	<u>645,431</u>
Earnings from operations	74,933	78,903	119,585	129,849
Other income and expense				
Interest expense	(24,248)	(24,430)	(48,399)	(48,092)
Other income, net ⁽¹⁾	<u>3,245</u>	<u>8,852</u>	<u>8,613</u>	<u>9,700</u>
Total other income and expense	<u>(21,003)</u>	<u>(15,578)</u>	<u>(39,786)</u>	<u>(38,392)</u>
Earnings				
Earnings before income taxes	53,930	63,325	79,799	91,457
Income taxes	<u>17,508</u>	<u>20,666</u>	<u>27,926</u>	<u>31,498</u>
Net earnings	<u>\$ 36,422</u>	<u>\$ 42,659</u>	<u>\$ 51,873</u>	<u>\$ 59,959</u>
Net earnings per share				
Basic	\$.36	\$.41	\$.51	\$.57
Diluted	\$.35	\$.41	\$.50	\$.57
Average shares outstanding				
Basic	102,222	104,307	102,246	105,219
Diluted	103,178	104,474	103,035	105,523
Cash dividends declared per share	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.125</u>	<u>\$ 0.10</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>	June 30, 2007 <i>(unaudited)</i>	December 31, 2006
Assets		
Current assets		
Cash and temporary cash investments	\$ 26,544	\$ 46,291
Accounts receivable, net	257,011	276,825
Other current assets	56,972	61,047
Total current assets	<u>340,527</u>	<u>384,163</u>
Property, plant and equipment, net	547,572	560,494
Intangible assets, net	2,575,091	2,574,218
Other assets	94,274	95,403
Total assets	<u>\$ 3,557,464</u>	<u>\$ 3,614,278</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 47,330	\$ 79,605
Accrued expenses	92,212	102,004
Other current liabilities	59,695	77,303
Total current liabilities	<u>199,237</u>	<u>258,912</u>
Long-term debt	1,247,982	1,283,434
Deferred income taxes	432,466	435,154
Other liabilities	110,292	109,630
Total shareholders' equity	<u>1,567,487</u>	<u>1,527,148</u>
Total liabilities and shareholders' equity	<u>\$ 3,557,464</u>	<u>\$ 3,614,278</u>

Belo Corp.
Segment Information

<i>In thousands (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2007	2006	2007	2006
Television Group				
Net operating revenues	\$ 198,229	\$ 193,326	\$ 376,571	\$ 368,018
Segment costs and expenses	<u>115,954</u>	<u>109,815</u>	<u>227,821</u>	<u>217,860</u>
Segment EBITDA	<u>\$ 82,275</u>	<u>\$ 83,511</u>	<u>\$ 148,750</u>	<u>\$ 150,158</u>
Newspaper Group				
Net operating revenues	\$ 192,276	\$ 210,231	\$ 367,989	\$ 407,262
Segment costs and expenses	<u>149,734</u>	<u>164,992</u>	<u>300,781</u>	<u>334,447</u>
Segment EBITDA	<u>\$ 42,542</u>	<u>\$ 45,239</u>	<u>\$ 67,208</u>	<u>\$ 72,815</u>
Corporate				
Costs and expenses	<u>\$ 24,934</u>	<u>\$ 25,488</u>	<u>\$ 46,591</u>	<u>\$ 44,862</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 June 30,		Six months ended June 30,	
	2007	2006	2007	2006
Consolidated EBITDA ⁽¹⁾	\$ 103,128	\$ 112,114	\$ 177,980	\$ 187,811
Depreciation and Amortization	(24,950)	(24,359)	(49,782)	(48,262)
Interest Expense	(24,248)	(24,430)	(48,399)	(48,092)
Income Taxes	(17,508)	(20,666)	(27,926)	(31,498)
Net Earnings	<u>\$ 36,422</u>	<u>\$ 42,659</u>	<u>\$ 51,873</u>	<u>\$ 59,959</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.