

Fellow Shareholder
November 5, 2008
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Since we cannot predict the duration of the downturn, we're responding with an intense focus on cost reductions while ensuring the journalistic standards and competitive positions of our operating companies remain intact. Recent actions include the freezing of open positions Company-wide, staff reductions in certain markets, and other cost-saving measures. As a result, corporate and station expenses are below prior year levels. And in keeping with the task of resetting expenses to align with expected revenue levels, the Company will be implementing further changes to compensation and benefits for 2009. Some of these changes will be permanent, some will be temporary, but they are all aimed at helping Belo navigate what may be a difficult advertising slump.

We are also committed to maintaining the Company's disciplined capital structure. Since the spin-off of Belo's newspaper businesses in February, a key financial goal has been, and will continue to be, the repayment of debt. Belo has reduced debt by approximately \$80 million in the last six months.

We all know this is not business as usual. Our employees understand the challenges Belo faces and are committed to the Company's long-term success. Current economic conditions have not changed the competitive positions of our stations, and we will continue to operate these businesses as efficiently and aggressively as possible.

Belo is a very sound company with leading television stations in growing markets. The next 12 to 18 months will be challenging for all businesses, including Belo, but I'm confident we are taking the necessary steps to be an even stronger company when the eventual recovery takes hold.

Sincerely,

Dunia A. Shive