

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the quarterly period ended: June 30, 2003

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Commission File No. 1-8598

Belo Corp.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

75-0135890
*(I.R.S. employer
identification no.)*

P. O. Box 655237
Dallas, Texas
(Address of principal executive offices)

75265-5237
(Zip code)

Registrant's telephone number, including area code: **(214) 977-6606**

Former name, former address and former fiscal year, if changed since last report.

None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at July 31, 2003</u>
Common Stock, \$1.67 par value	113,587,792*

* Consisting of 96,992,037 shares of Series A Common Stock and 16,595,755 shares of Series B Common Stock.

**BELO CORP.
FORM 10-Q
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PART I.

Item 1. Financial Statements

CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS

Belo Corp. and Subsidiaries

<i>In thousands, except per share amounts (unaudited)</i>	<i>Three months ended June 30,</i>		<i>Six months ended June 30,</i>	
	2003	2002	2003	2002
Net Operating Revenues	\$ 369,494	\$ 366,293	\$ 691,895	\$ 686,163
Operating Costs and Expenses				
Salaries, wages and employee benefits	126,009	124,917	254,398	248,058
Other production, distribution and operating costs	95,472	94,785	183,780	182,076
Newsprint, ink and other supplies	32,928	29,925	61,669	60,387
Depreciation	22,616	24,450	45,803	48,769
Amortization	2,119	2,484	4,206	4,126
Total operating costs and expenses	<u>279,144</u>	<u>276,561</u>	<u>549,856</u>	<u>543,416</u>
Earnings from operations	90,350	89,732	142,039	142,747
Other Income and Expense				
Interest expense	(23,589)	(27,121)	(47,383)	(55,408)
Other income (expense), net	<u>(2,442)</u>	<u>4,238</u>	<u>(4,930)</u>	<u>6,422</u>
Total other income and expense	(26,031)	(22,883)	(52,313)	(48,986)
Earnings				
Earnings before income taxes	64,319	66,849	89,726	93,761
Income taxes	<u>24,958</u>	<u>26,332</u>	<u>34,743</u>	<u>36,480</u>
Net earnings	<u>\$ 39,361</u>	<u>\$ 40,517</u>	<u>\$ 54,983</u>	<u>\$ 57,281</u>
Net Earnings Per Share				
Basic	\$.35	\$.36	\$.49	\$.51
Diluted	\$.34	\$.36	\$.48	\$.51
Average Shares Outstanding				
Basic	113,163	111,849	112,997	111,330
Diluted	114,683	114,032	114,430	113,167
Cash Dividends Declared Per Share	\$.075	\$.075	\$.15	\$.15

See accompanying Notes to Consolidated Condensed Financial Statements.

CONSOLIDATED CONDENSED BALANCE SHEETS

Belo Corp. and Subsidiaries

<i>In thousands, except share and per share amounts (Current year unaudited)</i>	June 30, 2003	December 31, 2002
Assets		
Current assets:		
Cash and temporary cash investments	\$ 37,026	\$ 34,699
Accounts receivable, net	227,407	235,235
Other current assets	<u>56,483</u>	<u>49,875</u>
Total current assets	320,916	319,809
Property, plant and equipment, net	543,820	565,114
Intangible assets, net	1,367,410	1,371,231
Goodwill, net	1,255,262	1,255,262
Other assets	<u>100,346</u>	<u>102,639</u>
Total assets	<u>\$3,587,754</u>	<u>\$3,614,055</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 48,997	\$ 66,247
Accrued expenses	92,223	99,396
Other current liabilities	<u>59,227</u>	<u>49,999</u>
Total current liabilities	200,447	215,642
Long-term debt	1,390,850	1,441,200
Deferred income taxes	417,346	407,734
Other liabilities	112,997	136,249
Shareholders' equity:		
Preferred stock, \$1.00 par value. Authorized 5,000,000 shares; none issued.		
Common stock, \$1.67 par value. Authorized 450,000,000 shares:		
Series A: Issued 96,940,982 shares at June 30, 2003 and 96,076,672 shares at December 31, 2002	161,891	160,448
Series B: Issued 16,586,234 shares at June 30, 2003 and 16,681,619 shares at December 31, 2002	27,699	27,858
Additional paid-in capital	890,570	877,007
Retained earnings	434,516	396,479
Accumulated other comprehensive income	<u>(48,562)</u>	<u>(48,562)</u>
Total shareholders' equity	<u>1,466,114</u>	<u>1,413,230</u>
Total liabilities and shareholders' equity	<u>\$3,587,754</u>	<u>\$3,614,055</u>

See accompanying Notes to Consolidated Condensed Financial Statements.

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

Belo Corp. and Subsidiaries

	<i>Six months ended June 30,</i>	
<i>In thousands (unaudited)</i>	2003	2002
Operations		
Net earnings	\$ 54,983	\$ 57,281
Adjustments to reconcile net earnings to net cash provided by operations:		
Depreciation and amortization	50,009	52,895
Deferred income taxes	4,930	5,842
Pension contribution	(14,000)	--
Non-cash expenses	12,565	6,000
Net gain on sale of investments	--	(1,841)
Equity loss from partnerships	5,564	1,381
Other, net	(1,772)	(624)
Net change in current assets and liabilities:		
Accounts receivable	7,543	3,151
Other current assets	(6,274)	1,883
Accounts payable	(17,250)	(5,539)
Accrued expenses	(20,456)	9,408
Other current liabilities	<u>15,071</u>	<u>21,080</u>
Net cash provided by operations	90,913	150,917
Investments		
Capital expenditures	(24,699)	(16,885)
Acquisitions	--	(18,000)
Proceeds from sale of investments	--	27,000
Other investments	(6,308)	(8,909)
Other, net	<u>808</u>	<u>(220)</u>
Net cash used for investments	(30,199)	(17,014)
Financing		
Borrowings of debt	390,000	611,700
Repayments of debt	(440,350)	(757,250)
Payment of dividends on stock	(16,946)	(16,674)
Net proceeds from exercise of stock options	9,388	23,700
Other	<u>(479)</u>	<u>2,856</u>
Net cash used for financing	(58,387)	(135,668)
Net increase (decrease) in cash and temporary cash investments	2,327	(1,765)
Cash and temporary cash investments at beginning of period	<u>34,699</u>	<u>35,919</u>
Cash and temporary cash investments at end of period	<u>\$ 37,026</u>	<u>\$ 34,154</u>
Supplemental Disclosures		
Interest paid, net of amounts capitalized	\$ 47,563	\$ 56,262
Income taxes paid, net of refunds	\$ 19,014	\$ (88)

See accompanying Notes to Consolidated Condensed Financial Statements.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Belo Corp. and Subsidiaries

(in thousands, except per share amounts)

- (1) The accompanying unaudited consolidated condensed financial statements of Belo Corp. and subsidiaries (the “Company” or “Belo”) have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The balance sheet at December 31, 2002 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six-month periods ended June 30, 2003 are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2002.

Certain amounts for the prior periods have been reclassified to conform to the current year presentation.

- (2) The following table sets forth the reconciliation between weighted average shares used for calculating basic and diluted earnings per share for the three and six months ended June 30, 2003 and 2002:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>June 30,</i>		<i>June 30,</i>	
	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>
Weighted average shares for basic earnings per share	113,163	111,849	112,997	111,330
Effect of employee stock options	<u>1,520</u>	<u>2,183</u>	<u>1,433</u>	<u>1,837</u>
Weighted average shares for diluted earnings per share	<u>114,683</u>	<u>114,032</u>	<u>114,430</u>	<u>113,167</u>

- (3) The Company has adopted the disclosure-only provisions of SFAS No. 123, “Accounting for Stock-Based Compensation” and SFAS No. 148, “Accounting for Stock-Based Compensation – Transition and Disclosure – an Amendment of FASB Statement No. 123” and continues to apply APB Opinion No. 25 in accounting for its stock-based compensation plans. Because it is Belo’s policy to grant stock options at the market price on the date of grant, the intrinsic value is zero, and therefore no compensation expense is recorded. The Company plans to begin recording compensation expense for stock options once accounting standard-setting bodies have issued final accounting standards.

The following table illustrates the effect on net earnings and net earnings per share if the Company had applied the fair value recognition provisions of SFAS No. 123 for the three and six months ended June 30, 2003 and 2002:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>June 30,</i>		<i>June 30,</i>	
	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>
Net earnings, as reported	\$ 39,361	\$ 40,517	\$ 54,983	\$ 57,281
Less: Stock-based compensation expense determined under fair value-based method, net of tax	<u>3,077</u>	<u>3,408</u>	<u>6,104</u>	<u>6,821</u>
Net earnings, pro forma	<u>\$ 36,284</u>	<u>\$ 37,109</u>	<u>\$ 48,879</u>	<u>\$ 50,460</u>
Per share amounts:				
Basic net earnings per share, as reported	<u>\$.35</u>	<u>\$.36</u>	<u>\$.49</u>	<u>\$.51</u>
Basic net earnings per share, pro forma	<u>\$.32</u>	<u>\$.34</u>	<u>\$.44</u>	<u>\$.46</u>
Diluted net earnings per share, as reported	<u>\$.34</u>	<u>\$.36</u>	<u>\$.48</u>	<u>\$.51</u>
Diluted net earnings per share, pro forma	<u>\$.32</u>	<u>\$.33</u>	<u>\$.43</u>	<u>\$.45</u>

For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting periods. The pro forma information presented above is not necessarily indicative of the effects on reported or pro forma net earnings for future years.

- (4) Net operating revenues, operating costs and expenses and earnings from operations by industry segment are shown below.

<i>In thousands</i>	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>June 30,</i>		<i>June 30,</i>	
	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>
Net Operating Revenues				
Television Group	\$ 171,881	\$ 171,089	\$ 313,443	\$ 311,703
Newspaper Group	186,981	185,784	358,321	357,254
Interactive Media	5,977	4,848	11,169	8,842
Other	4,655	4,572	8,962	8,364
Total net operating revenues	<u>\$ 369,494</u>	<u>\$ 366,293</u>	<u>\$ 691,895</u>	<u>\$ 686,163</u>
Operating Costs and Expenses				
Television Group	\$ 105,288	\$ 105,423	\$ 208,631	\$ 206,157
Newspaper Group	149,467	144,745	292,106	286,613
Interactive Media	8,332	8,288	16,644	16,089
Other	5,444	5,439	10,637	10,472
Corporate	10,613	12,666	21,838	24,085
Total operating costs and expenses	<u>\$ 279,144</u>	<u>\$ 276,561</u>	<u>\$ 549,856</u>	<u>\$ 543,416</u>
Earnings from Operations				
Television Group	\$ 66,593	\$ 65,666	\$ 104,812	\$ 105,546
Newspaper Group	37,514	41,039	66,215	70,641
Interactive Media	(2,355)	(3,440)	(5,475)	(7,247)
Other	(789)	(867)	(1,675)	(2,108)
Corporate	(10,613)	(12,666)	(21,838)	(24,085)
Total earnings from operations	<u>\$ 90,350</u>	<u>\$ 89,732</u>	<u>\$ 142,039</u>	<u>\$ 142,747</u>

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations
(dollars in thousands, except per share amounts)

The Company is an owner and operator of 19 television stations and publisher of four daily newspapers. The following table sets forth the Company’s major media assets by segment as of June 30, 2003:

<i>Television Group</i>					
<i>Market</i>	<i>Market Rank</i> ^(a)	<i>Station</i>	<i>Network Affiliation</i> ^(b)	<i>Status</i>	<i>Acquired</i>
Dallas/Fort Worth	7	WFAA	ABC	Owned	March 1950
Houston	11	KHOU	CBS	Owned	February 1984
Seattle/Tacoma	12	KING	NBC	Owned	February 1997
Seattle/Tacoma	12	KONG	IND	Owned	March 2000
Phoenix	16	KTVK	IND	Owned	November 1999
Phoenix	16	KASW	WB	Owned	March 2000
St. Louis	22	KMOV	CBS	Owned	June 1997
Portland	23	KGW	NBC	Owned	February 1997
Charlotte	28	WCNC	NBC	Owned	February 1997
San Antonio	37	KENS	CBS	Owned	October 1997
San Antonio	37	KBEJ	UPN	LMA	^(c)
Hampton/Norfolk	41	WVEC	ABC	Owned	February 1984
New Orleans	42	WWL	CBS	Owned	June 1994
Louisville	50	WHAS	ABC	Owned	February 1997
Austin	54	KVUE	ABC	Owned	June 1999
Tucson	74	KMSB	FOX	Owned	February 1997
Tucson	74	KTTU	UPN	Owned	March 2002 ^(d)
Spokane	79	KREM	CBS	Owned	February 1997
Spokane	79	KSKN	WB	Owned	October 2001
Boise ^(e)	124	KTVB	NBC	Owned	February 1997

<i>Newspaper Group</i>				
<i>Newspaper</i>	<i>Location</i>	<i>Acquired</i>	<i>Daily Circulation</i> ^(g)	<i>Sunday Circulation</i> ^(g)
<i>The Dallas Morning News (“DMN”)</i>	Dallas, TX	^(f)	533,567	786,594
<i>The Providence Journal (“PJ”)</i>	Providence, RI	February 1997	165,628	233,591
<i>The Press-Enterprise (“PE”)</i>	Riverside, CA	July 1997	188,091	190,773
<i>Denton Record-Chronicle</i>	Denton, TX	June 1999	13,737	17,310

<i>Interactive Media</i>	
Belo Interactive, Inc.	Includes the Web site operations of Belo’s operating companies, interactive alliances and Internet-based products and services. ^(h)

<i>Other</i>	
Northwest Cable News (“NWCN”)	Cable news channel distributed to over 2.0 million homes in the Pacific Northwest.
Texas Cable News (“TXCN”)	Cable news channel distributed to over 1.5 million homes in Texas.

(a) Market rank is based on the relative size of the television market, or Designated Market Area (“DMA”), among the 210 generally recognized DMAs in the United States, based on May 2003 Nielsen estimates.

(b) Substantially all the revenue of the Company’s television stations is derived from advertising. Less than 4 percent of Television Group revenue is provided by compensation paid by networks to the television stations for broadcasting network programming.

(c) Belo entered into an agreement to operate KBEJ under a local marketing agreement (“LMA”) in May 1999; the station’s on-air date was August 3, 2000.

(d) Belo acquired KTTU, previously operated under an LMA, on March 12, 2002.

(e) The Company also owns KTFT-LP (NBC), a low power television station in Twin Falls, Idaho.

(f) The first issue of *DMN* was published by Belo on October 1, 1885.

(g) Average paid circulation data is for the six months ended March 31, 2003, according to the Audit Bureau of Circulation’s FAS-FAX report, except for the *Denton Record-Chronicle*, for which circulation data is taken from the Certified Audit of Circulations Report for the twelve-month period ended December 31, 2002.

(h) The majority of Belo Interactive’s Web sites are associated with the Company’s television stations and newspapers and primarily provide news and information.

Results of Operations

Consolidated Results of Operations

Three Months Ended June 30, 2003 and 2002

Total net operating revenues for the second quarter of 2003 were \$369,494, an increase of \$3,201, or approximately 1 percent, as compared to the same period in 2002 due to increases of \$1,197 in the Newspaper Group, \$1,129 in Interactive Media, \$792 in the Television Group and \$83 in Other.

Salaries, wages and employee benefits expense increased \$1,092, or less than 1 percent, for the second quarter of 2003 as compared to the prior year period primarily due to increases of \$2,093 in pension expense, \$1,917 in medical insurance expense and \$1,775 in salary expense offset by a decrease of \$4,207 in second quarter 2003 accruals for performance-based bonuses as compared to the second quarter of 2002.

Other production, distribution and operating costs increased \$687, or less than 1 percent, in the second quarter of 2003 as compared to the second quarter of 2002 primarily due to an increase in advertising and promotion of \$1,433, partially offset by a decrease in outside solicitation of \$658.

Newsprint, ink and other supplies increased \$3,003, or 10 percent, in the second quarter of 2003 as compared to the year earlier period. The average cost per metric ton of newsprint increased 8.1 percent in the second quarter of 2003 as compared to the year earlier period. Newsprint consumption was flat between the second quarter periods.

Depreciation expense decreased \$1,834 in the second quarter of 2003, from \$24,450 in the second quarter of 2002 to \$22,616 in the second quarter of 2003.

Amortization expense decreased from \$2,484 in second quarter of 2002 to \$2,119 in the second quarter of 2003.

Interest expense for the second quarter of 2003 of \$23,589 was 13 percent lower than second quarter 2002 expense of \$27,121, due to lower average debt levels and the refinancing of \$250,000 in fixed rate notes with lower rate revolving debt in June 2002.

Other income (expense), net decreased from income of \$4,238 in the second quarter of 2002 to expense of \$2,442 in the second quarter of 2003 primarily due to a credit of \$4,787 in 2002 related to the favorable resolution of certain contingencies associated with the Company's sales in the fourth quarter of 2000 of KOTV in Tulsa, Oklahoma, the *Messenger-Inquirer* in Owensboro, Kentucky, *The Gleaner* in Henderson, Kentucky and *The Eagle* in Bryan/College Station, Texas. In addition, the Company recorded a loss of \$2,726 from its equity in partnerships with Time Warner Cable ("Time Warner") in the second quarter of 2003 compared with a loss of \$686 in the second quarter of 2002 (the Charlotte, Houston and San Antonio cable news channels commenced operations in June 2002, December 2002 and April 2003, respectively.)

The effective tax rate for the second quarter of 2003 was 38.8 compared with 39.4 percent for the second quarter of 2002.

As a result of the factors discussed above, net earnings of \$39,361 (34 cents per share) were reported for the three months ended June 30, 2003 as compared to \$40,517 (36 cents per share) for the same period in 2002.

Six Months Ended June 30, 2003 and 2002

Total net operating revenues were \$691,895 for the six months ended June 30, 2003, an increase of \$5,732, or approximately 1 percent, as compared to the same period in 2002 due to increases of \$2,327 in Interactive Media, \$1,740 for the Television Group, \$1,067 for the Newspaper Group and \$598 for Other.

Salaries, wages and employee benefits expense increased \$6,340, or 2.6 percent, for the six months ended June 30, 2003 as compared to the prior year period due to increases of \$4,377 in pension expense, \$2,870 in medical insurance expense and \$2,687 in salary expense partially offset by a decrease of \$6,158 in 2003 accruals for performance-based bonuses as compared to the prior year period.

Other production, distribution and operating costs increased \$1,704, or less than 1 percent, in the first six months of 2003 as compared to the first six months of 2002, primarily due to an increase in advertising and promotion of \$1,107, partially offset by a decrease in outside services of \$678.

Newsprint, ink and other supplies increased \$1,282, or 2.1 percent, in the six months ended June 30, 2003 as compared to the year earlier period. The average cost per metric ton of newsprint increased 1.4 percent in the first six months of 2003 as compared to the year earlier period. Newsprint consumption in the first six months of 2003 increased less than 1 percent as compared to the year earlier period.

Depreciation expense decreased \$2,966, from \$48,769 in the first six months of 2002 to \$45,803 in the first six months of 2003.

Amortization expense increased from \$4,126 in the six months ended June 30, 2002 to \$4,206 in the six months ended June 30, 2003.

Interest expense for the six months ended June 30, 2003 was \$47,383, or 14.5 percent lower than the year earlier period expense of \$55,408, due to lower average debt levels and the refinancing of \$250,000 in fixed rate notes with lower rate revolving debt in June 2002.

Other income (expense), net decreased from income of \$6,422 for the six month period ended June 30, 2002 to expense of \$4,930 in the first six months of 2003 primarily due to a loss of \$5,426 from Belo's equity ownership in partnerships with Time Warner in the first six months of 2003 compared with a loss of \$876 in the first six months of 2002 (the Charlotte, Houston and San Antonio cable news channels commenced operations in June 2002, December 2002 and April 2003, respectively), a credit of \$4,787 in 2002 related to the favorable resolution of certain contingencies associated with the Company's sales in the fourth quarter of 2000 of KOTV in Tulsa, Oklahoma, the *Messenger-Inquirer* in Owensboro, Kentucky, *The Gleaner* in Henderson, Kentucky and *The Eagle* in Bryan/College Station, Texas and a gain of \$2,375 in the first quarter of 2002 on the sale of Belo's interest in the Dallas Mavericks and the American Airlines Center.

The effective tax rate for the six months ended June 30, 2003 was 38.7 percent compared with 38.9 percent for the six months ended June 30, 2002.

As a result of the factors discussed above, net earnings for the six months ended June 30, 2003 were \$54,983 (48 cents per share) as compared to \$57,281 (51 cents per share) for the six months ended June 30, 2002.

Segment Results of Operations

<i>In thousands</i>	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>June 30,</i>		<i>June 30,</i>	
	2003	2002	2003	2002
Net Operating Revenues				
Television Group	\$ 171,881	\$ 171,089	\$ 313,443	\$ 311,703
Newspaper Group	186,981	185,784	358,321	357,254
Interactive Media	5,977	4,848	11,169	8,842
Other	4,655	4,572	8,962	8,364
Total net operating revenues	<u>\$ 369,494</u>	<u>\$ 366,293</u>	<u>\$ 691,895</u>	<u>\$ 686,163</u>
Operating Costs and Expenses				
Television Group	\$ 105,288	\$ 105,423	\$ 208,631	\$ 206,157
Newspaper Group	149,467	144,745	292,106	286,613
Interactive Media	8,332	8,288	16,644	16,089
Other	5,444	5,439	10,637	10,472
Corporate	10,613	12,666	21,838	24,085
Total operating costs and expenses	<u>\$ 279,144</u>	<u>\$ 276,561</u>	<u>\$ 549,856</u>	<u>\$ 543,416</u>
Earnings from Operations				
Television Group	\$ 66,593	\$ 65,666	\$ 104,812	\$ 105,546
Newspaper Group	37,514	41,039	66,215	70,641
Interactive Media	(2,355)	(3,440)	(5,475)	(7,247)
Other	(789)	(867)	(1,675)	(2,108)
Corporate	(10,613)	(12,666)	(21,838)	(24,085)
Total earnings from operations	<u>\$ 90,350</u>	<u>\$ 89,732</u>	<u>\$ 142,039</u>	<u>\$ 142,747</u>
Depreciation and Amortization				
Television Group	\$ 10,415	\$ 12,138	\$ 21,407	\$ 23,881
Newspaper Group	11,894	12,477	23,771	24,360
Interactive Media	861	863	1,737	1,721
Other	644	605	1,253	1,177
Corporate	921	851	1,841	1,756
Total depreciation and amortization	<u>\$ 24,735</u>	<u>\$ 26,934</u>	<u>\$ 50,009</u>	<u>\$ 52,895</u>
EBITDA^(a)				
Television Group	\$ 77,008	\$ 77,804	\$ 126,219	\$ 129,427
Newspaper Group	49,408	53,516	89,986	95,001
Interactive Media	(1,494)	(2,577)	(3,738)	(5,526)
Other	(145)	(262)	(422)	(931)
Corporate	(9,692)	(11,815)	(19,997)	(22,329)
Segment EBITDA	115,085	116,666	192,048	195,642
Other Income (Expense), Net	(2,442)	4,238	(4,930)	6,422
Consolidated EBITDA ^(a)	112,643	120,904	187,118	202,064
Depreciation and Amortization	(24,735)	(26,934)	(50,009)	(52,895)
Interest Expense	(23,589)	(27,121)	(47,383)	(55,408)
Income Taxes	(24,958)	(26,332)	(34,743)	(36,480)
Net Earnings	<u>\$ 39,361</u>	<u>\$ 40,517</u>	<u>\$ 54,983</u>	<u>\$ 57,281</u>

- (a) All references in this Form 10-Q to consolidated EBITDA and to its components, EBITDA on a segment basis and operating costs and expenses before depreciation and amortization, are references to non-GAAP financial measures. Consolidated EBITDA, which is reconciled to net earnings above, is defined as net earnings before interest expense, income taxes, depreciation and amortization. EBITDA is not a measure of financial performance under accounting principles generally accepted in the United States. Accordingly, it should not be considered in isolation or as a substitute for net earnings, operating income, cash flow provided by operating activities or other income or cash flow data prepared in accordance with accounting principles generally accepted in the United States. Management believes that EBITDA is useful as a supplemental measure of evaluating financial performance of the Company and its business segments because of its focus on the Company's results from operations before interest, income taxes, depreciation and amortization. EBITDA is a common alternative measure of performance used by investors, financial analysts and rating agencies to evaluate financial performance. Because EBITDA is not a measurement determined in accordance with GAAP and is thus susceptible to varying calculation, EBITDA as presented may not be comparable to other similarly titled measures of other companies.

Television Group

Television Group revenues for the second quarter of 2003 were \$171,881, an increase of \$792, or 0.5 percent, from revenues of \$171,089 in the second quarter of 2002. For the six-month periods, Television Group revenues increased \$1,740, or 0.6 percent, from \$311,703 in 2002 to \$313,443 in 2003. Total spot revenues increased 0.3 percent for the second quarter of 2003 and 0.4 percent for the first six months of 2003. The largest spot revenue increases for both the three and six month periods were reported in the automotive, food products, radio and television and healthcare categories while decreases were reported in the department stores, restaurant and movies categories. For the second quarter of 2003 versus 2002, the largest spot increases were in Phoenix, Seattle and Louisville while the largest decreases were in Dallas and Houston. For the six-month period ended June 30, 2003 versus the prior year period, the largest spot increases were in Phoenix, Louisville and Charlotte while the largest decreases were in Houston, San Antonio and Dallas. Local spot revenues increased 5.2 percent and 4.3 percent for the quarter and six-month periods ended June 30, 2003, respectively, as compared to the prior year periods. National spot revenues decreased 1.9 percent in the second quarter of 2003 as compared to the second quarter of 2002 and increased 0.8 percent for the six-month period comparisons. Political advertising revenues were \$1,498 in the second quarter of 2003 compared to \$5,077 in the second quarter of 2002. For the six-month periods, political revenues were \$1,879 in 2003 and \$9,272 in 2002. Total spot revenues excluding political advertising, increased 2.6 percent for the second quarter and 3 percent for the six months ended June 30, 2003 when compared to the respective prior year periods. The first six months of 2002 also included approximately \$9,000 of advertising revenues generated by the Company's NBC affiliates from the broadcast of the Winter Olympics.

Television Group operating costs and expenses before depreciation and amortization increased 1.7 percent and 2.7 percent for the second quarter and first six months of 2003, respectively, primarily due to increases in salaries, wages and employee benefits expense resulting from higher pension and medical insurance expenses. EBITDA for the Television Group decreased 1 percent for the second quarter and 2.5 percent for the six-month period ended June 30, 2003 as compared to the prior year periods. Total operating costs and expenses were flat in the second quarter of 2003 when compared to the second quarter of 2002 and increased 1.2 percent between the six-month periods. Earnings from operations increased 1.4 percent for the second quarter of 2003 and decreased 0.7 percent for the first six months of 2003.

Newspaper Group

For the Newspaper Group, total revenues and total advertising revenues increased less than 1 percent in the second quarter and first six months of 2003 when compared to the same periods of 2002. General advertising revenues increased 9.2 percent for the second quarter and 2.3 percent for the first six months in 2003 as compared to the year earlier periods. Classified and retail advertising revenues declined 5.9 percent and 2.2 percent for the quarter, respectively, and 4.7 percent and 1.8 percent for the six-month periods, respectively. All other advertising revenues increased 9.2 percent in the quarter and 10.4 percent in the six-month period, primarily due to increases in revenues from preprints and Total Market Coverage ("TMC").

DMN reported total revenue decreases of 0.8 percent and 1.2 percent for the second quarter and first six months of 2003 as compared to the prior year periods. Classified advertising revenues declined 7.7 percent in the second quarter and 6.3 percent in the first six months of 2003 as compared to the year earlier periods, primarily due to decreases in classified employment volume. Retail advertising revenues decreased 3.6 percent in the quarter and 2.9 percent in the year-to-date period primarily due to decreased volumes in the department store category. General advertising revenues increased 5.2 percent in the second quarter and decreased 1.4 percent in the year-to-date period. Other advertising revenues increased 5.2 percent and 7 percent for the quarter and six-month periods in 2003, respectively, due to increases in preprints and TMC revenues.

At *PJ*, total revenues increased 0.8 percent for the second quarter and 1.4 percent for first six months of 2003 when compared to the year earlier periods. For the quarter and six-month periods, increases in revenues from preprints and TMC were partially offset by decreases in classified employment advertising revenues.

Total revenues at *PE* increased 6.3 percent and 4.9 percent for the quarter and six-month periods ended June 30, 2003, respectively, when compared to the prior year periods. The increase for the second quarter of 2003 versus

2002 was due to increases in general and preprints and TMC. For the six-month period, increases in general and preprints and TMC revenues were partially offset by decreases in retail advertising revenue.

Newspaper Group total operating costs and expenses before depreciation and amortization increased 4 percent in the second quarter of 2003 and 2.3 percent in the first six months of 2003 when compared to the same periods of 2002, due primarily to higher pension and medical insurance expenses in the second quarter and first six months of 2003 and also due to an increase in newsprint expense in the second quarter of 2003 when compared to the second quarter of 2002. EBITDA for the Newspaper Group decreased 7.7 percent and 5.3 percent for the quarter and year-to-date periods, respectively. Total operating costs and expenses increased 3.3 percent in the second quarter and 1.9 percent in the six-month period of 2003. Earnings from operations decreased 8.6 percent and 6.3 percent for the quarter and six-month periods in 2003 compared to the prior year periods.

Interactive Media and Other Segments

The Company continues to invest in its Interactive Media and regional cable news operations. Interactive Media revenues, which are primarily derived from advertising, increased 23.3 percent, from \$4,848 in the second quarter of 2002 to \$5,977 in the second quarter of 2003. For the first six months of 2003, Interactive Media revenues increased 26.3 percent over the prior year period, from \$8,842 in 2002 to \$11,169 in 2003. Interactive Media total costs and expenses increased 0.5 percent and 3.4 percent for the quarter and six-month periods ended June 30, 2003, respectively, as compared to the prior year periods, due primarily to increases in computer expense and license fees. As a result, the Interactive Media EBITDA deficit improved from \$2,577 in the second quarter of 2002 to \$1,494 in the second quarter of 2003 and from \$5,526 in the first six months of 2002 to \$3,738 in the first six months of 2003. The Interactive Media loss from operations improved from \$3,440 in the second quarter of 2002 to \$2,355 in the second quarter 2003 and from \$7,247 in the first six months of 2002 to \$5,475 in first six months of 2003.

Other revenues consist primarily of revenues from Belo's regional cable news operations, NWCN and TXCN. Revenues from Belo's cable news operations are derived from a combination of advertising and subscriber-based fees. Other revenues increased 1.8 percent, from \$4,572 in the second quarter of 2002 to \$4,655 in the second quarter of 2003, reflecting a revenue increase at TXCN and a revenue decrease at NWCN. For the six-month periods, Other revenues increased 7.1 percent, from \$8,364 in 2002 to \$8,962 in 2003 with revenue increases reported at both NWCN and TXCN. Total operating costs and expenses were flat in the second quarter of 2003 when compared to the second quarter of 2002 and increased 1.6 percent in the first six months of 2003 when compared to the year earlier period. The EBITDA deficit improved from \$262 in the three-month period and \$931 in the six-month period ended June 30, 2002 to \$145 and \$422, respectively, in the same periods of 2003. Loss from operations for the Other segment improved 9 percent for the second quarter periods, from \$867 in 2002 to \$789 in 2003, and improved 20.5 percent in the year-to-date periods, from \$2,108 in 2002 to \$1,675 in 2003.

Liquidity and Capital Resources

Net cash provided by operations, bank borrowings and term debt are the Company's primary sources of liquidity. During the first six months of 2003, net cash provided by operations was \$90,913, compared with \$150,917 for the same period in 2002. Net cash provided by operations was lower in the first six months of 2003 as compared to the year earlier period primarily due to cash requirements for bonuses and income taxes and contributions to the Company's defined benefit pension plan. The Company also used net cash provided by operations to pay down debt and to fund capital expenditures and dividend payments. Total debt decreased \$50,350 from December 31, 2002 to June 30, 2003.

At June 30, 2003, the Company had \$1,100,000 in fixed-rate debt securities as follows: \$300,000 of 7-1/8 percent Senior Notes due 2007; \$350,000 of 8 percent Senior Notes due 2008; \$200,000 of 7-3/4 percent Senior Debentures due 2027; and \$250,000 of 7-1/4 percent Senior Debentures due 2027. The weighted average effective interest rate for the fixed-rate debt instruments is 7.5 percent. The Company also has \$150,000 of additional debt securities available for future issuance under a shelf registration statement filed in April 1997.

At June 30, 2003, the Company had a \$720,000 variable-rate revolving credit facility under which borrowings were \$260,000. Borrowings under the credit facility mature upon expiration of the agreement on November 29, 2006. In addition, the Company had \$24,450 of short-term unsecured notes outstanding at

June 30, 2003. These borrowings may be converted at the Company's option to revolving debt. Accordingly, such borrowings are classified as long-term in the Company's financial statements.

The Company is required to maintain certain ratios as of the end of each quarter, as defined in its revolving credit agreement. As of June 30, 2003, the Company was in compliance with all debt covenant requirements.

In the first six months of 2003, the Company paid dividends of \$16,946, or 15 cents per share, on Series A and Series B common stock outstanding, compared with \$16,674, or 15 cents per share, in the first six months of 2002. On July 25, 2003, Belo announced that its Board of Directors approved an increase in the Company's quarterly cash dividend from 7.5 cents per share to 9.5 cents per share.

Capital expenditures in the first six months of 2003 of \$24,699 were primarily for Television Group and Newspaper Group equipment purchases.

During 2000 and 2001, Belo announced the formation of a series of cable news partnerships with Time Warner Cable. The Time Warner agreements call for the creation of 24-hour cable news channels in Houston and San Antonio, Texas and Charlotte, North Carolina. As of June 30, 2003, investments totaling \$29,683 (\$2,733 of which was invested in the first six months of 2003) had been made related to the Time Warner partnerships to fund capital expenditures and operating costs. The on-air dates of the news channels in Charlotte, Houston, and San Antonio were June 14, 2002, December 12, 2002, and April 7, 2003, respectively.

In the first six months of 2003, the Company made contributions to its defined benefit pension plan totaling \$14,000. These contributions satisfy the Company's required minimum contribution for ERISA funding purposes, which was to be made by September 2004. The Company expects to make additional voluntary contributions to the plan in 2003 of up to \$13,000, which amount has been classified as a current liability in the Company's June 30, 2003 financial statements.

Forward-Looking Statements

Statements in this report concerning the Company's business outlook or future economic performance, anticipated profitability, revenues, expenses, capital expenditures, investments, future financings or other financial and non-financial items that are not historical facts, are "forward-looking statements" as the term is defined under applicable federal securities laws. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those statements.

Such risks, uncertainties and factors include, but are not limited to, changes in capital market conditions and prospects, and other factors such as changes in advertising demand, interest rates and newsprint prices; technological changes; development of Internet commerce; industry cycles; changes in pricing or other actions by competitors and suppliers; regulatory changes; adoption of new accounting standards or changes in existing accounting standards by the Financial Accounting Standards Board or other accounting standard-setting bodies or authorities; the effects of Company acquisitions and dispositions; and general economic conditions, and significant armed conflict, as well as other risks detailed in the Company's filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K and in the Company's periodic press releases.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Other than as disclosed, there have been no material changes in the Company's exposure to market risk from the disclosure included in Belo's Annual Report on Form 10-K for the fiscal year ended December 31, 2002.

Item 4. Controls and Procedures

The Company carried out an evaluation, as required by Exchange Act Rule 13a-15(b), under the supervision and with the participation of the Company's management, including the Company's Chairman of the Board, President and Chief Executive Officer and Executive Vice President/Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures, as of the end of the period covered by this report. Based upon that evaluation, the Chairman of the Board, President and Chief Executive Officer and Executive Vice President/Chief Financial Officer concluded that, as of the end of the period covered by this report, the

Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company (including its consolidated subsidiaries) required to be included in the Company's periodic SEC filings.

During the period covered by this report, there have been no changes to the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, Belo's internal control over financial reporting.

PART II

Item 1. Legal Proceedings

A number of legal proceedings are pending against the Company, including several actions for alleged libel. In the opinion of management, liabilities, if any, arising from these actions would not have a material adverse effect on the results of operations, liquidity or financial position of the Company.

Item 2. Changes in Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of the Company's shareholders was held on May 13, 2003. All nominees standing for election as directors were elected. The following chart indicates the number of votes cast with respect to each nominee for director:

<u>Nominee</u>	<u>For</u>	<u>Withheld Authority</u>
Henry P. Becton, Jr.	248,541,439	2,238,490
France A. Cordova, Ph.D.	248,856,918	1,923,011
Roger A. Enrico	248,679,730	2,100,199
Arturo Madrid, Ph. D.	248,521,961	2,257,968
Wayne R. Sanders	248,771,043	2,008,886
William T. Solomon	248,863,570	1,916,359
Lloyd D. Ward	248,732,664	2,047,265

In addition to those directors elected at the Annual Meeting, the following directors continue in office: Louis E. Caldera, Judith L. Craven, M.D., M.P.H, Stephen Hamblett, Dealey D. Herndon, Robert W. Decherd, Laurence E. Hirsch and J. McDonald Williams.

No other matters were submitted to a vote of security holders at the Annual Meeting.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibits marked with an asterisk (*) are incorporated by reference to documents previously filed by the Company with the Securities and Exchange Commission, as indicated. Exhibits marked with a tilde (~) are management contracts or compensatory plan contracts or arrangements filed pursuant to Item 601(b)(10)(iii)(A) of Regulation S-K. All other documents are filed with this report.

- 3.1 * Certificate of Incorporation of the Company (Exhibit 3.1 to the Company's Annual Report on Form 10-K dated March 15, 2000 (the "1999 Form 10-K"))
- 3.2 * Certificate of Correction to Certificate of Incorporation dated May 13, 1987 (Exhibit 3.2 to the 1999 Form 10-K)
- 3.3 * Certificate of Designation of Series A Junior Participating Preferred Stock of the Company dated April 16, 1987 (Exhibit 3.3 to the 1999 Form 10-K)
- 3.4 * Certificate of Amendment of Certificate of Incorporation of the Company dated May 4, 1988 (Exhibit 3.4 to the 1999 Form 10-K)
- 3.5 * Certificate of Amendment of Certificate of Incorporation of the Company dated May 3, 1995 (Exhibit 3.5 to the 1999 Form 10-K)
- 3.6 * Certificate of Amendment of Certificate of Incorporation of the Company dated May 13, 1998 (Exhibit 3.6 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1998 (the "2nd Quarter 1998 Form 10-Q"))
- 3.7 * Certificate of Ownership and Merger, dated December 20, 2000, but effective as of 11:59 p.m. on December 31, 2000 (Exhibit 99.2 to Belo's Current Report on Form 8-K filed with the Commission on December 29, 2000)
- 3.8 * Amended Certificate of Designation of Series A Junior Participating Preferred Stock of the Company dated May 4, 1988 (Exhibit 3.7 to the 1999 Form 10-K)
- 3.9 * Certificate of Designation of Series B Common Stock of the Company dated May 4, 1988 (Exhibit 3.8 to the 1999 Form 10-K)
- 3.10 * Amended and Restated Bylaws of the Company, effective December 31, 2000 (Exhibit 3.10 to the Company's Annual Report on Form 10-K dated March 13, 2001 (the "2000 Form 10-K"))
- 3.11 * Amendment No. 1 to Amended and Restated Bylaws of the Company, effective February 7, 2003 (Exhibit 3.11 to the Company's Annual Report on Form 10-K dated March 12, 2003 (the "2002 Form 10-K"))
- 4.1 Certain rights of the holders of the Company's Common Stock are set forth in Exhibits 3.1-3.11 above
- 4.2 * Specimen Form of Certificate representing shares of the Company's Series A Common Stock (Exhibit 4.2 to the 2000 Form 10-K)
- 4.3 * Specimen Form of Certificate representing shares of the Company's Series B Common Stock (Exhibit 4.3 to the 2000 Form 10-K)
- 4.4 * Amended and Restated Form of Rights Agreement as of February 28, 1996 between the Company and Chemical Mellon Shareholder Services, L.L.C., a New York banking corporation (Exhibit 4.4 to the 1999 Form 10-K)

**Exhibit
Number Description**

- 4.5 * Supplement No. 1 to Amended and Restated Rights Agreement between the Company and The First National Bank of Boston dated as of November 11, 1996 (Exhibit 4.5 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1996)
- 4.6 * Supplement No. 2 to Amended and Restated Rights Agreement between the Company and The First National Bank of Boston dated as of June 5, 1998 (Exhibit 4.6 to the 2000 Form 10-K)
- 4.7 Instruments defining rights of debt securities:
- (1) * Indenture dated as of June 1, 1997 between the Company and The Chase Manhattan Bank, as Trustee (Exhibit 4.6(1) to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1997 (the "2nd Quarter 1997 Form 10-Q"))
- (2) * (a) \$200 million 7-1/8% Senior Note due 2007 (Exhibit 4.6(3)(a) to the 2nd Quarter 1997 Form 10-Q)
* (b) \$100 million 7-1/8% Senior Note due 2007 (Exhibit 4.6(3)(b) to the 2nd Quarter 1997 Form 10-Q)
- (3) * \$200 million 7-3/4% Senior Debenture due 2027 (Exhibit 4.6(4) to the 2nd Quarter 1997 Form 10-Q)
- (4) * Officers' Certificate dated June 13, 1997 establishing terms of debt securities pursuant to Section 3.1 of the Indenture (Exhibit 4.6(5) to the 2nd Quarter 1997 Form 10-Q)
- (5) * (a) \$200 million 7-1/4% Senior Debenture due 2027 (Exhibit 4.6(6)(a) to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1997 (the "3rd Quarter 1997 Form 10-Q"))
* (b) \$50 million 7-1/4% Senior Debenture due 2027 (Exhibit 4.6(6)(b) to the 3rd Quarter 1997 Form 10-Q)
- (6) * Officers' Certificate dated September 26, 1997 establishing terms of debt securities pursuant to Section 3.1 of the Indenture (Exhibit 4.6(7) to the 3rd Quarter 1997 Form 10-Q)
- (7) * \$350 million 8.00% Senior Note due 2008 (Exhibit 4.6(8) to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001 (the "3rd Quarter 2001 Form 10-Q"))
- (8) * Officers' Certificate dated November 1, 2001 establishing terms of debt securities pursuant to Section 3.1 of the Indenture (Exhibit 4.6(9) to the 3rd Quarter 2001 Form 10-Q)
- 10.1 Financing agreements:
- (1) * Five-year Credit Agreement dated as of November 29, 2001 among the Company, as Borrower; J.P. Morgan Chase Bank, as Administrative Agent and as Competitive Advance Facility Agent; J.P. Morgan Securities Inc. and Banc of America Securities LLC, as Co-Advisors, Co-Arrangers and Joint Bookrunners; Bank of America, N.A., Fleet National Bank and the Bank of New York, as Co-Syndication Agents; BNP Paribas, as Documentation Agent; and the Fuji Bank Limited and SunTrust Bank, as Senior Managing Agents (Exhibit 10.1(1) to the Company's Annual Report on Form 10-K dated March 15, 2002)

**Exhibit
Number Description**

10.2 Compensatory plans:

- ~(1) Belo Savings Plan:
 - * (a) Belo Savings Plan Amended and Restated July 1, 2000 (Exhibit 10.2(1) to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2000 (the "2nd Quarter 2000 Form 10-Q"))
 - * (b) First Amendment to the Belo Savings Plan effective December 31, 2000 (Exhibit 10.2(1)(b) to the 2000 Form 10-K)
 - * (c) Second Amendment to Belo Savings Plan effective as of January 1, 2002 (Exhibit 4.16(c) to the Company's Registration Statement on Form S-8 (No. 333-88030) filed with the Securities and Exchange Commission on May 10, 2002)
 - * (d) Third Amendment to Belo Savings Plan effective as of May 7, 2002 (Exhibit 4.16(d) to the Company's Registration Statement on Form S-8 (No. 333-88030) filed with the Securities and Exchange Commission on May 10, 2002)
 - * (e) Fourth Amendment to Belo Savings Plan effective as of August 23, 2002 (Exhibit 10.2(1)(e) to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2002 (the "3rd Quarter 2002 Form 10-Q"))
 - * (f) Fifth Amendment to Belo Savings Plan effective as of September 27, 2002 (Exhibit 10.2(1)(f) to the 3rd Quarter 2002 Form 10-Q)
 - * (g) Sixth Amendment to the Belo Savings Plan effective as of January 1, 2002 (Exhibit 10.2(1)(g) to the 2002 Form 10-K)

- ~(2) Belo 1986 Long-Term Incentive Plan:
 - * (a) Belo Corp. 1986 Long-Term Incentive Plan (Effective May 3, 1989, as amended by Amendments 1, 2, 3, 4 and 5) (Exhibit 10.3(2) to the Company's Annual Report on Form 10-K dated March 10, 1997 (the "1996 Form 10-K"))
 - * (b) Amendment No. 6 to 1986 Long-Term Incentive Plan (Exhibit 10.3(2)(b) to the Company's Annual Report on Form 10-K dated March 19, 1998 (the "1997 Form 10-K"))
 - * (c) Amendment No. 7 to 1986 Long-Term Incentive Plan (Exhibit 10.2(2)(c) to the 1999 Form 10-K)
 - * (d) Amendment No. 8 to 1986 Long-Term Incentive Plan (Exhibit 10.3(2)(d) to the 2nd Quarter 1998 Form 10-Q)

- ~(3) * Belo 1995 Executive Compensation Plan, as restated to incorporate amendments through December 4, 1997 (Exhibit 10.3(3) to the 1997 Form 10-K)
 - * (a) Amendment to 1995 Executive Compensation Plan, dated July 21, 1998 (Exhibit 10.3(3)(a) to the 2nd Quarter 1998 Form 10-Q)
 - * (b) Amendment to 1995 Executive Compensation Plan, dated December 16, 1999 (Exhibit 10.3(3)(b) to the 1999 Form 10-K)

- ~(4) * Management Security Plan (Exhibit 10.3(1) to the 1996 Form 10-K)
 - * (a) Amendment to Management Security Plan of Belo Corp. and Affiliated Companies (as Restated Effective January 1, 1982) (Exhibit 10.2(4)(a) to the 1999 Form 10-K)

- ~(5) Belo Supplemental Executive Retirement Plan
 - * (a) Belo Supplemental Executive Retirement Plan As Amended and Restated Effective January 1, 2000 (Exhibit 10.2(5)(a) to the 1999 Form 10-K)
 - * (b) First Amendment to Belo Supplemental Executive Retirement Plan as Amended and Restated Effective January 1, 2000, dated July 27, 2000 (Exhibit 10.2(5) to the 2nd Quarter 2000 Form 10-Q)

**Exhibit
Number Description**

- ~(6) * Belo 2000 Executive Compensation Plan (Exhibit 4.15 to the Company's Registration Statement on Form S-8 (No. 333-43056) filed with the Securities and Exchange Commission on August 4, 2000)
- * (a) First Amendment to Belo 2000 Executive Compensation Plan effective as of December 31, 2000 (Exhibit 10.2(6)(a) to the 2002 Form 10-K)
- * (b) Second Amendment to Belo 2000 Executive Compensation Plan dated December 5, 2002 (Exhibit 10.2(6)(b) to the 2002 Form 10-K)

12 Ratio of Earnings to Fixed Charges

31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K.

On April 7, 2003, Belo filed a current report on Form 8-K reporting that the Company issued a press release updating its first quarter earnings outlook.

On April 23, 2003, Belo filed a current report on Form 8-K reporting that the Company issued a press release announcing its consolidated financial results for the quarter ended March 31, 2003 and also issued a press release announcing the Company's monthly statistical report for the month and quarter ended March 31, 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BELO CORP.

August 11, 2003

By: /s/ Dunia A. Shive
Dunia A. Shive
Executive Vice President/
Chief Financial Officer
(Authorized Officer and Principal
Financial and Accounting Officer)