

**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,	
	2006	2005	2006	2005
<b>Net Operating Revenues</b>	\$ 403,557	\$ 391,263	\$ 775,280	\$ 740,414
<b>Operating Costs and Expenses</b>				
Salaries, wages and employee benefits	142,472	136,748	290,838	272,206
Other production, distribution and operating costs	123,596	106,025	235,426	203,549
Newsprint, ink and other supplies	34,227	34,853	70,905	66,958
Depreciation	22,272	22,214	44,088	44,246
Amortization	2,087	2,087	4,174	4,206
Total operating costs and expenses	<u>324,654</u>	<u>301,927</u>	<u>645,431</u>	<u>591,165</u>
Earnings from operations	78,903	89,336	129,849	149,249
<b>Other income and expense</b>				
Interest expense	(24,430)	(22,219)	(48,092)	(44,512)
Other income (expense), net (1)	<u>8,852</u>	<u>485</u>	<u>9,700</u>	<u>841</u>
Total other income and expense	<u>(15,578)</u>	<u>(21,734)</u>	<u>(38,392)</u>	<u>(43,671)</u>
<b>Earnings</b>				
Earnings before income taxes	63,325	67,602	91,457	105,578
Income taxes	<u>20,666</u>	<u>25,682</u>	<u>31,498</u>	<u>39,957</u>
Net earnings	<u>\$ 42,659</u>	<u>\$ 41,920</u>	<u>\$ 59,959</u>	<u>\$ 65,621</u>
<b>Net earnings per share</b>				
Basic	\$ .41	\$ .37	\$ .57	\$ .58
Diluted	\$ .41	\$ .36	\$ .57	\$ .57
<b>Average shares outstanding</b>				
Basic	104,307	113,308	105,219	113,740
Diluted	104,474	114,915	105,523	115,365
<b>Cash dividends declared per share</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.10</u>	<u>\$ 0.10</u>

Certain amounts have been reclassified to conform to the current presentation.

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, 2006	December 31, 2005
<b>Assets</b>		
Current assets		
Cash and temporary cash investments	\$ 77,993	\$ 33,243
Accounts receivable, net	259,595	262,240
Other current assets	65,160	60,794
Total current assets	<u>402,748</u>	<u>356,277</u>
Property, plant and equipment, net	523,561	534,112
Intangible assets, net	2,578,392	2,582,566
Other assets	<u>115,916</u>	<u>116,258</u>
Total assets	<u>\$ 3,620,617</u>	<u>\$ 3,589,213</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Short-term portion of long-term debt	\$ 300,000	\$ -
Accounts payable	59,510	91,210
Accrued expenses	91,701	97,142
Other current liabilities	60,787	59,077
Total current liabilities	<u>511,998</u>	<u>247,429</u>
Long-term debt	1,048,893	1,244,875
Deferred income taxes	442,751	445,730
Other liabilities	119,625	117,698
Total shareholders' equity	<u>1,497,350</u>	<u>1,533,481</u>
Total liabilities and shareholders' equity	<u>\$ 3,620,617</u>	<u>\$ 3,589,213</u>

Note: Certain amounts have been reclassified to conform to the current presentation.

**Belo Corp.**  
**Segment Information**

<i>In thousands (unaudited)</i>	Three months ended		Six months ended	
	June 30		June 30	
	2006	2005	2006	2005
<b>Television Group</b>				
Net operating revenues	\$ 193,326	\$ 183,142	\$ 368,018	\$ 344,288
Segment costs and expenses	<u>109,815</u>	<u>106,935</u>	<u>217,860</u>	<u>209,851</u>
Segment EBITDA	<u>\$ 83,511</u>	<u>\$ 76,207</u>	<u>\$ 150,158</u>	<u>\$ 134,437</u>
<b>Newspaper Group</b>				
Net operating revenues	\$ 210,231	\$ 208,121	\$ 407,262	\$ 396,126
Segment costs and expenses	<u>164,992</u>	<u>155,687</u>	<u>334,447</u>	<u>302,720</u>
Segment EBITDA	<u>\$ 45,239</u>	<u>\$ 52,434</u>	<u>\$ 72,815</u>	<u>\$ 93,406</u>
<b>Corporate</b>				
Segment costs and expenses	<u>\$ 25,487</u>	<u>\$ 15,004</u>	<u>\$ 44,861</u>	<u>\$ 30,142</u>

Certain amounts have been reclassified to conform to the current presentation.

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		Six months ended	
	June 30,		June 30,	
	2006	2005	2006	2005
Consolidated EBITDA (1)	\$ 112,114	\$ 114,122	\$ 187,811	\$ 198,542
Depreciation and Amortization	(24,359)	(24,301)	(48,262)	(48,452)
Interest Expense	(24,430)	(22,219)	(48,092)	(44,512)
Income Taxes	(20,666)	(25,682)	(31,498)	(39,957)
Net Earnings	<u>\$ 42,659</u>	<u>\$ 41,920</u>	<u>\$ 59,959</u>	<u>\$ 65,621</u>

Note 1: The Company defines EBITDA 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 ("GAAP"). Management uses Consolidated EBITDA in internal analyses as a supplemental measure of the financial performance of the Company to assist it with determining consolidated performance targets, senior management bonus and performance comparisons against our peer group of companies, as well as capital spending and other investing decisions. EBITDA is also a common alternative measure of performance used by investors, financial analysts, and rating agencies to evaluate financial performance.

**Belo Corp.**  
**Third Quarter 2006 Guidance**  
**As of 7/28/06**

<b><u>Item</u></b>	<b><u>Guidance</u></b>
<b><i>Newspaper Group</i></b>	
Total revenue	Expected to be up slightly
Advertising revenue	Expected to be flat
<b><i>Television Group</i></b>	
Spot revenue	Expected to increase high-single digits
<b><i>Other Items</i></b>	
Incremental stock-based compensation	Expected to be approximately \$3 million
Transition costs related to the Company's technology initiatives	Expected to be about \$8 to \$9 million
Total operating costs and expenses	Expected to increase mid-to-high single digits