
PENSION CHANGE FACT SHEET

CENTER FOR
RETIREMENT
RESEARCH
AT BOSTON COLLEGE

DECEMBER 2006

COMPANY NAME: Belo Corporation

U.S. EMPLOYEES: 7,400 full-time

TYPE OF PLAN: Traditional Defined Benefit — 2,300 participants affected

DATE ANNOUNCED: November 2, 2006

DATE EFFECTIVE: March 31, 2007

DESCRIPTION OF FREEZE: *Total Freeze (for employees in a specific pension fund)*. As of March 31, 2007, Belo will freeze The G.B. Dealey Retirement Pension Plan and switch these employees into Belo's Savings Plan (an existing plan which currently covers other qualified Belo employees).

PLAN SOLVENCY: At year end 2005, Belo's total defined pension obligations were \$507 million and assets were \$410 million.

REPORTED FINANCIAL IMPLICATION: Belo will make incremental cash contributions totalling approximately \$60 million from 2007 through 2010 to fund transition benefits. After that, the company expects savings in cash contributions which will result in a neutral net impact over the next ten years.

NEW ARRANGEMENTS FOR EMPLOYEES: Current participants in The G.B. Dealey Retirement Pension Plan will cease earning additional pension benefits after March 31, 2007, and will begin participating in Belo's Savings Plan which includes an automatic contribution of two percent of employees' eligible compensation and a company match of 75 cents for each dollar contributed by employees, up to six percent of their eligible compensation. Belo's other eligible employees already participate in the Belo Savings Plan. Transitional benefits will also be instituted including the addition of five years of service to employees' Pension Plan calculations on the effective date of the freeze and supplemental annual contributions to 401(k) accounts.

BACKGROUND: Belo is one of the nation's largest media companies with revenues of more than \$1.5 billion and is listed as a Fortune 1000 company. The company owns 19 television stations, 7 cable news stations, and several newspapers.

REFERENCES

Belo. 2005 *Annual Report*. 2006.

Belo Corporation. 2006. "Belo Announces Changes to Retirement Benefit Program." *Press Release*. (November 2)

"Belo to Freeze Pension Plan." *Dallas Business Journal*. (November 3).

"Media Owner Belo to Freeze a Pension Plan." *KGBT 4*. (November 2).