

SBCG

SINCLAIR BROADCAST GROUP

**DEUTSCHE BANK MEDIA
CONFERENCE**

March 9, 2015

SAFE HARBOR

The following information contains, or may be deemed to contain, "forward-looking statements" (as defined in the U.S. Private Securities Litigation Reform Act of 1995). Any statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. We base these forward-looking statements on our expectations, assumptions, estimates and projections about our business and the industry in which we operate as of the date of this presentation. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and cannot be predicted, quantified or controlled, and as such these statements could cause actual results to differ materially from those set forth in, contemplated by or underlying any forward-looking statements. Statements made in these presentation materials and during this presentation and factors set forth under the title "Risk Factors" in our SEC filings, describe factors, among others, that could contribute to or cause any material difference in outcome from those set forth in, contemplated by or underlying any forward-looking statements. However, additional factors and risks not currently known to us or that we deem immaterial may also materially and adversely affect our financial condition and results of operation, and you should review the factors and risks we describe in reports we file with the Securities and Exchange Commission or that are provided to you by us from time to time.

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Sinclair Broadcast Group – Who We Are

Ticker: **SBGI**

Market Cap: \$2.7B

Enterprise Value: \$6.6B

Largest broadcaster & leading consolidator

- 79 markets
- 376 channels

Diversified asset base

- Geographically
- Content offerings
- Distribution platforms



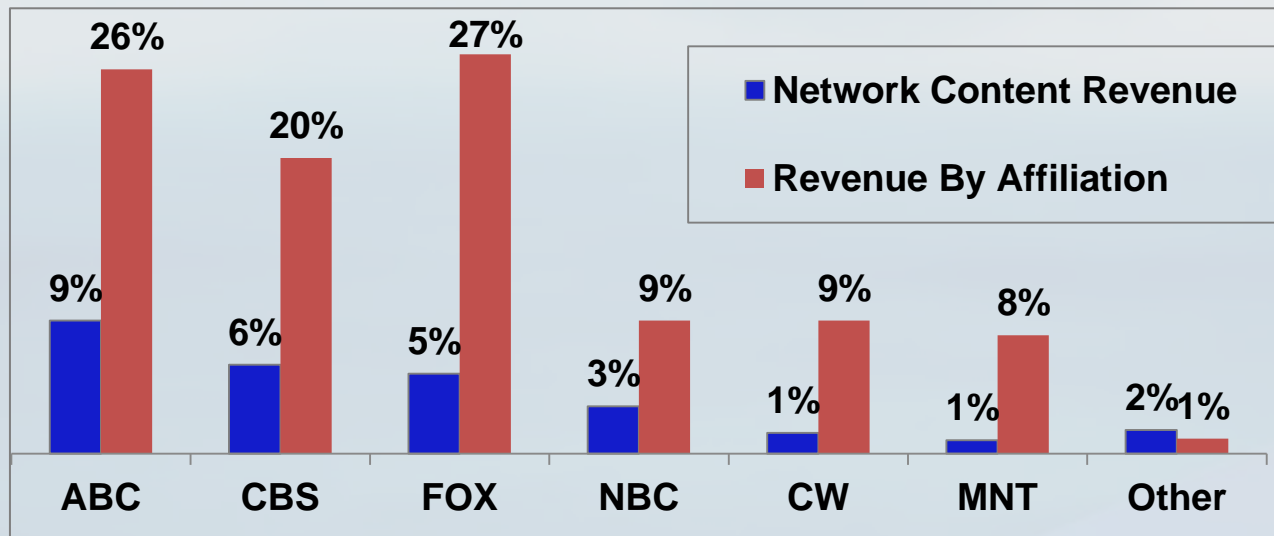
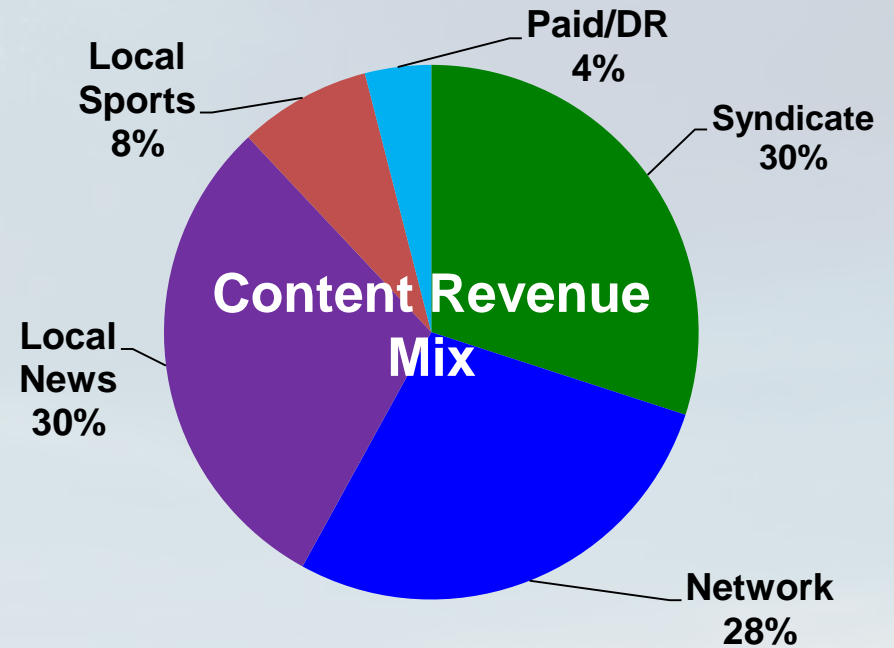
Sinclair Broadcast Group – Who We Are

Content company

- Affiliated with all major networks
- Largest producer of local news
- Growing sports franchise

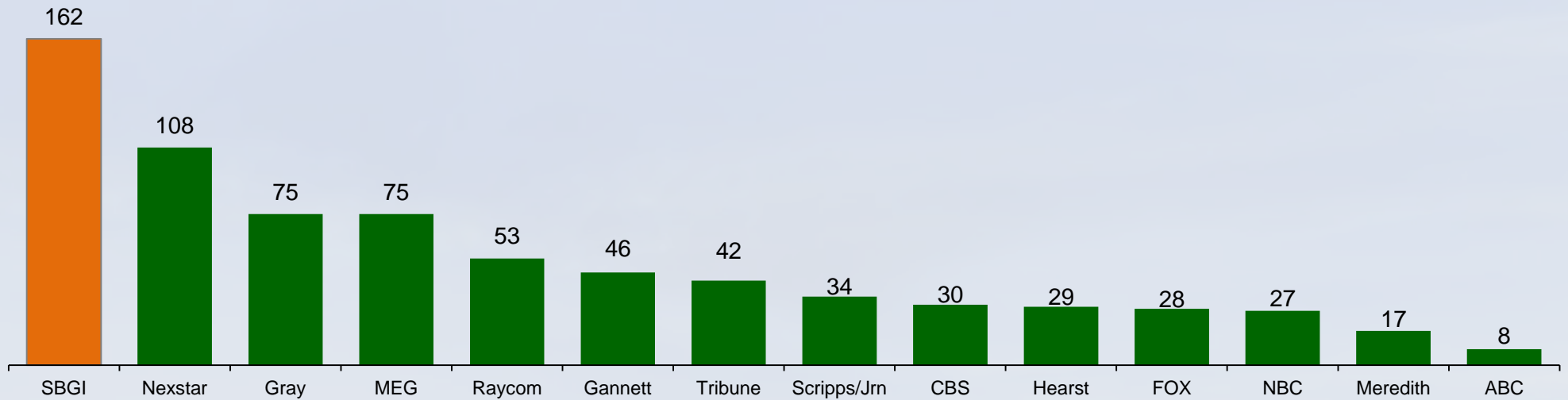
Multi-platform distributor

- Over-the-air
- Digital
- Cable channel
- Radio

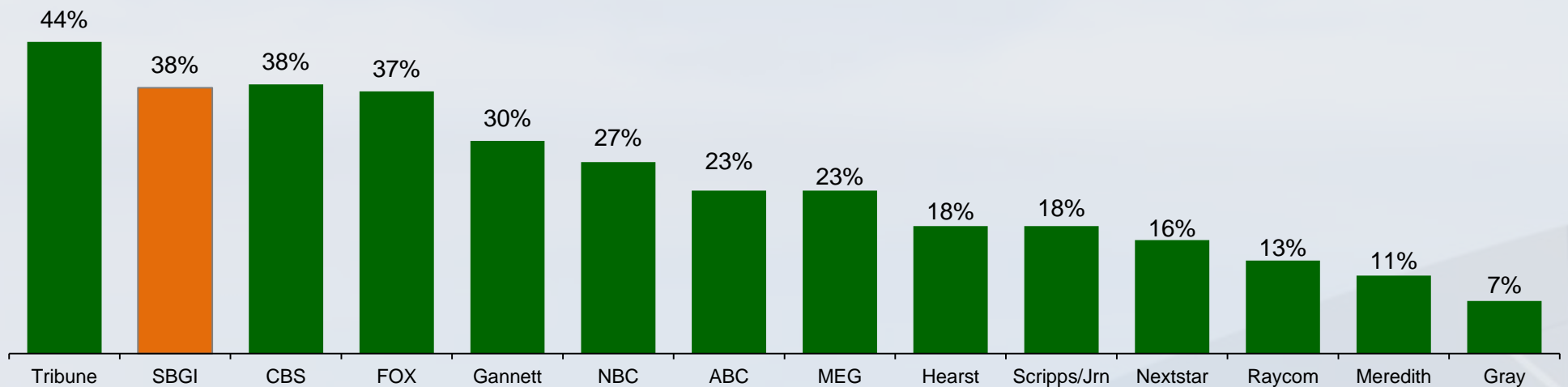


WE ARE THE ONLY BROADCASTER WITH SCALE & REACH

Owned and Operated Television Stations



U.S. TV Households Reached



Source: Company filings and presentations for public companies and websites for private companies Pro forma for pending acquisitions, net of dispositions

MULTIPLE REVENUE STREAMS DRIVING CASH FLOW & REDUCING VOLATILITY

Revenue Stream	Long Term Growth Potential	Volatility of Cash Flow
TV Advertising	GDP + Political every 2 years	Medium
Retransmission Fees	300% 75% of subscriber base renews in next 15 months	Low
Digital (web, social, apps)	9% ¹ (low estimate)	Medium
Multi-channels/Content	Meaningful	Low
Next Generation Broadcast Platform	Very high once new platform adopted	Unknown

(1) Per SNL

WE OFFER COMPELLING CONTENT ...

Sinclair Local News Content
2,000 hours per week



Sinclair Sports Content
College, High School, Wrestling



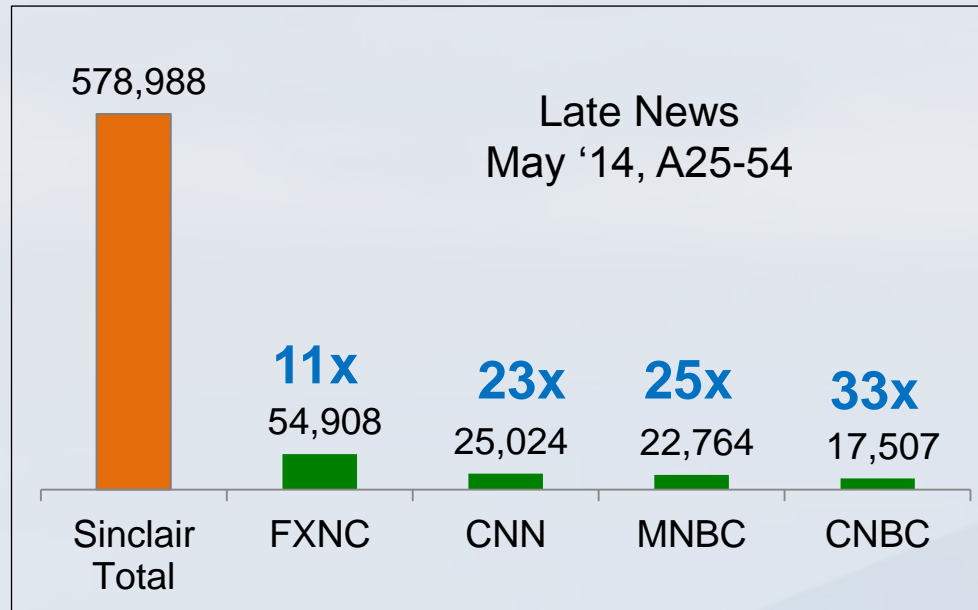
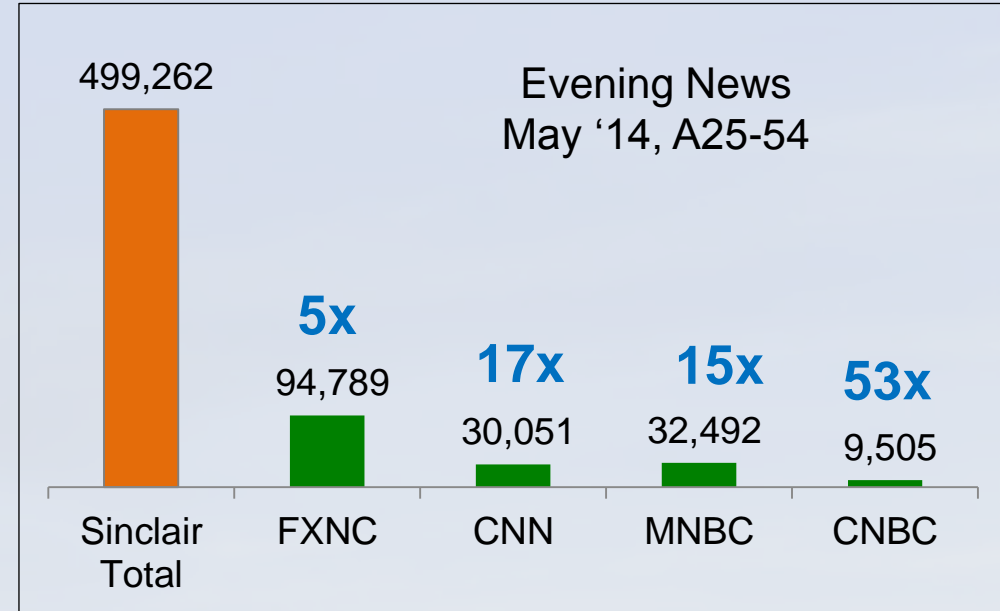
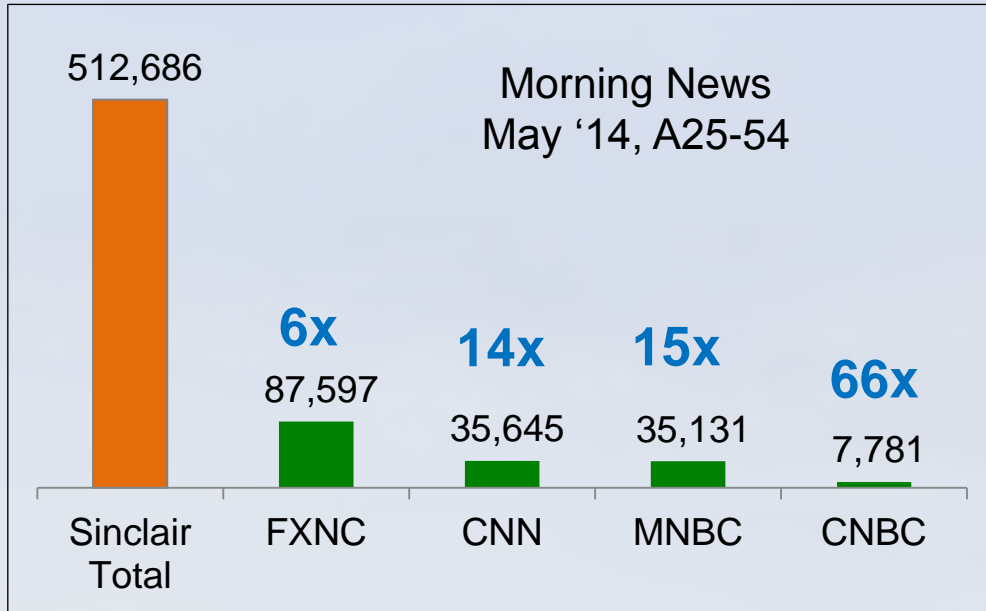
Network Content



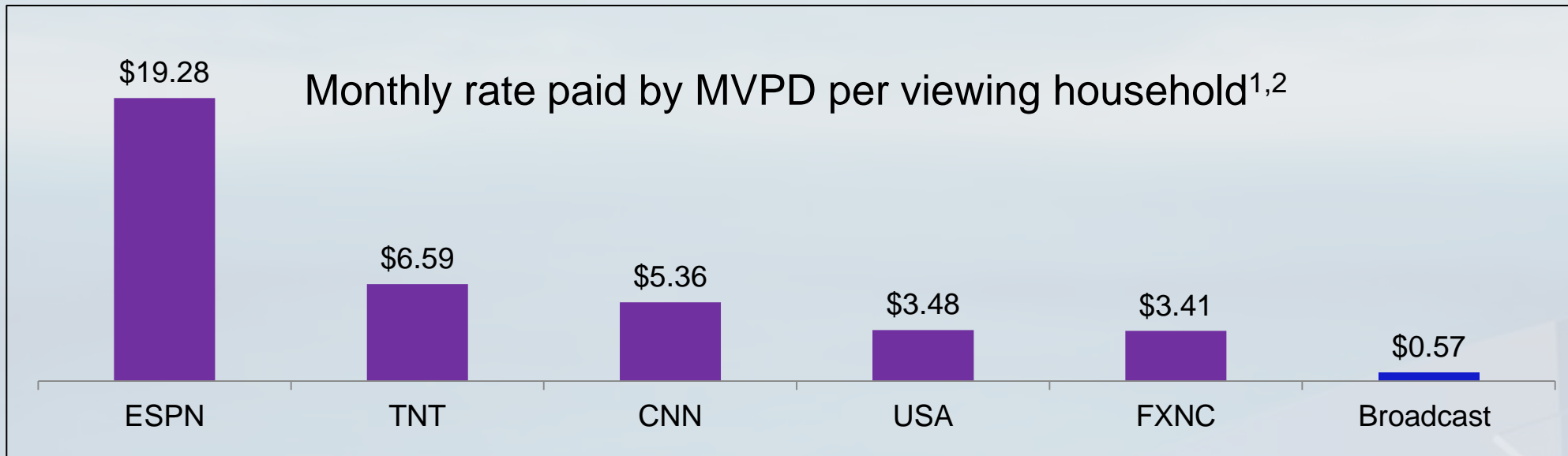
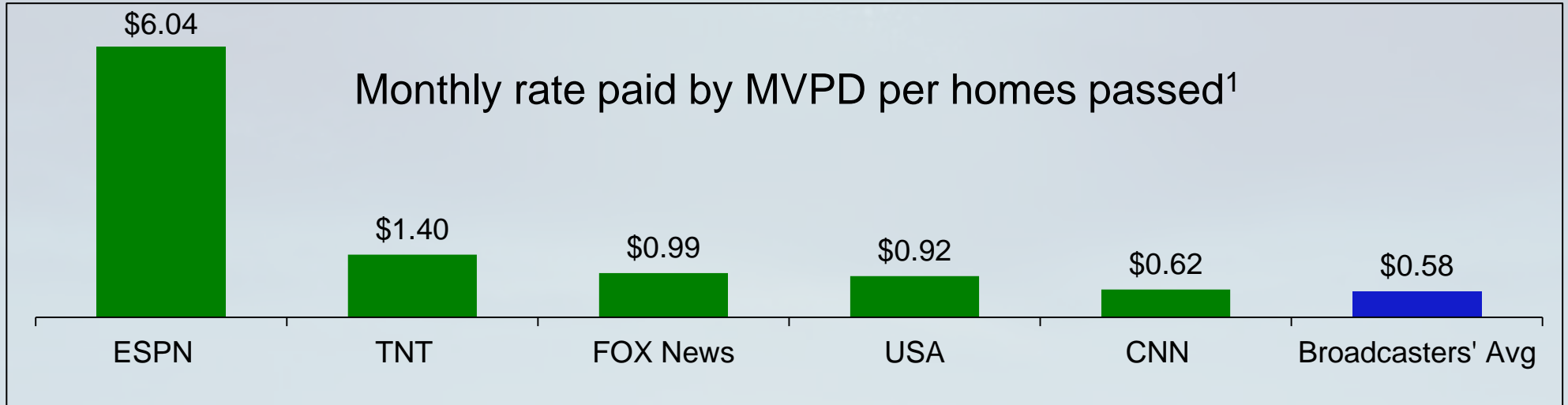
Syndicated Content



...ATTRACTING MASS AUDIENCES BIGGER THAN ANY CABLE NEWS



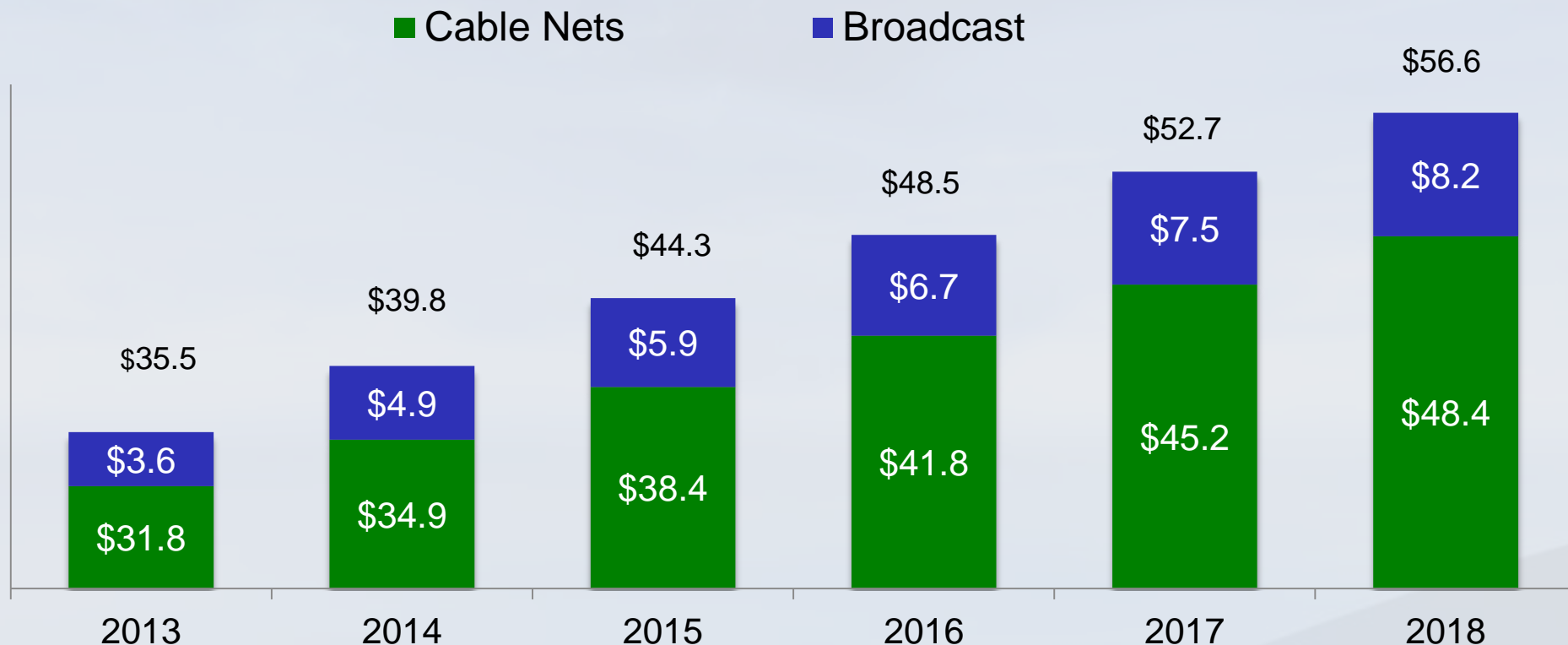
OUR CONTENT FEES LAG REALITY



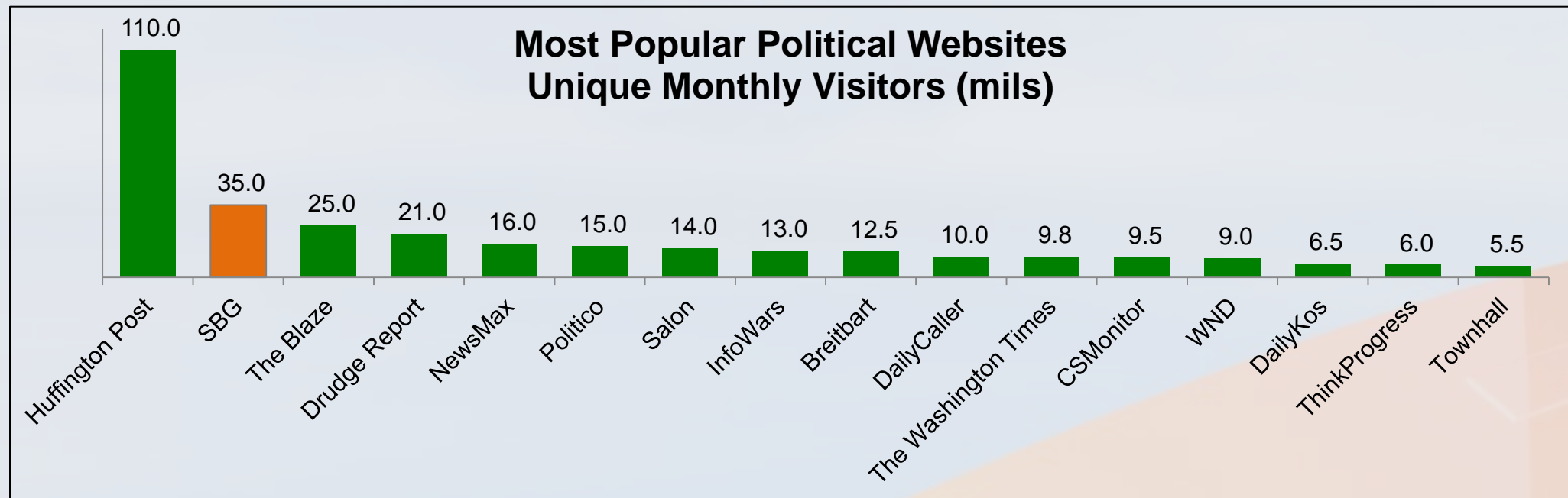
(1) SNL Kagan 2014E (2) Nielsen Broadcasters rate is avg of top 25 markets

OUR NET RETRANS WILL GROW AS WE CLOSE THE COMPENSATION GAP

Broadcasters should be receiving at least \$16B on 36% audience delivery versus \$6B today



WE OFFER A DIGITAL PLATFORM THAT RIVALS THE MOST POPULAR WEBSITES



WE OFFER MULTIPLE DISTRIBUTION PLATFORMS FOR BENEFIT OF ADVERTISERS, CONTENT CREATORS AND MVPDS

Over the air:

- One-to-many platform with mass audiences
- 162 primary channels for traditional networks
- 214 multicast channels for new content creators/aggregators
- Future spectrum opportunities from next generation technology

Digital:

- Offer websites, social media, mobile apps, digital agency
- Digital frequency paired with TV reach is optimal marketing combination
- Increase share of total advertising pie

Cable:

- D.C. only NewsChannel8 ratings meet or exceed cable news networks
- Laying groundwork for national cable strategies
- Ability to monetize content nationally

THE MARKET OVER-ESTIMATES INDUSTRY RISK AND UNDER-ESTIMATES OUR COMPETITIVE ADVANTAGE

Audience & advertising trends positive

- TV advertising share to grow from 35% to 37%¹
- Broadcast digital revenue to grow 9%
- Sports and local news audiences growing
- Broadcast network ratings performing better than cable
- Younger demographic accessing local news through broadcast digital platform
- TV is the dominant branding medium

Network/Affiliate relations solid

- Reverse retrans and sports contribution fees have increased network dependency on affiliates
- Affiliates' local news lead-in/lead-out programming drives network ratings
- Affiliates allow networks to reach 100% of the country
- Affiliates brand network content

Industry leverage declining

- More stable business model due to increasing subscription-based revenues
- Significant free cash flow generation for debt repayment, if needed
- Substantial covenant capacity (2x net leverage vs 4x covenant)

THE INDUSTRY IS BUILDING THE NEXT GENERATION BROADCAST WIRELESS NETWORK

Stationary
Wholesale Price of
Wired Transmission

1¢ - 5¢ / GB

Mobile
Wholesale Price of Wireless
4G LTE Transmission

\$2 - \$3 / GB

**100x
Difference**

Upgrading the industry's standard would enable TV spectrum to move from competing in the stationary wired marketplace to competing in the mobile wireless marketplace.

WE ARE SEEKING EQUAL REGULATORY TREATMENT

- Why can cable, satellite, the phone companies, networks and the web reach 100% of the country; but broadcast is limited to 39%?
- Why can the largest cable system own TV stations in the largest markets, 2 broadcast networks, cable channels and production studios; but broadcasters can't own 2 TV stations in some local markets?
- Why can cable systems sell all the cable and satellite local inventory in a market through the interconnect and JSAs; but broadcasters can't have JSAs?
- Why are there no limitations on the type of content that cable, satellite and the phone companies can transmit over the UHF airwaves; but broadcast content is regulated using the same spectrum?
- Why can cable companies combine in negotiation collectives such as NCTC to jointly negotiate programming fees; but broadcasters can't jointly negotiate retransmission rights?

Financial Highlights

ANOTHER RECORD-BREAKING PF YEAR

Net Broadcast Revenue:

- ✓ \$2B
- ✓ 10% growth

EBITDA:

- ✓ \$805M
- ✓ 14% growth

Free Cash Flow:

- ✓ \$440M
- ✓ 20% growth

WE EXPECT SIGNIFICANT POLITICAL ADVERTISING IN 2016

(\$ in Millions)



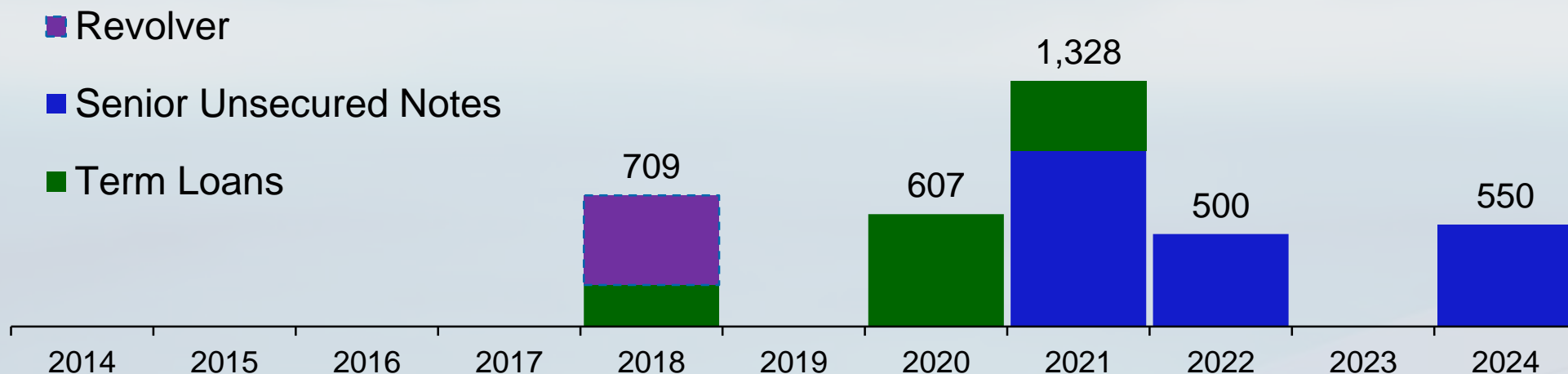
Sinclair well-positioned for 2016:

- Nation's capital
- 21 state capitals
- 10 swing states

OUR BALANCE SHEET IS SOLID PROVIDING US CAPACITY TO GROW

- No near-term refinancing risk for 4 years
 - Healthy credit statistics
- 2014 Total Net Leverage of 4.7x
 - 4.8% Avg Cost of Debt

Maturity Schedule



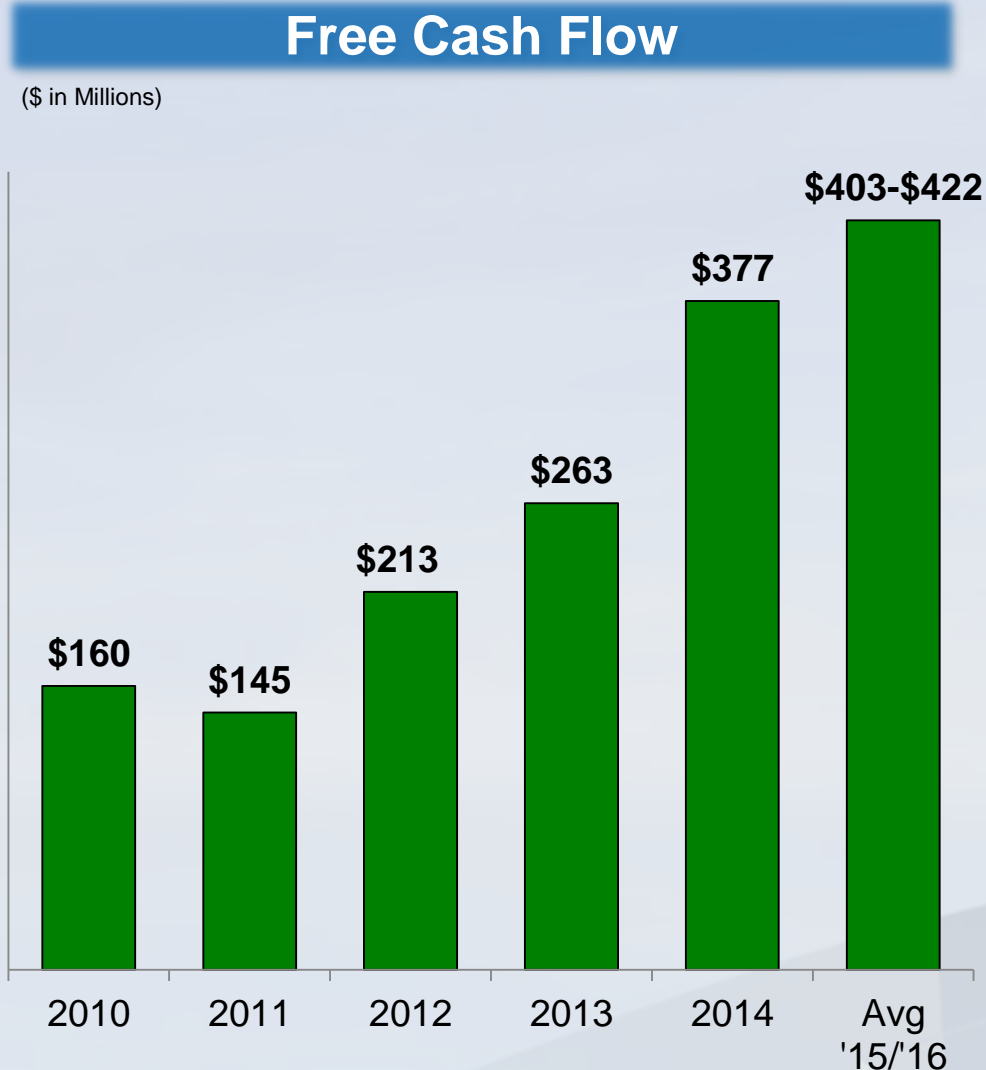
^{1 2} Excludes capital lease obligations, amortization of debt, VIE and non-recourse debt
Note: Term Loan balance does not account for Delayed Draw Term Loan

WE GENERATE SIGNIFICANT CASH FLOW

- 53% EBITDA conversion ratio
- 14% FCF yield
- 51% payout ratio in 2014
- \$4.51 PF FCF per share 2014
- \$4.21-\$4.63 avg per share expected over next 2 years

2014 Uses of FCF:

- 39% Reinvest in LT growth
- 16% Dividends
- 35% Share repurchases
- 10% Scheduled debt repayment



SINCLAIR BROADCAST GROUP – WHY US

- Leading broadcaster with significant free cash flow to drive shareholder value
- Multiple revenue streams from diversified content offerings and distribution platforms
- Deregulation opportunities and technological innovations to evolve the business longer term