

Sinclair Reports Record 2nd Quarter Results; Pro Forma BCF Up 7%, ATCF Per Share Up 10%

BALTIMORE, July 31 /PRNewswire/ -- Sinclair Broadcast Group, Inc. (Nasdaq-NM: SBGI) (the "Company") reported record net revenue, broadcast cash flow and after-tax cash flow for the second quarter ended June 30, 1997.

Second quarter total revenues increased to \$131.3 million for the three months ended June 30, 1997, from \$79.1 million for the three months ended June 30, 1996, or 66.0%. Broadcast cash flow grew 48.5% to \$62.8 million in the second quarter, from \$42.3 million during the same period a year ago. After tax cash flow per share rose 10% to \$0.66 during the second quarter versus the same period a year ago. These increases in total revenues, broadcast cash flow and after-tax cash flow per share were primarily the result of acquisitions consummated by the Company during 1996 (collectively, the "Acquisitions") and growth in television and radio revenue and broadcast cash flow.

David Amy, Chief Financial Officer, remarked, "Our local sales efforts continued to be a bright spot, more than offsetting a continued slow pace of national advertising across the industry. Also significant in the quarter was our radio business, which produced 11% pro forma revenue growth and 30% pro forma broadcast cash flow growth. Our overall broadcast cash flow margin continued to rise during the quarter because of the efforts made by our operating management to improve the efficiency of our distribution system. These operational improvements led to an increase in pro forma broadcast cash flow of 7% during the quarter despite a 2% increase in pro forma revenues."

"As we look forward to the opportunities of 1998 and our new affiliation agreements with The WB network and our proposed acquisition of the Heritage Media Group broadcast properties, I am pleased to see that our operations are in great shape. Our national advertising is rebounding in the third quarter, and, together with strong local sales growth, is permitting total time sales to pace 7% ahead of last year."

Total debt rose slightly during the second quarter to \$1,176 million from \$1,117 million largely because of the \$87.0 million acquisition of KUPN-TV, Las Vegas, which closed on May 30, 1997.

Sinclair Broadcast Group, Inc. is one of the nation's largest broadcast groups. Sinclair owns and/or provides programming services to 29 television stations in 21 separate markets, and owns, provides sales and programming services to, or has options to acquire, 34 radio stations in 8 separate markets. The television group reaches approximately 15% of U.S. television households and includes ABC, CBS, FOX, WB, and UPN affiliates. The radio group is one of the twenty largest groups in the United States.

Sinclair Broadcast Group, Inc.
 HISTORICAL FINANCIAL HIGHLIGHTS
 (Dollars in Thousands except for per share data)

	Three Months Ended June 30,			Six Months Ended June 30,		
	1997	1996	Incr. %	1997	1996	Incr. %
Net broadcast revenues	\$120,792	\$73,163	65.1	\$219,701	\$117,339	87.2
Total revenues	131,347	79,141	66.0	239,571	126,910	88.8
Broadcast cash flow	62,816	42,279	48.6	105,600	65,079	62.3
Adjusted EBITDA	59,315	40,548	46.3	98,615	62,013	59.0
After tax cash flow	25,486	21,916	16.3	32,737	30,441	7.5

Program contract payments	12,527	5,638	122.2	26,259	12,071	117.5
Corporate expense	3,501	1,731	102.3	6,985	3,066	127.8
Net income (loss)	\$1,792	\$1,969	(9.0)	\$(5,822)	\$1,511	N.M.
Deferred tax provision (benefit)	1,028	3,647	N.M.	(7,406)	488	N.M.
Per share data:						
Net income (loss) per share	\$0.05	\$0.05	(0.0)	\$(0.17)	\$0.04	N.M.
After tax cash flow per share	\$0.66	\$0.60	10.0	\$0.84	\$0.86	(2.3)

N.M. - Not Meaningful

Notes:

The definitions used for the terms "Broadcast Cash Flow" and "Adjusted EBITDA" conform to those used in the Company's Form S-4 registration statement dated July 14, 1997.

"After tax cash flow" is defined as net income (loss) plus depreciation and amortization (excluding film amortization), non-cash deferred compensation expense, and the deferred tax provision (or minus the deferred tax benefit). After tax cash flow is presented here not as a measure of operating results and does not purport to represent cash provided by operating activities. After tax cash flow should not be considered in isolation of, or a substitute for, measures of performance prepared in accordance with generally accepted accounting principles.

"After tax cash flow per share" is defined as after tax cash flow divided by weighted average common and common equivalent shares outstanding, assuming dilution.

The matters discussed in this report include forward-looking statements. Such statements are subject to a number of risks and uncertainties, such as the impact of changes in national and regional economies, successful integration of acquired television and radio stations (including achievement of synergies and cost reductions), pricing fluctuations in local and national advertising, volatility in programming costs and the availability of suitable acquisitions on acceptable terms. Additional risk factors regarding the Company are set forth in the Company's registration statement on Form S-4 filed with the Securities and Exchange Commission on July 14, 1997.

SINCLAIR BROADCAST GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1997	1996	1997	1996
Station broadcast revenues, Net of agency commissions	\$120,792	\$73,163	\$219,701	\$117,339
Revenues realized from barter arrangements	10,555	5,978	19,870	9,571

Net revenues	131,347	79,141	239,571	126,910
OPERATING EXPENSES:				
Program and production	24,253	13,051	46,760	20,699
Selling, general and administrative	26,393	14,976	51,634	24,268
Expenses realized from barter arrangement	8,859	4,928	16,303	7,859
Amortization of program contract costs and net realizable value adjustments	13,400	9,840	30,918	17,557
Depreciation and amortization of property and equipment	4,179	2,079	8,340	3,544
Amortization of acquired intangible broadcasting assets and other assets	18,371	13,715	37,392	24,392
Deferred compensation	116	506	233	506
Total operating expenses	95,571	59,095	191,580	98,825
Broadcast operating income	35,776	20,046	47,991	28,085
OTHER INCOME (EXPENSE):				
Interest expense	(24,928)	(16,750)	(51,993)	(27,646)
Subsidiary trust minority interest expense	(5,797)	0	(7,007)	0
Interest income	638	798	1,040	2,521
Other income (expense)	(97)	398	47	651
	(30,184)	(15,554)	(57,913)	(24,474)
Loss before income tax benefit	5,592	4,492	(9,922)	3,611
Income tax (provision)/benefit	(3,800)	(2,523)	4,100	(2,100)
Net income (loss)	\$1,792	\$1,969	(\$5,822)	\$1,511
Net income (loss) per common share	\$0.05	\$0.05	(\$0.17)	\$0.04
Weighted average shares outstanding	38,790	36,325	34,746	35,546

SOURCE Sinclair Broadcast Group, Inc.

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