

Sinclair Announces Intention to Sell Radio Stations to Entercom For \$821.5 Million

Covers 43 Stations in Nine Markets

Deal to Exclude St. Louis Radio Stations

Transaction Exceeds Debt Reduction Goals

BALTIMORE, July 26 /PRNewswire/ -- Sinclair Broadcast Group, Inc. (Nasdaq: SBGI) today announced that it had signed a letter of intent to sell 43 radio stations in nine markets to Entercom Communications Corp. for \$821.5 million in cash, subject to definitive documentation. The transaction does not include Sinclair's radio stations in St. Louis. The letter of intent addresses a majority of the material terms of the transaction and Sinclair believes it will be able to enter into a definitive purchase agreement with Entercom following a three-week negotiation and due diligence period. The transaction will be subject to FCC and Department of Justice approval, as well as the approval of the Boards of Directors of Sinclair and Entercom.

The letter of intent also calls for Entercom to buy \$5 million worth of advertising time on Sinclair's television stations over a period of five years and to pay for up to \$2 million of capital improvements to which Sinclair is committed.

Sinclair CEO, David Smith, said, "We value this transaction with Entercom at 20 times our radio division's 1999 expected adjusted EBITDA. This deal dramatically highlights the value of our radio division. Sinclair is now positioned to take advantage of the next wave of station consolidation, the advent of digital television and the convergence of television and the Internet. We will also analyze opportunities to expand our stock buy back program to take advantage of the investment opportunity afforded us by the market's current valuation of Sinclair's television station platform.

Barry Drake, CEO of Sinclair's Television and Radio Divisions, commented, "The men and women of the Sinclair Radio Division have gotten the job done quarter after quarter since Sinclair bought the core group in 1996. I respect our people a great deal and have enjoyed working with them over the years. I am confident that they will fair well with Joe and David Field and the rest of the Entercom team, and wish them much success in the future."

Sinclair expects to receive proceeds net of taxes of \$650 million, which the company intends to use initially to pay down debt. After this repayment, Sinclair anticipates that its ratio of pro forma total indebtedness (including its trust preferred securities, or HYTOPS) to adjusted EBITDA will drop to 5.7 to 1 upon the closing of the transaction. The Company had previously set a goal of 6.25 to 1 for the end of 1999. Sinclair will review opportunities for reinvesting a portion of these proceeds, either by acquiring additional television stations, buying back its own stock or making other strategic investments. Sinclair also expects that the transaction will be dilutive to 2000 after-tax cash flow per share by 15 to 17 cents. Sinclair's reinvestment opportunities may mitigate some or all of this dilution.

Sinclair Broadcast Group, Inc. is a diversified broadcasting company that currently owns or programs 58 television and 51 radio stations. Upon completion of all pending transactions, Sinclair will own or program 59 television stations in 38 separate markets. Sinclair's television group will reach approximately 24.4% of U.S. television households and includes ABC, CBS, FOX, NBC, WB, and UPN affiliates.

SOURCE Sinclair Broadcast Group, Inc.

Web site: <http://www.sbgi.net>

Company News On-Call: <http://www.prnewswire.com/comp/110203.html> or fax, 800-758-5804, ext. 110203

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