

Sinclair Broadcast Group Reports Record 1st Quarter Revenue and Broadcast Cash Flow; Pro Forma BCF Up 7%, ATCF Per Share Up 35%

BALTIMORE, April 30 /PRNewswire/ -- Sinclair Broadcast Group, Inc. (Nasdaq: SBGI) (the "Company") reported today its financial results for the three months ended March 31, 1997. Total revenues increased to \$108.2 million for the three months ended March 31, 1997, from \$47.8 million for the three months ended March 31, 1996, or 126.4%. These increases in broadcast revenues were primarily the result of acquisitions consummated by the Company during 1996 (collectively, the "Acquisitions"), and growth in television broadcast revenue. The Super Bowl on FOX was a significant driver of revenue during the quarter.

Broadcast cash flow increased to \$42.8 million for the three months ended March 31, 1997, from \$22.8 million for the three months ended March 31, 1996, or 87.7%. The increase in broadcast cash flow for the three months ended March 31, 1997, as compared to the three months ended March 31, 1996, resulted primarily from the Acquisitions and growth in television broadcast cash flow.

Operating cash flow increased to \$39.3 million for the three months ended March 31, 1997, from \$21.5 million for the three months ended March 31, 1996, or 82.8%. The increases in operating cash flow for the three months ended March 31, 1997, as compared to the three months ended March 31, 1996, resulted primarily from the Acquisitions and growth in television broadcast cash flow.

After tax cash flow increased to \$19.5 million for the three months ended March 31, 1997, from \$13.0 million for the three months ended March 31, 1996, or 50.0%. After tax cash flow per share, perhaps the most important measure of a broadcaster's success, increased to \$0.50 for the three months ended March 31, 1997, from \$0.37 for the three months ended March 31, 1996, or 35.1%. The increase in after tax cash flow for the three months ended March 31, 1997, as compared to the three months ended March 31, 1996, primarily resulted from the Acquisitions and growth in broadcast cash flow, partially offset by interest expense on the debt incurred to consummate the Acquisitions.

David Amy, Chief Financial Officer of the Company, commented, "Despite a challenging national advertising environment, Sinclair's local sales effort and the Super Bowl on FOX helped to achieve first quarter revenue increases. The implementation of our expense reduction plans at the station level led to growth in broadcast cash flow of 6.9% on a pro forma basis. It is also significant that after tax cash flow per share showed impressive gains, with growth of 35.1%." Mr. Amy also noted, "We expect to grow through acquisitions with the funding capacity made available through our recently completed preferred stock transaction."

The Company also announced that it had repurchased 127,500 shares since November 1996 at an average price of \$24.85. Since that time, the Company also entered into equity hedging arrangements covering 250,000 shares at a strike price of \$37.75 and 550,000 shares at a strike price of \$25.78. These arrangements help to reduce the potential dilution related to the Company's employee stock option arrangements. The Company may continue to repurchase shares from time to time under its previously announced share repurchase program, under which it has board authorization to repurchase up to \$50 million worth of its shares.

SINCLAIR BROADCAST GROUP, INC.  
HISTORICAL FINANCIAL HIGHLIGHTS  
(Dollars in Thousands except for per share data)

	Three Months Ended March 31,		
	1997	1996	Incr. %
Net broadcast revenues	\$98,909	\$44,176	123.9
Total revenues	108,224	47,769	126.6
Broadcast cash flow	42,784	22,800	87.6
Operating cash flow	39,300	21,465	83.1
After tax cash flow	19,471	12,968	50.1
Program contract payments	13,732	6,433	113.5

Corporate expense	3,484	1,335	161.0
Net loss	\$(7,614)	\$(458)	N.M.
Per share data:			
Net loss per share	\$(0.22)	\$(0.01)	N.M.
After tax cash flow per share	\$0.50	\$0.37	35.1

N.M. -- Not Meaningful

Sinclair Broadcast Group, Inc. is one of the nation's largest broadcast groups, owning and/or providing programming services to 28 television stations in 20 separate markets, and owning, providing sales and programming services to, or having options to acquire, 34 radio stations in 8 separate markets. The television group will reach approximately 15% of U.S. television households after a pending acquisition and includes ABC, CBS, Fox, UPN and WB affiliates. The radio group is one of the twenty largest groups in the United States.

Notes:

"Broadcast cash flow" is defined as broadcast operating income plus corporate expenses, deferred compensation, and depreciation and amortization (including film amortization), less cash payments for program rights. Cash program payments represent cash payments made for current programs payable and do not necessarily correspond to program usage. The Company has presented broadcast cash flow data, which it believes to be comparable to the data provided by other companies in the industry, because such data is commonly used as a measure of performance for broadcast companies. However, broadcast cash flow does not purport to represent cash provided by operating activities as reflected in the Company's consolidated statements of cash flows, and is not a measure of financial performance under generally accepted accounting principles and should not be considered in isolation of, or a substitute for, measures of performance prepared in accordance with generally accepted accounting principles.

"Operating cash flow" is defined as broadcast cash flow less corporate expenses and is a commonly used measure of performance for broadcast companies. Operating cash flow does not purport to represent cash provided by operating activities as reflected in the Company's consolidated statements of cash flows, is not a measure of financial performance under generally accepted accounting principles and 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" is defined as net loss plus depreciation and amortization (including film amortization), non-cash deferred compensation expense, less program contract payments. 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-3 filed with the Securities and Exchange Commission on November 7, 1996 (as amended).

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

	Three Months Ended	
	March 31,	
	1997	1996
Station broadcast revenues, net of agency commissions	\$98,909	\$44,176
Revenues realized from barter arrangements	9,315	3,593

Net revenues	108,224	47,769
OPERATING EXPENSES:		
Program and production	22,507	7,648
Selling, general and administrative	25,241	9,292
Expenses realized from barter arrangement	7,444	2,931
Amortization of program contract costs and net realizable value adjustments	17,518	7,717
Depreciation and amortization of property and equipment	4,161	1,465
Amortization of acquired intangible broadcasting assets and other assets	19,021	10,677
Deferred compensation	117	0
Total operating expenses	96,009	39,730
Broadcast operating income	12,215	8,039
OTHER INCOME (EXPENSE):		
Interest expense	(27,065)	(10,896)
Distributions to outside investors of the Trust	(1,210)	0
Interest income	402	1,723
Other income (expense)	144	253
	(27,729)	(8,920)
Loss before income tax benefit	(15,514)	(881)
Income tax benefit	7,900	423
Net loss	(\$7,614)	(\$458)
Net loss per common share	(\$0.22)	(\$0.01)
Weighted average shares outstanding	34,769	34,750
Weighted average shares outstanding, assuming dilution	38,908	34,751

SOURCE Sinclair Broadcast Group, Inc.

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