

Sinclair Reports Record 1st Quarter Results; Also Announces 2-for-1 Stock Split

BALTIMORE, April 30 /PRNewswire/ -- Sinclair Broadcast Group, Inc. (Nasdaq: SBGI) (the "Company" or "Sinclair") reported record net revenue, broadcast cash flow and after-tax cash flow for the quarter ended March 31, 1998. The record level of performance resulted from revenue growth at the Company's core stations as well as from the Company's acquisition program.

Total revenues increased to \$123.8 million for the three months ended March 31, 1998, from \$108.2 million for the three months ended March 31, 1997, or 14.4%. Broadcast cash flow grew 17.7% to \$50.4 million in the first quarter. After-tax cash flow per share rose 21.1% to \$0.23 for the first 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 growth in television and radio revenue and broadcast cash flow on a same station basis and the acquisitions of substantially all of the Heritage Media television and radio stations during the first quarter of 1998 and of KUPN-TV, Las Vegas, in May 1997.

David Amy, Chief Financial Officer, said, "Local revenue growth and another successful quarter of cost containment led to an increase in pro forma revenues of 5% and an increase in pro forma broadcast cash flow of 6%. We were pleased with this level of performance given that we had to replace advertising revenue from the Super Bowl on the Fox network from a year ago. In addition, with the Company having only one CBS affiliate, we were not able to participate in the advertising revenue from the Winter Olympics to a significant degree. Our radio division achieved yet another outstanding quarter with 8.5% net broadcast revenue growth and 40% broadcast cash flow growth on a pro forma basis."

Amy continued, "Time sales pacings are on a somewhat faster pace in the second quarter, causing total revenues to be pacing 7.5% ahead of last year. Broadcast cash flow margin improvement, however, will be hampered by promotional expenses incurred in connection with new WB affiliation agreements and investments in more expensive, higher quality programming such as 'Frasier.'"

The Company increased its total debt in the first quarter to \$1,432.7 million from \$1,080.7 million, largely because of the successful closing of the acquisition of the Heritage Media stations (with the exception of the New Orleans radio properties). Payments relating to acquisitions totaled \$521.5 million, primarily representing the Heritage Media acquisition. Of this amount, \$223.5 million related to television and radio assets held for sale in Portland, OR, Rochester, NY and Burlington, VT/Plattsburgh, NY under previously announced sale agreements. During the first quarter, capital expenditures totaled \$3.4 million.

Stock Split

The Company also announced that its Board of Directors has approved a 2-for-1 split of its common shares. Shareholders will receive one additional common share for every share held on the record date of May 14, 1998. The stock split is contingent on receiving shareholder approval at the Company's annual meeting on May 11, 1998, of a charter amendment increasing the number of authorized common shares.

"We have heard from investors that they want the stock price to be more accessible, and we hope this stock split will address that desire," said Sinclair CEO, David Smith. "We're pleased that our television and radio stations continue to generate strong results and we look forward to continue building the value of our distribution network."

As of April 30, 1998, Sinclair had approximately 50.1 million common shares and common share equivalents outstanding. Upon completion of the split, the number will increase to approximately 100.2 million. Certificates

representing the additional shares will be mailed or delivered on or about May 28, 1998, by the Company's transfer agent, Boston Equiserve, L.P.

Sinclair Broadcast Group, Inc. is a diversified broadcasting company that currently owns or programs 37 television stations and 52 radio stations. Upon completion of all pending acquisitions and dispositions, Sinclair will own or program 57 television stations in 37 separate markets and 51 radio stations in 11 separate markets. Sinclair's television group will reach approximately 22.5% of U.S. television households and includes ABC, CBS, FOX, NBC, WB and UPN affiliates. Sinclair's radio group is one of the top 10 groups in the United States.

Historical Financial Highlights
(Dollars in thousands except for per share data)

	Three Months Ended December 31,		
	1998	1997	Incr. %
Net broadcast revenues	\$112,631	\$98,909	13.9
Total revenues	123,838	108,224	14.4
Broadcast cash flow	50,373	42,784	17.7
Adjusted EBITDA	45,767	39,300	16.5
After tax cash flow	10,207	7,251	40.8
Program contract payments	15,297	13,732	11.4
Corporate expense	4,606	3,484	32.2
Net loss	(3,279)	(7,614)	N.M.
Net loss available to common shareholders	\$(5,867)	\$(7,614)	N.M.
Deferred tax benefit	(5,300)	(8,434)	N.M.
Per share data:			
Diluted EPS	\$(0.15)	\$(0.22)	N.M.
After tax cash flow per share	\$0.23	\$0.19	21.1

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 prospectus filed with the Securities and Exchange Commission on April 8, 1998 pursuant to rule 424(b)(5).

"After tax cash flow" is defined as net income (loss) available to common shareholders plus extraordinary items (before the effect of related tax benefits), special bonuses paid to executive officers, stock-based compensation, depreciation and amortization (excluding film amortization) plus or minus the deferred provision/benefit for income taxes. 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 or as 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 diluted weighted average common and common equivalent shares outstanding.

Forward-Looking Statements

The matters discussed in this press release include forward-looking statements. In addition, when used in this press release, the words "intends to," "believes," "anticipates," "expects" and similar expressions are intended to identify forward-looking statements. Such statements are subject to a number of risks and uncertainties. Actual results in the future could differ

materially and adversely from those described in the forward-looking statements as a result of various important factors, including 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, the availability of suitable acquisitions on acceptable terms and the other risk factors set forth in the Company's prospectus filed with the Securities and Exchange Commission on April 8, 1998, pursuant to rule 424(b)(5). The Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances.

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

	Three Months Ended March 31, 1997	1998
REVENUES:		
Station broadcast revenues, net of agency commissions	\$98,909	\$112,631
Revenues realized from station barter arrangements	9,315	11,207
Total revenues	108,224	123,838
OPERATING EXPENSES:		
Program and production	22,507	25,812
Selling, general and administrative	25,241	27,685
Expenses realized from station barter arrangements	7,444	9,277
Amortization of program contract costs and net realizable value adjustments	17,518	16,011
Stock-based compensation	117	472
Depreciation and amortization of property and equipment	4,161	4,768
Amortization of acquired intangible broadcasting assets, non-compete and consulting agreements and other assets	19,021	16,134
Total operating expenses	96,009	100,159
Broadcast operating income	12,215	23,679
OTHER INCOME (EXPENSE):		
Interest and amortization of debt discount expense	(27,065)	(27,371)
Subsidiary trust minority interest expense	(1,210)	(5,812)
Interest income	402	1,317
Other income	144	108
Loss before income tax benefit	(15,514)	(8,079)
INCOME TAX BENEFIT	7,900	4,800
NET LOSS	\$ (7,614)	\$ (3,279)
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	\$ (7,614)	\$ (5,867)

Basic loss per common share	\$ (0.22)	\$ (0.15)
Basic weighted average common shares outstanding	34,769	39,384
Diluted loss per common share	\$ (0.22)	\$ (0.15)
Diluted weighted average common and common equivalent shares outstanding	38,908	43,830

SOURCE Sinclair Broadcast Group, Inc.

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