Sinclair Reports Record 2nd Quarter Results

Pro Forma Revenues Up 6.2%, Pro Forma BCF Up 7.0%;

ATCF Per Share Up 30.3% to $0.43

BALTIMORE, July 28 /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 and six months ended June 30, 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 $167.5 million for the three months ended June 30, 1998, from $131.3 million for the three months ended June 30, 1997, or 27.6%. Broadcast cash flow increased 31.8% to $82.8 million in the second quarter. After-tax cash flow per share rose 30.3% to $0.43 for 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 the result of the acquisitions of the Heritage Media television and radio stations during the first quarter of 1998, the acquisition of KVWB-TV, Las Vegas in May 1997, the acquisition of KLGT-TV, Minneapolis in May 1998, the LMA of WSYX-TV, Columbus in April 1998 and growth in television and radio revenue and broadcast cash flow on a same station basis.

Total revenues increased to $291.4 million for the six months ended June 30, 1998, from $239.6 million for the six months ended June 30, 1997, or 21.6%. Broadcast cash flow increased 26.0% to $133.1 million during the six month period. After tax cash flow per share rose 33.3% to $0.56 during the six month period versus the same period a year ago. These increases in total revenues, broadcast cash flow and after tax cash flow per share were the result of the acquisitions of the Heritage Media television and radio stations during the first quarter of 1998, the acquisition of KVWB-TV, Las Vegas in May 1997, the acquisition of KLGT-TV, Minneapolis in May 1998, the LMA of WSYX-TV, Columbus in April 1998 and growth in television and radio revenue and broadcast cash flow on a same station basis.

The Company's extraordinary item of $11.1 million in the three and six months ended June 30, 1998, resulted from a charge taken for the debt acquisition costs related to debt extinguished under the Company's prior bank credit facility. The Company entered into a new $1.75 billion credit facility on May 28, 1998, to finance the acquisition of Sullivan Broadcast Holdings ("Sullivan") and Max Media Properties LLC ("Max Media"), and to repay debt under the prior bank credit facility.

David Amy, Chief Financial Officer, said, "The Company's station group achieved solid revenue and broadcast cash flow growth in the second quarter on a pro forma basis. Local revenue growth and an increase in network compensation related to our affiliation agreement with The WB contributed to an increase in pro forma revenues of 6.2%. The Company managed another successful quarter of cost containment which, together with the increase in revenues, led to an increase in pro forma broadcast cash flow of 7.0%. Our radio division exceeded our expectations again this quarter with 5.8% net broadcast revenue growth and 11.5% broadcast cash flow growth, both on a pro forma basis."

Amy continued, "Time sales pacings in the third quarter have been negatively impacted by the General Motors strike and a weak national advertising market. Currently, total revenues are pacing even with 1997's third quarter on a pro forma basis, which reflects the impact of the GM strike. We do not expect that the duration of the strike would have any further negative impact on our third quarter pacings. The slower than anticipated growth in revenues and continued investment in more expensive, higher quality programming such as `Frasier' will likely cause broadcast cash flow on a pro forma basis to be slightly lower than third quarter 1997 results."

David Smith, President & CEO, commented, "Despite the negative short-term impact of the third quarter advertising environment, we see significant opportunities for the Company on an intermediate and long-term basis. We are just starting to assimilate the recently acquired Max Media and Sullivan stations acquired earlier this month, as well as the WSYX-TV LMA in Columbus and KLGT-TV in Minneapolis. Our 1998 acquisitions will create opportunities to improve each station's programming, take advantage of twelve new LMA arrangements, and cross-sell and cross-promote television and radio stations in six markets where we now have interests in both media. These new stations and the opportunities associated with each of them have enhanced both our distribution system and the growth potential of our company."

The Company reduced its total debt net of cash in the second quarter to $1,202.2 million from $1,425.8 million, largely because of the issuance during the quarter of 6.0 million shares of its Class A Common Stock for net proceeds of $335.2 million. Payments relating to acquisitions totaled $353.4 million, primarily representing the WSYX-TV in Columbus and KLGT-TV in Minneapolis acquisitions. During the quarter, the Company received approximately $233.5 million for assets held for sale in Portland, OR, Rochester, NY and Burlington, VT/Plattsburgh, NY under previously announced sale agreements. In early July 1998 the Company closed its acquisitions of Max Media and Sullivan for purchase prices aggregating $1,252.0 million. These acquisitions were funded with bank debt under the Company's bank credit facility. During the second quarter, capital expenditures totaled $4.9 million.

Sinclair Broadcast Group, Inc. is a diversified broadcasting company that currently owns or programs 56 television stations and 55 radio stations. Upon completion of all pending transactions, Sinclair will own or program 57 television stations in 37 separate markets and 50 radio stations in 10 separate markets. Sinclair's television group will reach approximately 22.4% 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 June 30, 1998	Three Months Ended June 30, 1997	Incr. %	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997	Incr. %
Net broadcast revenues	153,634	120,792	27.2	266,265	219,701	21.2
Total revenues	167,526	131,347	27.5	291,364	239,571	21.6
Broadcast cash flow	82,773	62,816	31.8	133,147	105,600	26.1
Adjusted EBITDA	78,394	59,315	32.2	124,161	98,615	25.9
After tax cash flow	42,496	25,486	66.7	52,703	32,737	61.0
Program contract payments	15,168	12,527	21.1	30,465	26,259	16.0
Corporate expense	4,379	3,501	25.1	8,985	6,985	28.6
Net income (loss) before extra-ordinary items	10,187	1,792	468.5	6,908	(5,822)	N.M.
Net income (loss)	(876)	1,792	N.M.	(4,155)	(5,822)	N.M.
Net loss available to common shareholders	(3,463)	1,792	N.M.	(9,330)	(5,822)	N.M.
Deferred tax						

benefit	7,330	1,028	N.M.	2,030	(7,406)	N.M.
Per share data:						
After tax cash flow per share	$0.43	$0.33	30.3	$0.56	$0.42	33.3
Diluted EPS before extraordinary items	$0.08	$0.02	N.M.	$0.02	$(0.08)	N.M.
Diluted EPS	$(0.04)	$0.02	N.M.	$(0.10)	$(0.08)	N.M.

N.M. - Not Meaningful

Notes: References to "pro forma" or "pro forma basis" means that the financial results being discussed include the financial results of all stations owned or programmed as of June 30, 1998, as if they were owned for the entire period covered by the discussion.

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), minus gains on sales of assets, 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 June 30,	Six Months Ended June 30,

	1998	1997	1998	1997
REVENUES:				
Station broadcast revenues, net of agency commissions	$153,634	$120,792	$266,265	$219,701
Revenues realized from barter arrangements	13,892	10,555	25,099	19,870
Net revenues	167,526	131,347	291,364	239,571
OPERATING EXPENSES:				
Program and production	30,256	24,253	56,068	46,760
Selling, general and administrative	32,023	26,393	59,708	51,634
Expenses realized from barter arrangements	11,685	8,859	20,962	16,303
Amortization of program contract costs and net realizable value adjustments	14,532	13,400	30,543	30,918
Depreciation and amortization of property and equipment	5,498	4,179	10,266	8,340
Amortization of acquired intangible broadcasting assets and other assets	19,037	18,371	35,171	37,392
Stock based compensation	899	116	1,371	233
Total operating expenses	113,930	95,571	214,089	191,580
Broadcast operating income	53,596	35,776	77,275	47,991
OTHER INCOME (EXPENSE):				
Interest expense.	(27,530)	(24,928)	(54,901)	(51,993)
Subsidiary trust minority interest expense	(5,813)	(5,813)	(11,625)	(7,007)
Interest income	1,900	654	3,217	1,040
Gain on sale of assets	5,238	--	5,238	--
Other income (expense)	(4)	(97)	104	47
Income (loss) before benefit for income taxes	27,387	5,592	19,308	(9,922)
BENEFIT(PROVISION) FOR INCOME TAXES	(17,200)	(3,800)	(12,400)	4,100
Net income (loss) before extraordinary item	10,187	1,792	6,908	(5,822)
Extraordinary item, net of income tax benefit of $7,370	(11,063)	--	(11,063)	--
Net income (loss)	$(876)	$1,792	$(4,155)	$(5,822)
Preferred stock dividends payable	2,587	--	5,175	--
Net income (loss) available to common stockholders	$(3,463)	$1,792	$(9,330)	$(5,822)

Basic earnings per share, before extraordinary item	$0.08	$0.03	$0.02	$(0.08)
Basic earnings per share, after extraordinary item	$(0.04)	$0.03	$(0.10)	$(0.08)
Diluted earnings per share, before extraordinary item	$0.08	$0.02	$0.02	$(0.08)
Diluted earnings per share, after extraordinary item	$(0.04)	$0.02	$(0.10)	$(0.08)
Weighted average shares outstanding - no dilution	96,889	69,278	91,480	69,492
Weighted average shares outstanding-assuming dilution	99,242	77,580	93,645	77,826

SOURCE Sinclair Broadcast Group, Inc.

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

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

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