



SPANISH BROADCASTING SYSTEM, INC. REPORTS PRELIMINARY ESTIMATED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 2018

MIAMI, FLORIDA, May 24, 2018 – Spanish Broadcasting System, Inc. (the “Company” or “SBS”) (OTCQX: SBSAA) today reported preliminary estimated financial results for the first quarter-ended March 31, 2018.

Financial Highlights

For the first quarter 2018, the Company currently estimates consolidated Net Revenue to be between approximately \$32.9 and \$33.9 million, an increase of between 5% and 8% over 2017 and Adjusted OIBDA*, which excludes non-cash stock-based compensation, to be between approximately \$8.5 and \$9.3 million, an increase of between 44% and 58% over 2017. Consolidated Operating Income is currently estimated to be between approximately \$6.5 and \$7.6 million, representing a growth rate of between 71% and 100% over 2017.

Discussion and Results

“Although extraordinary, unforeseen and non-recurring factors affected our Year End results for 2017, I am happy to report that our Q1 2018 results are the best in the Company’s history. We are focused on growing our top line while maintaining strictly disciplined cost controls and delivering operating margins that are among the best in the industry.

Our experience in addressing the needs of the growing Hispanic market, combined with our stable of heritage brands, will serve us well in identifying growth opportunities throughout 2018 and beyond,” commented Raúl Alarcón, Chairman and CEO.

Non-GAAP Financial Measures

Adjusted Operating Income (Loss) before Depreciation and Amortization, (Gain) Loss on the Disposal of Assets, net, and Impairment Charges and Restructuring Costs excluding non-cash stock-based compensation (“Adjusted OIBDA”) is not a measure of performance or liquidity determined in accordance with Generally Accepted Accounting Principles (“GAAP”) in the United States. However, we believe that this measure is useful in evaluating our performance because it reflects a measure of performance for our stations before considering costs and expenses related to our capital structure and dispositions. This measure is widely used in the broadcast industry to evaluate a company’s operating performance and is used by us for internal budgeting purposes and to evaluate the performance of our stations, segments, management and consolidated operations. However, this measure should not be considered in isolation or as a substitute for Operating Income, Net Income, Cash Flows from Operating Activities or any other measure used in determining our operating performance or liquidity that is calculated in accordance with GAAP. Adjusted OIBDA does not present station operating income as defined by our 12.5% Senior Secured Notes due 2017. In addition, because Adjusted OIBDA is not calculated in accordance with GAAP, it is not necessarily comparable to similarly titled measures used by other companies.

* Please refer to the Non-GAAP Financial Measures section for a definition of Adjusted OIBDA and a reconciliation from Adjusted OIBDA to the most directly comparable GAAP financial measure.

Included below are tables that reconcile Adjusted OIBDA to operating income (loss) for each segment and consolidated operating income (loss), which is the most directly comparable GAAP financial measure.

Quarter Ended March 31, 2018			
(Unaudited and in millions)	Consolidated Low Range		Consolidated High Range
Net Revenue	\$	32.9	\$ 33.9
Adjusted OIBDA	\$	8.5	\$ 9.3
<i>Less expenses excluded from Adjusted OIBDA, but included in operating income (loss):</i>			
Stock-based compensation	\$	—	\$ —
Depreciation and amortization	\$	1.0	\$ 1.0
(Gain) loss on the disposal of assets, net	\$	—	\$ —
Recapitalization costs	\$	1.0	\$ 0.7
Operating Income (Loss)	\$	6.5	\$ 7.6

Quarter Ended March 31, 2017			
(Unaudited and in millions)	Consolidated		
Net Revenue	\$	31.4	
Adjusted OIBDA	\$	5.9	
<i>Less expenses excluded from Adjusted OIBDA, but included in operating income (loss):</i>			
Stock-based compensation	\$	0.1	
Depreciation and amortization	\$	1.2	
(Gain) loss on the disposal of assets, net	\$	—	
Recapitalization costs	\$	0.8	
Operating Income (Loss)	\$	3.8	

The financial information summarized above has been presented as a range of estimates because it is preliminary and does not reflect the final, or definitive, financial statements of the Company for the quarterly period ended March 31, 2018. This preliminary estimated financial information has been prepared solely on the basis of information that is currently available to management. As a result, it is subject to change based on the completion of the Company's financial closing procedures, which includes final adjustments, completion of the Company's internal review and the review by its independent registered public accounting firm of its financial statements, among other things. The Company's final financial statements for this period may contain material changes from the financial information summarized above (including by any one financial result, or all of the financial results, being below or above the range indicated) and also what one might expect to be in the final financial statements based on the financial information summarized above. The Company's independent registered public accounting firm has not audited or reviewed, and does not express an opinion with respect to, this preliminary estimated financial information.

About Spanish Broadcasting System, Inc.

Spanish Broadcasting System, Inc. owns and operates 17 radio stations located in the top U.S. Hispanic markets of New York, Los Angeles, Miami, Chicago, San Francisco and Puerto Rico, airing the Spanish Tropical, Regional Mexican, Spanish Adult Contemporary, Top 40 and Latin Rhythmic format genres. SBS also operates AIRE Radio Networks, a national radio platform which creates, distributes and markets leading Spanish-language radio programming to over 250 affiliated stations reaching 94% of the U.S. Hispanic audience. SBS also owns MegaTV, a television operation with over-the-air, cable and satellite distribution and affiliates throughout the U.S. and Puerto Rico. SBS also produces live concerts and events and owns multiple bilingual websites, including www.LaMusica.com, an online destination and mobile app providing content related to Latin music, entertainment, news and culture. For more information, visit us online at www.spanishbroadcasting.com.

This press release contains certain forward-looking statements. These forward-looking statements, which are included in accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, may involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results and performance in future periods to be materially different from any future results or performance suggested by the forward-looking statements in this press release. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that actual results will not differ materially from these expectations. Forward-looking statements, which are based upon certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate," "might," or "continue" or the negative or other variations thereof or comparable terminology. Factors that could cause actual results, events and developments to differ are included from time to time in the Company's public reports filed with the Securities and Exchange Commission. All forward-looking statements made herein are qualified by these cautionary statements and there can be no assurance that the actual results, events or developments referenced herein will occur or be realized. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

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