SPANISH BROADCASTING SYSTEM, INC. REPORTS RESULTS FOR THE SECOND QUARTER 2020

MIAMI, **FLORIDA**, August 31, 2020 – Spanish Broadcasting System, Inc. (the "Company", "we", "us", or "SBS") (OTCQB: SBSAA) today reported financial results for the three- and six- months ended June 30, 2020.

Financial Highlights

(in thousands)	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	% Change	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019	% Change
Net revenue:						
Radio	$ 12,706	$ 32,992	(61%)	$ 45,239	$ 67,071	(33%)
Television	2,822	3,939	(28%)	6,564	7,215	(9%)
Consolidated	$ 15,528	$ 36,931	(58%)	$ 51,803	$ 74,286	(30%)
Adjusted OIBDA*:						
Radio OIBDA	$ 2,381	$ 14,614	(84%)	$ 12,638	$ 25,546	(51%)
Television OIBDA	911	351	160%	1,014	489	107%
Corporate Expenses	1,649	2,791	(41%)	4,472	5,542	(19%)
Consolidated	$ 1,643	$ 12,174	(87%)	$ 9,180	$ 20,493	(55%)
Adjusted OIBDA Margins*:						
Radio	19%	44%		28%	38%	
Television	32%	9%		15%	7%	
Consolidated	11%	33%		18%	28%	

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

Discussion and Results

"The COVID-19 pandemic impacted all industries and, as a result, shutdowns and overall macro-economic conditions drove many advertisers to either reduce or eliminate their ad spending," commented Raúl Alarcón, Chairman and CEO. "In response, we executed targeted actions to increase our liquidity and cash position by aligning our operations with the challenges presented by this unexpected crisis, as we have in the face of numerous other calamities during nearly four decades of operation."

"We are focused on continuing to run our operations at the highest level and capitalize on emerging opportunities across all of our business units. In fact, trends improved month by month during the second quarter and we have seen further recovery in July and August."

"In this regard, we make special mention of P&G Chief Brand Officer Marc Pritchard and others like him who are confirming the true relevance and reach of the mass medium of radio, particularly outlets owned and operated by minorities, by actually *increasing* their advertising commitments in an effort to inform and assist these important communities and consumers during these unprecedented times."

"We remain in constant contact with all relevant federal, state and local governmental and medical officials across our markets in order to guarantee our #1 priority: informing and assisting Latino communities who have been disproportionately impacted by COVID-19, reflecting the deep commitment to our audience and the trust they place in our station brands, our on-air talent, and our programming. The entire SBS team is committed to validating that trust as we continue providing critical information, support and entertainment to Hispanics across the U.S. and Puerto Rico."

"We will remain open for business - pandemic or no pandemic - and will continue executing our strategy to further grow our aggregate multi-platform audience. We had significant momentum in our business for years prior to COVID-19, including consistent ratings growth, expansion of all our digital media metrics, and industry-leading operating margins - and will emerge on the other side of the crisis with the brands, talent and strategy to continue delivering industry-leading growth and value creation."

Three Months Ended Results

For the three months ended June 30, 2020, our radio and television segments were significantly impacted by the COVID-19 pandemic as advertising demand weaken and live events were postponed. We have and continue to implement cost savings strategies to align our operating expenses with the current market conditions. Additionally, we received $6.5 million of Paycheck Protection Program (the "PPP") proceeds that were directly used to offset and reduce employee related and other eligible costs (refer to PPP section below for further details).

Our consolidated net revenues decreased $21.4 million or 58% due to the net revenue decreases in both our radio and television segments.

- Our radio segment net revenue decreased $20.3 million or 61% due to decreases in all advertising and special events revenue streams.

- Our television segment net revenue decreased $1.1 million or 28% due to decreases in all advertising revenue streams, including sub-channel rental and subscriber fees revenue.

Consolidated Adjusted OIBDA, a non-GAAP measure, decreased $10.5 million or 87% compared to the same prior year period.

- Our radio segment Adjusted OIBDA decreased 12.2 million or 84%, primarily due to the decrease in net revenue of approximately $20.3 million partially offset by a decrease in operating expenses of $8.1 million. Radio station operating expenses decreased mainly due to decreases in commissions, compensation, barter, music license fees, professional fees and facilities expenses partially offset by an increase in allowance for doubtful accounts.

- Our television segment Adjusted OIBDA increased approximately $0.6 million or 160%, due to the decrease in operating expenses of approximately $1.7 million, partially offset by the decrease in net revenue of approximately $1.1 million. Television station operating expenses decreased primarily due to decreases in compensation, professional fees, facilities, commissions, transmitter rental expenses and production cost.

- Our corporate expenses, excluding non-cash stock-based compensation, decreased $1.1 million or 41% primarily due to decreases in compensation and travel related expenses partially offset by an increase in D&O insurance expense.

Operating loss totaled $0.5 million compared to operating income of $8.0 million for the same prior year period, representing a decrease of approximately $8.5 million or 106%. This decrease in operating income was primarily due to the decrease in net revenue partially offset by the decrease in operating expenses.

Six Months Ended Results

For the six months ended June 30, 2020, our radio and television segments were significantly impacted by the COVID-19 pandemic as advertising demand weaken and live events were postponed. We have and continue to implement cost savings strategies to align our operating expenses with the current market conditions. Additionally, we received $6.5 million of PPP proceeds that were directly used to offset and reduce employee related and other eligible costs (refer to PPP section below for further details).

Our consolidated net revenues decreased $22.5 million or 30% due to the net revenue decreases in both our radio and television segments.

- Our radio segment net revenue decreased $21.8 million or 33% due to decreases in all advertising and special events revenue streams.

- Our television segment net revenue decreased $0.7 million or 9% due to decreases in sub-channel rental, subscriber fees and digital revenue partially offset by increases in local, national and barter sales revenue.

Consolidated Adjusted OIBDA, a non-GAAP measure, decreased $11.3 million or 55% compared to the same prior year period.

- Our radio segment Adjusted OIBDA decreased $12.9 million or 51%, primarily due to the decrease in net revenue of $21.8

million which was partially offset by a decrease in operating expense of approximately $8.9 million. Radio station operating expenses decreased mainly due to decreases in commissions, barter, compensation, special events, music license fees, advertising, facilities and professional fee expenses partially offset by increases in allowance for doubtful accounts and transmitter rent.

- Our television segment Adjusted OIBDA increased $0.5 million or 107%, due to decreases in operating expense of approximately $1.2 million, partially offset by the decrease in net revenue of $0.7 million. Television station operating expenses decreased primarily due to decreases in professional fees, commission, transmitter rent and compensation expenses partially offset by increases in production costs.

- Our corporate expenses, excluding non-cash stock-based compensation, decreased $1.1 million or 19% primarily due to decreases in compensation and travel related expenses partially offset by an increase in D&O insurance expense.

Operating loss totaled $6.4 million compared to operating income of $13.5 million for the same prior year period, representing a decrease of $19.9 million or 147%. This decrease in operating income was primarily due to the decrease in net revenue and impairment charges partially offset by the decrease in operating expenses and the gain from the sale of assets.

Paycheck Protection Program

The Paycheck Protection Program (the "PPP") was established as part of the CARES Act, subsequently amended by CARES 2.0 and the Flexibility Act, to provide unsecured loans as a direct incentive to qualifying small businesses to keep their U.S. workers on the payroll during the COVID-19 pandemic. These unsecured loans will be forgiven as long as: (1) the loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 24-week period after the loan is made; and (2) employee and compensation levels are maintained. Payroll costs are capped at $100,000 on an annualized basis for each employee.

Given the uncertainty in the duration of the COVID-19 pandemic, the Company applied for and on April 15, 2020 received $6,478,800 in an unsecured loan funded under the PPP (the "PPP Loan"). The PPP loan was necessary to avoid near term layoffs and to support the Company's ongoing operations which is providing vital information and entertainment to its Latino communities. The Company has accounted for the PPP Loan under International Accounting Standard 20 *Accounting for Government Grants and Disclosure of Government Assistance* ("IAS 20") as the Company believes it has met the eligibility criteria and that the PPP loan represents, in substance, a grant that is expected to be forgiven. For the three- and six-month periods ended June 30, 2020 and in accordance with the IAS 20 guidance, Consolidated Adjusted OIBDA includes the $6.5 million PPP proceeds received as a direct offset and reduction to the related eligible operating expenses. The PPP proceeds applied as expense offsets and reductions in radio, television and corporate expenses were $5.1 million, $0.8 million and $0.6 million, respectively.

The Company believes its application was completed in good faith, the proceeds were used to support the Company's ongoing operations as intended and it met all the criteria for forgiveness. The Company intends to apply for and expects to be granted forgiveness of the PPP Loan as it has used the proceeds to maintain employment and compensation levels and pay benefits, rent and utilities.

Since the Company's PPP Loan is greater than $2 million it will be subject to a review by the Small Business Administration for compliance with the PPP program requirements. If all or a portion of the PPP Loan is not forgiven, all or the remaining portion will be for a term of two years but can be prepaid at any time prior to maturity without any prepayment penalties. The annual interest rate on the PPP Loan is 1.0% and no payments of principal or interest are due until the date that the Small Business Administration remits the loan forgiveness amount to our lender, provided that the Company submits its loan forgiveness application to our lender within ten months following the last day of the applicable covered period.

Second Quarter 2020 Conference Call

The Company will host a webcast to discuss its second quarter 2020 financial results on Wednesday, September 2, 2020 at 11:00 a.m. Eastern Time. The live webcast can be found on the Company's website at http://www.spanishbroadcasting.com/webcasts-presentations. A replay of the webcast will also be available at http://www.spanishbroadcasting.com/webcasts-presentations for seven days.

You may also access via teleconference by dialing 412-317-5441 ten minutes prior to its scheduled start time. There will also be a replay available through Wednesday, September 16, 2020 which can be accessed by dialing 877-344-7529 (U.S) or 412-317-0088 (Int'l), passcode: 10147662.

About Spanish Broadcasting System, Inc.

Spanish Broadcasting System, Inc. (SBS) owns and operates radio stations located in the top U.S. Hispanic markets of New York, Los Angeles, Miami, Chicago, San Francisco and Puerto Rico, airing the Tropical, Regional Mexican, Spanish Adult Contemporary, Top 40 and Urbano format genres. SBS also operates AIRE Radio Networks, a national radio platform of over 300 affiliated stations reaching 95% of the U.S. Hispanic audience. SBS also owns MegaTV, a network television operation with over-the-air, cable and satellite distribution and affiliates throughout the U.S. and Puerto Rico, produces a nationwide roster of live concerts and events, and owns a stable of digital properties, including La Musica, a mobile app providing Latino-focused audio and video streaming content and HitzMaker, a new-talent destination for aspiring artists. For more information, visit us online at www.spanishbroadcasting.com.

Forward Looking Statements

This press release contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Spanish Broadcasting System, Inc. intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and includes this statement for purposes of such safe harbor provisions.

"Forward-looking" statements represent our expectations or beliefs, including, but not limited to, statements concerning our operations, economic performance, financial condition, our recapitalization plan and restructuring efforts, growth and acquisition strategies, investments and future operational plans. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "forecast," "seek," "plan," "predict," "project," "could," "estimate," "might," "continue," "seeking" or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. These statements, by their nature, involve substantial risks and uncertainties, certain of which are beyond our control.

We do not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

(Financial Tables Follow)

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Below are the Unaudited Condensed Consolidated Statements of Operations for the Three- and Six- Months Ended June 30, 2020 and 2019.

Amounts in thousands, except per share amounts	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Net revenue	$ 15,528	$ 36,931	$ 51,803	$ 74,286
Station operating expenses	12,235	21,966	38,150	48,251
Corporate expenses	1,651	2,798	4,475	5,549
Depreciation and amortization	854	899	1,700	1,772
Loss (gain) on the disposal of assets, net	9	—	(3,177)	—
Recapitalization costs	1,011	1,444	2,695	3,374
Executive severance expenses	—	1,844	—	1,844
Impairment charges	249	—	14,352	—
Other operating income	(10)	(3)	(10)	(56)
Operating (loss) income	(471)	7,983	(6,382)	13,552
Interest expense, net	(7,915)	(7,805)	(15,831)	(15,612)
Dividends on Series B preferred stock classified as interest expense	(2,433)	(2,433)	(4,867)	(4,867)
Loss before income tax	(10,819)	(2,255)	(27,080)	(6,927)
Income tax benefit	(651)	(486)	(2,582)	(1,226)
Net loss	$ (10,168)	$ (1,769)	$ (24,498)	$ (5,701)
Net loss per common share:				
Basic and diluted net loss per common share:				
Class A and Class B common stock	$ (1.38)	$ (0.24)	$ (3.34)	$ (0.78)
Basic and diluted weighted average common shares outstanding:				
Class A common stock	4,242	4,242	4,242	4,242
Class B common stock	2,340	2,340	2,340	2,340

Non-GAAP Financial Measures

Adjusted Operating Income (Loss) before Depreciation and Amortization, Gain (loss) on the Disposal of Assets, Recapitalization Costs, Executive Severance Expenses, Impairment Charges and Other Operating Income 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 Indenture governing the Notes. 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.

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

	For the Three Months Ended June 30, 2020			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 1,643**	**2,382**	**911**	**(1,650)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	1	—	—	1
Depreciation and amortization	854	447	344	63
Loss on the disposal of assets, net	9	9	—	—
Recapitalization costs	1,011	—	—	1,011
Impairment charges	249	249	—	—
Other operating income	(10)	(10)	—	—
Operating (Loss) Income	**$ (471)**	**1,687**	**567**	**(2,725)**

	For the Three Months Ended June 30, 2019			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 12,174**	**14,614**	**351**	**(2,791)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	7	—	—	7
Depreciation and amortization	899	398	450	51
Recapitalization costs	1,444	—	—	1,444
Executive severance	1,844	—	—	1,844
Other operating income	(3)	(3)	—	—
Operating Income (Loss)	**$ 7,983**	**14,219**	**(99)**	**(6,137)**

	For the Six Months Ended June 30, 2020			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 9,180**	**12,639**	**1,014**	**(4,473)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	2	—	—	2
Depreciation and amortization	1,700	887	693	120
(Gain) loss on the disposal of assets, net	(3,177)	1	(3,178)	—
Recapitalization costs	2,695	—	—	2,695
Impairment charges	14,352	14,352	—	—
Other operating income	(10)	(10)	—	—
Operating (Loss) Income	**$ (6,382)**	**(2,591)**	**3,499**	**(7,290)**

	For the Six Months Ended June 30, 2019			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 20,493**	**25,546**	**489**	**(5,542)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	7	—	—	7
Depreciation and amortization	1,772	774	894	104
Recapitalization costs	3,374	—	—	3,374
Executive severance expenses	1,844	—	—	1,844
Other operating income	(56)	(56)	—	—
Operating Income (Loss)	**$ 13,552**	**24,828**	**(405)**	**(10,871)**

Non-GAAP Reporting Requirement under our Senior Secured Notes Indenture

Under the Indenture, we are to provide our Noteholders a statement of our "Station Operating Income for the Television Segment," as defined by the Indenture, for the twelve-month period ended June 30, 2020 and 2019, and a reconciliation of "Station Operating Income for the Television Segment" to the most directly comparable financial measure calculated in accordance with GAAP. In addition, we are to provide our "Secured Leverage Ratio," as defined by the Indenture, as of June 30, 2020.

Included below is the table that reconciles "Station Operating Income for the Television Segment" to the most directly comparable GAAP financial measure. Also included is our "Secured Leverage Ratio" as of June 30. 2020.

(Unaudited and in thousands)	Twelve Months Ended June 30, 2020	Quarters Ended June 30, 2020	Mar. 31 2020	Dec. 31, 2019	Sept. 30, 2019
Station Operating Income for the Television Segment, as defined by the Indenture	**$ 4,453**	1,155	215	2,301	782
Less expenses excluded from Station Operating Income for the Television Segment, as defined by the Indenture, but included in operating income (loss):					
Depreciation and amortization	1,567	344	349	427	447
(Gain) loss on the disposal of assets, net	(2,751)	—	(3,178)	289	138
Non-cash barter expense	687	244	112	169	162
GAAP Operating Income for the Television Segment	**$ 4,950**	567	2,932	1,416	35

	Twelve Months Ended June 30, 2019	Quarters Ended June 30, 2019	Mar. 31 2019	Dec. 31, 2018	Sept. 30, 2018
Station Operating Income for the Television Segment, as defined by the Indenture	**$ 3,865**	533	214	1,647	1,471
Less expenses excluded from Station Operating Income for the Television Segment, as defined by the Indenture, but included in operating income (loss):					
Depreciation and amortization	1,692	450	376	434	432
Loss on the disposal of assets, net	32	—	—	3	29
Non-cash barter expense	411	182	144	79	6
GAAP Operating Income (Loss) for the Television Segment	**$ 1,730**	(99)	(306)	1,131	1,004

As of June 30, 2020	
Secured Leverage Ratio, *as defined by the Indenture*	**6.8**

Unaudited Segment Data

We have two reportable segments: radio and television. The following summary table presents separate financial data for each of our operating segments:

Amounts in thousands	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Net revenue:				
Radio	$ 12,706	$ 32,992	$ 45,239	$ 67,071
Television	2,822	3,939	6,564	7,215
Consolidated	$ 15,528	$ 36,931	$ 51,803	$ 74,286
Engineering and programming expenses:				
Radio	$ 2,937	$ 5,201	$ 8,545	$ 10,682
Television	952	1,855	3,018	3,405
Consolidated	$ 3,889	$ 7,056	$ 11,563	$ 14,087
Selling, general and administrative expenses:				
Radio	$ 7,387	$ 13,177	$ 24,055	$ 30,843
Television	959	1,733	2,532	3,321
Consolidated	$ 8,346	$ 14,910	$ 26,587	$ 34,164
Corporate expenses:	$ 1,651	$ 2,798	$ 4,475	$ 5,549
Depreciation and amortization:				
Radio	$ 447	$ 398	$ 887	$ 774
Television	344	450	693	894
Corporate	63	51	120	104
Consolidated	$ 854	$ 899	$ 1,700	$ 1,772
Loss (gain) on the disposal of assets, net:				
Radio	$ 9	$ —	$ 1	$ —
Television	—	—	(3,178)	—
Corporate	—	—	—	—
Consolidated	$ 9	$ —	$ (3,177)	$ —
Recapitalization costs:				
Radio	$ —	$ —	$ —	$ —
Television	—	—	—	—
Corporate	1,011	1,444	2,695	3,374
Consolidated	$ 1,011	$ 1,444	$ 2,695	$ 3,374
Executive severance expenses:				
Radio	$ —	$ —	$ —	$ —
Television	—	—	—	—
Corporate	—	1,844	—	1,844
Consolidated	$ —	$ 1,844	$ —	$ 1,844
Impairment charges:				
Radio	$ 249	$ —	$ 14,352	$ —
Television	—	—	—	—
Corporate	—	—	—	—
Consolidated	$ 249	$ —	$ 14,352	$ —
Other operating income:				
Radio	$ (10)	$ (3)	$ (10)	$ (56)
Television	—	—	—	—
Corporate	—	—	—	—
Consolidated	$ (10)	$ (3)	$ (10)	$ (56)
Operating (loss) income:				
Radio	$ 1,687	$ 14,219	$ (2,591)	$ 24,828
Television	567	(99)	3,499	(405)
Corporate	(2,725)	(6,137)	(7,290)	(10,871)
Consolidated	$ (471)	$ 7,983	$ (6,382)	$ 13,552