SPANISH BROADCASTING SYSTEM, INC. REPORTS RESULTS FOR THE FOURTH QUARTER AND FISCAL YEAR 2020

- SBS' Q4 Revenues Rebound 34% from Q3 -

MIAMI, **FLORIDA**, April 30, 2021 – Spanish Broadcasting System, Inc. (the "Company" or "SBS") (OTC Pink: SBSAA) today reported financial results for the quarter- and year- ended December 31, 2020.

Financial Highlights

(in thousands)	Quarter Ended December 31, 2020	Quarter Ended December 31, 2019	% Change	Year Ended December 31, 2020	Year Ended December 31, 2019	% Change
Net revenue:						
Radio	$ 33,932	$ 40,821	(17%)	$ 104,255	$ 140,385	(26%)
Television	6,250	5,297	18%	17,684	16,280	9%
Consolidated	$ 40,182	$ 46,118	(13%)	$ 121,939	$ 156,665	(22%)
Adjusted OIBDA*:						
Radio	$ 15,450	$ 21,178	(27%)	$ 37,658	$ 59,751	(37%)
Television	2,814	2,132	32%	4,821	3,241	49%
Corporate	(1,930)	(3,210)	40%	(8,529)	(11,711)	27%
Consolidated	$ 16,334	$ 20,100	(19%)	$ 33,950	$ 51,281	(34%)
Adjusted OIBDA Margins*:						
Radio	46%	52%		36%	43%	
Television	45%	40%		27%	20%	
Consolidated	41%	44%		28%	33%	

***** 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

"Our fourth quarter results demonstrate the ongoing recovery across our markets, despite the pandemic-induced weaknesses inflicted upon the industry earlier in 2020, as exemplified by our sequential revenue and operating momentum and our continued industry-leading margins of 45%+ at our core media businesses," stated Raúl Alarcón, Chairman and Chief Executive Officer of SBS.

"Ratings held strong throughout 2020 and, in fact, reached a new plateau during the Fall as our New York City flagship WSKQ-FM captured the coveted #1 Nielsen ranking among the TOP 100 stations in the nation, irrespective of language, genre, format or location, among 18-34 and 18-49 year-old listeners.

Strong ratings were also maintained at our Los Angeles, Miami, San Francisco and Puerto Rico stations - a metric validation of our strategic mandate to super-serve the nation's largest minority audience.

After recently completing our recapitalization earlier this year, we are now focusing our full efforts on building upon our core strengths in radio and television, while resuming the aggressive scaling of our digital platform, LaMusica, and renewing the staging, promoting and marketing of our perennially popular series of concerts and events as the year unfolds.

The underlying power of our assets cannot be understated given the unique bond we have forged with the fast-growing Latino population and the brand partners desirous of reaching this lucrative consumer base, whether that be on our leading radio stations, our MegaTV platform, our 290+ affiliate Aire Radio Network, our mobile streaming LaMusica app and at performance venues throughout the country.

Based on real-time actualities and current forward visibility, we are confidently expecting the Company to deliver a strong financial performance in 2021 - and beyond."

Three Months Ended Results

For the three months ended December 31, 2020, we observed sequential quarter over quarter increases in advertising demand in both our radio and television segments despite the continued effects of the COVID-19 pandemic. Our fourth quarter 2020 revenue levels increased 34% compared to third quarter 2020. In addition, our fourth quarter net revenue increased by 1% when compared to the fourth quarter of 2018.

Our consolidated net revenue totaled $40.2 million compared to $46.1 million for the same prior year period, resulting in a decrease of $5.9 million or 13%. Consolidated net revenue excluding political sales, a non-GAAP measure, totaled $36.1 million compared to $45.8 million for the same period, resulting in a decrease of 21%.

- Our radio segment net revenue decreased $6.9 million or 17% due to decreases in local advertising and special events revenue streams excluding national and network revenue.

- Our television segment net revenue increased $1.0 million or 18%, due to the increase in local and national sales which were partially offset by decreases in sub-channel rental income and subscriber fees.

Consolidated Adjusted OIBDA, a non-GAAP measure, totaled $16.3 million compared to $20.1 million for the same prior year period, representing a decrease of $3.8 million or 19%.

- Our radio segment Adjusted OIBDA decreased $5.7 million or 27%, primarily due to the decrease in net revenue of approximately $6.9 million partially offset by a decrease in operating expenses of $1.2 million. Radio station operating expenses decreased mainly due to decreases in special events expenses, compensation, barter, and professional fees, which were offset by increases in our allowance for doubtful accounts, advertising, transmitter and office expense, commissions, and music license fees.

- Our television segment Adjusted OIBDA increased approximately $0.7 million or 32%, due to the increase in net revenue of $1.0 million offset by the increase in operating expenses of approximately $0.3 million. Television station operating expenses increased primarily due to increases in production costs and our allowance for doubtful accounts offset by a decrease in operating expenses related to the sale of our Houston television assets.

- Our corporate expenses decreased $1.3 million or 40%, mostly due to decreases in compensation, insurance and travel related expenses.

Operating income totaled $13.6 million compared to $17.3 million for the same prior year period, representing a decrease of $3.7 million or 21%. This decrease in operating income was primarily due to the decrease in net revenue and increase in other operating expenses partially offset by the decrease in station operating expenses and recapitalization costs.

Year Ended Results

For the year ended December 31, 2020, our business was significantly impacted by the COVID-19 pandemic as advertising demand weakened and live events were postponed. Subsequent to the quarter ending June 30, 2020, we observed sequential quarter over quarter increases in advertising demand in both our radio and television segments despite the continued effects of the COVID-19 pandemic. During this time, we also implemented 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 costs.

Our consolidated net revenue totaled $121.9 million compared to $156.7 million for the same prior year period, resulting in a decrease of $34.7 million or 22%. Consolidated net revenue excluding political sales, a non-GAAP measure, totaled $114.6 million compared to $156.0 million for the same period, resulting in a decrease of 27%.

- Our radio segment net revenue decreased $36.1 million or 26% due to decreases in all advertising and special events revenue streams excluding national revenue.

- Our television segment net revenue increased $1.4 million or 9%, due to increases in local and national sales which were partially offset by decreases in sub-channel rental income and subscriber fees.

Consolidated Adjusted OIBDA, a non-GAAP measure, totaled $34.0 million compared to $51.3 million for the same prior year period, resulting in a decrease of $17.3 million or 34%.

- Our radio segment Adjusted OIBDA decreased $22.1 million or 37%, primarily due to the decrease in net revenue of $36.1 million which was partially offset by the decrease in operating expense of approximately $14.0 million. Radio station operating expenses decreased mainly due to decreases in compensation and benefits, barter, special event expenses, commissions, professional fees and music license fees partially offset by increases in our allowance for doubtful accounts and transmitter rent.

- Our television segment Adjusted OIBDA increased $1.6 million or 49%, due to the increase in net revenue of $1.4 million and a decrease in operating expenses of $0.2 million. Television station operating expenses decreased primarily due to decreases in operating expenses related to the sale of our Houston television assets and professional fees offset by an increase in our allowance for doubtful accounts.

- Our corporate expenses, excluding non-cash stock-based compensation, decreased $3.2 million or 27% primarily due to decreases in compensation and benefits and travel related expenses.

Operating income totaled $13.8 million compared to $38.6 million for the same prior year period, representing a decrease of $24.8 million or 64%. This decrease in operating income was primarily due to the decrease in net revenue and the 2020 impairment charges, resulting from the ongoing negative financial impact of COVID-19, partially offset by the decreases in operating expenses, recapitalization costs, executive severance expenses and the recognition of gains on the disposal of assets.

Completion of Recapitalization and Forgiveness of Paycheck Protection Program Loan

The Company completed its recapitalization and the closing of its previously announced offering of $310 million in aggregate principal amount of its senior secured notes due 2026. We used the net proceeds of this offering along with cash on hand (i) to repay its 12.5% senior secured notes due 2017, (ii) along with certain other consideration, to repurchase and/or redeem all of its outstanding 10 3/4% Series B cumulative exchangeable redeemable preferred stock (the "Series B Preferred Stock") and (iii) to pay related fees and expenses. In connection with the closing and the completion of its recapitalization, the Company formally settled certain litigation relating to the Series B Preferred Stock that was pending in the Delaware Court of Chancery.

On April 6, 2021, the SBA informed the Company that the Paycheck Protection Program Loan of $6.5 million and the accumulated and unpaid interest had been forgiven in its entirety.

Fourth Quarter 2020 Conference Call

The Company will host a webcast to discuss its fourth quarter 2020 financial results on Friday, April 30, 2021 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 fourteen 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 Friday, May 14, 2021 which can be accessed by dialing 877-344-7529 (U.S) or 412-317-0088 (Int'l), passcode: 10155843.

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 290 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, and oral statements made in connection with it, contains certain 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. These forward-looking statements 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 we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that actual results will not differ materially from these expectations.

"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. Additional risks and uncertainties that we are not aware of or that we currently deem immaterial also may impair our business. If any of the following risks actually occur, our business, financial condition and operating results could be materially adversely affected, and actual results may differ materially depending on a variety of important factors, including, but not limited to the following: failure to repay our Notes; we are highly leveraged and our substantial level of indebtedness adversely affects our financial condition and prevents us from fulfilling our financial obligations; we face several risks regarding the foreign ownership issue that include but are not limited to an order to divest, fines, denial of license renewal and/or spectrum license revocation; we have experienced net losses in the past and, to the extent that we experience net losses in the future, our ability to raise capital may be adversely affected; we face several risks relating to our NOL carry-forwards since they can become subject to limitations under Section 382 of the Internal Revenue Code of 1986 if we experience an ownership change as well as the provisions set forth in the Tax Cuts and Jobs Act; our industry is highly competitive, and we compete for advertising revenue with other broadcast stations, as well as other media, many operators of which have greater resources than we do, a large portion of our net revenue and operating income currently comes from our New York, Los Angeles and Miami markets, an economic downturn, increased competition or another significant negative event in any of these markets, including the recent outbreak of COVID-19, could reduce our revenues and results of operations more dramatically than other companies that do not depend as much on these markets; cancellations, reductions, delays and seasonality in advertising could adversely affect our net revenues; the success of our radio stations depends on the popularity and appeal of our content, which is difficult to predict; the success of our television operation depends upon our ability to attract viewers and advertisers to our broadcast television operation; the loss of distribution agreements could materially adversely affect our results of operations; our business is affected by natural catastrophes that can disrupt our operations, by causing failure or destruction of satellites and transmitter facilities that we depend upon to distribute our programming; we may incur property and other losses that are not adequately covered by insurance; we must respond to rapid changes in technology, content creation, services and standards in order to remain competitive; cybersecurity risks could affect our operations and adversely affect our business; our business is dependent upon the performance of key employees, on-air talent and program hosts. Cost increases in the retention of such employees may adversely affect our profits. Impairment of our goodwill and other intangible assets deemed to have indefinite useful lives can cause our net income or net loss to fluctuate significantly; piracy of our programming and other content, including digital and Internet piracy, may decrease revenue received from the exploitation of our programming and other content and adversely affect our business and profitability; damage to our brands or reputation could adversely affect our company; our business may be adversely affected by legal or governmental proceedings brought by or on behalf of our employees. Raúl Alarcón, the Chairman of our Board of Directors, Chief Executive Officer and President, has majority voting control of our common stock and 100% voting control of our Series C preferred stock and this control may discourage or influence certain types of transactions or strategic initiatives; our deregistered stock's liquidity can be adversely affected because we are no longer required to report to the SEC and our stock continues to trade on the OTC Pink Market. There may not be sufficient liquidity in the market for our securities in order for investors to sell their securities; the market price of our common stock may be volatile; changes in U.S. communications laws or other regulations may have an adverse effect on our business. Proposed legislation would require radio broadcasters to pay royalties to record labels and recording artists; the FCC vigorously enforces its indecency and other program content rules against the broadcast industry, which could have a material adverse effect on our business; our businesses depend upon licenses issued by the FCC, and if any of those licenses were not renewed or we were to be out of compliance with FCC regulations and policies, our business may be materially impaired; there is significant uncertainty regarding the FCC's media ownership rules, and any changes to such rules could restrict our ability to acquire broadcast stations; we may be adversely affected by comprehensive tax reform; new or changing federal, state or international privacy legislation or regulation could hinder the growth of our internet business; COVID-19 will likely have a negative effect on our business, financial position, results of operations, liquidity or cash flows but it is difficult to predict that impact with certainty.

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

(Financial Tables Follow)

Contacts:

Analysts and Investors	*Analysts, Investors or Media*
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Below are the Unaudited Condensed Consolidated Statements of Operations for the quarter- and year-ended December 31, 2020 and 2019.

	Quarter Ended December 31,		Year Ended December 31,	
Amounts in thousands, except per share amounts	2020	2019	2020	2019
Net revenue	$ 40,182	$ 46,118	$ 121,939	$ 156,665
Station operating expenses	21,918	22,808	79,460	93,673
Corporate expenses	1,930	3,211	8,533	11,721
Depreciation and amortization	779	931	3,261	3,602
Loss (gain) on the disposal of assets, net	49	273	(3,261)	365
Recapitalization costs	778	1,556	4,679	6,845
Executive severance expenses	—	—	—	1,844
Impairment charges	—	—	14,352	—
Other operating expense (income)	1,112	—	1,102	(16)
Operating income	13,616	17,339	13,813	38,631
Interest expense	(7,889)	(7,811)	(31,587)	(31,245)
Dividends on Series B preferred stock classified as interest expense	(2,433)	(2,433)	(9,734)	(9,734)
Interest income	—	5	—	20
Income (loss) before income tax (benefit) expense	3,294	7,100	(27,508)	(2,328)
Income tax (benefit) expense	(543)	1,982	(2,389)	(1,400)
Net income (loss)	$ 3,837	$ 5,118	$ (25,119)	$ (928)
Net income (loss) per common share:				
Basic and diluted net income (loss) per common share:				
Class A common stock	$ 0.52	$ 0.70	$ (3.42)	$ (0.13)
Class B common stock	$ 0.52	$ 0.70	$ (3.42)	$ (0.13)
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 Quarter Ended December 31, 2020			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 16,334**	**15,450**	**2,814**	**(1,930)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Depreciation and amortization	779	375	340	64
Loss on the disposal of assets, net	49	—	49	—
Recapitalization costs	778	—	—	778
Other operating expense	1,112	1,047	65	—
Operating Income (Loss)	**$ 13,616**	**14,028**	**2,360**	**(2,772)**

	For the Quarter Ended December 31, 2019			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 20,100**	**21,178**	**2,132**	**(3,210)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	1	—	—	1
Depreciation and amortization	931	449	427	55
Loss (gain) on the disposal of assets, net	273	(16)	289	—
Recapitalization costs	1,556	—	—	1,556
Operating Income (Loss)	**$ 17,339**	**20,745**	**1,416**	**(4,822)**

	For the Year Ended December 31, 2020			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 33,950**	**37,658**	**4,821**	**(8,529)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	4	—	—	4
Depreciation and amortization	3,261	1,628	1,385	248
(Gain) loss on the disposal of assets, net	(3,261)	68	(3,329)	—
Recapitalization costs	4,679	—	—	4,679
Impairment charges	14,352	14,352	—	—
Other operating expense (income)	1,102	1,139	(37)	—
Operating Income (Loss)	**$ 13,813**	**20,471**	**6,802**	**(13,460)**

	For the Year Ended December 31, 2019			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 51,281**	**59,751**	**3,241**	**(11,711)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	10	—	—	10
Depreciation and amortization	3,602	1,623	1,768	211
Loss (gain) on the disposal of assets, net	365	(62)	427	—
Recapitalization costs	6,845	—	—	6,845
Impairment charges	1,844	—	—	1,844
Other operating income	(16)	(16)	—	—
Operating Income (Loss)	**$ 38,631**	**58,206**	**1,046**	**(20,621)**

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	Quarter Ended December 31, 2020	Quarter Ended December 31, 2019	Year Ended December 31, 2020	Year Ended December 31, 2019
Net revenue:				
Radio	$ 33,932	$ 40,821	$ 104,255	$ 140,385
Television	6,250	5,297	17,684	16,280
Consolidated	$ 40,182	$ 46,118	$ 121,939	$ 156,665
Engineering and programming expenses:				
Radio	$ 5,850	$ 5,913	$ 19,511	$ 22,283
Television	1,772	1,611	6,952	6,598
Consolidated	$ 7,622	$ 7,524	$ 26,463	$ 28,881
Selling, general and administrative expenses:				
Radio	$ 12,632	$ 13,730	$ 47,086	$ 58,351
Television	1,664	1,554	5,911	6,441
Consolidated	$ 14,296	$ 15,284	$ 52,997	$ 64,792
Corporate expenses:	$ 1,930	$ 3,211	$ 8,533	$ 11,721
Depreciation and amortization:				
Radio	$ 375	$ 449	$ 1,628	$ 1,623
Television	340	427	1,385	1,768
Corporate	64	55	248	211
Consolidated	$ 779	$ 931	$ 3,261	$ 3,602
Loss (gain) on the disposal of assets, net:				
Radio	$ —	$ (16)	$ 68	$ (62)
Television	49	289	(3,329)	427
Corporate	—	—	—	—
Consolidated	$ 49	$ 273	$ (3,261)	$ 365
Recapitalization costs:				
Radio	$ —	$ —	$ —	$ —
Television	—	—	—	—
Corporate	778	1,556	4,679	6,845
Consolidated	$ 778	$ 1,556	$ 4,679	$ 6,845
Executive severance expenses:				
Radio	$ —	$ —	$ —	$ —
Television	—	—	—	—
Corporate	—	—	—	1,844
Consolidated	$ —	$ —	$ —	$ 1,844
Impairment charges:				
Radio	$ —	$ —	$ 14,352	$ —
Television	—	—	—	—
Corporate	—	—	—	—
Consolidated	$ —	$ —	$ 14,352	$ —
Other operating expense (income):				
Radio	$ 1,047	$ —	$ 1,139	$ (16)
Television	65	—	(37)	—
Corporate	—	—	—	—
Consolidated	$ 1,112	$ —	$ 1,102	$ (16)
Operating income (loss):				
Radio	$ 14,028	$ 20,745	$ 20,471	$ 58,206
Television	2,360	1,416	6,802	1,046
Corporate	(2,772)	(4,822)	(13,460)	(20,621)
Consolidated	$ 13,616	$ 17,339	$ 13,813	$ 38,631