SPANISH BROADCASTING SYSTEM, INC. REPORTS RESULTS FOR THE FIRST QUARTER 2021

MIAMI, **FLORIDA**, May 28, 2021 – Spanish Broadcasting System, Inc. (the "Company" or "SBS") (OTC Pink: SBSAA) today reported financial results for the quarter ended March 31, 2021.

Financial Highlights

(in thousands)	Three Months Ended March 31,		%
	2021	2020	Change
Net revenue:			
Radio	$ 21,755	$ 32,533	(33%)
Television	2,888	3,742	(23%)
Consolidated	$ 24,643	$ 36,275	(32%)
Adjusted OIBDA*:			
Radio	$ 4,637	$ 10,257	(55%)
Television	(736)	103	(815%)
Corporate	(2,473)	(2,822)	12%
Consolidated	$ 1,428	$ 7,538	(81%)
Adjusted OIBDA Margins*:			
Radio	21%	32%	
Television	(25)%	3%	
Consolidated	6%	21%	

***** 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

"As previously stated, our 2021 performance is showing significantly accelerated momentum in terms of both ratings and revenues at all of our business units, notwithstanding a first quarter impacted by the lingering effects of a pandemic which caused the postponement of our signature live events in the Los Angeles, Las Vegas, and Puerto Rico markets, all of which have been successfully rescheduled," commented Raúl Alarcón, Chairman and Chief Executive Officer of SBS.

"Our revenue results are now tracking, and in certain cases exceeding, our record 2019 results - an important barometer indicating a return to pre-pandemic operating parameters, which is our main goal in 2021, with a mandate to exceed those metrics in 2022.

The underlying power and reach of our assets were never clearer than at our recent virtual upfront, "It Happens Here!", a resounding success that featured the Company's executives showcasing our nearly four decades of operational achievements in serving the nation's Latino communities.

Moving forward, we will continue to execute our multimedia strategy and build upon the foundation of our leading radio formats throughout the nation's largest markets, our expansive mobile and digital offerings, our Mega TV platform, and our Aire Radio Network's 95% coverage of the U.S. Hispanic market.

We have never been better positioned to capitalize on the awesome purchasing power of the Latino consumer."

Three Months Ended Results

During the three months ended March 31, 2021, we observed sequential month over month increases in advertising demand in both our radio and television segments despite the continued effects of the COVID-19 pandemic on our local markets and special events.

Our consolidated net revenue totaled $24.6 million compared to $36.3 million for the same prior year period, resulting in a decrease of approximately $11.6 million or 32%. Consolidated net revenue excluding political sales and special events revenue, a non-GAAP measure, totaled $24.6 million compared to $28.8 million for the same prior year period, resulting in a decrease of $4.2 million or 15%.

- Our radio segment net revenue decreased $10.8 million or 33% due to decreases in all revenue streams. The main drivers of this decrease were the lack of special events and local revenue. Radio net revenue excluding political sales and special events revenue, a non-GAAP measure, totaled $21.7 million compared to $25.2 million for the same prior year period, resulting in a decrease of $3.5 million or 14%.

- Our television segment net revenue decreased approximately $0.8 million or 23%, due to the decrease in local, national sales and subscriber revenues which were partially offset by increases in barter and syndication revenues. Television net revenue excluding political sales and special events revenue, a non-GAAP measure, totaled $2.9 million compared to $3.6 million for the same prior year period, resulting in a decrease of $0.7 million or 20%.

Consolidated Adjusted OIBDA, a non-GAAP measure, totaled $1.4 million compared to $7.5 million for the same prior year period, representing a decrease of $6.1 million or 81%.

- Our radio segment Adjusted OIBDA decreased $5.6 million or 55%, primarily due to the decrease in net revenue of $10.8 million partially offset by a decrease in operating expenses of $5.2 million. Radio station operating expenses decreased mainly due to decreases in special events expenses, barter, professional fees, and compensation, which were partially offset by increases in our allowance for doubtful accounts and music license fees.

- Our television segment Adjusted OIBDA decreased $0.8 million, due to the decrease in net revenue of approximately $0.8 million. Television station operating expenses were flat compared to the same prior year period.

- Corporate expenses decreased $0.3 million or 12% primarily due to decreases in insurance, travel related expenses and compensation and benefits.

Operating loss totaled $0.8 million compared to $5.9 million for the same prior year period, representing a decrease of $5.1 million. This decrease in operating loss was primarily due to the lack of impairment charges during the period, the decrease in recapitalization and operating costs, which were partially offset by the decrease in net revenue resulting from the negative financial impact of COVID-19.

Completion of Recapitalization and Forgiveness of Paycheck Protection Program Loan

The Company completed its recapitalization and the closing of its senior secured notes due 2026 of $310 million in aggregate principal amount. The Company 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 previously granted Paycheck Protection Program Loan of $6.5 million had been forgiven in its entirety. Additionally, the Company applied for and was granted a Second Draw PPP Loan in the amount of $2.0 million which will be utilized to pay for and maintain employment and compensation levels as required by the CARES Act for the loan to be forgiven. These funds will help support the Company’s ongoing operations which provide vital information and entertainment to its Latino communities.

First Quarter 2021 Conference Call

The Company will host a webcast to discuss its first quarter 2021 financial results on Thursday, June 3, 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 Thursday, June 17, 2021 which can be accessed by dialing 877-344-7529 (U.S) or 412-317-0088 (Int'l), passcode: 10157179

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, 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: we are highly leveraged and our substantial level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our financial obligations; we face 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 risks relating to our NOL carry-forwards since they became subject to limitations under Section 382 of the Internal Revenue Code of 1986 when we experienced an ownership change due to the recent recapitalization of the Company; 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)

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Below are the Unaudited Condensed Consolidated Statements of Operations for the quarter ended March 31, 2021 and 2020.

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Net revenue	$ 24,643	$ 36,275
Station operating expenses	20,742	25,915
Corporate expenses	2,474	2,824
Depreciation and amortization	793	846
Gain on the disposal of assets, net	(198)	(3,186)
Recapitalization costs	420	1,684
Impairment charges	—	14,103
Other operating expenses	1,181	—
Operating loss	(769)	(5,911)
Interest expense	(7,628)	(7,916)
Amortization of deferred financing costs	(237)	—
Dividends on Series B preferred stock classified as interest expense	(1,323)	(2,434)
Loss before income tax	(9,957)	(16,261)
Income tax benefit	(679)	(1,931)
Net loss	$ (9,278)	$ (14,330)
Net loss per common share:		
Basic and diluted net loss per common share:		
Class A and B common stock	$ (1.26)	$ (1.95)
Basic and diluted weighted average common shares outstanding:		
Class A common stock	4,242	4,242
Class B common stock	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, Impairment Charges and Other Operating Expenses 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. 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.

	Three Months Ended March 31, 2021			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 1,428**	**4,637**	**(736)**	**(2,473)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	1	—	—	1
Depreciation and amortization	793	348	343	102
Gain on the disposal of assets, net	(198)	—	(198)	—
Recapitalization costs	420	—	—	420
Other operating expenses	1,181	1,181	—	—
Operating (Loss) Income	**$ (769)**	**3,108**	**(881)**	**(2,996)**

	Three Months Ended March 31, 2020			
	Consolidated	Radio	Television	Corporate
Adjusted OIBDA	**$ 7,538**	**10,257**	**103**	**(2,822)**
Less expenses excluded from Adjusted OIBDA but included in operating income (loss):				
Stock-based compensation	2	—	—	2
Depreciation and amortization	846	440	349	57
Gain on the disposal of assets, net	(3,186)	(8)	(3,178)	—
Recapitalization costs	1,684	—	—	1,684
Impairment charges	14,103	14,103	—	—
Operating (Loss) Income	**$ (5,911)**	**(4,278)**	**2,932**	**(4,565)**

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:

	Three Months Ended March 31,	
	2021	**2020**
Net revenue:		
Radio	$ 21,755	$ 32,533
Television	2,888	3,742
Consolidated	$ 24,643	$ 36,275
Engineering and programming expenses:		
Radio	$ 5,539	$ 5,608
Television	2,087	2,066
Consolidated	$ 7,626	$ 7,674
Selling, general and administrative expenses:		
Radio	$ 11,579	$ 16,668
Television	1,537	1,573
Consolidated	$ 13,116	$ 18,241
Corporate expenses:	$ 2,474	$ 2,824
Depreciation and amortization:		
Radio	$ 348	$ 440
Television	343	349
Corporate	102	57
Consolidated	$ 793	$ 846
Gain on the disposal of assets, net:		
Radio	$ —	$ (8)
Television	(198)	(3,178)
Corporate	—	—
Consolidated	$ (198)	$ (3,186)
Recapitalization costs:		
Radio	$ —	$ —
Television	—	—
Corporate	420	1,684
Consolidated	$ 420	$ 1,684
Impairment charges:		
Radio	$ —	$ 14,103
Television	—	—
Corporate	—	—
Consolidated	$ —	$ 14,103
Other operating expenses:		
Radio	$ 1,181	$ —
Television	—	—
Corporate	—	—
Consolidated	$ 1,181	$ —
Operating (loss) income:		
Radio	$ 3,108	$ (4,278)
Television	(881)	2,932
Corporate	(2,996)	(4,565)
Consolidated	$ (769)	$ (5,911)