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

- SBS' Q4 Revenues Rebound 34% from Q3 -

MIAMI, **FLORIDA**, April 26, 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,		%	Year Ended December 31,		%
	2020	2019	Change	2020	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," state

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 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 $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 expenses, 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%.

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 o,w [(%)y oe iountes.criale1(en79(i)6.9(o)69(es

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

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.

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: olW n20 csn20d W 6001 csW 60dscn -9.5198 Tm (33,932)Tj 7.5846 -06.274Tj 7.584618 [(Ra)-23(d)-17(i)-39(o)]T

Amounts in thousands	**2020**	**2019**	**2020**	**2019**
Net revenue:				
Radio	$ 33,932			