



## **SPANISH BROADCASTING SYSTEM DENOUNCES LEHMAN BROTHERS COMPLAINT AS FRIVOLOUS**

### *Retains Skadden Arps to Defend Against Meritless Claim*

**MIAMI, FLORIDA**, March 4, 2013 – Spanish Broadcasting System, Inc. (“SBS” or the “Company”) (NASDAQ: SBSA) today announced that on February 14, 2013, Lehman Brothers Holdings, Inc. (“Lehman”), purporting to own approximately 39% of the outstanding SBS Series B Preferred Stock, filed a complaint (the “Complaint”) against the Company in the Delaware Court of Chancery alleging a violation of the Preferred Stock Certificate of Designations. More specifically, the Complaint alleges that SBS has failed in its obligations regarding its required preferred stock dividend payments.

The Company denies the allegations contained in the Lehman complaint and, to the contrary, asserts that it has been and continues to be in full and complete compliance with all of its obligations under the Certificate of Designations for the Series B Preferred Stock, as fully disclosed in the Company’s filings with the Securities and Exchange Commission dating back to 2009. Accordingly, the Company believes that the Complaint’s allegations are frivolous and wholly without merit and intends to contest such allegations vigorously. The Company has retained Skadden, Arps, Slate, Meagher and Flom LLP to represent it in connection with the Lehman action.

In addition, the Company notes that the day before the filing of the Complaint, the judge presiding over the Lehman bankruptcy proceedings denied Lehman’s objection to the Company’s Proof of Claim in an unrelated litigation in which the Company is asserting almost \$50 million in damages as part of a Proof of Claim filed in 2009 relating to a Lehman affiliate’s willful failure, prior to its bankruptcy filing, to fund its commitment under the Company’s then extant revolving credit facility. A trial date has not yet been set for this matter.

### **About Spanish Broadcasting System, Inc.**

Spanish Broadcasting System, Inc. is the largest publicly traded Hispanic-controlled media and entertainment company in the United States. SBS owns and/or operates 21 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, Mexican Regional, Spanish Adult Contemporary and Urban format genres. The Company also owns and operates 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 operates [www.LaMusica.com](http://www.LaMusica.com), a bilingual Spanish-English online site providing content related to Latin music, entertainment, news and culture. The Company’s corporate Web site can be accessed at [www.spanishbroadcasting.com](http://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 operation results.

Contacts:

Analysts and Investors

José I. Molina

Vice President of Finance

(305) 441-6901

Analysts, Investors or Media

Brad Edwards

Brainerd Communicators, Inc.

(212) 986-6667

