

SINCLAIR BROADCAST GROUP INC  
Form 10-Q  
November 08, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM 10-Q**

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2007**

**OR**

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from            to            .**

COMMISSION FILE NUMBER: **000-26076**

**SINCLAIR BROADCAST GROUP, INC.**

(Exact name of Registrant as specified in its charter)

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**Maryland**  
(State or other jurisdiction of  
Incorporation or organization)

**52-1494660**  
(I.R.S. Employer Identification No.)

**10706 Beaver Dam Road**  
**Hunt Valley, Maryland 21030**  
(Address of principal executive offices, zip code)

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(410) 568-1500

(Registrant's telephone number, including area code)

**None**

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

<b>Title of each class</b>	<b>Number of shares outstanding as of November 2, 2007</b>
Class A Common Stock	52,830,025
Class B Common Stock	34,453,859

**SINCLAIR BROADCAST GROUP, INC.**

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FOR THE QUARTER ENDED SEPTEMBER 30, 2007

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SIGNATURE

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**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****SINCLAIR BROADCAST GROUP, INC.****CONSOLIDATED BALANCE SHEETS****(In thousands, except share and per share data)**

<b>ASSETS</b>	<b>As of September 30, 2007 (Unaudited)</b>	<b>As of December 31, 2006</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 10,443	\$ 67,408
Accounts receivable, net of allowance for doubtful accounts of \$3,607 and \$3,985, respectively	123,456	130,227
Affiliate receivable	30	12
Current portion of program contract costs	61,173	65,137
Income taxes receivable	17,542	3,625
Prepaid expenses and other current assets	11,774	12,904
Deferred barter costs	3,043	2,455
Assets held for sale	20,722	21,010
Deferred tax assets	8,313	8,340
Total current assets	256,496	311,118
PROGRAM CONTRACT COSTS, less current portion	40,614	49,187
PROPERTY AND EQUIPMENT, net	276,028	269,725
GOODWILL, net	1,017,485	1,007,268
BROADCAST LICENSES, net	401,130	401,130
DEFINITE-LIVED INTANGIBLE ASSETS, net	183,965	198,103
OTHER ASSETS	43,681	35,049
Total assets	\$ 2,219,399	\$ 2,271,580
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 4,648	\$ 4,849
Accrued liabilities	69,980	89,685
Current portion of notes payable, capital leases and commercial bank financing	42,723	98,265
Current portion of notes and capital leases payable to affiliates	3,435	3,985
Current portion of program contracts payable	96,028	85,497
Deferred barter revenues	2,766	2,327
Liabilities held for sale	1,411	320
Total current liabilities	220,991	284,928
<b>LONG-TERM LIABILITIES:</b>		
Notes payable, capital leases and commercial bank financing, less current portion	1,289,859	1,290,899
Notes payable and capital leases to affiliates, less current portion	18,276	20,474
Program contracts payable, less current portion	88,969	97,369
Deferred tax liabilities	290,888	282,317
Other long-term liabilities	55,022	28,263
Total liabilities	1,964,005	2,004,250
MINORITY INTEREST IN CONSOLIDATED ENTITIES	1,098	685
<b>SHAREHOLDERS EQUITY:</b>		

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Class A Common Stock, \$.01 par value, 500,000,000 shares authorized, 52,818,338 and 47,552,682 shares issued and outstanding, respectively	528	476
Class B Common Stock, \$.01 par value, 140,000,000 shares authorized, 34,453,859 and 38,348,331 shares issued and outstanding, respectively, convertible into Class A Common Stock	345	383
Additional paid-in capital	613,894	596,667
Accumulated deficit	(358,174)	(328,406)
Accumulated other comprehensive loss	(2,297)	(2,475)
Total shareholders' equity	254,296	266,645