

NEWS

Contact: Harry T. Hawks
Senior Vice President
& Chief Financial Officer
(212) 887-6823

Thomas W. Campo
Manager, Investor Relations
(212) 887-6827

HEARST-ARGYLE TELEVISION ANNOUNCES RESULTS FOR THE THIRD QUARTER AND NINE MONTHS

**Initial Quarter Including August 1997 Merger of the Hearst Broadcasting Group
And Argyle Television, Inc.**

**Pro Forma Broadcast Cash Flow Up 14 Percent;
Pro Forma After-tax Cash Flow Up 22 Percent**

NEW YORK, N.Y., November 13, 1997 – Hearst-Argyle Television, Inc. (Nasdaq: HATV) today announced operating results for the third quarter and nine months for the period ending September 30, 1997. It is the initial quarter reported following the merger of the Company, formerly Argyle Television, Inc., and the broadcasting group of The Hearst Corporation, resulting in the formation of Hearst-Argyle Television, Inc. The merger, first announced on March 26, 1997, was completed on August 29, 1997 after a successful shareholder vote.

Pro Forma Same-Station Results

■ **For the Three Months Ended September 30, 1997**

On a pro forma basis, total **revenues** for the three months increased 6.5 percent, to \$90.1 million from \$84.6 million for the comparable period ended September 30, 1996. **Broadcast cash flow** on a pro forma basis increased by 13.8 percent, to \$37.1 million from \$32.6 million for the comparable period ended September 30, 1996. Pro forma **operating cash flow** for the three-month period was \$34.4 million, up 15.4 percent from \$29.8 million in the comparable period in 1996. Pro forma **after-tax cash flow** for the three months was \$17.4 million, up 21.7 percent from \$14.3 million in the comparable period in 1996.

-more-

■ **For the Nine Months Ended September 30, 1997**

For the nine months, total **revenues** on a pro forma basis increased 3.5 percent, to \$275.4 million from \$266.2 million for the comparable period ended September 30, 1996. **Broadcast cash flow** on a pro forma basis for the nine months increased by 11 percent, to 120.2 million from \$108.2 million for the comparable period ended September 30, 1996. Pro forma **operating cash flow** for the three-month period was \$111.9 million, up 12 percent from \$99.9 million in the comparable period in 1996. Pro forma **after-tax cash flow** for the nine months was \$59.6 million, up 11.6 percent from \$53.4 million in the comparable period in 1996.

In the fourth quarter, advertising sales on a pro forma basis are pacing up more than 5 percent over the fourth quarter of 1996, despite political advertising revenue in the 1996 fourth quarter of \$10.2 million.

GAAP – Reported Results

■ **For the Three Months Ended September 30, 1997**

Total **revenues** for the three-month period were \$46.1 million, up 165 percent from \$17.4 million for the three-month period ended September 30, 1996. **Broadcast cash flow** for the three-month period was \$20.4 million, an increase of 176 percent from \$7.4 million for the comparable period in 1996. **Operating cash flow** for the three-month period was \$19.1 million, up 229 percent from \$5.8 million in the comparable period in 1996. **After-tax cash flow** for the three months was \$5.7 million, up 876 percent from approximately \$584,000 in the comparable period for 1996.

■ **For the Nine Months Ended September 30, 1997**

Total **revenues** for the nine-month period were \$85.9 million, up 66.8 percent from \$51.5 million for the nine-month period ended September 30, 1996. **Broadcast cash flow** for the nine-month period was \$36.5 million, up 72.2 percent from \$21.2 million in the comparable period in 1996. **Operating cash flow** for the nine months was \$33.2 million, up 87.6 percent from \$17.7 million in the comparable period in 1996. **After-tax cash flow** for the nine months was \$10.1 million, up 140 percent from \$4.2 million in the comparable period in 1996.

-more-

Recent Corporate Developments

The Company established its corporate offices in New York City, and its senior management team and corporate staff were appointed. Early in the fourth quarter, the Company announced a Shelf Registration Statement, filed with the Securities and Exchange Commission, for the issuance of equity and debt securities. In November, the Company announced public offerings of 4.0 million shares of Series A Common Stock and \$300 million of 10-year senior notes and 30-year debentures.

In response to the Shelf Registration, Moody's Investors Service assigned a Baa3 rating to these debt securities and confirmed its Baa3 rating of the Company's \$1 billion senior unsecured bank facility and its Ba2 rating of the Company's \$150 million of senior subordinated notes. Standard & Poor's assigned its preliminary BBB- rating to the Shelf filing, along with BBB- ratings for the Company's corporate credit and bank facility. S&P also raised its rating on the senior subordinated debt to BB+ from B-, citing the Company's greater audience coverage as well as implicit support from The Hearst Corporation.

"We have succeeded in launching one of the largest and best-financed independent television station groups and the largest publicly-owned, pure-play, all-television company," said Bob Marbut, chairman and co-chief executive officer of Hearst-Argyle Television, Inc. "Already, we're witnessing the positive results — both financial and otherwise --- of the greater scale the merger brings and the unique benefits of the relationship with The Hearst Corporation.

Continuing, Marbut said, "Television station broadcasting is consolidating rapidly, and Hearst-Argyle is well positioned to be a premier consolidator with significant financial capacity for acquisitions:

- A \$1 billion senior credit facility is in place on very favorable terms;
- Recently, the Company successfully completed a four-million share equity offering and a \$300-million public debt offering with extended maturities and favorable coupon rates;
- As a result of the equity offering, the public float has been increased by about 50 percent, and the number of market makers has nearly doubled; and,
- Both Moody's and S&P have given investment grade ratings to our public debt.

-more-

“And, most important of all,” Marbut noted, “we already have in place the employee-management team that will ensure Hearst-Argyle’s success.”

Added John G. Conomikes, president and co-chief executive officer, “We are highly encouraged by the strong early results we’ve seen in terms of improvements in our stations’ ability to acquire the kinds of programming, equipment and people to take them to leadership positions in their markets. As part of our efforts, we are further developing our sales training programs, as well as our promotional and branding efforts, throughout the station group.”

Recent Station Activities

Among major recent developments at the Hearst-Argyle Television stations:

- The Company announced that **KITV-TV**, its ABC affiliate in Honolulu, would be the first commercially licensed digital television station in the United States. The station will begin digital broadcasting in December 1997, when it moves into what is believed to be the first facility built from the ground up as an all-digital television station. **WCVB-TV**, Boston, **WTAE-TV**, Pittsburgh, **WLWT-TV**, Cincinnati, and **KMBC-TV**, Kansas City, also are proceeding with digital upgrades expected to be completed by 1999;
- **WCVB-TV**, Boston, won two of the industry’s most prestigious awards, the Columbia DuPont Award and the Radio and Television News Directors Association’s Edward R. Murrow Award for Best Newscast in the Nation. **WCVB** General Manager Paul La Camera was named to President Clinton’s special advisory committee studying public interest obligations of television stations in the digital era;
- **WLWT-TV**, Cincinnati, saw newscast ratings gains compared to its competition. Through the July ratings period, **WLWT News5** had ratings increases for its 5:00p.m., 6:00p.m. and 11:00p.m. newscasts in a variety of demographic categories. The Hearst-Argyle Television board of directors approved construction of a new facility to house the station, which has been at its current location for 50 years;
- **WTAE-TV**, Pittsburgh, launched “Steelers Primetime,” a popular live, local hour-long program airing prior to televised Pittsburgh Steeler football games on ABC, ESPN and TNT;

-more-

- **WBAL-TV**, Baltimore, launched the successful, locally originated "Following ER" news segment providing medical tips and updates based on NBC's top rated weekly series. "Following ER" is now available to NBC affiliates nationwide via the NBC NewsChannel. WBAL-TV News also produces daily updates for NBC's MSNBC cable news channel, for cable systems across Maryland. The station also expanded its sales team; and
- "Rebecca's Garden," produced by **Hearst-Argyle Television Productions** and syndicated by Kelly News & Entertainment, began its second fall season in more than 90 percent of U.S. television markets.

"Due largely to our strong local news, most of our ABC stations 'overindex' the network, outperforming the ABC national prime time ratings in some markets by more than 20 percent," said David J. Barrett, executive vice president and chief operating officer. "Most of our stations continue to improve their news ratings positions, and we are confident that the recent merger will better enable us to make the capital improvements and programming investments necessary to bring us to leadership in our various markets."

"We are very excited about the opportunities ahead for Hearst-Argyle Television," Marbut added. "Network-affiliated television broadcasting is an excellent business, and we couldn't be better positioned in this business at a more opportune time."

The Hearst-Argyle television stations reach approximately 11.5 percent of U.S. television households and comprise the third largest non-network owned television station group in the United States in terms of audience delivered.

Hearst-Argyle Television, Inc. owns and operates network affiliated television stations WCVB-TV, the ABC affiliate in Boston, MA; WTAE-TV, the ABC affiliate in Pittsburgh, PA; WBAL-TV, the NBC affiliate in Baltimore, MD; WLWT-TV, the NBC affiliate in Cincinnati, OH; WISN-TV, the ABC affiliate in Milwaukee, WI; KMBC-TV, the ABC affiliate in Kansas City, MO; KOCO-TV, the ABC affiliate in Oklahoma City, OK; WNAC-TV, the Fox affiliate in Providence, R.I.; WDTN-TV, the ABC affiliate in Dayton, OH; KITV-TV, the ABC affiliate in Honolulu, HI; WAPT-TV, the ABC affiliate in Jackson, MS; and KHBS-TV, the ABC affiliate in Fort Smith, AR, and its satellite, KHOG-TV, the ABC affiliate in Fayetteville, AR.

Hearst-Argyle Television also owns and operates Hearst-Argyle Television Productions, which is engaged in the production of programming for cable networks and

broadcast stations. In addition, Hearst-Argyle Television provides management services for WWWB-TV, the WB affiliate in Tampa, FL; WPBF-TV, the ABC affiliate in West Palm Beach, FL; KCWB-TV, the WB affiliate in Kansas City, MO; and two radio stations, WBAL-AM and WIYY-FM, Baltimore, MD. These managed stations, other than KCWB, which is operated through a local marketing agreement, are owned by The Hearst Corporation, which is privately held.

In accordance with an order of the Federal Communications Commission, WNAC-TV in Providence, RI, will be divested because of an overlap with WCVB-TV in Boston, MA; and WDTN-TV in Dayton, OH, will be divested because of an overlap with WLWT-TV in Cincinnati, OH.

Hearst-Argyle Television's Series A Common Stock trades on the NASDAQ National Market under the trading symbol "HATV."

This news release contains forward-looking statements that are subject to risks and uncertainties. Forward looking statements include the information concerning the Company's advertising sales "pacing" in the fourth quarter, and those preceded by, followed by, or that include the words "believes," "expects," "anticipates," "could," or similar expressions. For these statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors, among them, could affect the future results of the Company and could cause those results to differ materially from those expressed in each forward-looking statement: material adverse changes in economic conditions in the markets served by the Company; future regulatory actions and conditions in the television stations' operating areas; the possibility that currently unanticipated difficulties may arise in integrating the operations of the Company's predecessors; and competition from others in the broadcast television markets served by the business.