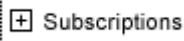




## Broadcasting & Cable



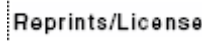
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## Report: Local Broadcast Valuations Way Down

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### Stations sector undervalued by 15%

*By Michael Malone -- Broadcasting & Cable, 1/27/2011 4:27:30 PM*

While the stock market is booming, as evidenced by the Dow tickling the lofty 12,000 level this week, the valuations for broadcast properties continue to lag, according to a new report from the media investment banking firm **MC Alcamo & Co.** Effective at the close of trading on Dec. 31, six pureplay broadcasters, including Belo and Gray

Television, were valued at an average 8.7 times multiple--20% down from the 10.7 multiple they registered a year ago, and 10% down from just three months ago.

Media companies with varied holdings, including stations and other media assets, traded at an average 6.1 times multiple, down close to 25% from a year ago.

"Investors remain cautious about broadcast -- despite rising profitability, improved credit profiles, a good outlook for 2011, an exceptional outlook for 2012, and audience trends all pointed in the right direction," said MC Alcamo President **Michael Alcamo.**

Alcamo said the sector appears to be undervalued by about 15%, making it a savvy buy for investors.

"In view of technical advances in master control, rising levels of retransmission revenue, and a resilient advertiser proposition from the high definition consumer experience, we believe that broadcasters will increasingly be seen as strong cash-producing firms," he said.

"The political season brought margin expansion and improved cash positions, and broadcasters go into 2011 in a position of strength. As investors take notice of the coming political season in 2012, we expect share prices to revert upward."

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