

CURRENT REPORT

of

BARRINGTON BROADCASTING GROUP LLC BARRINGTON BROADCASTING CAPITAL CORPORATION

March 27, 2007

Pursuant to Section 4.3 of the Indenture, dated as of August 11, 2006 (the “Indenture”), by and among Barrington Broadcasting Group LLC (“Barrington Group”), Barrington Broadcasting Capital Corporation (“Barrington Capital Corp.” and, together with Barrington Group, the “Issuers”), certain subsidiaries of Barrington Group named therein, as guarantors, and U.S. Bank National Association, as Trustee (the “Trustee”), relating to the 10½% Senior Subordinated Notes due 2014 of the Issuers (the “Notes”), the Issuers are furnishing the information contained herein to the holders of the Notes.

Earnings Release for Year Ended December 31, 2006

On March 26, 2007, Barrington Group issued a press release reporting its financial results for the year ended December 31, 2006 (the “Earnings Announcement”). A copy of the Earnings Announcement is attached to this Current Report as Exhibit 99.1.

Transcript of Earnings Call

On March 27, 2007, Barrington Group held a conference call to discuss its financial results for the year ended December 31, 2006. A copy of the transcript (the “Transcript”) of the call is attached to this Current Report as Exhibit 99.2. The Transcript has been selectively edited to facilitate the understanding of the information communicated during the conference call.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrants have duly caused this Current Report to be signed on their behalf by the undersigned, thereunto duly authorized.

BARRINGTON BROADCASTING GROUP LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION

Date: March 30, 2007

By: /s/ Warren Spector

Name: Warren Spector

Title: Director and Chief Financial Officer
(Principal Financial Officer)



FOR IMMEDIATE RELEASE

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BARRINGTON REPORTS FOURTH QUARTER OPERATING RESULTS

Hoffman Estates, IL, March 26, 2007 – Barrington Broadcasting Group LLC ("Barrington") announced today the financial results for the quarter ended December 31, 2006 and for the year ended December 31, 2006.

Highlights of Barrington's pro forma combined financial results for the fourth quarter and year include:

- Pro forma gross revenues for the quarter ended December 31, 2006 increased 27.3% to \$42.9 million from \$33.7 million for the quarter ended December 31, 2005. The increase was primarily due to an increase in political revenues for the quarter of \$10.3 million. Political revenues for the quarter ended December 31, 2006 were approximately \$11 million. Local revenues decreased .7% to \$18.9 million and national revenues decreased 2.7% to \$10.3 million for the quarter ended December 31, 2006. The decreases were due to displacement of advertising spots caused by the increase in political advertising.
- Pro forma net revenues (gross revenues less agency commissions and other direct costs) for the quarter increased 27.0% to \$36.2 million from \$28.5 million for the quarter ended December 31, 2005.
- Pro forma operating expenses for the quarter, not including depreciation and amortization, increased \$580,000 or 2.9%, to \$20.3 million. The increase was primarily due to increases in utilities, outside news expenses, sales salaries and commissions and advertising and promotion.
- Pro forma Broadcast Cash Flow (as defined herein) for the quarter increased 61.8% to \$17.5 million from \$10.8 million for the quarter ended December 31, 2005.
- Pro forma gross revenues for the year ended December 31, 2006 increased 14.7% to \$142.1 million from \$123.9 million for the year ended December 31, 2005. The increase was due to an increase in political revenues for the period of \$15.4 million as well as an increase in local revenues of \$3.9 million, or 5.5%, to \$74.9 million. National revenues increased 1.4% for the year to \$40.6 million from \$40.0 million the prior year. Network Compensation for the year decreased \$1.7 million from the prior year. Political revenues for the year were approximately \$16.7 million.

- Pro forma net revenues (gross revenues less agency commissions and other direct costs) for the year ended December 31, 2006 increased 14.0% to \$120.8 million from \$105.9 million for the year ended December 31, 2005.
- Pro forma operating expenses for the year ended December 31, 2006, not including depreciation and amortization, increased \$3.8 million, or 5.0%, to \$79.7 million. The increase was primarily due to increases in utilities, outside news expenses, sales salaries and commissions, advertising and promotion, and scheduled payroll increases.
- Pro forma Broadcast Cash Flow for the year ended December 31, 2006 increased 29.6% to \$45.5 million from \$35.1 million for the year ended December 31, 2005.

For more information regarding this pro forma financial information, including certain adjustments and assumptions, and a definition of Broadcast Cash Flow, see the attachments to this press release.

Highlights of Barrington's actual combined financial results for the fourth quarter and year include:

- Net revenues for the quarter ended December 31, 2006 increased to \$36.2 million from \$8.0 million for the quarter ended December 31, 2005. Operating expenses, not including depreciation and amortization, increased to \$20.8 million from \$5.8 million for the fourth quarter of 2005. The increases were primarily due to acquisitions of stations completed in the first quarter of 2006 and the stations acquired from Raycom in August 2006. The results of those stations are not included in the 2005 results.
- For the year ended December 31, 2006, net revenues increased to \$76.1 million from \$25.3 million for the year ended December 31, 2005. Operating expenses, not including depreciation and amortization, increased to \$50.8 million for the year ended December 31, 2006 from \$19.5 million for the year ended December 31, 2005. The increases were primarily due to acquisitions of stations completed in the latter part of 2005, the first quarter of 2006, and the stations acquired from Raycom in August 2006. The results of the majority of those stations are not included in the 2005 results.

K. James Yager, Chief Executive Officer, commented that "we are very pleased with the results for the year and with the pace of integration of the acquired stations. We continue to believe that smaller market television broadcasting provides the greatest opportunity to grow local ad dollar expenditures from other less effective media using the power of local programming."

Outlook

For the three months ended March 31, 2007, Barrington expects its Gross Revenues, on a pro forma basis, to be down approximately 2.0-2.5% from the same period in 2006. Gross Revenues for the first quarter of 2006, on a pro forma basis, included \$1.1 million of political revenues versus an estimated \$260,000 of political revenues expected for the 1st quarter of 2007. In addition, Gross Revenues on a pro forma basis for the first quarter of

2006 included revenues generated from the Winter Olympics on Barrington's five NBC affiliated stations.

Conference Call

As previously announced, Barrington will host a conference call to discuss its third quarter results at 11:00 AM (EDT) on Tuesday, March 27, 2007. The dial-in information for the earnings call is as follows: 1-800-257-1836. A telephonic replay of the earnings call will be available beginning on March 27, 2007 at 1:30 PM (EDT) and remain available until April 28, 2007. To access the replay, call 1-800-405-2236 (domestic callers) or 1-303-590-3000 (international callers) and enter access code 11086790#.

During the conference call, representatives of Barrington may discuss and answer one or more questions concerning Barrington's business and financial matters. The responses to these questions, as well as other matters discussed during the call, may contain information that has not been previously disclosed.

Annual Report

The information in this press release should be read in conjunction with the financial statements and footnotes contained in Barrington's annual report for the year ended December 31, 2006 which will be posted on the company website (www.barringtontv.com) on March 28, 2007.

Non-GAAP Financial Measures

Broadcast Cash Flow, EBITDA and Adjusted EBITDA (each as defined in the attachments to this press release) are non-GAAP financial measures (i.e., they are not measures of financial performance under generally accepted accounting principles) and should not be considered in isolation from or as a substitute for consolidated statements of operations and cash flow data prepared in accordance with GAAP. Broadcast Cash Flow, EBITDA and Adjusted EBITDA, as used herein, are not necessarily comparable to similarly titled measures of other companies. For definitions of and additional information regarding Broadcast Cash Flow, EBITDA and Adjusted EBITDA and a reconciliation of such measures to the most comparable measures calculated in accordance with GAAP, please see the attachments to this press release.

Broadcast Cash Flow, EBITDA and Adjusted EBITDA are measures commonly used by financial analysts in evaluating performance of companies, including broadcast companies. Accordingly, Barrington believes that Broadcast Cash Flow, EBITDA and Adjusted EBITDA may be useful in assessing Barrington's operating performance and its ability to meet its debt service requirements. Barrington also believes that these measures allow a standardized comparison between companies in the broadcast industry, while minimizing the differences from depreciation policies, financial leverage and tax strategies.

About Barrington

Barrington was formed in 2003 to acquire and operate television stations in smaller markets across the United States. Barrington currently owns and operates twenty network affiliated television stations and operates a twenty first station under a local marketing agreement. Barrington is owned and controlled by Pilot Group, with management as its partner. Pilot Group is a non-traditional private investment firm founded in 2003 by a group of operating executives who actively help its management partners achieve their goals.

Forward Looking Statements

The statements in this press release that are not historical facts are forward-looking statements that are subject to material risks and uncertainties. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results or developments may differ materially from those in the forward-looking statements as a result of various factors. These risks and uncertainties include, but are not limited to, uncertainties relating to Barrington's significant amount of debt, Barrington's ability to maintain its network affiliations, Barrington's ability to generate advertising revenues, cyclical or other trends in advertising spending, the regulatory environment for Barrington's industry, competition in Barrington's markets and Barrington's ability to integrate the acquisition of television stations from Raycom Media, Inc. and certain of its subsidiaries and achieve certain cost savings. Barrington does not undertake to update any forward-looking statements in this press release or with respect to matters described herein. Barrington's results for the year ended December 31, 2006 are subject to the completion of its annual report for such period.

Barrington Broadcasting
Pro Forma Information⁽¹⁾
Quarter Ended December 31, 2006 and December 31, 2005

(Dollars in thousands)	<u>Pro Forma</u>			
	<u>Three Months Ended</u>		<u>Year Ended</u>	
	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2005</u>	<u>12/31/2006</u>
Statement of Operations Data:				
Net revenues	28,498	36,236	105,933	120,799
Expenses:				
Operating ⁽²⁾	18,590	19,166	71,557	75,352
Depreciation and Amortization	7,580	6,784	30,717	27,170
Corporate	1,092	1,092	4,367	4,367
Total Operating Expenses	27,262	27,042	106,641	106,889
Income (Loss) from Operations	1,236	9,194	(708)	13,910
Total net interest expense	6,145	6,145	24,607	24,607
Other expense	-	-	-	-
Loss before income taxes	(4,909)	3,049	(25,315)	(10,697)
Income tax expense ⁽³⁾	115	115	461	2,920
Net loss	(5,023)	2,934	(25,776)	(13,617)

Balance Sheet Data:

Cash and cash equivalents	4,921
Total long-term debt, including current portions ⁽⁴⁾	274,575

(1) Pro forma consolidated financial data is based on Barrington's historical consolidated financial results for the fourth quarter of 2006 adjusted to give effect to the following events as if each had occurred on January 1, 2005: (i) Barrington's acquisition of KRCG in February 2005; (ii) Barrington's acquisition of KVII and KVIH in August 2005; (iii) Barrington's acquisition of WPDE and a local marketing agreement for WWMB in February 2006; (iv) Barrington's acquisition of substantially all the assets of twelve stations owned by Raycom Media, Inc. and certain of its subsidiaries; (v) Barrington and Barrington Capital's offering of \$125.0 aggregate principal amount of their 10½ % Senior Subordinated Notes due 2014; (vi) the repayment of Barrington's old credit facilities; (vii) borrowings under Barrington's new credit facility; (viii) Barrington's guarantees of SagamoreHill of Carolina, LLC's and SagamoreHill of Carolina Licenses, LLC's term loan; (ix) a \$60.5 capital contribution by Barrington's equity sponsor and (x) the payment of fees and expenses related to the foregoing.

(2) Includes selling, technical, programming (including amortization of program broadcast rights), general and administrative expenses.

(3) Includes federal and state liabilities, net of utilization of net operating loss carryforwards, incurred in connection with the merger of Barrington Corporation with Barrington Broadcasting Group LLC.

(4) Includes Barrington's guarantees of indebtedness of SagamoreHill of Carolina, LLC and SagamoreHill of Carolina Licenses, LLC.

(Dollars in thousands)	<u>Pro Forma</u>			
	<u>Three Months Ended</u>		<u>Year Ended</u>	
	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2005</u>	<u>12/31/2006</u>
Reconciliation of EBITDA:				
Net Loss	(5,023)	2,934	(25,776)	(13,617)
Total net interest expense	6,145	6,145	24,607	24,607
Income tax expense	115	115	461	2,920
Depreciation and amortization	7,580	6,784	30,717	27,170
EBITDA ⁽⁵⁾	8,816	15,978	30,009	41,080

(5) EBITDA is defined as net income (loss) before provision (benefit) for income taxes, interest expense, depreciation and amortization (excluding amortization of program rights and network revenues). EBITDA is a measure commonly used by financial analysts in evaluating operating performance of companies. Accordingly, management believes that EBITDA may be useful in assessing our operating performance and our ability to meet our debt service requirements.

(Dollars in thousands)	Pro Forma			
	Three Months Ended		Year Ended	
	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2005</u>	<u>12/31/2006</u>
Reconciliation of Adjusted EBITDA:				
EBITDA	8,816	15,978	30,009	41,080
Amortization of program broadcast rights	1,384	1,245	5,262	5,048
Program broadcast rights payments	(1,033)	(787)	(5,084)	(5,046)
Amortization of network revenues ⁽⁶⁾	(904)	(176)	(1,815)	(563)
Cash payments from networks	1,458	141	2,376	588
Adjusted EBITDA⁽⁷⁾	9,721	16,401	30,748	41,107

(6) Represents revenues from networks which were deferred and amortized over the length of the respective network affiliation agreements.

(7) Adjusted EBITDA is defined as EBITDA before the provision for amortization of program and broadcast rights, network revenues, other non-cash charges, gains or losses on dispositions of assets and other non-recurring items and after program broadcast rights payments and payments from networks. Certain financial covenants in the New Credit Facility contain ratios based on Adjusted EBITDA and the restricted payment and debt incurrence covenants in the indenture governing the notes are based on Adjusted EBITDA. In addition, management believes that Adjusted EBITDA may be useful in assessing our operating performance and our ability to meet our debt service requirements because Adjusted EBITDA, as opposed to EBITDA, more accurately reflects our operating performance as it takes into account industry specific adjustments such as amortization of program broadcast rights, program broadcast rights payments, amortization of network revenues, cash payments from networks, as well as gains and losses on dispositions of assets and other non-recurring items.

(Dollars in thousands)	Pro Forma			
	Three Months Ended		Year Ended	
	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2005</u>	<u>12/31/2006</u>
Reconciliation of Broadcast Cash Flow:				
Adjusted EBITDA	9,721	16,401	30,748	41,107
Corporate overhead costs	1,092	1,092	4,367	4,367
Broadcast Cash Flow⁽⁸⁾	10,813	17,493	35,115	45,474

(8) Broadcast Cash Flow is defined as Adjusted EBITDA before provision for corporate overhead costs. Broadcast Cash Flow is a measure commonly used by financial analysts in evaluating operating performance of broadcast companies. Accordingly, management believes that Broadcast Cash Flow may be useful for in assessing our operating performance and our ability to meet our debt service requirements.

Exhibit 99.2

**BARRINGTON BROADCASTING COMPANY LLC, #11086790
4TH QUARTER EARNINGS CONFERENCE CALL
March 27, 2007, 11:00 AM ET
Chairperson: Jim Yager**

Operator: Good morning, ladies and gentlemen, and thank you for standing by. Welcome to the Barrington Broadcasting Group LLC fourth quarter earnings conference call. During today's presentation all parties will be in a listen-only mode. Following the presentation, the conference will be open for questions. If you have a question, please press the star followed by the 1 on your touchtone phone. If you would like to withdraw your question, please press the star followed by the 2. If you're using speaker equipment, please lift the handset before making your selection. This conference is being recorded Tuesday, March 27, 2007.

At this time I'd like to turn the presentation over to the Chief Executive Officer, Jim Yager. Please go ahead, sir.

Jim Yager: Thank you and good morning. I'd like to welcome you all to Barrington Broadcasting's fourth quarter and year-ended December 31, 2006 earnings call.

Before we begin I'd like to remind you that certain statements made during this conference call which are not based on historical facts may be deemed to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements. Such factors include those risks described in our annual report. All information is current as of the date of this call and the Company takes no duty to update this information.

That said, with me this morning are Warren Spector, our Chief Financial Officer, and Chris Cornelius, our Chief Operating Officer.

Today we'll cover the results of the fourth quarter of 2006 and the 12 months ended December 31, 2006 on a pro forma basis for our original Barrington stations and the Raycom stations we acquired on August 11 of last year.

In addition, we will bring you up-to-date on the progress we have made in integrating the 12 Raycom stations into our ongoing operations.

On a pro forma basis, the combined Barrington-Raycom stations gross revenues in the fourth quarter 2006 were up \$9.2 million, or 27.3% over the fourth quarter of 2005 primarily due to a \$10.3 million increase in political revenues.

Pro forma local revenues for the quarter were only down 0.7%, and national revenues were down 2.7% due to the demands on our advertising inventory as a result of political.

Pro forma broadcast cash flow for the fourth quarter increased 61.8%, to \$17.5 million from 10.8 million.

Pro forma gross revenues for the 12-month period ended December 31, 2006 were up \$18.2 million, or 14.7% over the same period in 2005. This increase was due to an increase in political revenues for the period of \$15.4 million, as well as an increase in local revenues of 5.5%, and an increase in national revenues of 1.4% for the period.

Pro forma broadcast cash flow for the 12 months ended December 31, 2006 increased 29.6% to 45.5 million, from 35.1 million in 2005.

At this point I'd like to ask Warren Spector to review in more detail both fourth quarter and year-end results for Barrington and Barrington plus Raycom on a pro forma basis. Warren?

Warren Spector:

Thank you, Jim. The 10-K, which includes the annual audited financial statements, will be filed tomorrow on our website. Results included in the annual audited statements will include stations that Barrington owned and operated only during the periods that are being reported, which include the 12 months ended December 31, 2006, 2005 and the eight-month period ended December 31, 2004.

The results for the year ended December 31, 2006 include results for stations that were acquired in 2005, including Columbia- Jefferson City and Amarillo, and those acquired in early 2006, which include WPDE in Myrtle Beach and a local management agreement to manage WWMB in Myrtle Beach, and approximately 4.5 months as a result of the 12 stations acquired from Raycom in August 2006.

So, therefore, what you'll find are large increases in revenues and expenses in 2006 over 2005, which are primarily due to the acquired stations that are included in the results for 2006 and not 2005. So, I'm not going to really speak to that.

What I'm going to focus on is the pro forma combined results for all the stations for the quarter and year-ended December 31, 2006 as if they were owned by Barrington at the beginning of each period.

As Jim stated earlier, pro forma gross revenues for the fourth quarter increased 27.3% over the same period a year ago primarily due to an increase in political revenues of \$10.3 million for the quarter. Local revenues decreased 0.7% and national revenues decreased 2.7% for the quarter. Political revenues for the 2006 fourth quarter were approximately \$11 million.

Pro forma net revenues for the quarter increased 27% to \$36.2 million from \$28.5 million for the fourth quarter in 2005. Pro forma operating expenses for the quarter, not including depreciation and amortization, increased approximately \$580,000, or 2.9% for the fourth quarter over the fourth quarter of 2005, due primarily to increases in utilities, outside news expenses, sales salaries and commissions, and advertising and promotion.

As Jim also stated, pro forma broadcast cash flow for the quarter increased 61.8% to \$17.5 million from \$10.8 million for the three months ended December 31, 2005.

Pro forma gross revenues for the year ended December 31, 2006 increased 14.7% to \$142.1 million, from \$123.9 million for the same period in 2005. The increase was due to an increase in political revenues of \$15.4 million, as well as an increase in local revenues of \$3.9 million, or 5.5%, to \$74.9 million for the year. National revenues increased 1.4% for the year ended December 31, 2006. Political revenues for the year were approximately \$16.7 million on a pro forma basis.

Pro forma net revenues for the year increased 14% to \$120.8 million from \$105.9 million for the same period in 2005.

Pro forma operating expenses for the year, not including depreciation and amortization, increased \$3.8 million or 5%, again primarily due to an increase in utilities, increased sales, salaries and commissions, advertising, promotion and scheduled payroll increases.

And pro forma broadcast cash flow for the year ended December 31, 2006 increased 29.6% to \$45.5 million from \$35.1 million for the prior year.

For the first quarter of 2007, we are expecting gross revenues to be down 2% to 2.5% from the first quarter of 2006. The first quarter of 2006 included political revenues of approximately \$1.1 million on a pro forma basis; whereas, we're expecting political revenues of approximately \$260,000 this quarter. And our five NBC affiliates benefited from the Winter Olympics in the first quarter of 2006.

I'm now going to turn it back over to Jim.

Jim Yager: Thanks, Warren. As mentioned at the start of the call, we officially acquired 12 stations from Raycom on August 11, 2006, and continue to integrate these stations into our operations. To bring you up-to-date on our progress in that regard, I'd like to turn the call over at this point to Chris Cornelius, our Chief Operating Officer. Chris?

Chris Cornelius: Thanks Jim. Here's an updated report from our last call. First, we've just about completed the automation of news production and certain engineering functions at four of the acquired Raycom stations. The final piece of this project, the robotic cameras, will be installed over the next couple of months, and this will bring us up-to-date to our target dates for the completion of this project.

Secondly, as we mentioned in the last call, prior to October we began consolidating all our traffic systems into our Myrtle Beach facility. We slowed that project down because of political advertising demand and we're glad we did because political demand exceeded our expectations.

By the way, this new traffic system will give the Company wide insight on everything from the price of a single spot to the performance of an entire category of business. It's a great management tool for our Company.

We also talked about the plan to produce news in-house in Colorado Springs and Columbia, South Carolina. Both of these projects have been completed and in November we had solid ratings in Colorado Springs, and we're looking forward to the ratings books for both stations in February. With the performance of "American Idol" on Fox, we should get great sampling.

WFXL also added a half hour of news at 6:30 p.m. By using existing resources and adding no additional cost, the station gives the community another news alternative and has created valuable advertising inventory for automotive advertisers and politicians.

Finally, we've completed all consolidation of back office operations of all of the Raycom stations. We've installed new budget software and, as Warren mentioned, off to a great start in early '07. Jim?

Jim Yager: Thank you, Chris, and I might add that Chris has been a very busy guy these past four months. Our strategy remains, first, build a strong local news presence in all of our markets. As Chris mentioned, in three Raycom markets we have already increased local news by 30 minutes per station per day, Monday through Friday.

Second, our strategy is to develop strong local sales departments that will increase our

share of the local advertising dollar vis-à-vis other media in our local markets.

Third, our strategy is to implement cost-saving initiatives at each of our stations irrespective of market size using automation and bottoms up budgeting techniques.

Our fourth strategy is to maintain a deep and talented management team at both the corporate level and our individual stations. In October, as we mentioned in our last call, we replaced the GM in Harlingen, Texas, with Teresa Burgess, a bilingual and experienced manager in U.S.-Mexican border markets.

In November we replaced the general manager at WSTM TV and WSTQ TV in Syracuse. As some of you may recall, WSTM and WSTQ margins had fallen off considerably in the last three years.

In addition, we have recruited and hired new news directors at six of the twelve Raycom stations, again, to focus our operations on local news.

Finally, our strategy remains to use the promotional power of television to build traffic to our stations' Internet sites which are focused on the local communities we serve. We believe we are making progress in implementing the strategy at all Barrington stations and remain excited about the future and potential of Barrington, as well as the over-the-air broadcast television system in general.

Now, let's open the phone to your questions.

Operator:

Thank you. Ladies and gentlemen, as a reminder, if you would like to ask questions on today's presentation, please press the star followed by the 1 on your push tone phone. If you would like to withdraw your question, please press the star followed by the 2. If you're using speaker equipment, we do ask that you please lift your handset before lifting -- before pressing the numbers. One moment, please, for the first question.

Our first question will come from the line of Stephen Weiss with Banc of America Securities. Please go ahead, sir.

Stephen Weiss:

Good morning. I have a few questions. Just looking out to '07, I guess first, obviously, when you come off a strong year as you ended, the question is how do you mitigate any unfavorable comparisons heading into the odd year of the cycle. If you could talk about - you mentioned some of your endeavors. If you can just give us a framework for how we think about this year of the cycle. Could it be a bit better than other years given some of these primaries moving up on the calendar?

Secondly, I want to ask you about how we should think about cost increases in '07 on a pro forma basis. If you could give us some framework for that.

And then just lastly, overall, how should we think about the year? How should we characterize the year? Is it a year of blocking and tackling, further integration of Raycom, or could we potentially see any other kind of extracurricular activities, acquisitions, divestitures, etc.? Thank you.

Jim Yager:

Let me kind of divide up your question with Warren and Chris. Let me start by saying that we really believe by focusing on local revenues we can sustain growth in our existing markets. And I think when you see first quarter results you will see that local continues to remain the strong revenue category for us.

Your question regarding political is a very, very interesting one. I wish I could tell you right now what the 24 states that are considering moving their primaries to February 5 of

next year, whether they will move them, whether this means that they will also move the state constitutional office primaries, such as governors, senators, and mayoral primaries, to that same February 5 date. There are a lot of questions of what moving the date will mean and the effect.

Everybody wants to be onboard to say, our state was the first to nominate candidate X on the Democratic side and candidate Y on the Republican side. I think it's a little too early to make that call, though two things we do know are that South Carolina has moved its presidential primary to the last weekend in January for the Democrats, and the first weekend in February for the Republicans. That's done. The State Legislature did that.

And with two stations in South Carolina, that does change the dynamic slightly for the 2007 fourth quarter at our stations in Myrtle Beach, as well as the one station we own in the State Capitol in Columbia, South Carolina.

I'm going to let Warren answer the cost questions and what we're doing. Warren and Chris, jump in on the cost questions?

Warren Spector: Steve, in answer to the cost questions, in our budget process we rigorously go through the cost side of the business and what was contemplated and what we continue to complete is in terms of news automation, and as that gets further along, that's included in our cost structure. So, we expect to save as we expected in that project, and with our centralization of traffic as well.

We don't look for, in terms of your question, in terms of our processes of determining costs, without looking too far forward, anything outside the normal course.

Chris Cornelius: We've been stingy on the cost side and we've invested in sales, and our pro forma automation projects will result in savings.

Jim Yager: I might also add that Chris mentioned the traffic system consolidation we've done, which has already eliminated several jobs across the board at each of our stations because that is in a central location now, Myrtle Beach. So, we're constantly looking for ways that we can consolidate these stations without harming their end product.

Now, let's talk a little bit about acquisitions. Obviously, the three of us have been pretty much consumed by bringing the Raycom stations into the fold. Acquisitions are also an interesting topic, but we have not been aggressively seeking acquisitions. We think we are at the scale we wanted to be when we started this process three and a half years ago with the formation of Barrington Broadcasting.

Never to say never, but we've got plenty to say grace over in just bringing these stations on, and I don't want to underestimate or underemphasize, when you move news at three stations in-house with all of the automation equipment. These are stations that did not have any facility in-house to produce news before, and we will begin morning newscasts in both Colorado Springs and Columbia, South Carolina in the second quarter of this year. So, we've got plenty to say grace over without thinking about acquisitions.

Warren Spector: Or divestitures.

Stephen Weiss: If I could follow up. In terms of following up on the second question about cost, is it fair to characterize -- what you're saying is we should expect nothing more than an inflation-type year on the cost side? Is that a fair characterization?

Jim Yager: I'm going to let Warren answer.

Warren Spector: I would say that there is nothing that we have seen -- I mean, Steve, as you know, even last year we had some utility increases we hadn't planned on, and so these things happen all of a sudden out of the woodwork. But I can say I don't really see anything that's out of the ordinary.

Stephen Weiss: Okay. That's fair enough. And then lastly, is there anything that you can tell us on where the Raycom stations may sit vis-à-vis the Legacy-Barrington portfolio, any metrics or anything you can point to on where they've come and where they could go?

Warren Spector: We don't break out our statements that way or analyze it that way, so I can't give you a clear picture on their performances versus the Legacy stations.

Stephen Weiss: Okay, very good. I'll pass on the call.

Operator: Thank you. Our next question comes from the line of Bishop Cheen with Wachovia Securities. Please go ahead.

Bishop Cheen: Hey, Jim, Warren, Chris. Well, I guess you're enjoying this; you should be.

Jim Yager: While we can.

Bishop Cheen: Yeah, mama said there would be days like this, too, and here it is. Stephen covered some good territory. Let me focus on a few things. Let me billboard it for you. I want to talk a little bit about retrans and kind of the '07, '08, '09, and where you think potential is.

I want to get a feel for the incredible shrinking network comp that everybody is experiencing, not just you, and get kind of a feel for that, how that shrinks or doesn't.

A little more color on how you're using the Internet, your Internet initiatives and kind of your vision on how you think that is going to be both a promotion and a revenue tool for you.

You know me, I'm so impatient, I don't want to wait for the K, so tell me about capex.

And let's just go with that, and I think that will be real helpful to me.

Jim Yager: All right. Let me start with the retrans discussion first. We do have retransmission cash pay deals with DIRECTV and EchoStar. We do not -- we have several very small cable retrans cash deals. Our retransmission consent deals with our cable systems expire between mid-2007 and mid-2009, and we have every intention to monetize those deals as we go forward.

We have, if you wanted to count, the kind of advertising we received from the cable systems in our markets, last year it was \$2.8 million. That does not include approximately \$1.2 million from the retrans fees we get from our DIRECTV and EchoStar providers. And those are deals that don't expire until the end of 2008.

Bishop Cheen: Jim, tell me again the satellite deals are -- did you say 1.6 or 1.2?

Jim Yager: One two.

Bishop Cheen: One two. Thank you. Okay. So -- and you already realized 2.8 in '06 from the incumbent cable partners?

Jim Yager: That's cable spend in our markets with no offset spend on our part.

Bishop Cheen: Great.

Jim Yager: Some people would call those retransmission dollars, I'm not ready to call those retransmission dollars yet, Bishop, because I do believe they need to advertise. Cable has -- in our size markets, erosion of the cable penetration has been rather sizable. We have four markets we're aware of that are under 50% cable penetration right now. Chris --

Chris Cornelius: That's exactly right, Jim.

Jim Yager: In terms of network comp, let me let Chris answer that question.

Chris Cornelius: Network comp-we have a deal with CBS that ends in '07. We have a trailing deal with our ABC affiliates that end in '07, and we have a NBC deal that goes out to 2010 at one of our stations, and pretty much that's it for network comp.

Bishop Cheen: Okay. Let me then bridge the network comp to the retrans. Let's just assume for giggles that networks are among the most predatory animals on the face of the earth, and they've always been that way with affiliates. Supposing the retrans does develop and you're able to harvest it this way. As you go about linking new network affiliation deals, what's your thinking in terms of how the networks may or may not try to become your new best friend and partner on that?

Jim Yager: Well, I think -- and it's a great question, but at this point in time, at least looking out two to three years, there is no kind of share proposal of retransmission fees that I've seen anywhere from the networks. Not to say that our new best friends won't at some point ask for that, but there's an awful lot at stake if they do ask for that. Because as you probably know, while we don't have any reverse comp with CBS, we pay a fee for the NFL, and we pay a fee to CBS for the NCAA. With ABC it's somewhat different, we're not paying any fees other than for our news service, and with NBC it's also for our news service.

We have seen network proposals to redo some of our network contracts that go out into the teens that do not call for any sharing of retrans fees. Not to say that won't happen, but at least at this point I don't see it happening, and we haven't heard of it happening anywhere.

Bishop Cheen: That's very helpful. Thank you, Jim. And then capex.

Jim Yager: Internet initiatives. As you know, we have taken a similar tact with our Internet initiatives to what we do with our local news. We believe that there is a real appetite on the part of each of our markets for a locally-oriented Internet service. And even to the point of where we think we can compete, and I mentioned in my opening remarks, for advertising dollars vis-à-vis the Yellow Pages, for instance. We have, and Chris, why don't I ask you to explain this, because you're more versed in it than I am, but go ahead and talk about that directory.

Chris Cornelius: We think that the Internet is content first and it's a community portal, and we think you monetize that over a period of time.

Secondly, we have created a Yellow Pages-like search engine for each one of our television stations that will allow us, I think, to compete directly with the Yellow Pages for revenue, offering small advertisers to large advertisers very robust directory listings and even micro websites on our site.

So, we have an opportunity to develop traffic on our sites. We have an opportunity to develop relationships with advertisers that we haven't really spoken to before, and we think that there's a synergy between that directory and potentially moving those customers to television. So, that's what we've done with the directory.

Bishop Cheen: And then your regular sales force sells -- upsells that, for example, that service, that product, that directory service?

Chris Cornelius: That's true, that's right, Bishop.

Jim Yager: But, newspaper's demise, or the decline of newspaper circulation, means that there is a void in many communities for the kind of information and the kind of things that newspapers used to do: church news, obituaries, wedding announcements.

We look at the Internet site not as -- not as a place to stream video of a news story, but as a place to expand the information that's available to the residents of our community. I'm not quarreling with those who are streaming video, but if you get into Amarillo, Texas, the streaming of video, the same video gets kind of boring if you run it 24/7. But there are other things in the Amarillo market, and as you may know that Clovis, New Mexico had tremendous tornados and Amarillo, and we devote part of -- we've devoted part of our whole effort on the Internet to covering the relief in Clovis, New Mexico for the tornado.

So, we think there's a tremendous opportunity particularly as newspapers seem to try to be focused on three things that they have lost. They've lost the automotive advertising, they've lost the help wanted section, and they've lost the real estate section.. So, they're trying desperately to recover from them and I think maybe have forgotten a little bit about the content they used to provide to readers.

Bishop Cheen: Okay. Do all of your stations have websites and Internet -- Internet portal, if you will, and Internet services?

Chris Cornelius: Yes.

Jim Yager: Yes.

Bishop Cheen: And then the capex, I don't even know what the capex was for the year. I'm just trying to get a handle on how much capex challenge is ahead for both the digital transition and the Internet initiatives?

Warren Spector: Well, Bishop, I can tell you from the digital initiatives, we are -- we were substantially digitally compliant. And in the financial statements that you see on our website over the next day or two, you'll see the capex number in the statement of cash flows.

Bishop Cheen: Okay.

Bishop Cheen: That's the new buzzword.

Warren Spector: By the way, keep in mind, that will include capex in regards to news we put in Colorado Springs and some news equipment we are purchasing for our South Carolina news.

Bishop Cheen: Okay. And then when we see that number, how should we think about currently '07 and '08? Should we think we would see anything dramatically different, or kind of like that's the capex --

Warren Spector: I think what we'll do, Bishop, is when we go through the first quarter review, we will disclose the capex for the quarter. I think that will be helpful to you.

Bishop Cheen: Okay. Warren, I like that term, digitally compliant. I think I'm going to adopt that myself. Thank you, gentlemen, very helpful.

Operator: Thank you. Ladies and gentlemen, if there is additional questions at this time, please press the star followed by the 1. We do ask that if you're using speaker equipment that you please lift your handset before pressing the numbers. One moment for the next questions, please.

Our next question will come from the line of Joe Rodbard with Nomura. Please go ahead.

Joe Rodbard: Good morning. Congrats on a good quarter. I'm trying to get a sense of the underlying revenue trends excluding political. So, if I were to compare 2006 versus 2004 -- or for that matter, even '05 versus '03, or '04 versus '02, it seems like the pro forma revenue growth over each two-year period is 4%, but your guidance for the first quarter of '07 seems to apply about an 8% revenue growth first quarter '05.

So, the question is, are you seeing substantial acceleration in the underlying growth rate?

Jim Yager: Go ahead, Warren.

Warren Spector: I would say this. I would say when you take out the political, that our quarter actually has been very good, and Jim talked about this earlier. I mean, we're really emphasizing local initiatives and local revenues. And so I would say -- I don't know the analysis you did, but our growth over '05 is in excess of 4%.

Joe Rodbard: I guess my question is, if I'm trying to compare '07 versus '05 revenue, should I be using more of a historical rate of closer to 4%, or more of the higher rate that you seem to be at for this quarter?

Warren Spector: That I can't comment on. Your analysis and your projections obviously are yours.

Joe Rodbard: And then I was also hoping you could share some color on the acquisition environment in light of the strong performance of TV equities over the past few months with regard to what you may be interested in. Are you seeing more or less available out there, and have the asking prices increased much?

Warren Spector: We're actually seeing a little more, and I don't think the asking prices have increased all that much. I think in private deals, they're about where they were. Public company stocks have increased, but they're not back to where they were prior to the decline, but they have increased. Some equities have even doubled, if not more. But I would say asking prices are about where they have been.

Joe Rodbard: All right, thank you.

Operator: Thank you, sir. Ladies and gentlemen, we would like to give you an additional minute to ask questions. If you would like to ask a question on the program, please press the star followed by the 1 on your pushbutton phone. We do ask that if you're using speaker equipment that you please lift the handset before making your selection. One moment, please, for the next question.

Mr. Yager, at this time we appear to have no additional questions in the queue and we'll turn the conference back over to management for any closing remarks.

Jim Yager:

Okay. Again, we appreciate the questions. I thought they were all good and all to the point, from retrans to net comp, to our Internet initiatives to what's going to happen politically and the cost of our operations. So, we thank you again for being with us and we will look forward to being with you at our first quarter earnings call. Thank you very much.