
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2016

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 000-27823



Spanish Broadcasting System, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction or
incorporation of organization)

13-3827791
(I.R.S. Employer
Identification No.)

7007 NW 77th Avenue
Miami, Florida 33166

(Address of principal executive offices) (Zip .r1 0 0 -180 18 Tf 1 0 0 -1 137.22300726220.430999760977 6.Address

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PART I

PART II

Special Note Regarding Forward-Looking Statements

- *Impairment of our goodwill and other intangible assets deemed to have indefinite useful lives can cause our net income or net loss to fluctuate significantly;*
- *Piracy of our programming and other content, including digital and internet piracy, may decrease revenue received from the exploitation of our programming and other content and adversely affect our business and profitability;*
- *Damage to our brands or reputation;*
- *Our business may be adversely affected by legal or governmental proceedings brought by or on behalf of our employees;*
- *Raúl Alarcón, the Chairman of our Board of Directors, Chief Executive Officer and President, has majority voting control of our common stock and 100% voting control of our Series C preferred stock and this control may discourage or influence certain types of transactions or strategic initiatives; Changes in government regulation; and*
- *Other risk factors discussed under “Item 1A. Risk Factors.”.*

PART I

Item 1. Business

Our Company

Our Strategy

Develop Market Leading Station Clusters in High Growth Hispanic Markets.

Leverage Our Proprietary Content Across Our Media Platforms.

Economy

Our Strengths

Strong Presence in Largest U.S. Hispanic Markets.

Strong Portfolio of Branded Media Franchises.

Diversification across Media Platforms, Geography and Customers.

Recent Developments

Recapitalization

Puerto Rico.

Owned and Operated Radio Station Programming

Owned and Operated

Market	# of stations	# of formats	FM Station ID	Frequency	Station Name	Format	Target buying demographic group by age

Television Station Portfolio

Houston.

Miami.

Television Strategy

Advertising Revenue

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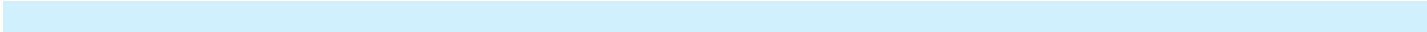
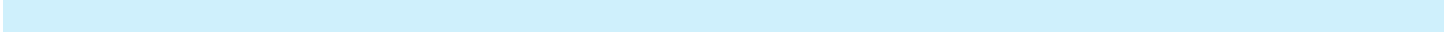
Trademarks, Copyrights and Licenses

Environmental Matters

Employees

Federal Regulation of Radio and

Broadcast station	Market	Date of acquisition	Date of license expiration	Operation frequency	FCC class	HAAT	Power
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Transfers and Assignments of License

Local Television Ownership

Television National Audience Reach Limitation

Radio-Television Cross-Ownership

Newspaper-Broadcast Cross-Ownership

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Available Information

The failure to repay our Notes and our obligations under our Series B preferred stock adversely affects our financial condition and raises substantial doubt about our ability to continue as a going concern.

Upon a change of control, we must offer to repurchase all of the Notes and our Series B preferred stock.

We have not generated sufficient cash to repay our Notes and our liabilities under our Series B preferred stock, and we may be forced to take other actions to satisfy our obligations under our Notes and Series B preferred stock, which may not be successful.

We are highly leveraged and our substantial level of indebtedness adversely affects our financial condition and prevents us from fulfilling our financial obligations.

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The terms of the Indenture and the Certificate of Designations for the Series B preferred stock restrict our current and future operations.

A large portion of our net revenue and operating income currently comes from our New York,

The success of our radio stations depends on the popularity and appeal of our content, which is difficult to predict.

Proposed legislation would require radio broadcasters to pay royalties to record labels and recording artists.

Our businesses depend upon licenses issued by the FCC, and if any of those licenses were not renewed or we were to be out of compliance with FCC regulations and policies, our business may be materially impaired.

Item 2. Properties

Item 4. Mine Safety Disclosures

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

(a) Market Information

(d) *Equity Compensation Plans and Other Equity Compensation*

Category	Number of Shares to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding Column (a))

- *Selling, general and administrative expenses*

- *Corporate expenses*

Year Ended 2016 Compared to Year Ended 2015

Year Ended
December 31,

2016

2015

Net Revenue

Engineering and Programming Expenses

Selling, General, and Administrative Expenses

Impairment Charges and Restructuring Costs

Operating Income

Dividends on Series B preferred stock classified as interest expense

“Distinguishing Liabilities from Equity”

Income Tax (Benefit) Expense

Class A Common Stock

Class B Common Stock

Recent Developments

NASDAQ Delisting – OTCQX® Best Market Trading

Off-Balance Sheet Arrangements

Valuation of Accounts Receivable

Revenue Recognition

Contingencies and Litigations

Item 9A. Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Control and Procedures

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Item 10. Directors, Executive Officers and Corporate Governance

Item 11. Executive Compensation

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Item 13. Certain Relationships and Related Transactions, and Director Independence

Item 14. Principal Accountant Fees and Services

PART IV

Item 15. Exhibits and Financial Statement Schedules

1. Financial Statements

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2. Financial Statement Schedule

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3. Exhibits Required by Item 601 of Regulation S-K

Report of Independent Registered Public Accounting Firm

**SPANISH BROADCASTING SYSTEM, INC.
AND SUBSIDIARIES**

December 31,

December 31,

**SPANISH BROADCASTING SYSTEM, INC.
AND SUBSIDIARIES**

(1) Organization and Nature of Business

(f) *Impairment or Disposal of Long-Lived Assets*

(g) *FCC Broadcasting Licenses*

(h) Goodwill

(o) *Contingent Liabilities*

(p) *Use of Estimates*

(q) *Concentration of Business and Credit Risks*

	2016	2015

(s) *Fair Value Measurement*

- *Level 1:*
- *Level 2:*
- *Level 3:*

(t) *Share-Based Compensation Expense*

(u) *Leasing (Operating Leases)*

(w) *Derivative Instrument*

– Stock Compensation (Topic 718).

Leases (Topic 842).

Accounting for Financial Instruments – Recognition and Measurement.

Revenue from Contracts with Customers (Topic 606).

(4) Asset Held for Sale

(8) Property and Equipment, Net

	2016	2015	Estimated useful lives

(b) Collateral and Ranking

(c) Covenants and Other Matters

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(12) 10 3/4% Series A and B Cumulative Exchangeable Redeemable Preferred Stock

Quarterly Dividends

Other Share-Based Compensation

Accounting for Share-Based Compensation

Valuation Assumptions

	2016	2015

Stock Options and Nonvested Shares Activity

	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life (Years)

(16) Contingencies

Local Tax Assessment

(17) Litigation

		December 31,		
Fair Value	Carrying	2016	2015	Fair
		Fair	Carrying	

(19) Segment Data

	Year Ended December 31,	
	2016	2015
Net revenue:		
Engineering and programming expenses:		
Selling, general and administrative expenses:		
Corporate expenses:		
Depreciation and amortization:		
(Gain) loss on the disposal		

December 31,
2016

December 31,
2015

Total Assets:

**SPANISH BROADCASTING SYSTEM, INC.
AND SUBSIDIARIES**

Signatures

**SPANISH BROADCASTING SYSTEM, INC.
AND SUBSIDIARIES**

Exhibit Index

Exhibit

Incorporated by reference

SPANISH BROADCASTING SYSTEM, INC.
2006 OMNIBUS EQUITY COMPENSATION PLAN
STOCK OPTION GRANT AGREEMENT

Company *SBS*

Grantee

Date of Grant

Plan

Common Stock

Committee

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SPANISH BROADCASTING SYSTEM, INC.
2006 OMNIBUS EQUITY COMPENSATION PLAN
STOCK OPTION GRANT AGREEMENT

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SCHEDULE A

SPANISH BROADCASTING SYSTEM, INC.
2006 OMNIBUS EQUITY COMPENSATION PLAN
STOCK OPTION GRANT AGREEMENT

Company *SBS*

Grantee

Date of Grant

[Remainder of page intentionally left blank]

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Company *SBS*

Grantee

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Common Stock

Committee

Options

Shares

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SPANISH BROADCASTING SYSTEM, INC.
2006 OMNIBUS EQUITY COMPENSATION PLAN
STOCK OPTION GRANT AGREEMENT

Consent of Independent Registered Public Accounting Firm

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Certification

Certification

**Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

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