

July 12, 2006



## Salem Communications Announces a Special Cash Dividend

Wednesday, July 12, 2006 6:00 am PDT

CAMARILLO, Calif.

NASDAQ:

SALM

CAMARILLO, Calif.--([BUSINESS WIRE](#))--July 12, 2006--Salem Communications Corporation (NASDAQ:SALM), a leading U.S. radio broadcaster, Internet content provider and magazine publisher targeting audiences interested in Christian and family-themed content and conservative values, today announced that its Board of Directors declared a special cash dividend of \$0.60 per share on its Class A and Class B common stock to be paid on July 28, 2006 to shareholders of record at the close of business on July 17, 2006. The dividend payment will total approximately \$14.6 million.

Edward G. Atsinger III, president and chief executive officer, commented, "With the transition of the radio broadcasting industry to a more mature stage of its lifecycle, a number of our peers have introduced dividends. After careful review, we have determined it is in the interest of the company and our shareholders to grant at this time a special dividend, our first dividend as a public company."

In addition to its radio properties, Salem Communications owns Salem Radio Network(R), which syndicates talk, news and music programming to approximately 2,000 affiliates; Salem Radio Representatives(TM), a national radio advertising sales force; Salem Web Network(TM), an Internet provider of Christian content and online streaming; and Salem Publishing(TM), a publisher of Christian-themed magazines. Upon the close of all announced transactions, the company will own 103 radio stations, including 66 stations in 24 of the top 25 markets. Additional information about Salem may be accessed at the company's website, [www.salem.cc](http://www.salem.cc).

### Forward-Looking Statements

Statements used in this press release that relate to future plans, events, financial results, prospects or performance are forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those anticipated as a result of certain risks and uncertainties, including but not limited to the ability of Salem to close and integrate announced transactions, market acceptance of Salem's radio station formats, competition from new technologies, adverse economic conditions, and other risks and uncertainties detailed from time to time in Salem's reports on Forms 10-K, 10-Q, 8-K and other filings filed with or furnished to the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Salem undertakes no obligation to

update or revise any forward-looking statements to reflect new information, changed circumstances or unanticipated events.

Salem Communications Corporation

Investors:

Eric Jones, 805-987-0400, ext. 1048

[EricJ@salem.cc](mailto:EricJ@salem.cc)

or

Media:

Denise Davis, 805-987-0400, ext. 1081

[DeniseD@salem.cc](mailto:DeniseD@salem.cc)