

BEASLEY BROADCAST GROUP INC

Form 10-Q

August 12, 2015

[Table of Contents](#)

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 30, 2015

OR

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File No. 0-29253

BEASLEY BROADCAST GROUP, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware **65-0960915**
(State of Incorporation) **(I.R.S. Employer Identification Number)**
3033 Riviera Drive, Suite 200

Naples, Florida 34103

(Address of Principal Executive Offices and Zip Code)

(239) 263-5000

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class A Common Stock, \$0.001 par value, 6,580,768 Shares Outstanding as of August 5, 2015

Class B Common Stock, \$0.001 par value, 16,662,743 Shares Outstanding as of August 5, 2015

Table of Contents

INDEX

	Page No.
PART I	
FINANCIAL INFORMATION	
Item 1. <u>Condensed Consolidated Financial Statements.</u>	3
<u>Notes to Condensed Consolidated Financial Statements.</u>	7
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>	12
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk.</u>	18
Item 4. <u>Controls and Procedures.</u>	18
PART II	
OTHER INFORMATION	
Item 1. <u>Legal Proceedings.</u>	19
Item 1A. <u>Risk Factors.</u>	19
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds.</u>	19
Item 3. <u>Defaults Upon Senior Securities.</u>	19
Item 4. <u>Mine Safety Disclosures.</u>	19
Item 5. <u>Other Information.</u>	19
Item 6. <u>Exhibits.</u>	19
<u>SIGNATURES</u>	21

Table of Contents**BEASLEY BROADCAST GROUP, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

	December 31, 2014	June 30, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 14,259,441	\$ 11,571,004
Accounts receivable, less allowance for doubtful accounts of \$544,932 in 2014 and \$632,161 in 2015	17,637,686	19,785,642
Prepaid expenses	636,552	3,104,802
Deferred tax assets	220,316	
Other current assets	2,784,210	1,449,493
Total current assets	35,538,205	35,910,941
Notes receivable from related parties	1,748,092	1,562,366
Property and equipment, net	28,254,202	27,697,101
FCC broadcasting licenses	234,328,330	234,719,505
Goodwill	8,857,516	8,857,516
Other intangibles, net	1,358,026	814,722
Other assets	5,882,818	5,930,098
Total assets	\$ 315,967,189	\$ 315,492,249
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 3,112,500	\$ 1,168,750
Accounts payable	1,120,434	2,260,833
Deferred tax liabilities		168,159
Other current liabilities	9,794,234	8,378,637
Total current liabilities	14,027,168	11,976,379
Long-term debt, net of current portion	94,581,250	92,025,000
Deferred tax liabilities	75,996,813	77,694,201
Other long-term liabilities	819,670	1,174,969
Total liabilities	185,424,901	182,870,549
Commitments and contingencies		
Stockholders equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued		
Class A common stock, \$0.001 par value; 150,000,000 shares authorized; 9,275,746 issued and 6,444,842 outstanding in 2014; 9,460,822 issued and 6,580,768 outstanding in 2015	9,276	9,461
	16,662	16,662

Edgar Filing: BEASLEY BROADCAST GROUP INC - Form 10-Q

Class B common stock, \$0.001 par value; 75,000,000 shares authorized; 16,662,743 issued and outstanding in 2014 and 2015		
Additional paid-in capital	118,535,400	119,026,059
Treasury stock, Class A common stock; 2,830,904 in 2014; 2,880,054 shares in 2015	(15,107,464)	(15,353,486)
Retained earnings	27,066,481	28,834,367
Accumulated other comprehensive income	21,933	88,637
Total stockholders' equity	130,542,288	132,621,700
Total liabilities and stockholders' equity	\$ 315,967,189	\$ 315,492,249

Table of Contents**BEASLEY BROADCAST GROUP, INC.****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**

	Three Months Ended June 30,	
	2014	2015
Net revenue	\$ 14,140,994	\$ 27,024,338
Operating expenses:		
Station operating expenses (including stock-based compensation of \$51,611 in 2014 and \$41,791 in 2015 and excluding depreciation and amortization shown separately below)	9,060,888	18,741,666
Corporate general and administrative expenses (including stock-based compensation of \$316,615 in 2014 and \$230,207 in 2015)	2,342,619	2,302,888
Radio station exchange transaction costs		46,155
Depreciation and amortization	477,230	839,874
Total operating expenses	11,880,737	21,930,583
Operating income	2,260,257	5,093,755
Non-operating income (expense):		
Interest expense	(1,100,089)	(941,003)
Loss on extinguishment of long-term debt	(23,599)	
Other income (expense), net	17,984	18,694
Income from continuing operations before income taxes	1,154,553	4,171,446
Income tax expense	504,429	1,639,404
Income from continuing operations	650,124	2,532,042
Income from discontinued operations (net of income taxes)	2,371,165	
Net income	3,021,289	2,532,042
Other comprehensive income:		
Unrealized gain on securities (net of income tax expense of \$2,814 in 2014 and \$22,772 in 2015)	4,372	36,857
Comprehensive income	\$ 3,025,661	\$ 2,568,899
Basic and diluted net income per share:		
Continuing operations	\$ 0.03	\$ 0.11
Discontinued operations	\$ 0.10	\$
Net income per share	\$ 0.13	\$ 0.11
Dividends declared per common share	\$ 0.045	\$ 0.045
Weighted average shares outstanding:		

Basic	22,818,398	22,918,837
Diluted	22,879,408	22,967,632

Table of Contents**BEASLEY BROADCAST GROUP, INC.****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**

	Six Months Ended June 30,	
	2014	2015
Net revenue	\$ 27,096,423	\$ 51,275,177
Operating expenses:		
Station operating expenses (including stock-based compensation of \$128,754 in 2014 and \$83,582 in 2015 and excluding depreciation and amortization shown separately below)	18,668,505	36,555,614
Corporate general and administrative expenses (including stock-based compensation of \$593,519 in 2014 and \$558,298 in 2015)	4,617,623	4,742,035
Radio station exchange transaction costs		349,917
Depreciation and amortization	943,969	1,958,727
Total operating expenses	24,230,097	43,606,293
Operating income	2,866,326	7,668,884
Non-operating income (expense):		
Interest expense	(2,323,804)	(1,889,009)
Loss on extinguishment of long-term debt	(23,599)	
Other income (expense), net	41,023	490,499
Income from continuing operations before income taxes	559,946	6,270,374
Income tax expense	1,425,539	2,439,948
Income (loss) from continuing operations	(865,593)	3,830,426
Income from discontinued operations (net of income taxes)	4,569,754	
Net income	3,704,161	3,830,426
Other comprehensive income:		
Unrealized gain (loss) on securities (net of income tax benefit of \$10,560 in 2014 and income tax expense of \$41,213 in 2015)	(17,226)	66,704
Comprehensive income	\$ 3,686,935	\$ 3,897,130
Basic and diluted net income (loss) per share:		
Continuing operations	\$ (0.04)	\$ 0.17
Discontinued operations	\$ 0.20	\$
Net income per share	\$ 0.16	\$ 0.17
Dividends declared per common share	\$ 0.09	\$ 0.09
Weighted average shares outstanding:		
Basic	22,800,628	22,899,865

Diluted

22,877,921

22,953,927

Table of Contents**BEASLEY BROADCAST GROUP, INC.****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

	Six Months Ended June 30,	
	2014	2015
Cash flows from operating activities:		
Net income	\$ 3,704,161	\$ 3,830,426
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation	727,183	641,880
Provision for bad debts	232,763	247,311
Depreciation and amortization	1,223,312	1,958,727
Amortization of loan fees	205,254	168,732
Loss on notes receivable from related party	332,034	
Loss on extinguishment of long-term debt	23,599	
Deferred income taxes	3,376,251	2,152,567
Change in operating assets and liabilities:		
Accounts receivable	391,793	(2,395,267)
Prepaid expenses	(1,778,488)	(2,468,250)
Other assets	(454,283)	1,313,072
Accounts payable	(436,990)	1,140,399
Other liabilities	(502,130)	(1,081,048)
Other operating activities	(76,601)	(23,849)
Net cash provided by operating activities	6,967,858	5,484,700
Cash flows from investing activities:		
Capital expenditures	(1,789,927)	(845,178)
Payments for translator licenses	(155,000)	(391,175)
Payments for investments	(104,167)	(166,667)
Repayment of notes receivable from related parties	192,021	185,726
Net cash used in investing activities	(1,857,073)	(1,217,294)
Cash flows from financing activities:		
Principal payments on indebtedness	(4,625,000)	(4,500,000)
Payments of loan fees	(391,225)	
Tax benefit (shortfall) from vesting of restricted stock	114,078	(151,036)
Dividends paid	(2,050,176)	(2,058,785)
Payments for treasury stock	(366,024)	(246,022)
Net cash used in financing activities	(7,318,347)	(6,955,843)
Net decrease in cash and cash equivalents	(2,207,562)	(2,688,437)
Cash and cash equivalents at beginning of period	14,299,013	14,259,441

Edgar Filing: BEASLEY BROADCAST GROUP INC - Form 10-Q

Cash and cash equivalents at end of period	\$ 12,091,451	\$ 11,571,004
Cash paid for interest	\$ 2,118,550	\$ 1,720,277
Cash paid for income taxes	\$ 2,003,445	\$ 4,287,595
Supplement disclosure of non-cash investing and financing activities:		
Property and equipment acquired through placement of advertising airtime	\$ 60,412	\$ 26,829
Property and equipment acquired through a logo agreement	\$ 160,000	\$
Dividends declared but unpaid	\$ 1,026,863	\$ 1,031,383

Table of Contents

BEASLEY BROADCAST GROUP, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(1) Interim Financial Statements

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of Beasley Broadcast Group, Inc. and its subsidiaries (the Company) included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014. These financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the financial statements reflect all adjustments necessary for a fair statement of the financial position and results of operations for the interim periods presented and all such adjustments are of a normal and recurring nature. The Company's results are subject to seasonal fluctuations therefore the results shown on an interim basis are not necessarily indicative of results for the full year.

(2) Recent Accounting Pronouncements

In April 2015, the FASB issued guidance to simplify presentation of debt issuance costs. The guidance requires debt issuance related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. The new guidance is effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted for financial statements that have not been previously issued. Upon adoption of the guidance, the Company will present loan fees as a deduction from long-term debt in the balance sheet. Loan fees totaled \$1.4 million as of June 30, 2015.

In May 2014, the FASB issued guidance to clarify the principles for recognizing revenue. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance provides a comprehensive framework for revenue recognition that supersedes current general revenue guidance and most industry-specific guidance. In addition, the guidance requires improved disclosures to help users of financial statements better understand the nature, amount, timing, and uncertainty of revenue that is recognized. An entity should apply the guidance either retrospectively to each prior reporting period presented or retrospectively with the cumulative adjustment at the date of the initial application. In July 2015, the FASB delayed the effective date of the new guidance to annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Early adoption is now permitted after the original effective date of December 15, 2016. The Company has not determined the impact of adoption on its financial statements.

In April 2014, the FASB issued guidance that changes the requirements for reporting discontinued operations. A disposal of a component of an entity or a group of components of an entity is required to be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results when any of the following occurs:

1. The component of an entity or group of components of an entity meets the criteria to be classified as held for sale.

2. The component of an entity or group of components of an entity is disposed of by sale.

3. The component of an entity or group of components of an entity is disposed of other than by sale.

The guidance also requires additional disclosures about discontinued operations. The new guidance is effective for all disposals (or classifications as held for sale) of components of an entity that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued or available for issuance. The Company early adopted the new guidance in the third quarter of 2014. See Note 3 for discontinued operations reported under the new guidance.

(3) Asset Exchange

On December 1, 2014, the Company completed an asset exchange with CBS Radio Stations, Inc. (CBS Radio) under which the Company agreed to exchange all of the assets used or useful in the operations of WRDW-FM and WXTU-FM in Philadelphia, PA and WKIS-FM, WPOW-FM and WQAM-AM in Miami, FL previously owned and operated by the Company for all of the assets used or useful in the operations of WIP-AM in Philadelphia, PA, WHFS-AM, WHFS-FM, WLLD-FM, WQYK-FM, WRBQ-FM and WYUU-FM in Tampa, FL and WBAV-FM, WBCN-AM, WFNZ-AM, WKQC-FM, WNKS-FM, WPEG-FM and WSOC-FM in Charlotte, NC previously owned and operated by CBS Radio. The asset exchange substantially broadened and diversified the Company's local radio broadcasting platform and revenue base with fourteen new stations that are geographically complementary to the Company's ongoing operations, while also presenting financial and operating synergies with the Company's ongoing station portfolio and digital operations.

Table of Contents**BEASLEY BROADCAST GROUP, INC.****NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

The following pro forma information for the three and six months ended June 30, 2014 assumes that the asset exchange had occurred on January 1, 2014. This pro forma information has been prepared based on estimates and assumptions, which management believes are reasonable, and is not necessarily indicative of what would have occurred had the asset exchange actually been completed on January 1, 2014 or of results that may occur in the future.

	Three months ended June 30, 2014	Six months ended June 30, 2014
Net revenue	\$ 28,754,969	\$ 55,788,529
Operating income	6,041,614	10,334,677
Net income	2,950,702	3,678,152
Basic and diluted net income per share	0.13	0.16

Discontinued Operations

After completion of the asset exchange, the Company has significantly decreased operations in the Philadelphia, PA radio market and no longer has any operations in the Miami-Fort Lauderdale, FL radio market. Therefore, the results of operations of WRDW-FM, WXTU-FM, WKIS-FM, WPOW-FM and WQAM-AM have been reported as discontinued operations for the three and six months ended June 30, 2014.

A summary of discontinued operations is as follows:

	Three months ended June 30, 2014	Six months ended June 30, 2014
Net revenue	\$ 11,734,791	\$ 22,998,631
Station operating expenses	7,329,512	14,824,035
Depreciation and amortization	139,520	279,343
Other (income) expense, net	331,639	330,416
Income from discontinued operations before income taxes	3,934,120	7,564,837
Income tax expense	1,562,955	2,995,083
Income from discontinued operations	\$ 2,371,165	\$ 4,569,754

A summary of operating and investing cash flows of discontinued operations for the six months ended June 30, 2014 is as follows:

Cash flows from operating activities:	
Income from discontinued operations	\$ 4,569,754
Adjustments to reconcile income from discontinued operations to net cash used in operating activities:	
Provision for bad debts	72,114
Depreciation and amortization	279,343
Loss on notes receivable from related party	332,034
Change in operating assets and liabilities	
Accounts receivable	(113,755)
Prepaid expenses	(132,507)
Other assets	(154,287)
Accounts payable	(380,285)
Other liabilities	2,429,893
Other operating activities	(8,037,015)
Net cash used in operating activities	\$ (1,134,711)
Cash flows from investing activities:	
Capital expenditures	\$ (191,361)
Repayment of notes receivable from related parties	11,003
Net cash used in investing activities	\$ (180,358)

Table of Contents**BEASLEY BROADCAST GROUP, INC.****NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)****(4) FCC Broadcasting Licenses**

The change in the carrying amount of FCC broadcasting licenses for the six months ended June 30, 2015 is as follows:

Balance as of December 31, 2014	\$ 234,328,330
Translator licenses	391,175
Balance as of June 30, 2015	\$ 234,719,505

On June 25, 2015, the Company completed the acquisition of two FM translator licenses from the University of Northwestern for \$0.2 million. These translator licenses allow the Company to rebroadcast the programming of one of its radio stations in Tampa, FL and one of its radio stations in Fort Myers, FL on the FM band over an expanded area of coverage.

On February 27, 2015, the Company completed the acquisition of one FM translator license from Reach Communications, Inc. for \$0.2 million. This translator license allows the Company to rebroadcast the programming of one of its radio stations in Boca Raton, FL on the FM band over an expanded area of coverage.

Translator licenses are generally granted for renewable terms of eight years and are tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that they might be impaired.

(5) Long-Term Debt

Long-term debt is comprised of the following:

	December 31, 2014	June 30, 2015
Term loan	\$ 97,693,750	\$ 93,193,750
Revolving credit facility		
	97,693,750	93,193,750
Less current installments	(3,112,500)	(1,168,750)
	\$ 94,581,250	\$ 92,025,000

As of December 31, 2014, the credit facility consisted of a term loan with a remaining balance of \$97.7 million and a revolving credit facility with a maximum commitment of \$20.0 million. The credit facility carried interest, based on adjusted LIBOR, at 3.4% as of December 31, 2014.

As of June 30, 2015, the credit facility consisted of a term loan with a remaining balance of \$93.2 million and a revolving credit facility with a maximum commitment of \$20.0 million. As of June 30, 2015, the Company had \$14.8 million in available commitments under its revolving credit facility. At the Company's election, the credit facility may bear interest at either (i) adjusted LIBOR, as defined in the credit agreement, plus a margin ranging from 2.75% to 4.75% that is determined by the Company's consolidated total debt ratio, as defined in the credit agreement or (ii) the base rate, as defined in the credit agreement, plus a margin ranging from 1.75% to 3.75% that is determined by the Company's consolidated total debt ratio. Interest on adjusted LIBOR loans is payable at the end of each applicable interest period and, for those interest periods with a duration in excess of three months, the three month anniversary of the beginning of such interest period. Interest on base rate loans is payable quarterly in arrears. The credit facility carried interest, based on adjusted LIBOR, at 3.4% as of June 30, 2015 and matures on August 9, 2019.

The credit agreement requires mandatory prepayments equal to 50% of consolidated excess cash flow, as defined in the credit agreement, when the Company's consolidated total debt is equal to or greater than three times its consolidated operating cash flow, as defined in the credit agreement. Prepayments of excess cash flow are not required when the Company's consolidated total debt is less than three times its consolidated operating cash flow. Mandatory prepayments of consolidated excess cash flow are due 120 days after year end. The credit agreement also requires mandatory prepayments for defined amounts from net proceeds of asset sales, net insurance proceeds, and net proceeds of debt issuances.

Table of Contents**BEASLEY BROADCAST GROUP, INC.****NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

The credit agreement requires the Company to comply with certain financial covenants which are defined in the credit agreement. These financial covenants include:

Consolidated Total Debt Ratio. The Company's consolidated total debt on the last day of each fiscal quarter through June 30, 2015 must not have exceeded 4.25 times its consolidated operating cash flow for the four quarters then ended. The maximum ratio is 4.0 times for the period from July 1, 2015 through December 31, 2015, 3.75 times for 2016, 3.25 times for 2017, and 3.0 times thereafter.

Interest Coverage Ratio. The Company's consolidated operating cash flow for the four quarters ending on the last day of each fiscal quarter through maturity must not be less than 2.0 times its consolidated cash interest expense for the four quarters then ended.

The credit facility is secured by a first-priority lien on substantially all of the Company's assets and the assets of substantially all of its subsidiaries and is guaranteed jointly and severally by the Company and substantially all of its subsidiaries. The guarantees were issued to the Company's lenders for repayment of the outstanding balance of the credit facility. If the Company defaults under the terms of the credit agreement, the Company and its applicable subsidiaries may be required to perform under their guarantees. As of June 30, 2015, the maximum amount of undiscounted payments the Company and its applicable subsidiaries would have been required to make in the event of default was \$93.2 million. The guarantees for the credit facility expire on August 9, 2019.

The aggregate scheduled principal repayments of the credit facility for the remainder of 2015 and the next four years are as follows:

2015	\$
2016	5,003,126
2017	7,668,752
2018	8,946,876
2019	71,574,996
Total	\$ 93,193,750

Failure to comply with financial covenants, scheduled interest payments, scheduled principal repayments, or any other terms of its credit agreement could result in the acceleration of the maturity of its outstanding debt. The Company believes that it will have sufficient liquidity and capital resources to permit it to meet its financial obligations for at least the next twelve months. As of June 30, 2015, the Company was in compliance with all applicable financial covenants under its credit agreement.

(6) Stock-Based Compensation

The Beasley Broadcast Group, Inc. 2007 Equity Incentive Award Plan (the 2007 Plan) permits the Company to issue up to 4.0 million shares of Class A common stock. The 2007 Plan allows for eligible employees, directors and certain consultants of the Company to receive shares of restricted stock, stock options or other stock-based awards. The restricted stock awards that have been granted under the 2007 Plan generally vest over one to five years of service.

A summary of restricted stock activity under the 2007 Plan is as follows:

	Shares	Weighted- Average Grant-Date Fair Value
Unvested as of April 1, 2015	330,601	\$ 5.99
Granted		
Vested	(6,700)	7.27
Forfeited		
Unvested as of June 30, 2015	323,901	\$ 5.96

Table of Contents

BEASLEY BROADCAST GROUP, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

As of June 30, 2015, there was \$1.4 million of total unrecognized compensation cost related to restricted stock granted under the 2007 Plan. That cost is expected to be recognized over a weighted-average period of 2.0 years.

(7) Income Taxes

The Company's effective tax rate was approximately 39% for the three and six months ended June 30, 2015. This rate differs from the federal statutory rate of 35% due to the effect of state income taxes and certain expenses that are not deductible for tax purposes.

The Company's effective tax rate for continuing and discontinued operations combined was approximately 41% and 54% for the three and six months ended June 30, 2014, respectively. These rates differ from the federal statutory rate of 35% due to the effect of state income taxes and certain expenses that are not deductible for tax purposes. The effective tax rate for the six months ended June 30, 2014 also reflects a \$1.4 million increase from a change to the Company's federal tax rate based on a projected increase in taxable income for 2014 and a \$0.3 million decrease from a change to the Company's effective state tax rate. The Company evaluated its taxable income projections during the first quarter of 2014 and determined, based on certain changes in facts and circumstances related to the projections, that the federal tax rate should increase from 34% to 35%. The change in the federal tax rate has been accounted for as a change in accounting estimate during the six months ended June 30, 2014.

(8) Related Party Transactions

On April 3, 2015, the Company contributed an additional \$166,667 to Digital PowerRadio, LLC which maintained its ownership interest at approximately 20% of the outstanding units. The Company may be called upon to make additional pro rata cash contributions to Digital PowerRadio, LLC in the future. Digital PowerRadio, LLC is managed by Fowler Radio Group, LLC which is partially-owned by Mark S. Fowler, an independent director of the Company.

(9) Financial Instruments

The carrying amount of notes receivable from related parties with a fixed rate of interest of 2.57% was \$1.6 million as of June 30, 2015, compared with a fair value of \$1.5 million based on current market interest rates. The carrying amount of notes receivable from related parties was \$1.7 million as of December 31, 2014, compared with a fair value of \$1.7 million based on market rates at that time.

The carrying amount of long term debt, including the current installments, was \$93.2 million as of June 30, 2015 and approximated fair value based on current market interest rates. The carrying amount of long-term debt was \$97.7 million as of December 31, 2014 and approximated fair value based on market rates at that time.

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion together with the financial statements and related notes included elsewhere in this report. The results discussed below are not necessarily indicative of the results to be expected in any future periods. This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws, including any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements may include the words may, will, estimate, intend, continue, believe, expect or anticipate and other similar words. Such forward-looking statements may be contained in Management's Discussion and Analysis of Financial Condition and Results of Operations, among other places. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, such as unforeseen events that would cause us to broadcast commercial-free for any period of time and changes in the radio broadcasting industry generally. We do not intend, and undertake no obligation, to update any forward-looking statement. Key risks to our company are described in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 18, 2015.

General

We are a radio broadcasting company whose primary business is operating radio stations throughout the United States. We own and operate 53 radio stations in the following radio markets: Atlanta, GA, Augusta, GA, Boston, MA, Charlotte, NC, Fayetteville, NC, Fort Myers-Naples, FL, Greenville-New Bern-Jacksonville, NC, Las Vegas, NV, Philadelphia, PA, Tampa-Saint Petersburg, FL, West Palm Beach-Boca Raton, FL, and Wilmington, DE. We refer to each group of radio stations in each radio market as a market cluster.

Recent Developments

On June 25, 2015, we completed the acquisition of two FM translator licenses from the University of Northwestern for \$200,575. These translator licenses allow us to rebroadcast the programming of one of our radio stations in Tampa, FL and one of our radio stations in Fort Myers, FL on the FM band over an expanded area of coverage.

On May 28, 2015, our board of directors declared a cash dividend of \$0.045 per share on our Class A and Class B common stock. The dividend of \$1.0 million in the aggregate was paid on July 10, 2015, to stockholders of record on June 30, 2015. While we intend to pay quarterly cash dividends for the foreseeable future, all subsequent dividends will be reviewed quarterly and declared by the board of directors at its discretion.

On May 28, 2015, our board of directors authorized us to repurchase up to \$1.0 million of our Class A common stock over a period of one year from the date of authorization.

On April 3, 2015, we contributed an additional \$166,667 to Digital PowerRadio, LLC which maintained our ownership interest at approximately 20% of the outstanding units. Digital PowerRadio, LLC is managed by Fowler Radio Group, LLC which is partially-owned by Mark S. Fowler, an independent director of Beasley Broadcast Group, Inc.

Financial Statement Presentation

The following discussion provides a brief description of certain key items that appear in our financial statements and general factors that impact these items.

Net Revenue. Our net revenue is primarily derived from the sale of advertising airtime to local and national advertisers. Net revenue is gross revenue less agency commissions, generally 15% of gross revenue. Local revenue generally consists of airtime sales, digital sales and event marketing for advertisers in a radio station's local market either directly to the advertiser or through the advertiser's agency. National revenue generally consists of advertising airtime and digital sales to agencies purchasing advertising for multiple markets. National sales are generally facilitated by our national representation firm, which serves as our agent in these transactions.

Table of Contents

Our net revenue is generally determined by the advertising rates that we are able to charge and the number of advertisements that we can broadcast without jeopardizing listener levels. Advertising rates are primarily based on the following factors:

a radio station's audience share in the demographic groups targeted by advertisers as measured principally by quarterly reports issued by the Arbitron Ratings Company;

the number of radio stations, as well as other forms of media, in the market competing for the attention of the same demographic groups;

the supply of, and demand for, radio advertising time; and

the size of the market.

Our net revenue is affected by general economic conditions, competition and our ability to improve operations at our market clusters. Seasonal revenue fluctuations are also common in the radio broadcasting industry and are primarily due to variations in advertising expenditures by local and national advertisers. Our revenues are typically lowest in the first calendar quarter of the year.

We use trade sales agreements to reduce cash paid for operating costs and expenses by exchanging advertising airtime for goods or services; however, we endeavor to minimize trade revenue in order to maximize cash revenue from our available airtime.

We also continue to invest in digital support services to develop and promote our radio station websites. We derive revenue from our websites through the sale of advertiser promotions and advertising on our websites and the sale of advertising airtime during audio streaming of our radio stations over the internet. We also generate revenue from selling other digital products.

Operating Expenses. Our operating expenses consist primarily of (1) programming, engineering, sales, advertising and promotion, and general and administrative expenses incurred at our radio stations, (2) general and administrative expenses, including compensation and other expenses, incurred at our corporate offices, and (3) depreciation and amortization. We strive to control our operating expenses by centralizing certain functions at our corporate offices and consolidating certain functions in each of our market clusters.

Critical Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires us to make estimates and assumptions that affect reported amounts and related disclosures. We consider an accounting estimate to be critical if:

it requires assumptions to be made that were uncertain at the time the estimate was made; and

changes in the estimate or different estimates that could have been selected could have a material impact on our results of operations or financial condition.

Our critical accounting estimates are described in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2014. There have been no material changes to our critical accounting estimates during the second quarter of 2015.

Recent Accounting Pronouncements

Recent accounting pronouncements are described in Note 2 to the accompanying financial statements.

Table of Contents**Three Months Ended June 30, 2015 Compared to the Three Months Ended June 30, 2014**

The following summary table presents a comparison of our results of continuing operations for the three months ended June 30, 2014 and 2015 with respect to certain of our key financial measures. These changes illustrated in the table are discussed in greater detail below. This section should be read in conjunction with the financial statements and notes to financial statements included in Item 1 of this report.

	Three Months ended		Change	
	June 30,		\$	%
	2014	2015		
Net revenue	\$ 14,140,994	\$ 27,024,338	\$ 12,883,344	91.1%
Station operating expenses	9,060,888	18,741,666	9,680,778	106.8
Corporate general and administrative expenses	2,342,619	2,302,888	(39,731)	(1.7)
Depreciation and amortization	477,230	839,874	362,644	76.0
Income tax expense	504,429	1,639,404	1,134,975	225.0
Income from discontinued operations (net of income taxes)	2,371,165		(2,371,165)	(100.0)
Net income	3,021,289	2,532,042	(489,247)	(16.2)

Net Revenue. Net revenue from continuing operations increased \$12.9 million during the three months ended June 30, 2015 as compared to the three months ended June 30, 2014. Significant factors affecting net revenue included \$7.2 million in additional advertising revenue from our Charlotte market cluster and \$6.3 million in additional advertising revenue from our Tampa-Saint Petersburg market cluster, both of which were acquired on December 1, 2014, partially offset by a \$0.5 million decrease in advertising revenue from our Las Vegas market cluster. Net revenue for the three months ended June 30, 2015 was comparable to net revenue for the same period in 2014 at our remaining market clusters.

Station Operating Expenses. Station operating expenses from continuing operations increased \$9.7 million during the three months ended June 30, 2015 as compared to the three months ended June 30, 2014. Significant factors affecting station operating expenses included \$4.9 million in additional expenses from our Charlotte market cluster and \$4.5 million in additional expenses from our Tampa-Saint Petersburg market cluster. Station operating expenses for the three months ended June 30, 2015 were comparable to station operating expenses for the same period in 2014 at our remaining market clusters.

Corporate General and Administrative Expenses. Corporate general and administrative expenses during the three months ended June 30, 2015 were comparable to the same period in 2014.

Depreciation and Amortization. The \$0.4 million increase in depreciation and amortization during the three months ended June 30, 2015 was primarily due to \$0.2 million in additional expense from our Charlotte market cluster and \$0.1 million in additional expense from our Tampa-Saint Petersburg market cluster as compared to the same period in 2014.

Income Tax Expense. Our effective tax rate was approximately 39% for the three months ended June 30, 2015. This rate differs from the federal statutory rate of 35% due to the effect of state income taxes and certain expenses that are not deductible for tax purposes. Our effective tax rate for continuing and discontinued operations combined was approximately 41% for the three months ended June 30, 2014. This rate differs from the federal statutory rate of 35%

due to the effect of state income taxes and certain expenses that are not deductible for tax purposes.

Income from Discontinued Operations. The results of operations for WRDW-FM and WXTU-FM in the Philadelphia radio market and WKIS-FM, WPOW-FM and WQAM-AM in the Miami-Fort Lauderdale radio market have been reported as discontinued operations for the three months ended June 30, 2014.

Net Income. Net income during the three months ended June 30, 2015 decreased \$0.5 million as a result of the factors described above.

Table of Contents**Six Months Ended June 30, 2015 Compared to the Six Months Ended June 30, 2014**

The following summary table presents a comparison of our results of continuing operations for the six months ended June 30, 2014 and 2015 with respect to certain of our key financial measures. These changes illustrated in the table are discussed in greater detail below. This section should be read in conjunction with the financial statements and notes to financial statements included in Item 1 of this report.

	Six Months ended June 30,		Change	
	2014	2015	\$	%
Net revenue	\$ 27,096,423	\$ 51,275,177	\$ 24,178,754	89.2%
Station operating expenses	18,668,505	36,555,614	17,887,109	95.8
Corporate general and administrative expenses	4,617,623	4,742,035	124,412	2.7
Radio station exchange transaction costs		349,917	349,917	
Depreciation and amortization	943,969	1,958,727	1,014,758	107.5
Interest expense	2,323,804	1,889,009	(434,795)	(18.7)
Other income (expense), net	41,023	490,499	449,476	1,095.7
Income tax expense	1,425,539	2,439,948	1,014,409	71.2
Income from discontinued operations (net of income taxes)	4,569,754		(4,569,754)	(100.0)
Net income	3,704,161	3,830,426	126,265	3.4

Net Revenue. Net revenue from continuing operations increased \$24.2 million during the six months ended June 30, 2015 as compared to the six months ended June 30, 2014. Significant factors affecting net revenue included \$13.3 million in additional advertising revenue from our Charlotte market cluster and \$12.1 million in additional advertising revenue from our Tampa-Saint Petersburg market cluster, both of which were acquired on December 1, 2014, partially offset by a \$0.7 million decrease in advertising revenue from our Las Vegas market cluster and a \$0.5 million decrease in advertising revenue from our Wilmington market cluster. Net revenue for the six months ended June 30, 2015 was comparable to net revenue for the same period in 2014 at our remaining market clusters.

Station Operating Expenses. Station operating expenses from continuing operations increased \$17.9 million during the six months ended June 30, 2015 as compared to the six months ended June 30, 2014. Significant factors affecting station operating expenses included \$9.3 million in additional expenses from our Charlotte market cluster and \$8.9 million in additional expenses from our Tampa-Saint Petersburg market cluster. Station operating expenses for the six months ended June 30, 2015 were comparable station operating expenses for the same period in 2014 at our remaining market clusters.

Corporate General and Administrative Expenses. Corporate general and administrative expenses during the six months ended June 30, 2015 were comparable to the same period in 2014.

Radio Station Exchange Transaction Costs. In connection with the asset exchange with CBS Radio, we incurred additional transaction costs of \$0.3 million during the six months ended June 30, 2015.

Depreciation and Amortization. The \$1.0 million increase in depreciation and amortization during the six months ended June 30, 2015 was primarily due to \$0.6 million in additional expense from our Charlotte market cluster and \$0.3 million in additional expense from our Tampa-Saint Petersburg market cluster as compared to the same period in 2014.

Interest Expense. Interest expense decreased \$0.4 million during the six months ended June 30, 2015. The primary factor affecting interest expense was a decrease in long-term debt outstanding.

Other Income (Expense), Net. The \$0.4 million increase in other income (expense), net during the six months ended June 30, 2015 was primarily due to the receipt of insurance proceeds of \$0.4 million related to a radio tower damaged by severe weather in our Augusta market cluster.

Income Tax Expense. Our effective tax rate was approximately 39% for the six months ended June 30, 2015. This rate differs from the federal statutory rate of 35% due to the effect of state income taxes and certain expenses that are not deductible for tax purposes. Our effective tax rate for continuing and discontinued operations combined was approximately 54% for the six months ended June 30, 2014. This rate differs from the federal statutory rate of 35% due to the effect of state income taxes and certain expenses that are not deductible for tax purposes. The increase in the effective tax rate for the six months ended June 30, 2014 as compared to the same period in 2015 also reflects a \$1.4 million increase from a change to our federal tax rate partially offset by a \$0.3 million decrease from a change to our effective state tax rate.

Income from Discontinued Operations. The results of operations for WRDW-FM and WXTU-FM in the Philadelphia radio market and WKIS-FM, WPOW-FM and WQAM-AM in the Miami-Fort Lauderdale radio market have been reported as discontinued operations for the six months ended June 30, 2014.

Net Income. Net income during the six months ended June 30, 2015 increased \$0.1 million as a result of the factors described above.

Table of Contents

Liquidity and Capital Resources

Overview. Our primary sources of liquidity are internally generated cash flow and our revolving credit loan. Our primary liquidity needs have been, and for the next twelve months and thereafter are expected to continue to be, for working capital, debt service, and other general corporate purposes, including capital expenditures and radio station acquisitions. Historically, our capital expenditures have not been significant. In addition to property and equipment associated with radio station acquisitions, our capital expenditures have generally been, and are expected to continue to be, related to the maintenance of our studio and office space and the technological improvement, including upgrades necessary to broadcast HD Radio, and maintenance of our broadcasting towers and equipment. We have also purchased or constructed office and studio space in some of our markets to facilitate the consolidation of our operations.

Our credit agreement permits us to repurchase sufficient shares of our common stock to fund withholding taxes in connection with the vesting of restricted stock, subject to compliance with financial covenants, up to an aggregate amount of \$2.0 million per year. We paid \$0.2 million to repurchase 49,150 shares during the six months ended June 30, 2015.

Our credit agreement permits us to pay cash dividends and to repurchase additional shares of our common stock, subject to compliance with financial covenants, up to an aggregate amount of \$5.0 million for 2015 and \$6.0 million for each year thereafter. The aggregate amount increases to \$10.0 million in any year that our consolidated total debt is less than three times our consolidated operating cash flow.

We paid cash dividends of \$2.1 million during the six months ended June 30, 2015. Also, on May 28, 2015, our board of directors declared a cash dividend of \$0.045 per share on our Class A and Class B common stock. The dividend of \$1.0 million in the aggregate was paid on July 10, 2015, to stockholders of record on June 30, 2015.

On May 28, 2015, our board of directors authorized us to repurchase up to \$1.0 million of our Class A common stock over a period of one year from the date of authorization.

We expect to provide for future liquidity needs through one or a combination of the following sources of liquidity:

internally generated cash flow;

our revolving credit facility;

additional borrowings, other than under our existing revolving credit facility, to the extent permitted under our credit agreement; and

additional equity offerings.

We believe that we will have sufficient liquidity and capital resources to permit us to provide for our liquidity requirements and meet our financial obligations for the next twelve months. However, poor financial results or unanticipated expenses could give rise to defaults under our credit facility, additional debt servicing requirements or other additional financing or liquidity requirements sooner than we expect and we may not secure financing when

needed or on acceptable terms.

Our ability to reduce our consolidated total debt ratio, as defined by our credit agreement, by increasing operating cash flow and/or decreasing long-term debt will determine how much, if any, of the remaining commitments under our revolving credit facility will be available to us in the future. Poor financial results or unanticipated expenses could result in our failure to maintain or lower our consolidated total debt ratio and we may not be permitted to make any additional borrowings under our revolving credit facility.

Table of Contents

The following summary table presents a comparison of our capital resources for the six months ended June 30, 2014 and 2015 with respect to certain of our key measures affecting our liquidity. The changes set forth in the table are discussed in greater detail below. This section should be read in conjunction with the financial statements and notes to financial statements included in Item 1 of this report.

	Six months ended June 30,	
	2014	2015
Net cash provided by operating activities	\$ 6,967,858	\$ 5,484,700
Net cash used in investing activities	(1,857,073)	(1,217,294)
Net cash used in financing activities	(7,318,347)	(6,955,843)
Net decrease in cash and cash equivalents	\$ (2,207,562)	\$ (2,688,437)

Net Cash Provided By Operating Activities. Net cash provided by operating activities decreased \$1.5 million during the six months ended June 30, 2015. Significant factors affecting this decrease in net cash provided by operating activities included a \$2.3 million increase in income tax payments and a \$1.5 million decrease in cash receipts from the sale of advertising airtime, partially offset by a \$2.0 million decrease in cash paid for station operating expenses.

Net Cash Used In Investing Activities. Net cash used in investing activities during the six months ended June 30, 2015 included payments of \$0.8 million for capital expenditures and payments of \$0.4 million for translator licenses. Net cash used in investing activities for the same period in 2014 included payments of \$1.8 million for capital expenditures.

Net Cash Used In Financing Activities. Net cash used in financing activities during the six months ended June 30, 2015 included repayments of \$4.5 million under our credit facility and payments of \$2.1 million for cash dividends. Net cash used in financing activities for the same period in 2014 included repayments of \$4.6 million under our credit facility, payments of \$2.1 million for cash dividends, payments of \$0.4 million for loan fees related to the amended credit agreement, and payments of \$0.4 million for repurchases of our Class A common stock.

Credit Facility. As of June 30, 2015, the credit facility consisted of a term loan with a remaining balance of \$93.2 million and a revolving credit facility with a maximum commitment of \$20.0 million. As of June 30, 2015, we had \$14.8 million in available commitments under our revolving credit facility. At our election, the credit facility may bear interest at either (i) adjusted LIBOR, as defined in the credit agreement, plus a margin ranging from 2.75% to 4.75% that is determined by our consolidated total debt ratio, as defined in the credit agreement or (ii) the base rate, as defined in the credit agreement, plus a margin ranging from 1.75% to 3.75% that is determined by our consolidated total debt ratio. Interest on adjusted LIBOR loans is payable at the end of each applicable interest period and, for those interest periods with a duration in excess of three months, the three month anniversary of the beginning of such interest period. Interest on base rate loans is payable quarterly in arrears. The credit facility carried interest, based on adjusted LIBOR, at 3.4% as of June 30, 2015 and matures on August 9, 2019.

The credit agreement requires mandatory prepayments equal to 50% of consolidated excess cash flow, as defined in the credit agreement, when our consolidated total debt is equal to or greater than three times our consolidated operating cash flow, as defined in the credit agreement. Prepayments of excess cash flow are not required when our consolidated total debt is less than three times our consolidated operating cash flow. Mandatory prepayments of consolidated excess cash flow are due 120 days after year end. The credit agreement also requires mandatory prepayments for defined amounts from net proceeds of asset sales, net insurance proceeds, and net proceeds of debt

issuances.

The credit agreement requires us to comply with certain financial covenants which are defined in the credit agreement. These financial covenants include:

Consolidated Total Debt Ratio. Our consolidated total debt on the last day of each fiscal quarter through June 30, 2015 must not have exceeded 4.25 times our consolidated operating cash flow for the four quarters then ended. The maximum ratio is 4.0 times for the period from July 1, 2015 through December 31, 2015, 3.75 times for 2016, 3.25 times for 2017, and 3.0 times thereafter.

Interest Coverage Ratio. Our consolidated operating cash flow for the four quarters ending on the last day of each fiscal quarter through maturity must not be less than 2.0 times our consolidated cash interest expense for the four quarters then ended.

The credit facility is secured by a first-priority lien on substantially all of the Company's assets and the assets of substantially all of its subsidiaries and is guaranteed jointly and severally by the Company and substantially all of its subsidiaries. The guarantees were issued to our lenders for repayment of the outstanding balance of the credit facility. If we default under the terms of the credit agreement, we and our applicable subsidiaries may be required to perform under their guarantees. As of June 30, 2015, the maximum amount of undiscounted payments and our applicable subsidiaries would have been required to make in the event of default was \$93.2 million. The guarantees for the credit facility expire on August 9, 2019.

Table of Contents

The aggregate scheduled principal repayments of the credit facility for the remainder of 2015 and the next four years are as follows:

2015	\$
2016	5,003,126
2017	7,668,752
2018	8,946,876
2019	71,574,996
Total	\$ 93,193,750

Failure to comply with financial covenants, scheduled interest payments, scheduled principal repayments, or any other terms of our credit agreement could result in the acceleration of the maturity of our outstanding debt, which could have a material adverse effect on our business or results of operations. As of June 30, 2015, we were in compliance with all applicable financial covenants under our credit agreement; our consolidated total debt ratio was 3.27 times, and our interest coverage ratio was 7.04 times.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required for smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective as of the end of the period covered by this report. There were no changes in our internal control over financial reporting during the quarter ended June 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents**PART II OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS.**

We currently and from time to time are involved in litigation and are the subject of threats of litigation that are incidental to the conduct of our business. These include indecency claims and related proceedings at the FCC as well as claims and threatened claims by private third parties. However, we are not a party to any lawsuit or other proceedings, or the subject of any threatened lawsuit or other proceedings, which, in the opinion of management, is likely to have a material adverse effect on our financial condition or results of operations.

ITEM 1A. RISK FACTORS.

The risk affecting our Company are described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014. There have been no material changes to the risks affecting our Company during the second quarter of 2015

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The following table presents information with respect to purchases we made of our Class A common stock during the three months ended June 30, 2015.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value That May Yet Be Purchased Under the Program
April 1 30, 2015	1,675	\$ 5.04		\$
May 1 31, 2015				
June 1 30, 2015				
Total	1,675			

On March 27, 2007, our board of directors approved the Beasley Broadcast Group, Inc. 2007 Equity Incentive Award Plan (the 2007 Plan) which was also approved by our stockholders at the Annual Meeting of Stockholders on June 7, 2007. The 2007 Plan permits us to purchase sufficient shares to fund withholding taxes in connection with the vesting of restricted stock and expires on March 27, 2017. Our credit agreement permits us to repurchase sufficient shares of our common stock to fund withholding taxes in connection with the vesting of restricted stock, subject to compliance with financial covenants, up to an aggregate amount of \$2.0 million per year. All shares purchased during the three months ended June 30, 2015, were purchased to fund withholding taxes in connection with the vesting of restricted stock. On May 28, 2015, our board of directors authorized us to repurchase up to \$1.0 million of our Class A common stock over a period of one year from the date of authorization.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Table of Contents

Exhibit

Number	Description
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) (17 CFR 240.15d-14(a)).
31.2	Certification of Vice President, Chief Financial Officer, Secretary and Treasurer pursuant to Rule 13a-14(a)/15d-14(a) (17 CFR 240.15d-14(a)).
32.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(b)/15d-14(b) (17 CFR 240.15d-14(b)) and 18 U.S.C. Section 1350.
32.2	Certification of Vice President, Chief Financial Officer, Secretary and Treasurer pursuant to Rule 13a-14(b)/15d-14(b) (17 CFR 240.15d-14(b)) and 18 U.S.C. Section 1350.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BEASLEY BROADCAST GROUP, INC.

Dated: August 12, 2015

/s/ George G. Beasley
Name: George G. Beasley
Title: Chairman of the Board and
Chief Executive Officer

Dated: August 12, 2015

/s/ Caroline Beasley
Name: Caroline Beasley
Title: Vice President, Chief Financial Officer, Secretary,
Treasurer and Director (principal financial and
accounting officer)