Scripps Investment Highlights
Second-Quarter 2020 and Beyond
August 2020

SCRIPPS
Safe Harbor Disclosure

Forward-Looking Statements
This document contains certain forward-looking statements related to the company's businesses that are based on management's current expectations. Forward-looking statements are subject to certain risks, trends and uncertainties, including changes in advertising demand and other economic conditions that could cause actual results to differ materially from the expectations expressed in forward-looking statements. Such forward-looking statements are made as of the date of this document and should be evaluated with the understanding of their inherent uncertainty. A detailed discussion of principal risks and uncertainties, including those engendered by the COVID-19 pandemic, that may cause actual results and events to differ materially from such forward-looking statements is included in the company's Form 10-K and Form 10-Q, on file with the SEC, in the section titled “Risk Factors.” The company undertakes no obligation to publicly update any forward-looking statements to reflect events or circumstances after the date such statements are made.
SCRIPPS TODAY
Scripps serves audiences and businesses through a growing portfolio of local and national media brands. The company is well-positioned to serve customers through two key financial segments:

- **Local Media**: With 31% U.S. household reach, Scripps is one of the nation’s largest independent TV station owners.
- **National Media**: Scripps runs a collection of national content businesses, including five audience-targeted multicast networks, the next-generation news network Newsy and digital audio measurement and infrastructure services leader Triton.

### Local Media
- Attractive 60-station portfolio with a diverse network affiliate mix, including nine markets with two stations
- No. 1 or No. 2-rated stations by revenue in 16 of 42 markets
- Well-respected digital brands and broad over-the-top TV distribution
- Strong financial results: Met or exceeded guidance in 10 sequential quarters before the pandemic.

### National Media
- Fast-growing, audience-targeted brands
- National reach with opportunity to continue to broaden distribution
- Rapidly expanding marketplaces that capitalize on the changing media landscapes, driven by new consumer behaviors
- Capitalizing on both the growing direct response market and general-market national advertising to drive revenue growth and profitability

**Scripps Is One Of The Nation’s Largest Local Broadcasters And Also Is More Diversified**
Our Local And National Media Businesses Are Built On Durable Economics and Operating Excellence
Our Recent Acquisitions Have Positioned Us Well To Grow Revenue And Increase Cash Flow

We have reset rates for 30% of our cable and satellite household rates since December and are negotiating on another 10%, with rates effective retroactive to March 1.
Our Expanded Station Footprint Makes Us An Even Bigger Player In Upcoming Elections

2020 political market highlights:

- Guided to “north of” $200 million full-year political ad revenue
- Strength in the Presidential swing states of Arizona, Florida, Michigan, Ohio, Nevada, Wisconsin.
- The most competitive and likely most expensive 2020 U.S. Senate races: Arizona, Colorado, Iowa, Kansas, Michigan and Montana.
- Toss-up governors’ race: Montana
- 35 competitive U.S. House races. Hot markets include New York City, Richmond and Norfolk.
- California issue spending and Iowa primary spending in Omaha.
Scripps’ National Media Strategy Capitalizes On Changing Consumer Habits With OTA, OTT

- Scripps has taken a dual-pronged approach to its media operations, leveraging the durability of local television while developing growth businesses where we will recognize high rates of return.

- TV viewers today are content-focused and platform-neutral. They combine cable, over-the-air and over-the-top to create their own viewing bundle.

- Last year, Nielsen projected that 21 million U.S. TV households would come to rely on over-the-air within the next two years – and the pandemic has accelerated that trend.

- Katz’s financial growth supports our confidence in the value creation opportunity of OTA viewing as we saw its revenue grow more than 30 percent in both Q4 2019 and Q1 2020, before COVID-19 and outpace the ad market after the pandemic hit.

- The resilient national advertising marketplace, including direct response advertising, has been a key growth driver for Katz. DR is increasingly popular with advertisers because it is a flexible, efficient and measurable way for them to reach their customers.
FINANCIAL RESULTS & DEBT POSITION
Second-Quarter 2020 Results

- **Second-quarter Local Media core advertising revenue** came in as expected, improving sequentially over the quarter, down 37%, without the impact of the loss of baseball games on WPIX (about $9 million in Q2; about $9 million in Q3).

- **National Media revenue for Q2 exceeded company expectations**, down just 1%, excluding Stitcher results for both periods. In March, the pandemic began to significantly impact the U.S. economy, and the company’s second-quarter financial results have been affected by these conditions.

- After a strategic review, Scripps entered into an agreement with SiriusXM to sell its podcast industry-leader, **Stitcher**, for $325 million, including $60 million in earnouts. It is the largest transaction in the industry’s history and a return of more than double Scripps’ investment since it entered podcasting five years ago.

- Nexstar Media Group informed Scripps that it had transferred its option to purchase the New York City CW affiliate WPIX to Mission Broadcasting Inc. Mission then exercised the option to **purchase the station for $75 million plus about $5 million in interest** that accrues by closing. Pending regulatory approval, that deal is expected to close by year end.
Stitcher Sale Highlights

After a strategic review, Scripps entered into an agreement with SiriusXM to sell its podcast industry-leader, Stitcher, for $325 million, including $60 million in earnouts. The deal was announced July 13.

- Deal multiple of 4.5x Stitcher’s 2019 revenue
- Largest transaction in the industry’s history, and a return of more than double Scripps’ investment since it entered podcasting five years ago
- Earnout of up to $30 million based on 2020 financial results and paid in 2021; earnout of up to $30 million based on 2021 financial results and paid in 2022
- Full price representing an internal rate of return after taxes in the mid-20% range and cash-on-cash return of more than 2x, which incorporates the purchase prices for Midroll and Stitcher of $59.5 million as well as Scripps’ investments in the business over the last five years
- Improvement in National Media segment profit and company EBITDA with the elimination of Stitcher annual losses in the high-teens millions of dollars
- Estimated tax liability of approximately $70 million assuming the full earnout is achieved. Scripps has approximately $190 million of net operating loss carryforwards that would offset about $40 million in 2020 tax liabilities.
- The move of all Stitcher employees to SiriusXM
Looking Ahead – Q3 and Beyond

• Local Media core advertising to be down Q3 in the mid-teens percent range, year over year, as the dollars improve sequentially month to month

• Retransmission revenue is impacted by the blackout with the Dish Network that began July 25

• National Media advertising revenue to see modest growth in the third and fourth quarters, driven by a resilient national ad marketplace and strength in direct response advertising

• Expense-reduction initiatives to provide cash savings of more than $75 million, ex-Stitcher. We have already recognized $35 million in savings, mostly in the second quarter. Another $40 million is coming in the second half of the year.

• We were free cash flow positive in the second quarter and expect to be free-cash flow positive for the full year.
Debt And Leverage

<table>
<thead>
<tr>
<th>Debt</th>
<th>Balance as of June 30, 2020</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2027 Bonds</td>
<td>$500 million</td>
<td>5.875%</td>
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<tr>
<td>2025 Bonds</td>
<td>$400 million</td>
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<td>Term loan B - 2024</td>
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<td>Libor + 200</td>
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<tr>
<td>Term loan B – 2026</td>
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<tr>
<td>Revolver* - April 2022</td>
<td><strong>$50 million</strong></td>
<td>Libor + 250**</td>
</tr>
<tr>
<td><strong>Total debt</strong></td>
<td><strong>$1,997 million</strong></td>
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</tbody>
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Cash as of June 30, 2020: $99 million
Net debt: $1,898 million
Total leverage per credit agreements: 5.8x
Secured leverage: 3.1x

Managing the company toward a flexible balance sheet is always Scripps’ top priority. While we have put our balance sheet to work to create a more economically durable company, our ethos and Scripps’ historical practice is to maintain a clean balance sheet, bolstered by strong cash flows.

* Remaining revolver capacity is $155 million. ** Revolver rate increases to L + 275 when first lien leverage goes above 3.0x and is L + 250 when below 3.0x
Scripps Is Well-Positioned To Thrive Because Of Our Growth Initiatives And Trusted Brands

• We have begun to see the ad market recover as states reopened businesses and consumers came out of quarantine.

• Scripps is well-positioned for this recovery because of its durable local broadcast footprint and its high-growth national media brands.

• Americans turn to objective news sources and comforting, familiar entertainment options in times of crisis. This period of pandemic and social unrest reinforced the strong relationships we have with our audiences.

• Scripps is responding energetically to audience and business needs with content and advertising initiatives will bring us added strength as the country moves forward into better days ahead.
QUESTIONS + DISCUSSION