



The E.W. Scripps Company at Noble Financial Conference

Presented by Scripps EVP/Chief Financial Officer Jason Combs

Jan. 20, 2021

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.



Agenda



- Recent business highlights
- Our strategy to remake the company
- ION investment highlights

Business Highlights

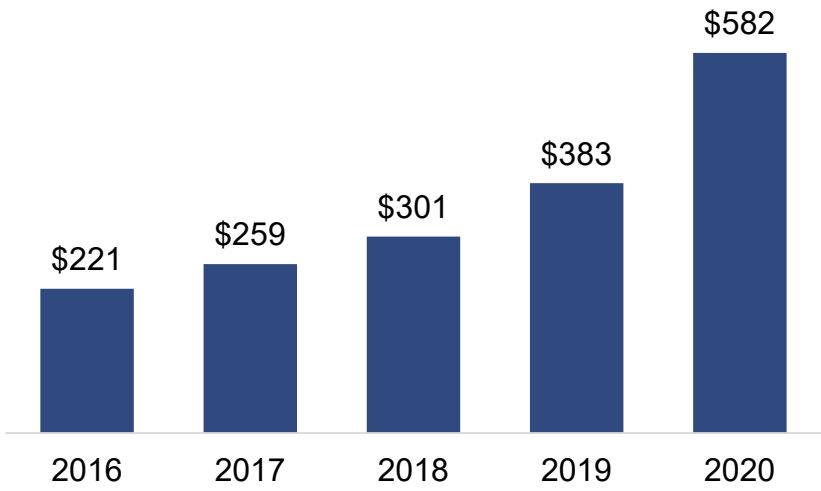
- Scripps' Local Media segment and 2020 free cash flow benefited from political advertising and is now estimated at well over \$280 million, a significant increase over our 2020 guidance.
- Our \$266 million of full-year political ad revenue was a record and far above our initial expectations.
- Full-year 2020 retransmission revenue was \$582 million, a 31% increase over 2019 on a pro forma basis because Scripps renewed 42% of its pay TV subscriber households last year.
- In the fourth quarter, Local Media core advertising revenue exceeded the company's November guidance of down mid-teens. National Media ad revenue also beat expectations, which were for low double-digit revenue growth. Scripps has seen continued advertising sales momentum in both divisions as the first quarter began.
- The sale of WPIX closed on Dec. 31.
- Scripps will provide 2020 pro forma financials with ION in its Feb. 26 fourth-quarter earnings release. ION Q4 revenue was flat from Q4 2019.



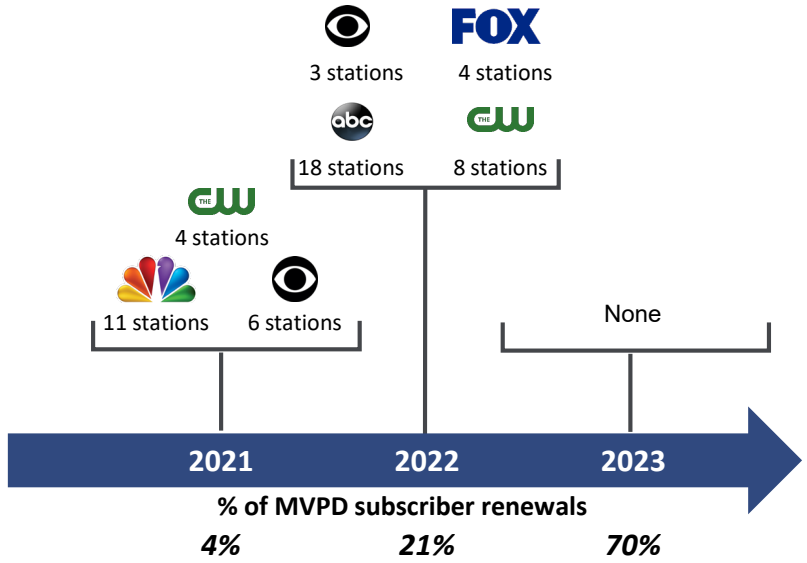
Our Recent Acquisitions Have Positioned Us Well To Grow Revenue And Increase Cash Flow

Gross Retransmission Revenue Trajectory

\$ in millions

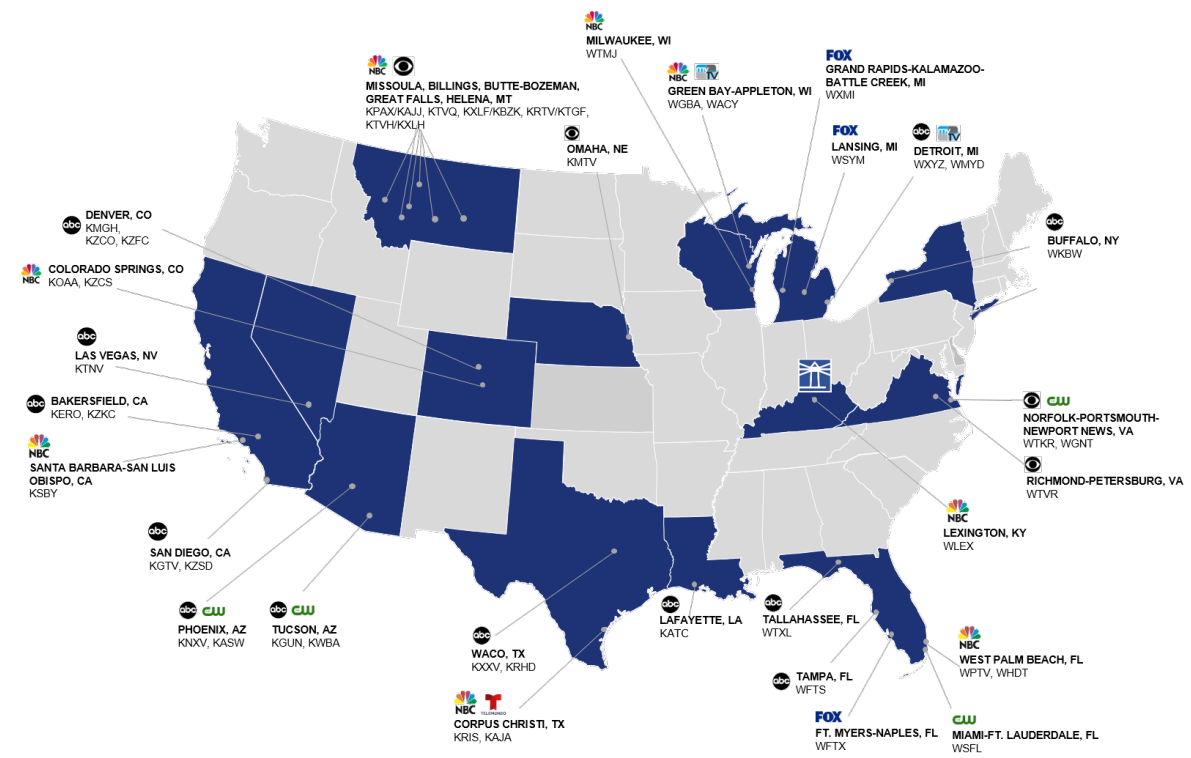


Network and MVPD Renewals



After Historically Strong 2020 Political Advertising Revenue, Our 2022 Footprint Looks Strong

- 2022 political market highlights:**
- Seventeen governor's races in 2022, including Arizona, Colorado, California, Florida, Kansas, Nebraska, Nevada, Ohio, Texas and Wisconsin.
 - Eighteen U.S. Senate races in Scripps markets, including Arizona, California, Colorado, Florida, Kansas, Nevada, Ohio and Wisconsin.
 - California issue spending



SCRIPPS MARKETS WITH STRONG POLITICAL ADVERTISING SPENDING



Scripps Is Well-Positioned To Thrive Because Of Our Growth Initiatives And Trusted Brands

- We have seen continued **ad market recovery** into the first quarter, 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** that will bring us added strength as the country moves forward into better days ahead.





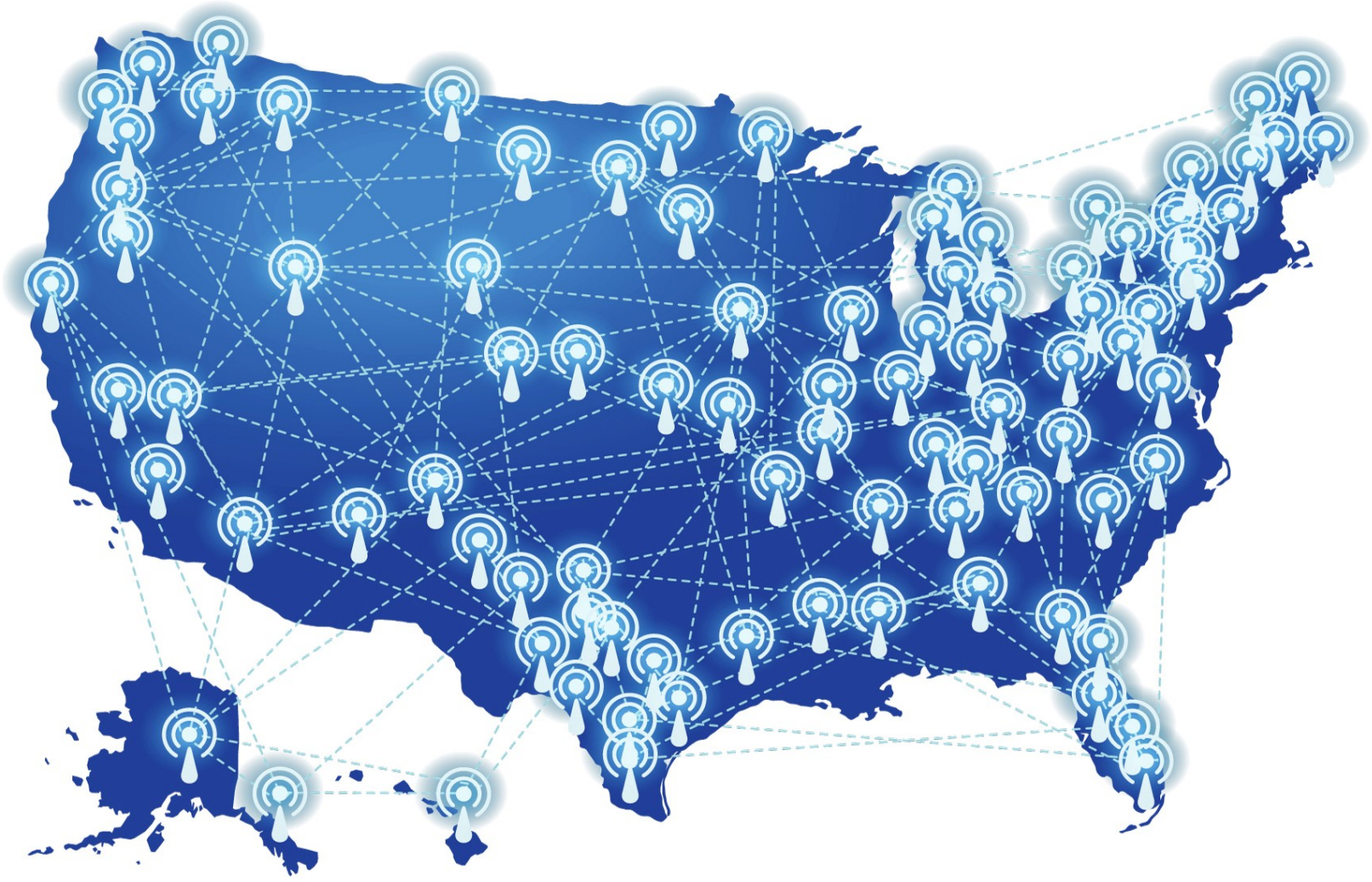
ION Investment Highlights

ION Media Investment Highlights

- ION has consistently achieved annual revenue growth and EBITDA margins well beyond industry averages.
- Its advertising and programming reach nearly 100 million U.S. TV households, or 96%, with its affiliates, through free over-the-air and pay TV platforms.
- Rather than relying on retransmission fees, ION elects 'must-carry' to gain cable and satellite distribution.
- ION has benefited from the growth in over-the-air viewing as consumers have bundled free broadcast television with subscription streaming services.
- The network boasts the fifth-largest average primetime audience among both the broadcast and cable networks.
- Through a collection of owned and affiliated television stations, ION sells advertising as though it were a cable network in the national advertising marketplace.



**ION Media Is
A Popular
Broadcast
Network That
Reaches 96% Of
The U.S. Through
Over-The-Air
Distribution**









ION Has Seen Steady Revenue Growth And Generates Superior Margins

- Revenue has grown 6% annually between 2017-2019, with margins between 53-57%.
- In 2019, ION generated \$587 million in revenue and about \$335 million in adjusted EBITDA.
- ION's revenue declined roughly 10% year-over-year in 2020 due to the impact of the coronavirus pandemic, ending the fourth quarter flat YOY.
- The company maintained EBITDA margins well above 50 percent in 2020.
- Nearly 100% of ION's revenue and cash flow comes from the national advertising marketplace. ION sells its inventory as though it is a cable network.



Driven By Popular Syndicated Programming, ION Is Engaging Viewers, Growing Ratings

BROADCAST NETWORKS' AVERAGE PRIMETIME AUDIENCES

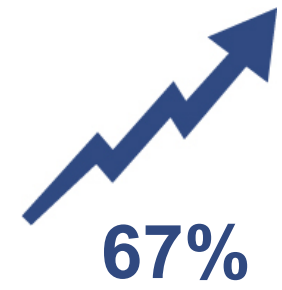
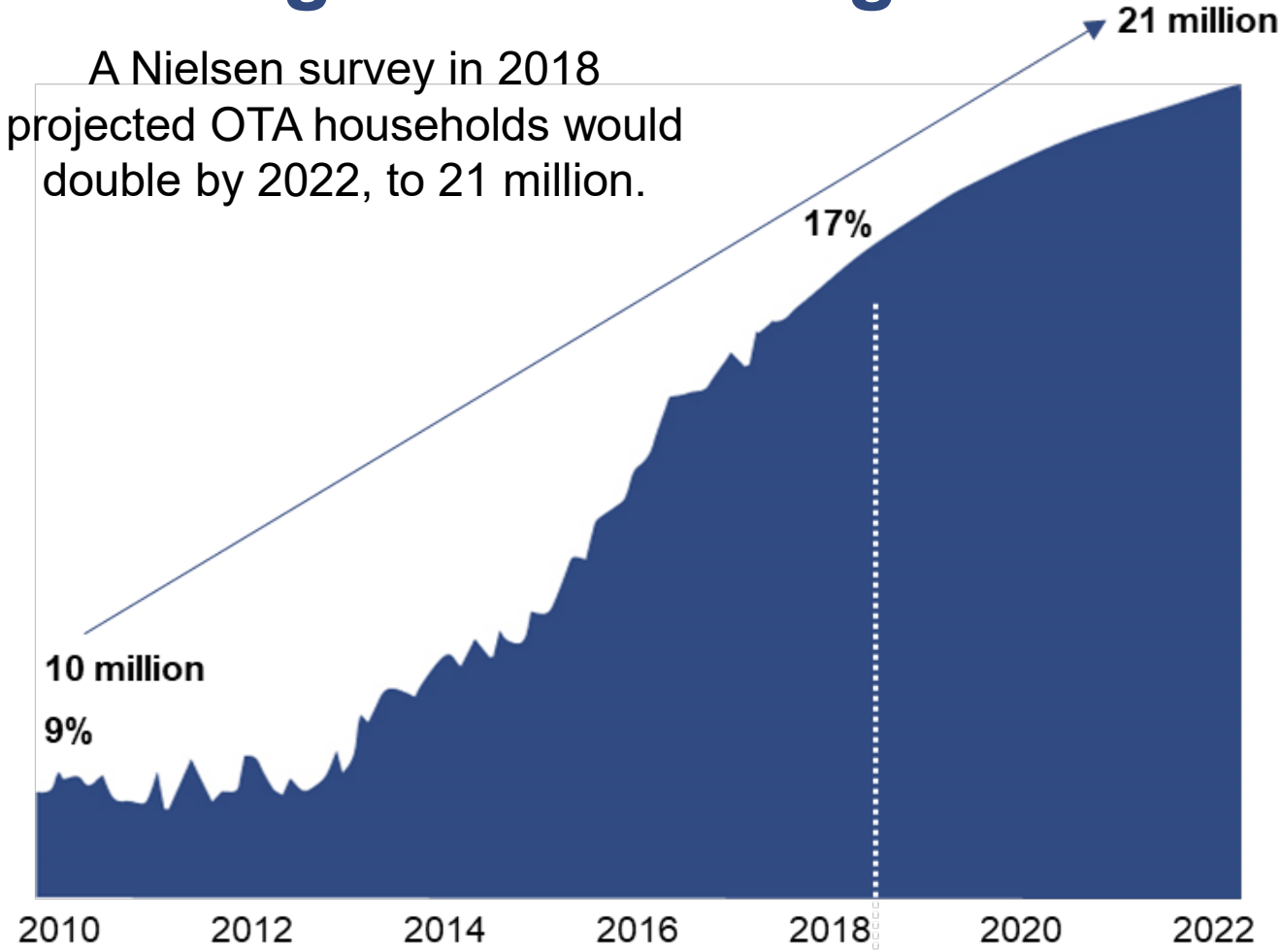
| | 2019 |
|---|-------------|
|  | 5.3 million |
|  | 5.1 million |
|  | 4.0 million |
|  | 3.4 million |
|  | 1.2 million |
|  | 842,000 |



ION consistently ranks in the top 10 for network and cable audiences and yet is ranked only 25th in advertising revenue yield, indicating additional revenue growth opportunity.



ION Capitalizes On The Growing Over-The-Air Viewing Trends Among TV Consumers



A Parks & Associates report from 2019 showed 67% growth in over-the-air viewing, to 25% of U.S. TV households, from 2018-Q3 2019.

Parks' report says the pandemic is expected to have accelerated this trend.



*204/14- 2019/20 Sources: TVB Local Media Marketing Solutions; The Delta Partners; 2014-2019 Evercore 2018-2020 expected growth; S&P Global Market Intelligence Data; Nielsen 2018 Q2 Local Watch Report

As The TV Marketplace Fragments, Free Over-The-Air Television is Even More Compelling to Consumers

OVER-THE-AIR IS A KEY COMPONENT OF THE NEW CONSUMER BUNDLE.

2015 Pay-TV Subscriber

Charter Spectrum™
DIRECTV
COMCAST
dish

\$\$\$\$

2018 Cord Cutter Bundle

Charter Spectrum™
NETFLIX
YouTube TV

\$\$

The New Cord Cutter Bundle

Charter Spectrum™
NETFLIX
peacock
Apple tv
prime video
YouTube TV
Disney+
ESPN+
WCPO

+

ion MEDIA
Laff
COURT
E! VOICE
MYSTERY
LIST

FREE

\$\$\$\$

Acquiring ION Yields More Than \$500 Million In Cost Synergies In Six Years, Building To \$120 Million+ Annually



Distribution synergies: Scripps pays significant carriage fees to air Katz networks' programming on other broadcasters' excess spectrum. By migrating these networks onto ION's spectrum, Scripps will:

- Forego significant carriage fees - savings that grow as contracts expire
- Allow more networks to air in HD, attracting more viewers and also reach new markets

Corporate synergies: Estimated reductions in corporate expenses and duplicative functions as the ION, Katz and Newsy operations come together.

The majority of the more than \$500 million in synergies are contractual distribution synergies. Upside from revenue synergies also will come – from the bundling of these networks for advertisers.

ION Accelerates Scripps' Near-Term And Long-Term Enterprise Growth Strategies

- Immediately accretive to Scripps' revenue growth, margins and cash flow generation
- Diversifies Scripps' revenue and cash flow
- Attractive economics: sustained revenue growth and high margins
- Exposure to a growing television platform, over-the-air, with a younger media consumer
- Creates new value-creation paths for the future
- Makes Scripps a stronger company for its journalism mission



QUESTIONS + DISCUSSION



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