

VIRTUAL INVESTOR DAY 2021

**SCRIPPS**

March 3, 2021

S A F E H A R B O R  
D I S C L O S U R E

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.

Included in this presentation are certain non-GAAP (generally accepted accounting principles) financial measures, in particular adjusted EBITDA and unlevered free cash flow, and are provided as supplements to assist management and the public in their analysis and valuation of the company. These metrics are not formulated in accordance with GAAP, are not meant to replace GAAP financial measures and may differ from other companies' uses or formulations. A reconciliation of non-GAAP financial measures to GAAP measures reported in our financial statements is included in the appendix.

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 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

A quick look at our recent milestones

Scripps today – A full-scale TV enterprise

Introducing the new Scripps Networks

Local Media – The value creation ahead

Financial highlights

SINCE 2017,  
OUR TEAM  
HAS METHODICALLY  
EXECUTED  
A PLAN THAT  
HAS IMPROVED  
OUR FINANCIAL  
PERFORMANCE  
AND SET-UP  
LONG-TERM  
GROWTH ...

WE HAVE:

- Reduced company costs by \$30 million
- Restructured and reorganized the company for greater efficiency and effectiveness
- More than doubled the size of our local television station portfolio to improve short-term operating performance and to capture more retransmission and political revenue
- Grew and then divested of assets for excellent ROI
- Acquired the fifth-rated national broadcast network, ION, to create a full-scale national networks business that creates more than \$500 million in synergies
- Improved margins through prudent expense management
- Positioned the company for greater free cash flow generation and continued growth

## ... AND OUR RESULTS DEMONSTRATE THE BENEFITS TO SHAREHOLDERS

- Total shareholder return over last three years of 58%
- Year-to-date stock price up 33% compared to S&P 500 up 4%
- Year-to-date stock price up 33% versus local TV peers up 24%
- Adjusted EBITDA more than doubled from 2016-2017 to 2019-2020
- Met or exceeded guidance for nine consecutive quarters prior to the pandemic

## SCRIPPS' MISSION IS THE UNDERPINNING OF OUR APPROACH TO CORPORATE SOCIAL RESPONSIBILITY

With a motto to “Give light and the people will find their own way,” Scripps delivers on our responsibilities as a media corporation by engaging and entertaining, informing and empowering our audiences; supporting childhood literacy and other causes in our markets; and representing the diversity of our country on our board, in our workforce and in our work itself.



IMPACTFUL  
JOURNALISM



CORPORATE  
GIVING



EQUITY, DIVERSITY  
& INCLUSION



HUMAN CAPITAL  
MANAGEMENT



ENVIRONMENTAL  
STEWARDSHIP

# Scripps today: A full-scale TV enterprise



ADAM SYMSON, SCRIPPS PRESIDENT & CEO

# SCRIPPS TODAY IS A DIVERSIFIED TELEVISION COMPANY WHOSE REACH IS BOTH BROAD AND DEEP

## LOCAL MEDIA

- \$1.5 billion in 2020 revenue
- Reach 25% of U.S. TV households
- 61 stations in 41 markets
- 10 duopolies
- Diverse affiliation mix
- \$265 million of 2020 political revenue, 35% above record 2018 revenue (*adjusted combined*)
- \$579 million of 2020 retransmission revenue, 31% above 2019 (*adjusted combined*)
- Strong local news ratings; morning shows in aggregate for 2020 beat 2015-2018 numbers





# SCRIPPS TODAY IS A DIVERSIFIED TELEVISION COMPANY WHOSE REACH IS BOTH BROAD AND DEEP

## SCRIPPS NETWORKS

- The leader in free over-the-air television
- Reach nearly every U.S. TV household over the air
- Available through OTA, OTT and pay TV
- Demo-targeted entertainment and news programming
- Sold in the upfront and scatter markets
- 2020 adjusted combined revenue of \$847 million
- 2020 adjusted combined segment profit of \$320 million



SCRIPPS TODAY IS A HIGHLY PROFITABLE TELEVISION COMPANY AND  
REALIZED TREMENDOUS RETURNS ON OUR DIGITAL INVESTMENTS



**Cash-on-cash return: ~ 2x**



**Cash-on-cash return: 1.6x**

In the last 13 years, Scripps has created shareholder value through the spinoff of Scripps Networks Interactive, the high-return exits of terrestrial radio, podcasting and, soon, digital audio technology, and the acquisition of highly profitable companies including Katz and ION.

## OUR GROWTH STRATEGIES HAVE FOCUSED ON THE TELEVISION BUSINESS FOR MANY REASONS

- Station/spectrum ownership has high barriers to entry
- Local broadcast has multiple revenue streams and local, national and political advertising
- Our local brands are strong and trusted, built on serving local communities
- The industry forms long-term, predictable, mutually beneficial partnerships
- Our national networks reach nearly every American with free, quality programming
- Broadcast television is a 'lean-back' medium with tremendous audience connection and ease of program discovery
- Broadcast television is the most powerful way for advertisers to build brands and drive sales



THE PARADOX:  
THE GROWTH OF  
SVOD IS DRIVING  
THE RESURGENCE  
OF FREE  
ADVERTISING-  
SUPPORTED  
TELEVISION  
VIEWING



Over-the-air is the original free ad-supported television and complements subscription services for consumer convenience and advertiser reach.



## 40% OF U.S. TELEVISION HOUSEHOLDS WERE 'ANTENNA HOMES' IN 2020 — COMPARED TO 29% IN 2019

A recent Horowitz report finds that over-the-air viewing is growing, especially among non-cable households, as consumers create their own 'self-bundles' by pairing streaming and broadcast viewing.

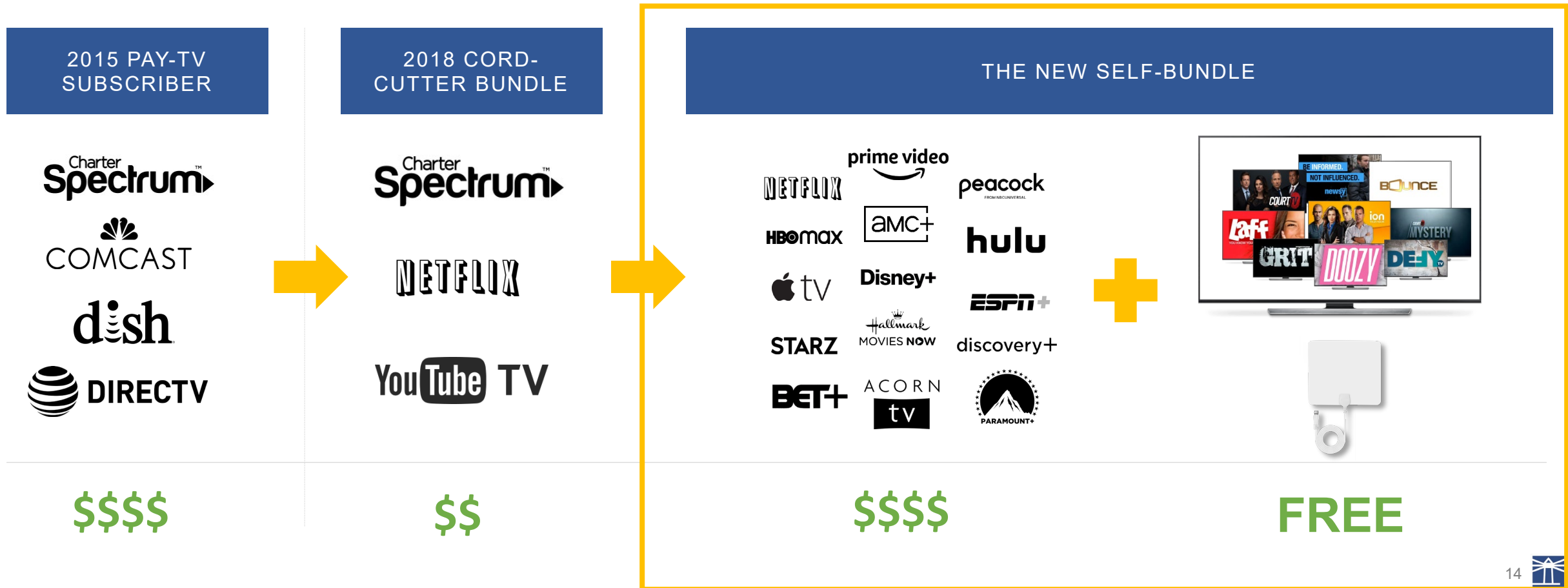
### The report found:

- The percentage of TV viewers who own an antenna is on the rise – from 29% of Nielsen's 121 million U.S. TV household count in 2019 to 40% in 2020 – or **nearly 50 million households**.
- 54% of antenna users report buying their first antenna in the last three years – so they are **new to OTA**.
- 57% said they bought antennas primarily because they do not have cable and **wanted access to local broadcast**.
  - 65% of those ages 35-49 gave that answer
  - 32% of respondents said local broadcast access was their second reason for getting the antenna
- 79% of non-cable/satellite subscribers say they have an antenna on their most-frequently used TV – they are **bundling free OTA with streaming services**.

Source: Horowitz State of OTA 2020, the consumer insights agency's second annual report on antenna users and over-the-air viewing. Research conducted in October 2020.

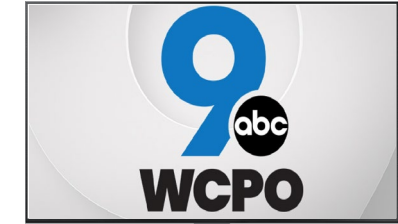
# AS CONSUMERS SELF-BUNDLE, THEY CHOOSE FREE BROADCAST TV AS AN EFFICIENT PAIRING WITH STREAMING SUBSCRIPTION SERVICES

Over-the-air is a key component to the new consumer bundle.



IN A WORLD WHERE THE CONSUMER IS SELF-BUNDLING,  
SCRIPPS DOMINATES FREE OVER-THE-AIR TV VIEWING

THE NEW SELF-BUNDLE



# Introducing the new Scripps Networks



LISA KNUTSON, PRESIDENT, SCRIPPS NETWORKS



THE SCRIPPS NETWORKS MEET THE NEEDS OF AMERICAN AUDIENCES  
WHO ENGAGE WITH ENTERTAINING AND INFORMATIVE PROGRAMMING



# SCRIPPS

NETWORKS



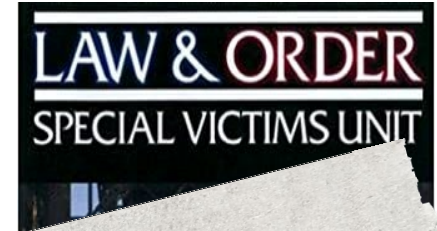
A division of The E.W. Scripps Company.



THESE NETWORKS  
ARE THE LARGEST  
SINGLE PORTFOLIO  
IN THE GROWING  
FREE BROADCAST  
TV MARKETPLACE



OUR NETWORKS  
ARE POPULAR  
BECAUSE  
VIEWERS OFTEN  
ARE SEEKING  
A 'LEAN-BACK'  
EXPERIENCE  
IN THEIR  
VIEWING  
WITH FAMILIAR  
QUALITY  
PROGRAMMING



THE SCRIPPS NETWORKS ARE WATCHED BY 78 MILLION VIEWERS EACH MONTH AND ARE PROGRAMMED TO ATTRACT DESIRABLE DEMOGRAPHICS FOR ADVERTISERS

OUR AUDIENCE IS DIVERSE



Young Adult  
Comedy Lovers

**BOUNCE**

**Laff**



Drama Lovers  
Of All Stripes

**ion GRIT**

**BOUNCE**

**COURT TV  
MYSTERY**



African Americans

**ion**

**BOUNCE**



News Junkies

**COURT TV**

**newsy**




# THE SCRIPPS NETWORKS ARE HIGHLY RATED AND HIGH-RANKING AMONG COMPETING NETWORKS

## 2020 PRIME TIME TOTAL AVERAGE VIEWERS






### ION: Cable Networks (excluding news)

	901	No. 1
	802	No. 2
	796	No. 3
	790	No. 4
	639	No. 5

### ION: Broadcast Networks

	3,108	No. 1
	2,791	No. 2
	2,565	No. 3
	2,504	No. 4
	901	No. 5

### African American Networks

	364	No. 1
	291	No. 2
	278	No. 3
	132	No. 4
	40	No. 5

Viewers in thousands






Source for ION: Nielsen from the average prime time ratings in the 2019-20 television season; data shown for all U.S. TV households.

Source for Bounce: Nielsen, Prime time, Live+3, Jan. 1, 2020 – Dec. 31, 2020, P2+ CourtTV and Newsy are not yet Nielsen rated into competitive sets of networks.

THE SCRIPPS NETWORKS ARE HIGHLY RATED AND HIGH-RANKING  
AMONG COMPETING NETWORKS

2020 PRIME TIME TOTAL AVERAGE VIEWERS

Classic Television Networks

	670	No. 1
	562	No. 2
	388	No. 3
	123	No. 4
	112	No. 5

True Crime Networks

	752	No. 1
	310	No. 2
	261	No. 3
	138	No. 4
	11	No. 5

Comedy Networks

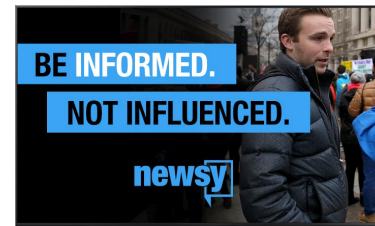
	973	No. 1
	393	No. 2
	331	No. 3
	222	No. 4
	189	No. 5

Source: Nielsen, Prime time, Live+3, Jan. 1, 2020 – Dec. 31, 2020 P2+.  
CourtTV and Newsy are not yet Nielsen rated into competitive sets of networks.

Viewers in thousands

# MEDIA BUYERS CAN'T REACH VIEWERS ON AD-FREE SVOD; THE SCRIPPS NETWORKS SOLVE THIS PROBLEM THROUGH POPULAR FREE AD-SUPPORTED TV

## THE NEW SELF-BUNDLE



# THE FOUNDATION OF OUR VALUE CREATION IS THESE FOUR GROWTH DRIVERS

1

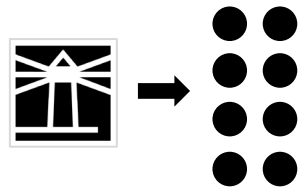
**Free TV Viewing**



Accelerating growth in the over-the-air marketplace

2

**Expanded Distribution**



Continued distribution growth of our networks on OTA, OTT and pay TV

3

**Portfolio Expansion**



Efficient expansion of our portfolio to super-serve the over-the-air audience

4

**Maximizing Yield**



Continued enhancement of our advertising yield through audience growth and better yield management

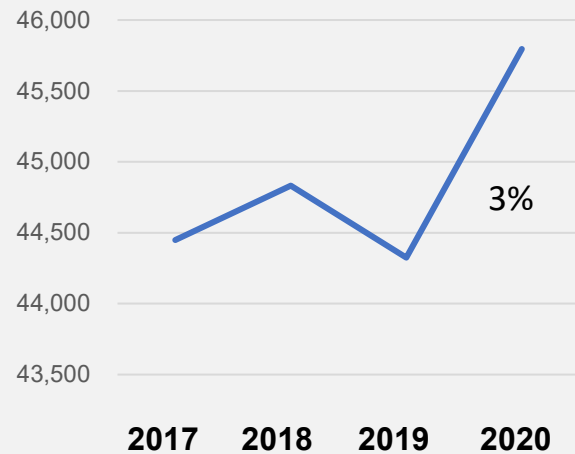




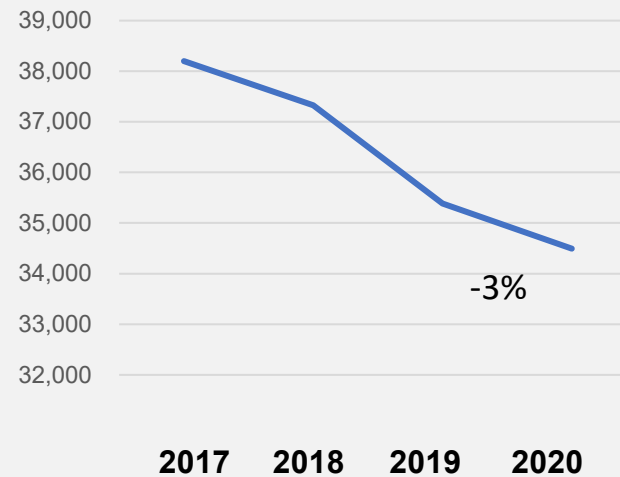
# GROWTH DRIVER NO. 1: ACCELERATING GROWTH IN THE OVER-THE-AIR MARKETPLACE

A comparison of viewing on all TV, only cable and only OTA, 2017-20

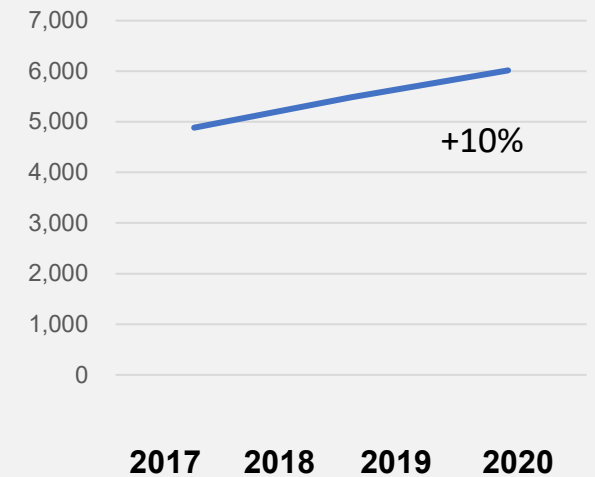
**Total TV usage impressions**



**Cable impressions**




**Over-the-air impressions**

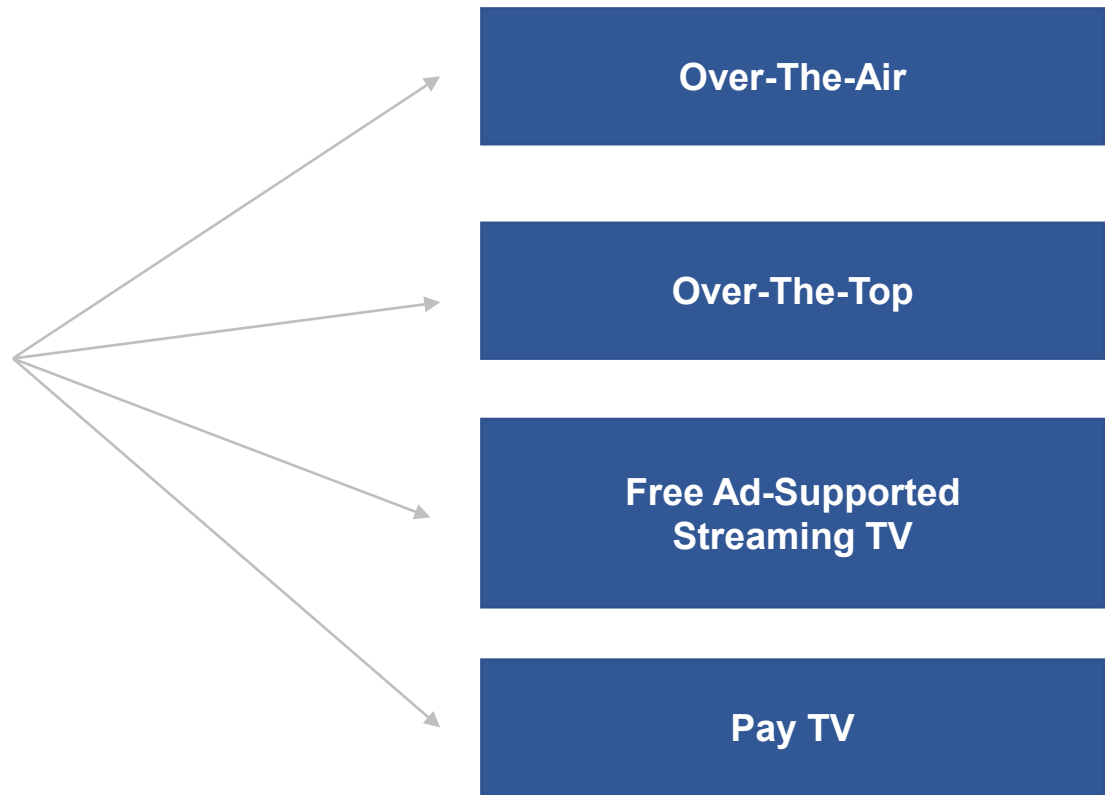


While total TV impressions – a Nielsen measure of people who watched TV – grew slightly in the pandemic year and cable impressions continued to decline; over-the-air impressions grew 10% over 2019 as more people sought out free TV.

GROWTH DRIVER NO. 2:  
CONTINUED DISTRIBUTION GROWTH OF OUR NETWORKS  
ON OTA, OTT AND PAY TV

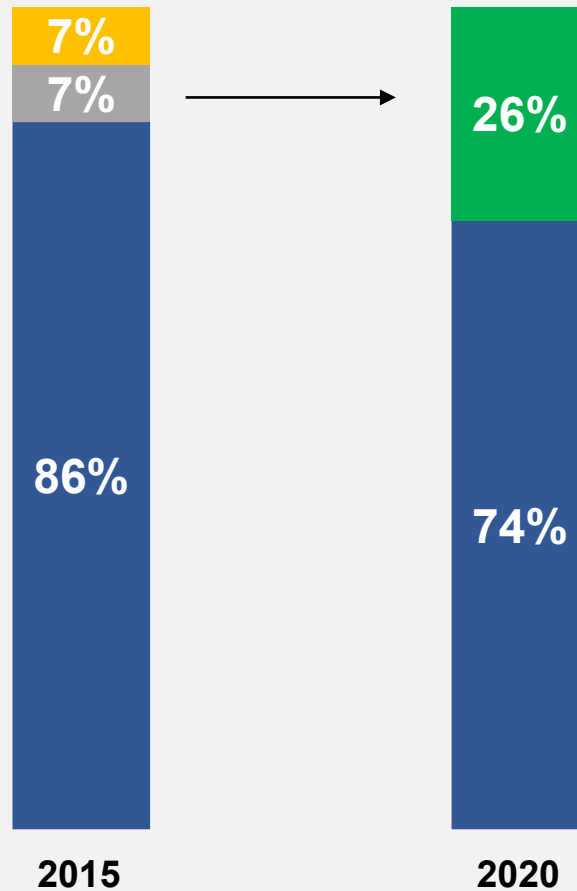


 A division of The E.W. Scripps Company.



GROWTH DRIVER NO. 3:  
EFFICIENT EXPANSION  
OF OUR PORTFOLIO  
TO SUPER-SERVE THE  
OVER-THE-AIR AUDIENCE

Percentage share of national network  
viewing from over-the-air households  
*(people 18-49, total day)*



The Scripps Networks  
command a larger  
share of the nationwide  
viewing audience at the  
expense of other  
broadcast networks.

- Traditional broadcast networks
- ION
- Katz networks
- Scripps Networks

## GROWTH DRIVER NO. 3: EFFICIENT EXPANSION OF OUR PORTFOLIO TO SUPER-SERVE THE OVER-THE-AIR AUDIENCE

The result of our portfolio expansion is a business with significant share in each of our demographic market areas.

TV PROGRAM GUIDE	abc	ABC (Scripps Market)	7:30
	bounce	Bounce	7:30
	GRIT	Grit	7:30
	NBC	NBC	7:30
	COURT TV MYSTERY	Court TV Mystery	7:30
	COURT TV	Court TV	7:30
	CBS	CBS	7:30
	Laff	Laff	7:30
	FOX	FOX	7:30
	Antenna TV	Antenna TV	7:30
	ion	ION	7:30
	My Network TV	My Network TV	7:30
	MeTV	ME TV	7:30
	HEROES & ICONS	Heroes & Icons	7:30
	CW	The CW (Scripps Market)	7:30
Doozy TV	Doozy	7:30	
DEFY	Defy TV	7:30	

GROWTH DRIVER NO. 3:  
EFFICIENT EXPANSION OF OUR PORTFOLIO  
TO SUPER-SERVE THE OVER-THE-AIR AUDIENCE

OUR TWO NEW NETWORKS WILL LAUNCH IN JULY

**DOOZY**

Real life. Big drama. No apologies.



**DEJY** TV

Here's to the mavericks, bold and true.



GROWTH DRIVER NO. 4:  
CONTINUED ENHANCEMENT OF OUR ADVERTISING YIELD  
THROUGH AUDIENCE GROWTH AND BETTER YIELD MANAGEMENT

CONSOLIDATED  
AD SALES

We are selling advertising for the Scripps Networks in the upfront as a collection of attractive demographics together or individually, depending on the brand marketers' needs.

DIRECT RESPONSE  
ADVERTISING

We are capitalizing on the growing direct response marketplace using the same strategies we have used so successfully at Katz.

ADVERTISING INVENTORY  
YIELD MANAGEMENT

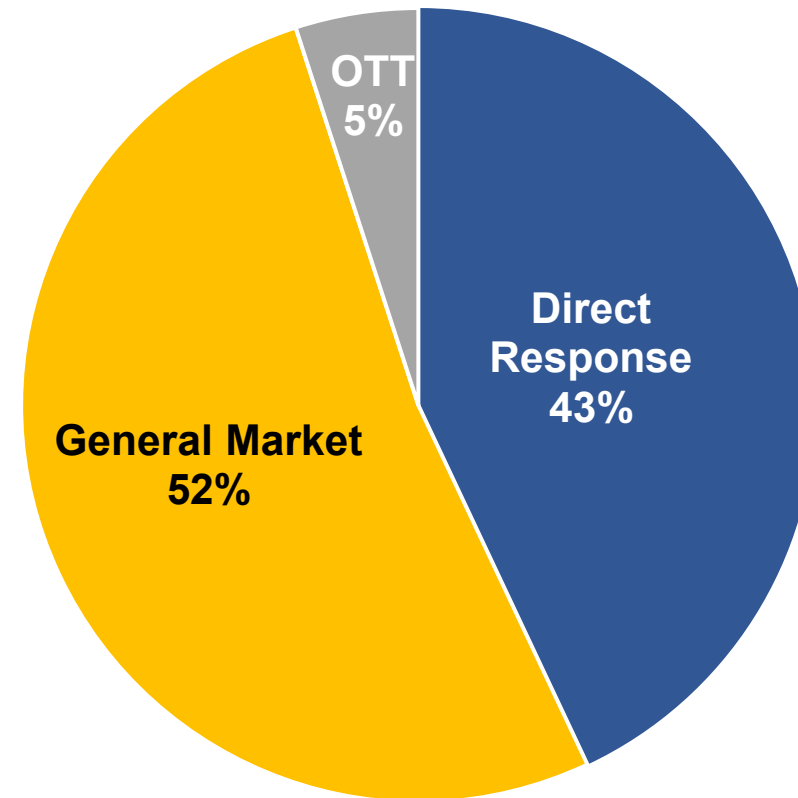
We will more effectively manage inventory and rate to drive higher revenue.

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



GROWTH  
DRIVER NO. 4:  
CONTINUED  
ENHANCEMENT  
OF OUR  
ADVERTISING  
YIELD THROUGH  
AUDIENCE  
GROWTH AND  
BETTER YIELD  
MANAGEMENT

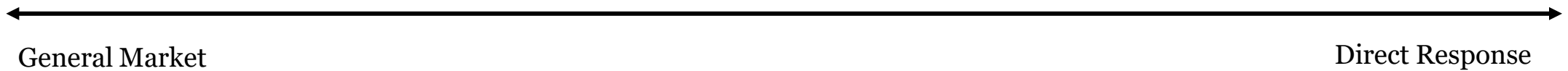
## 2019 – 2020 Combined Financials Ad Revenue Mix



We will manage our networks' advertising mix between general market and direct response to optimize our greatest return.



GROWTH DRIVER NO. 4:  
CONTINUED ENHANCEMENT OF OUR ADVERTISING YIELD  
THROUGH AUDIENCE GROWTH AND BETTER YIELD MANAGEMENT



We will manage our networks' advertising mix between general market and direct response to optimize our greatest return.





THE NETWORKS ARE EXPECTED TO GENERATE NEAR-TERM ANNUAL REVENUE GROWTH OF MORE THAN 10% AND DIVISION MARGINS OF ABOUT 40%

## FINANCIAL HIGHLIGHTS OF THE SCRIPPS NETWORKS DIVISION

### Revenue

- 2020 adjusted combined revenue year over year: About flat
- Near-term future year-over-year revenue growth: **Up more than 10%**

### Synergies from ION acquisition to create Scripps Networks

- **More than \$500 million** through 2025, mostly contractually based savings as distribution agreements expire

### Segment profit/profit margins

- 2020 adjusted combined segment profit: \$320 million
- Near-term future division margins: **About 40%**



# Local Media: The value creation ahead



BRIAN LAWLOR, PRESIDENT, LOCAL MEDIA

# THE HEALTH OF LOCAL CORE ADVERTISING IS BOLSTERED BY ECONOMIC IMPROVEMENT AND NEW CATEGORY GROWTH

Core advertising is sustainable and resilient because of the lasting appeal of linear television and the need for local and national businesses to reach geographically based mainstream audiences.



DURABILITY  
OF SERVICES



RETURN OF AUTO



RETAIL



THE POPULARITY  
OF HOME  
IMPROVEMENT



RESURGENCE OF  
TRAVEL AND LEISURE



THE RISE OF  
SPORTS BETTING



OTT AD GROWTH



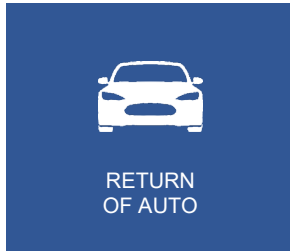
## CORE ADVERTISING DRIVERS: SERVICES, NOW A THIRD OF CORE AD REVENUE, BENEFIT FROM STRONG CONSUMER CONFIDENCE



Scripps' **services** category was its strongest category through the pandemic. It has shown consistent growth since the election in November, driven by a recovering economy. This category includes insurance, medical, legal and home services such as HVAC and landscaping. It is primarily a local category and is dependent on disposable income.



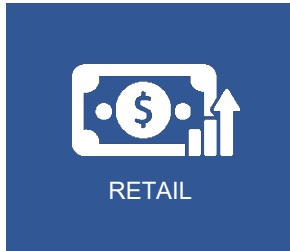
## CORE ADVERTISING DRIVERS: AUTO, ABOUT 20% OF CORE AD REVENUE, IS EXPECTED TO RETURN TO GROWTH THIS YEAR



**Auto**, our second-largest category, has been challenged by a host of changes in the industry in recent years as well as the recent difficult economic climate. But we are seeing it stabilize. Some sub-categories have fully recovered, and local dealer spending is expected to rise this year as they establish more profitable structures.



# CORE ADVERTISING DRIVERS: RETAIL, OUR THIRD-LARGEST CATEGORY, IS JUST BEGINNING TO RECOVER FROM THE IMPACT OF THE PANDEMIC



2020 was a tough year for **retail**, as brick and mortar locations faced capacity limits set by state government. March 2021 is pacing to be its best month in a year – the first in growth mode and a real turnaround from its recent performance. We expect an increase in spending as restrictions are lifted and retailers seek to regain market share lost to online shopping.



# CORE ADVERTISING DRIVERS: HOME IMPROVEMENT IS NOW A TOP 5 CATEGORY



THE POPULARITY  
OF HOME  
IMPROVEMENT

**Home improvement** began to grow again in November and has continued to be up year over year, despite the pressures of the pandemic economy. This category has benefitted from unspent disposable income, increasing real estate prices and a return to suburban living.



# CORE ADVERTISING DRIVERS: TRAVEL AND LEISURE CONTINUES TO BE THE HARDEST HIT BY COVID, BUT WE EXPECT IT TO ROAR BACK LATER THIS YEAR



No category has suffered more than **travel and leisure**, as everything from personal travel to live events and casino visits completely halted when COVID-19 set in last March.

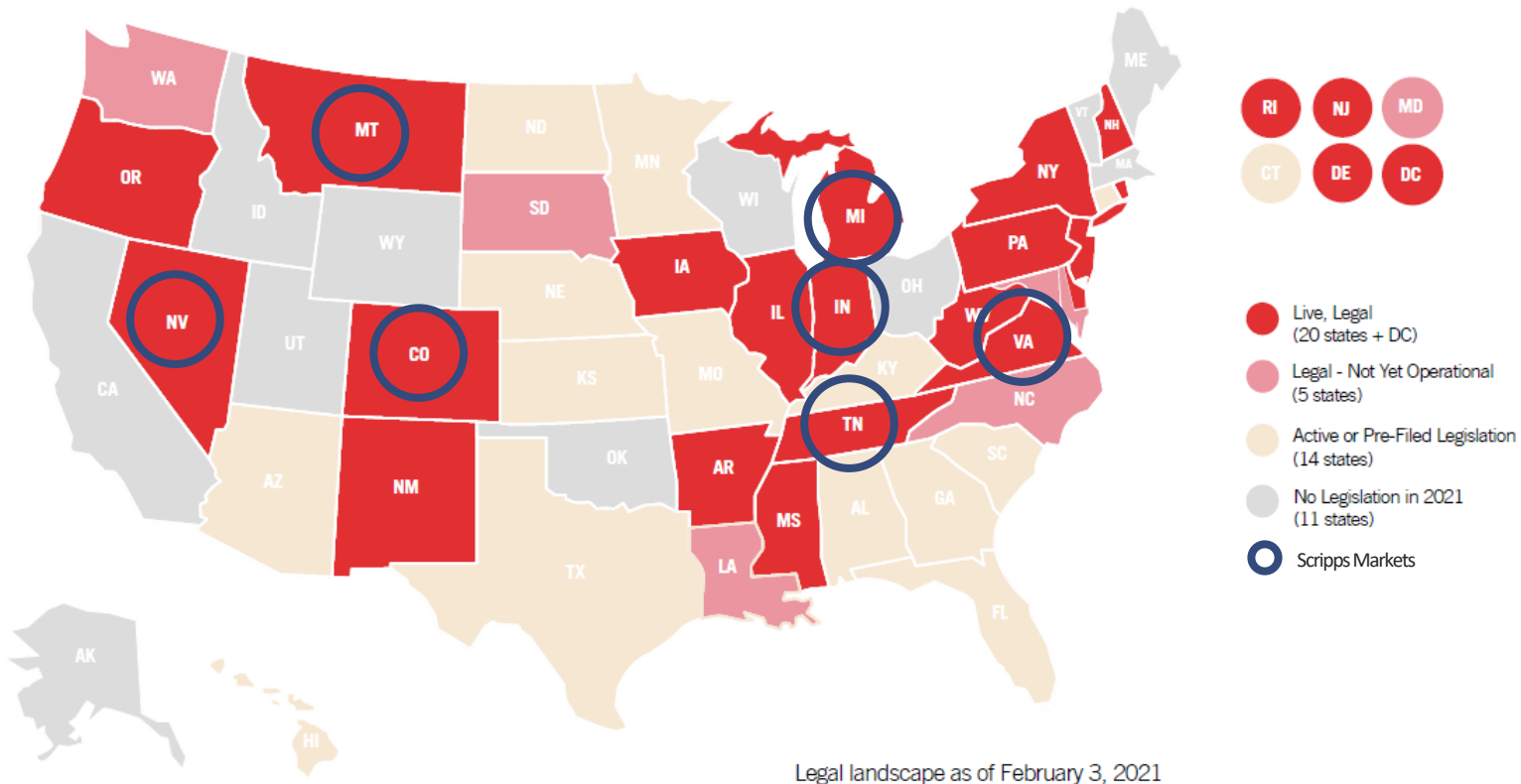
**Sports betting** is an emerging sub-category that has brought new dollars to **travel and leisure** as states ratify new gaming laws and large players seek to establish new customers and market share.





# CORE ADVERTISING DRIVERS: SPORTS BETTING IS NOW A BIG CONTRIBUTOR AS A GROWING NUMBER OF STATES MAKE IT LEGAL

## Legalized Betting by State



Scripps has markets in seven states that have legalized sports betting: Colorado, Indiana, Tennessee, Michigan, Montana, Nevada and Virginia. Louisiana is coming this spring.

## CORE ADVERTISING DRIVERS: A NEW REVENUE STREAM OF CORE IS GROWING FROM LOCAL NEWS BRANDS' OVER-THE-TOP TELEVISION DISTRIBUTION



**Over-the-top** video platforms provide local broadcasters new opportunities to extend their local TV brands. As advertisers seek to target ads to local consumers, our established and respected brands are providing an entirely new platform for businesses to connect to local consumers – revenue that became meaningful in 2020 and will continue to grow with OTT viewership.

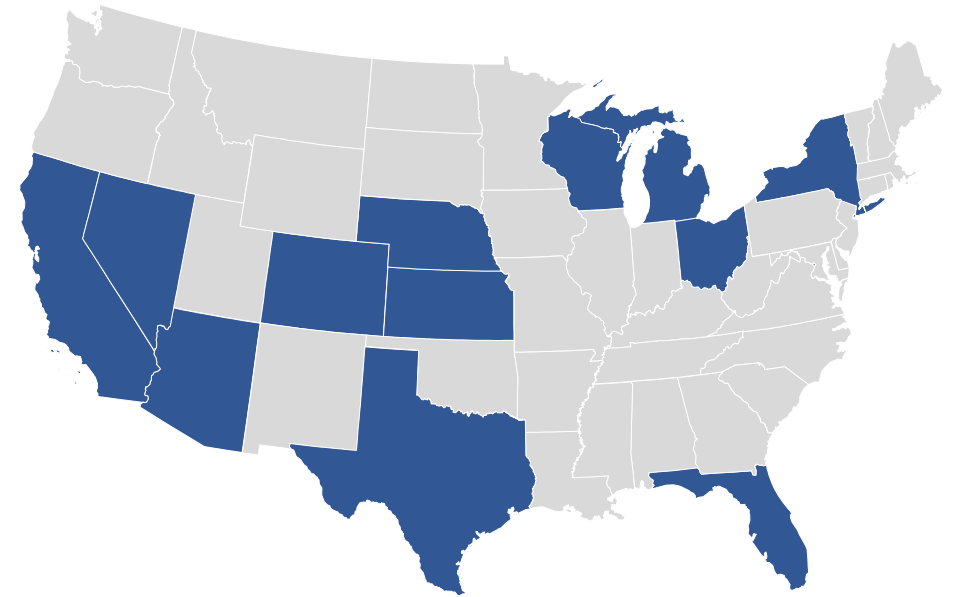


**ROKU**   **Apple tv**   **SAMSUNG**

# REVENUE DRIVERS: THE 2022 MID-TERM ELECTION YEAR IS EXPECTED TO EXCEED EVEN THE RECORD 2020 POLITICAL AD SPENDING

## 2022 POLITICAL YEAR HIGHLIGHTS

- \$9 billion is the new national spending mark, and Scripps will take more than our fair share because of our political sales prowess.
- We host 17 governor's races in 2022, including Arizona, Colorado, California, Florida, Kansas, Nebraska, Nevada, Ohio, Texas and Wisconsin.
- We host 18 U.S. Senate races, including Arizona, California, Colorado, Florida, Kansas, Nevada, Ohio and Wisconsin.
- We will be impacted by nationwide redistricting due to the 2020 census. We expect races in six of our states to become more competitive: Arizona, Colorado, Florida, Michigan, New York and Texas.



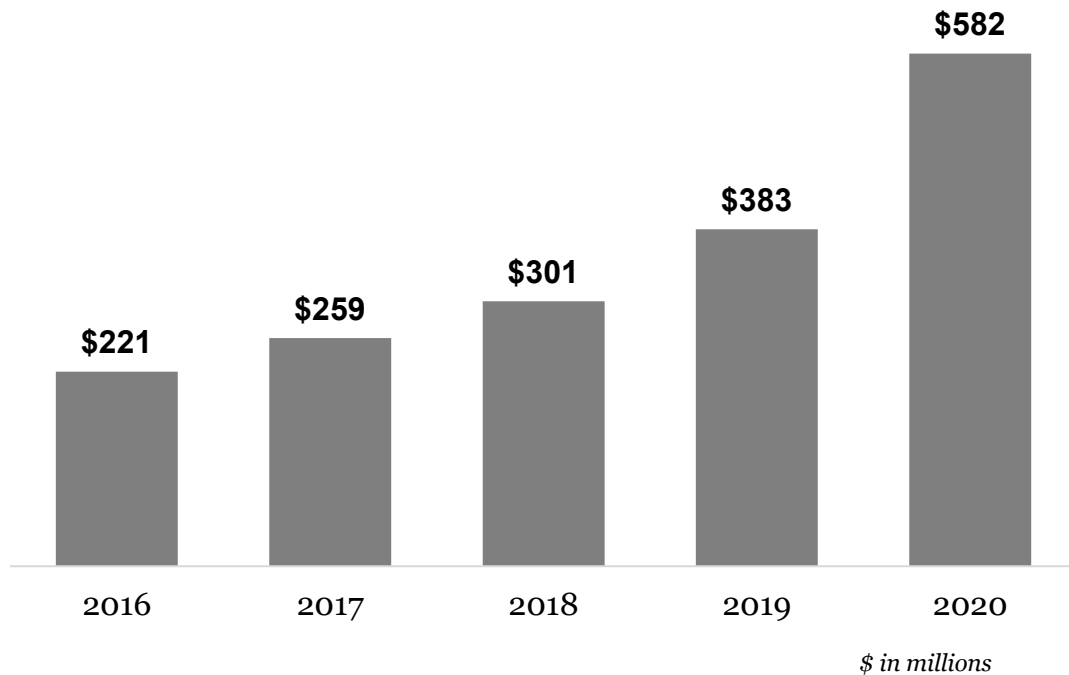
Scripps markets with strong political advertising spending

In a 2018 report, "Stretching Political Dollars," AdImpact and Nielsen focused on political advertising in four major U.S. metropolitan areas: Phoenix, Minneapolis, Tampa and Orlando. The report's primary conclusion was "how efficient broadcast television advertising remains" in reaching 'High Frequency Voters.' — Forbes, Dec. 8, 2020



# REVENUE DRIVERS: AFTER A 31% JUMP IN RETRANSMISSION REVENUE IN 2020, SCRIPPS EXPECTS ANOTHER BIG INCREASE IN TWO YEARS

## GROSS RETRANSMISSION CONTINUES ITS STEEP REVENUE TRAJECTORY\*



## SCRIPPS LOOKS FORWARD TO ANOTHER BIG RENEWAL YEAR IN JUST TWO YEARS

### Cable and Satellite Renewals

4%

21%

75%

2021

2022

2023

### Network Renewals



11 stations



6 stations



4 stations



3 stations



18 stations



4 stations



8 stations

NONE

\*Figures shown on as-reported basis. On an adjusted-combined basis after the divestiture of WPIX, Scripps reported gross retrants of \$440.4 million in 2019 and \$578.8 million in 2020 – a 31% increase.

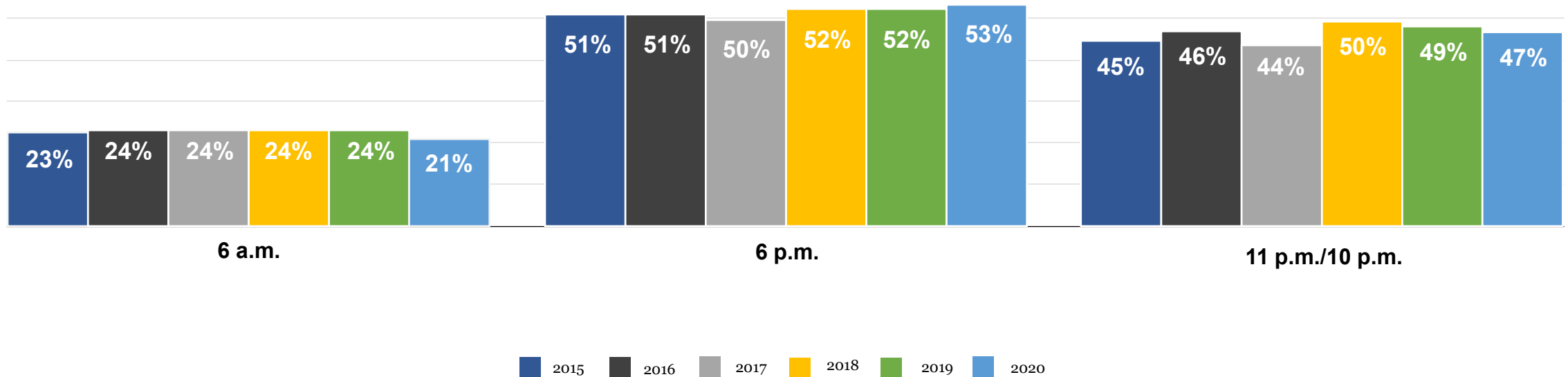
AUDIENCE DRIVERS: LIVE SPORTS AND LOCAL NEWS  
REMAIN THE PRIMARY REASONS OUR VIEWERS VALUE US

50% of Scripps' Local Media advertising revenue  
comes from local news and live sports programming



# AUDIENCE DRIVERS: EXCLUDING THE PANDEMIC, TV VIEWING REMAINS CONSISTENT, AND WE EXPECT IT TO RETURN TO PRE-COVID LEVELS

## Average Percentage of TV Households Using Television in Scripps Markets Each Year



# AUDIENCE DRIVERS: OUR NEWS BRANDS MATTER TO LOCAL COMMUNITIES AND CREATE A DEEP LOYALTY TO LOCAL NEWS

Scripps' local news coverage inspired new legislation, changed laws and more open government records more than a dozen times in 2020 – serving our most important role as a watchdog for our communities and viewers.

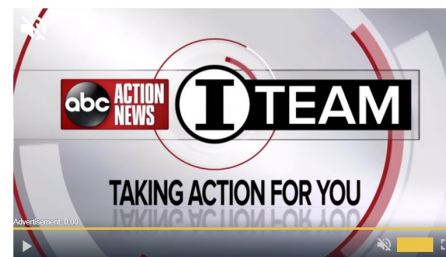
## New York Assembly lawmakers repeal 50-A law shielding police records, bill goes to Cuomo for signature



The law that shields police records in New York State has been repealed by Senate and Assembly lawmakers.



## Guardianship bill clearing Florida House, Senate awaits governor's signature

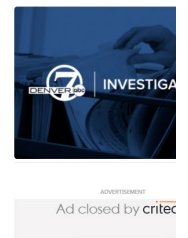


A final vote supports a bill that will better protect Florida's senior citizens by cracking down on bad guardians.



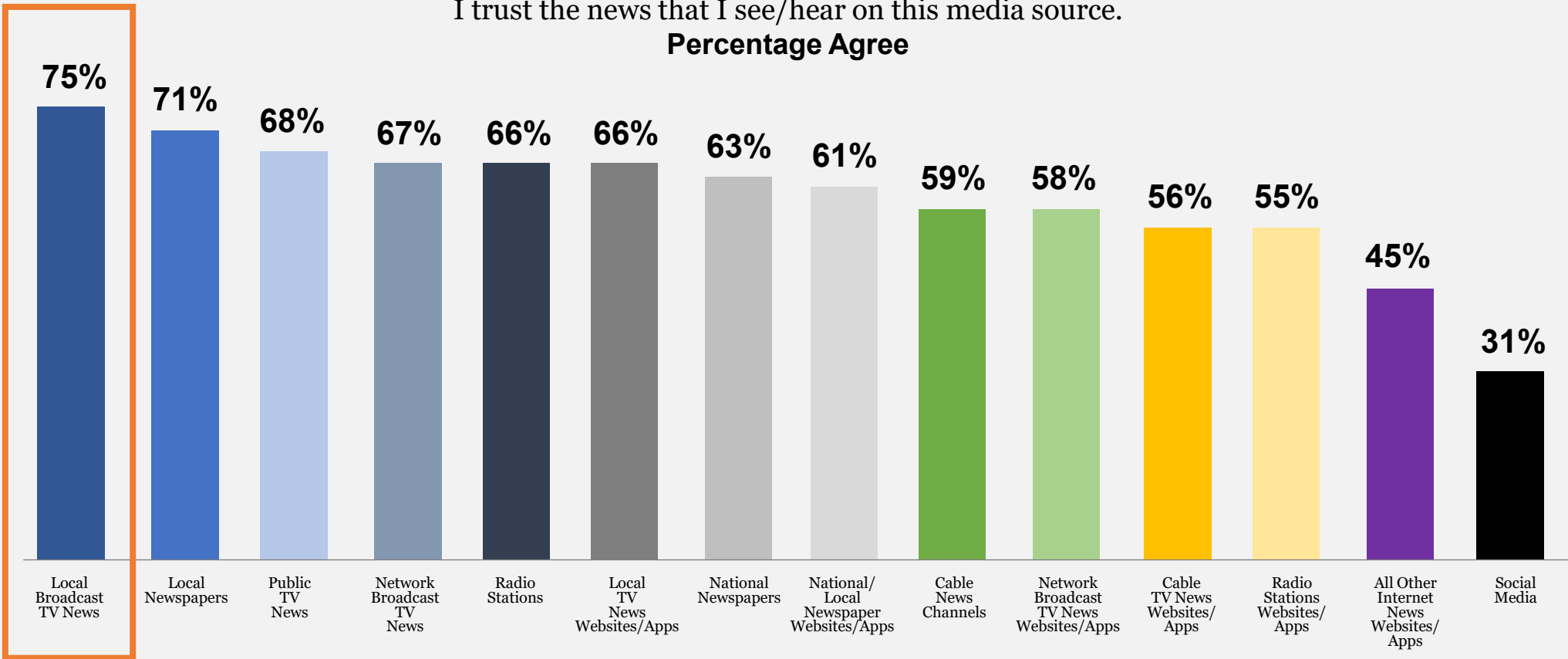
## Colorado creates domestic violence task force after Lone Tree murder-suicide

Ty Tesoriero, 10, was killed by his father last September



# A RECENT MEDIA USE COMPARISON STUDY FOUND TV REACHES MOST PEOPLE, GARNERS THE MOST TRUST

## LOCAL BROADCAST TELEVISION NEWS: NO. 1 FOR TRUST



Source: Gfk Media Comparisons Study 2021. Persons 18+. Agree Strongly or Agree Somewhat. Q9 – For each source, please indicate the extent to which you agree or disagree with the following statement: I trust the News that I see/hear on this media source.



**AUDIENCE DRIVERS:  
LIVE SPORTS GARNER  
GREAT VIEWERSHIP  
AND ACCOUNTED  
FOR ALL BUT ONE  
OF THE TOP 25  
SHOWS IN PRIME TIME  
LAST YEAR**

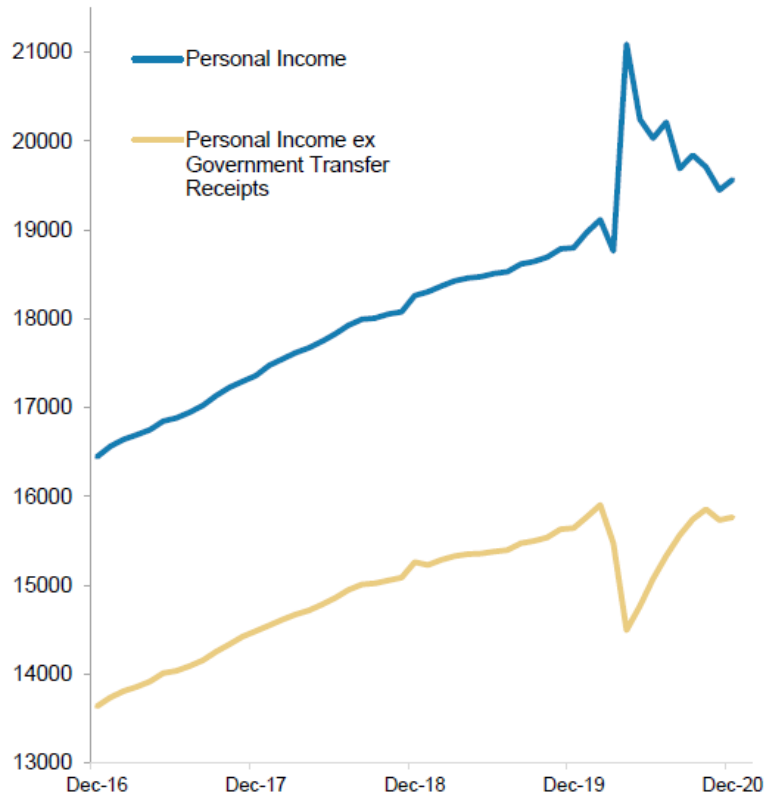
RANK	PROGRAM	VIEWERSHIP (IN THOUSANDS)
1	FOX SUPERBOWL LIV	50,194
2	FOX SUPERBOWL POST-GUN	42,901
3	FOX SUPERBOWL LIV KICK	32,735
4	FOX SUPERBOWL POST GAME	29,720
5	AFC CHAMPIONSHIP ON CBS	27,840
6	FOX NFC CHAMPIONSHIP	26,491
7	AFC DIVISIONAL PLAYOFF-SU	24,446
8	FOX NFC PLAYOFF-SUN	24,094
9	AFC CHAMP POST GUN ON CBS	23,382
10	NBC NFL PLAYOFF GAME WC	23,103
11	FOX NFC WILDCARD GAME	20,962
12	AFC WILDCARD PLAYOFF	20,584
13	NBC NFL PLAYOFF GAME DIV	19,996
14	FOX NFC PLAYOFF-SU PST GN	19,490
15	FOX NFC CHAMPIONSHIP-GUN	19,367
16	AFC DIVISIONAL PLAYOFF-SA	19,311
17	AFC DIV-PLF-POST-GUN-SU	18,972
18	FOX NFC CHAMPIONSHIP-KICK	18,864
19	FOX NFC WILDCARD POST GUN	18,539
20	FOX SUPERBOWL PRE - 5:30	18,225
21	AFC CHAMP PRE-KICK ON CBS	16,994
22	THE OSCARS	16,389
23	AFC WILDCARD POST GUN	16,235
24	FOX NFL SUNDAY-NATIONAL	15,941
25	CBS NFL NATIONAL	15,445



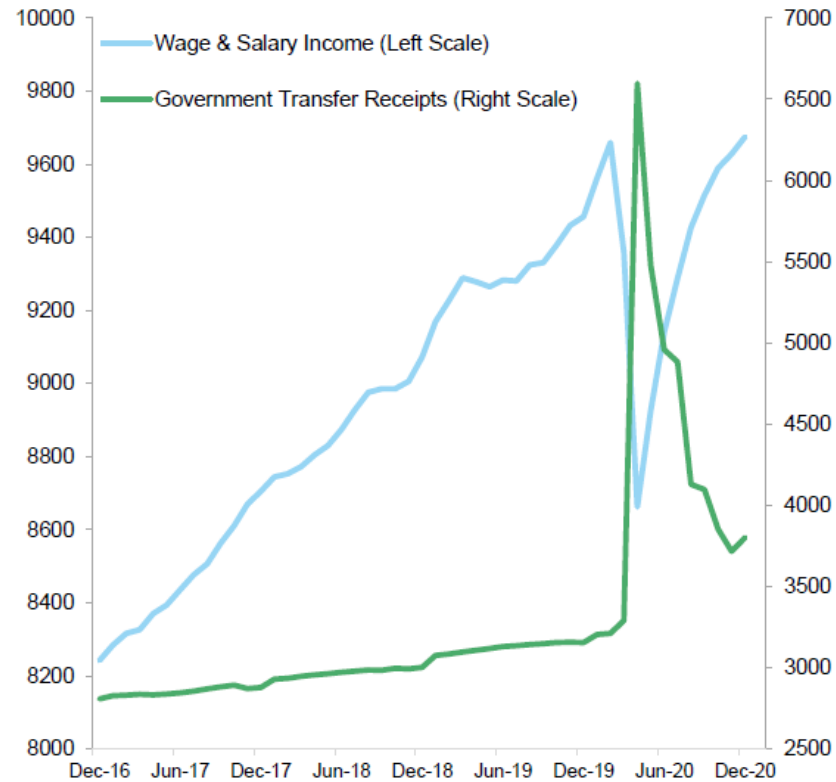
# GROWTH DRIVERS: MACRO-ECONOMIC FORCES SUCH AS FEDERAL STIMULUS PORTEND A STRONG ECOSYSTEM FOR CORE ADVERTISING GROWTH

## Fiscal Policy Supporting Household Incomes

**Personal Income**  
SAAR, Bil. \$



**Wage & Salary Income**  
SAAR, Bil. \$



Meaningful federal stimulus measures promise to put real money in people's pockets, leading to discretionary spending increases and more advertising activity.

We began seeing the benefits of consumer confidence as our Services and Home Improvement categories returned to positive territory after the election in the fall.

Morgan Stanley Research  
Feb. 21, 2021

# Financials for the new Scripps




JASON COMBS, CHIEF FINANCIAL OFFICER

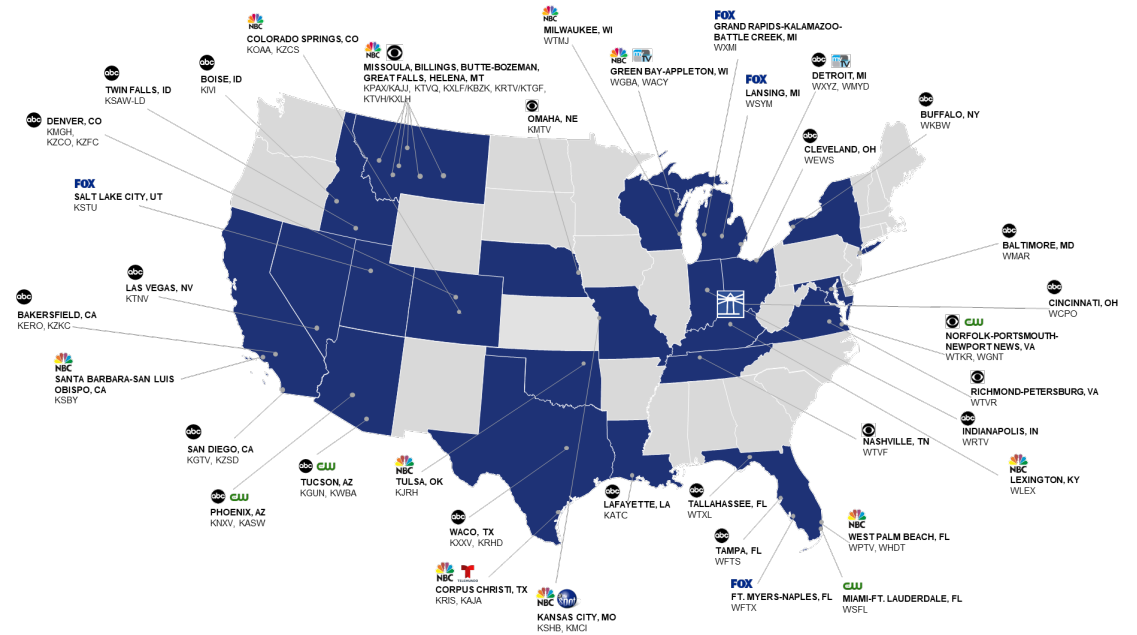
# SCRIPPS' FINANCIALS REFLECT THE NEW MAKEUP OF THE COMPANY

## Scripps Networks Division



 A division of The E.W. Scripps Company.

## Local Media Division



## Historical Adjusted Combined Tables

<b>LOCAL MEDIA:</b>	<b>2020</b>	<b>2019</b>
Segment operating revenues:		
Core advertising	\$ 569	\$ 683
Political	265	24
Retransmission and carriage fees	579	440
Other	12	19
Total operating revenues	<u>1,425</u>	<u>1,166</u>
Segment costs and expenses:		
Employee compensation and benefits	415	409
Programming	394	320
Other expenses	171	186
Total costs and expenses	<u>980</u>	<u>915</u>
Segment profit	<u>\$ 445</u>	<u>\$ 251</u>
Margin	31%	22%

<b>SCRIPPS NETWORKS:</b>	<b>2020</b>	<b>2019</b>
Total operating revenues	<u>\$ 847</u>	<u>\$ 857</u>
Segment costs and expenses:		
Employee compensation and benefits	109	101
Programming	270	272
Other expenses	148	140
Total costs and expenses	<u>527</u>	<u>513</u>
Segment profit	<u>\$ 320</u>	<u>\$ 344</u>
Margin	38%	40%

\$ in millions

OUR NEW SEGMENT  
REPORTING  
REFLECTS THE WAY  
WE OPERATE OUR  
BUSINESSES



# OUR CAPITAL AND DEBT STRUCTURE ALLOWS US BROAD FINANCIAL FLEXIBILITY AND MITIGATION OF RISK

## CAPITAL STRUCTURE

As of Jan. 7, 2021

Secured Debt	\$2,393
Unsecured Debt	\$1,400
Total Debt	\$3,793
Cash & Equivalents	(\$263)
<b>Net Debt</b>	<b>\$3,530</b>
Preferred Stock	\$600
Market Capitalization	\$1,659

<u>Select Credit Stats:</u>	
Secured Leverage <sup>(1)</sup>	3.0x
<b>a</b> Total Net Leverage <sup>(1)</sup>	4.9x
Liquidity	\$663
Weighted Avg. Cost of Debt	4.2%
<b>b</b> Weighted Avg. Maturity	6.3 years
<b>c</b> Fixed / Floating (%)	51% / 49%

**a** Elevated leverage driven by strategic acquisition

**b** No material debt maturities until 2025

**c** Natural interest hedge with fixed / floating mix

\$ in millions

## FINANCIAL POLICY

### Leverage

Target mid ~3.0x

De-lever via excess cash flow

### Liquidity

Maintain average cash balance of \$75 million

Access to \$400 million revolver through 2026

### Distributions

Berkshire Hathaway preferred shares prohibit stock repurchase or dividends while outstanding

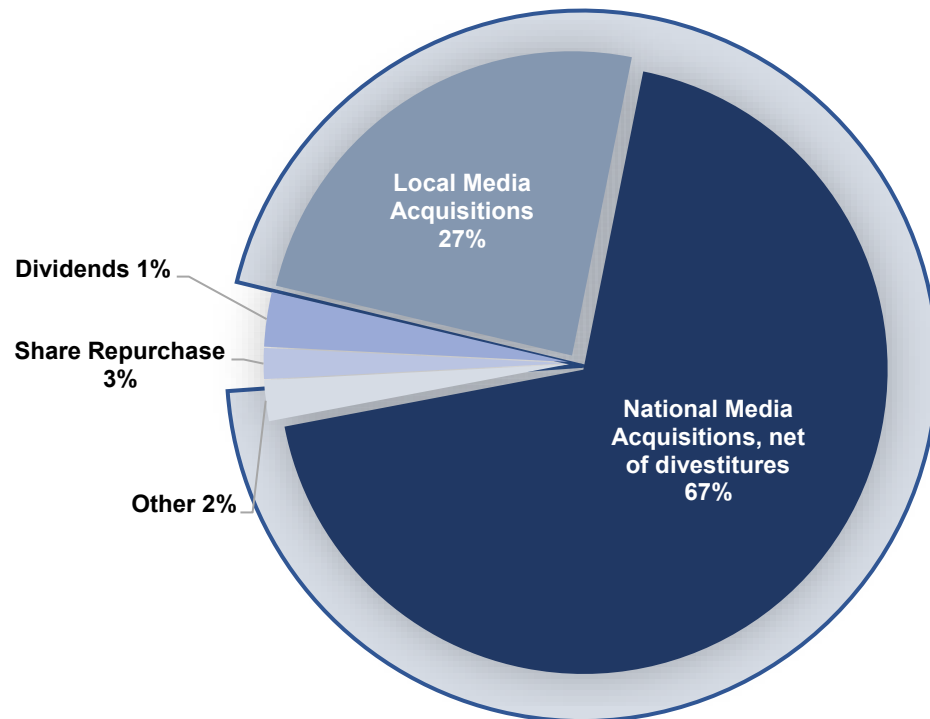
Preferred shares: Five-year non-call + \$300 million of warrants

(1) Based on LQ8A Dec. 31, 2020 EBITDA of \$718 million (including ION). Market cap reflected as of March 2, 2021



# WE HAVE STRATEGICALLY EXECUTED ACQUISITIONS THAT STRENGTHEN THE ENTERPRISE AND DIVESTITURES THAT BROUGHT STRONG RETURNS

## CAPITAL ALLOCATION SINCE 2016



94% of capital deployed since 2016 has been targeted at strategic M&A opportunities.

## STRONG TRACK RECORD OF SELLING ASSETS



Investment Return (%)

**22%**

Sale price of \$230 million (early 2021 close)



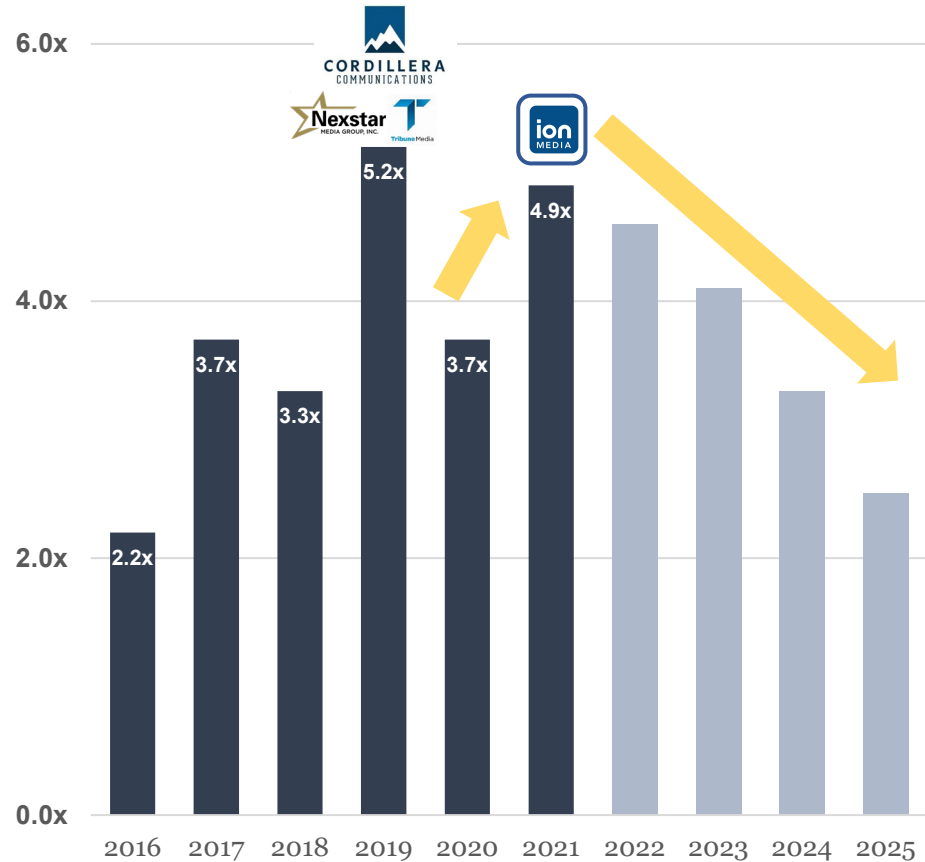
**24%**

Sold for \$265+ million (October 2020)

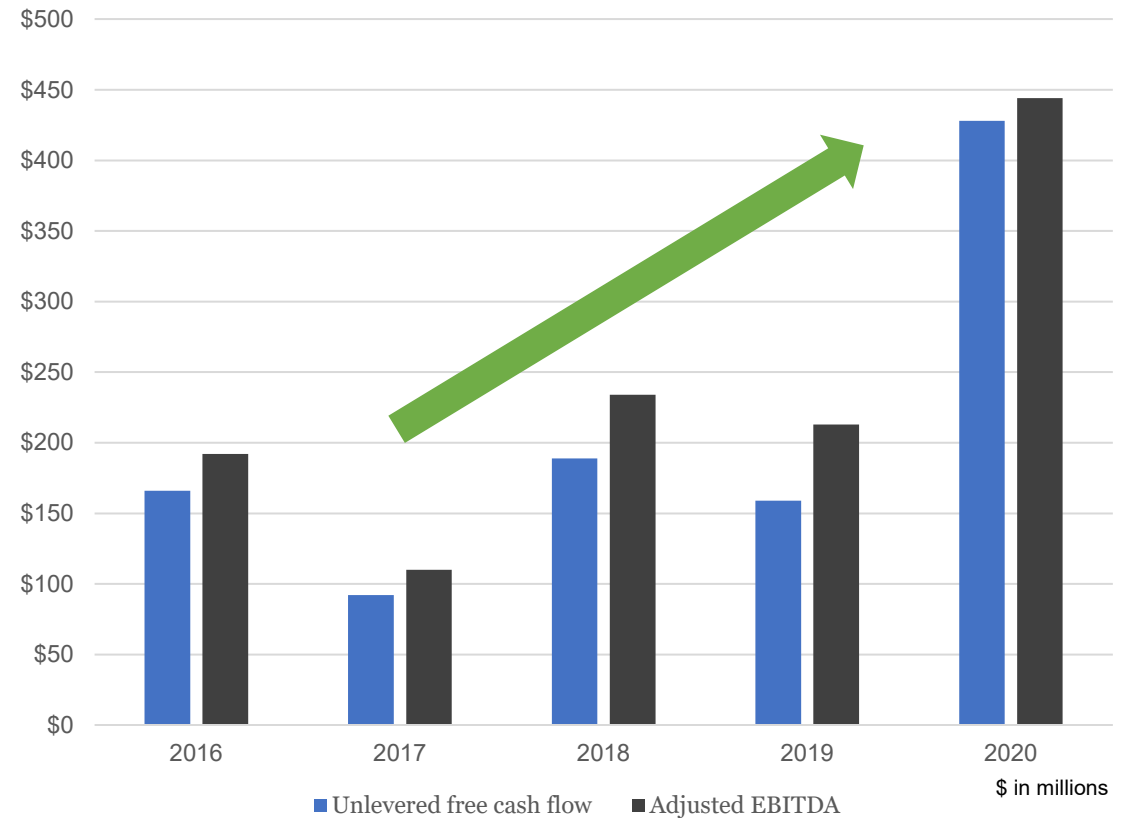


# SCRIPPS FLEXED ITS BALANCE SHEET IN ORDER TO SET UP THE COMPANY FOR AN IMPRESSIVE GROWTH TRAJECTORY

## USING LEVERAGE ...



## ... TO GROW



Numbers are on an as-reported basis





# AFTER SEVERAL YEARS OF TRANSFORMATION AND VALUE CREATION, SCRIPPS IS A FULL-SCALE TV ENTERPRISE AND POWERFUL ECONOMIC ENGINE

## Investment Highlights

1. Generating significant free cash flow through our powerful consumer brands in growing marketplaces
2. Capturing the greatest value in the Local Media division from the growing ecosystem of political advertising revenue and expanding local broadcast retransmission rates
3. Capitalizing on the resilient national advertising marketplace and our owned-and-operated distribution to grow revenue and expand margins in the Scripps Networks division
4. Helping set the course for the future of broadcast television as the largest holder of spectrum in the U.S.
5. Delivering on our social responsibilities as a media corporation with a focus on creating a better-informed world; engaging and entertaining, informing and empowering our audiences; and representing the diversity of our country on our board, in our workforce and in our work itself



# SCRIPPS

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S S P I N V E S T O R D A Y 2 0 2 1

March 3, 2021



# Appendix



## RECONCILIATION OF ADJUSTED EBITDA AND UNLEVERED FREE CASH FLOW (NON-GAAP MEASURES)

	2016	2017	2018	2019	2020
Income (loss) from continuing operations, net of tax	\$ 62	\$ (10)	\$ 70	\$ (2)	\$ 154
Provision (benefit) for income taxes	35	(19)	23	3	56
Interest expense	18	27	36	81	93
Defined benefit plan expense	14	14	20	7	4
Share-based compensation costs	8	12	11	13	14
Depreciation	33	34	34	40	50
Amortization of intangible assets	20	19	26	44	57
Impairment of goodwill and intangible assets	0	36	0	0	0
Losses (gains), net on disposal of property and equipment	1	0	1	(2)	1
Acquisition and related integration costs	1	0	4	26	19
Restructuring costs	0	4	9	3	0
Miscellaneous, net	2	(7)	(0)	(1)	(3)
<b>Adjusted EBITDA</b>	<b>192</b>	<b>110</b>	<b>234</b>	<b>213</b>	<b>444</b>
Capital expenditures	(26)	(17)	(47)	(61)	(45)
Proceeds from FCC Repack	0	0	2	7	28
<b>Unlevered free cash flow</b>	<b>\$ 166</b>	<b>\$ 92</b>	<b>\$ 189</b>	<b>\$ 159</b>	<b>\$ 428</b>

\$ in millions

