



## **Nexstar Media Group, Inc. Investor Presentation**

Perry A. Sook, Founder, Chairman & CEO  
Tom Carter, President, COO & CFO

**MAY 2021**

# Disclaimer

## Forward-Looking Statements

This presentation includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. Forward-looking statements include information preceded by, followed by, or that includes the words "guidance," "believes," "expects," "anticipates," "could," or similar expressions. For these statements, Nexstar claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained in this presentation, concerning, among other things, future financial performance, including changes in net revenue, cash flow and operating expenses, involve risks and uncertainties, and are subject to change based on various important factors, including the impact of changes in national and regional economies, the ability to service and refinance our outstanding debt, successful integration of acquired television stations and digital businesses (including achievement of synergies and cost reductions), pricing fluctuations in local and national advertising, future regulatory actions and conditions in the television stations' operating areas, competition from others in the broadcast television markets, volatility in programming costs, the effects of governmental regulation of broadcasting, industry consolidation, technological developments and major world news events. Nexstar undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this presentation might not occur. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. For more details on factors that could affect these expectations, please see Nexstar's other filings with the Securities and Exchange Commission.

## Definitions and Disclosures Regarding non-GAAP Financial Information

Adjusted EBITDA is calculated as net income, plus interest expense (net), loss on extinguishment of debt, income tax expense (benefit), depreciation, amortization of intangible assets and broadcast rights, (gain) loss on asset disposal, goodwill and intangible assets impairment, loss (income) on equity investments, distribution from equity investments and other expense (income), minus reimbursement from the FCC related to station repack and broadcast rights payments. We consider Adjusted EBITDA to be an indicator of our assets' operating performance and a measure of our ability to service debt. It is also used by management to identify the cash available for strategic acquisitions and investments, maintain capital assets and fund ongoing operations and working capital needs. We also believe that Adjusted EBITDA is useful to investors and lenders as a measure of valuation and ability to service debt.

Given the Company's previous disclosure that effective November 1, 2020 it combined its broadcast and digital operations, commencing with the fourth quarter of 2020, Nexstar no longer reports broadcast cash flow but investors can calculate a comparable metric for the combined broadcast and digital operations by adding back corporate expense to Adjusted EBITDA.

Free cash flow is calculated as net income, plus interest expense (net), loss on extinguishment of debt, income tax expense (benefit), depreciation, amortization of intangible assets and broadcast rights, (gain) loss on asset disposal, stock-based compensation expense, goodwill and intangible assets impairment, loss (income) on equity investments, distribution from equity investments and other expense (income), minus payments for broadcast rights, cash interest expense, capital expenditures, proceeds from disposals of property and equipment, and net operating cash income taxes. We consider Free Cash Flow to be an indicator of our assets' operating performance. In addition, this measure is useful to investors because it is frequently used by industry analysts, investors and lenders as a measure of valuation for broadcast companies, although their definitions of Free Cash Flow may differ from our definition.

For a reconciliation of these non-GAAP financial measurements to the GAAP financial results cited in this presentation, please see the supplemental tables at the end of Nexstar's first quarter financial results press release dated May 4, 2021.

With respect to our forward-looking guidance, no reconciliation between a non-GAAP measure to the closest corresponding GAAP measure is included in this release because we are unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts and we believe such reconciliations would imply a degree of precision that would be confusing or misleading to investors. In particular, a reconciliation of forward-looking Free Cash Flow to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures such as the measures and effects of stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in our stock price and other non-recurring or unusual items such as impairment charges, transaction-related costs and gains or losses on sales of assets. We expect the variability of these items to have a significant, and potentially unpredictable, impact on our future GAAP financial results.

# Nexstar Media Group, Inc. (Nasdaq: NXST) Overview

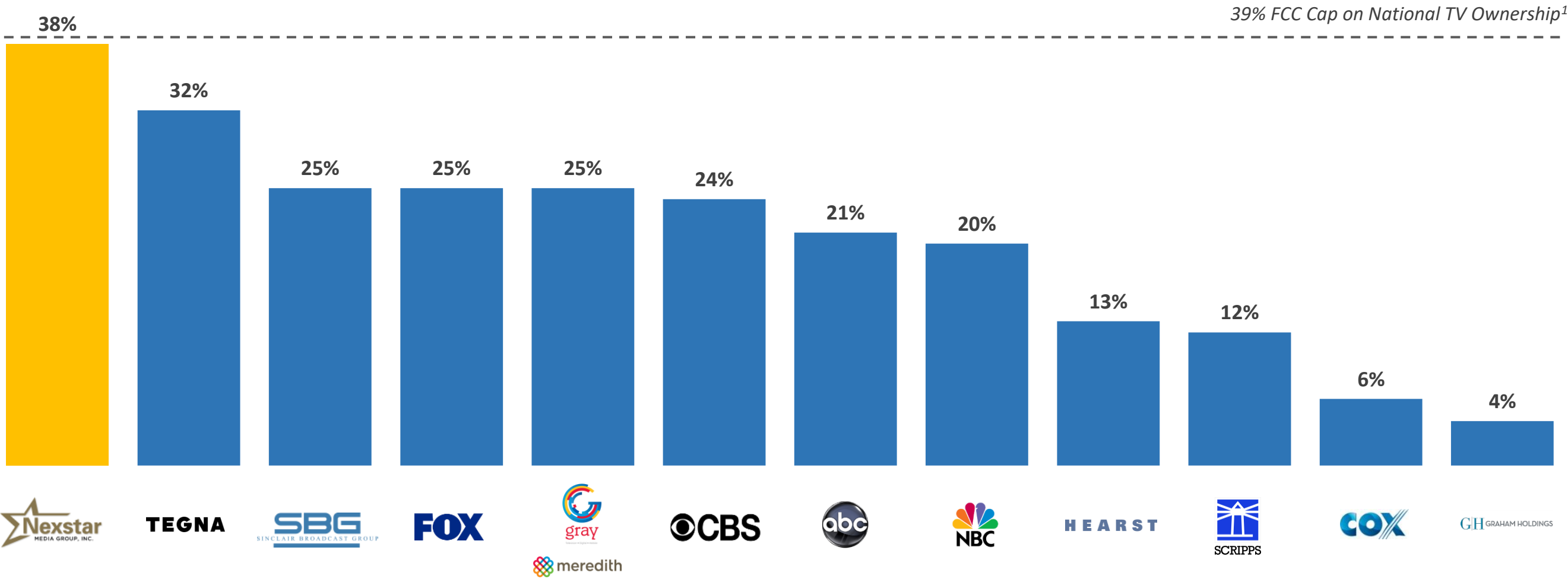
**North America's largest local media company –  
Positioned for the ongoing enhancement of shareholder value**

- **Local media and content leader with unrivaled geographic scale, reach, consumption**
  - **#1** US television broadcaster with 198 stations in 116 markets and meaningful presence in top 50 DMAs
  - Owns or provides services to more than one TV station in **over half** of its 116 total markets
- **Long-term record of revenue, net income and free cash flow (“FCF”) growth**
  - FY20 net revenue of **\$4.5 bn**, net income of **\$808.1 mm** (including one-time transaction expenses of \$44.4 mm), Adjusted EBITDA of **\$2.0 bn** and FCF of **\$1.3 bn** (before one-time transaction expenses)
  - 1Q21 net revenue of **\$1.1 bn**, net income of **\$199.2 mm** (including one-time transaction expenses of \$1.2 mm), Adjusted EBITDA of **\$572.6 mm** and FCF of **\$484.6 mm** (before one-time transaction expenses)
- **Capital allocation focused on driving shareholder returns**
  - FY20 paid down **~\$1.0 bn** in debt and returned **~\$383 mm** to shareholders in the form of share repurchases and dividends
  - 1Q21 paid down **~\$75 mm** in debt and returned **~\$151 mm** to shareholders in the form of share repurchases and dividends
- **Leading industry consolidator with proven ability to extract value from M&A activities**
  - Completed highly accretive acquisition of Tribune Media (NYSE: TRCO) for **\$7.2 bn** in 3Q19
    - Recurring cash distribution from **31%** interest in TV Food Network offsets historical Q1 seasonality
    - Upsized and overachieved year one synergies of **\$185 mm**
  - In 2020, NXST closed on the sale / purchase of stations with FOX, netting after tax proceeds of **~\$240 mm** for debt reduction and corporate purposes
  - In 2020, completed the accretive acquisitions of WPIX-TV\* and digital consumer product recommendations company BestReviews
- **Disciplined management team with history of operational excellence and strong record of delivering shareholder value**
  - Accretive M&A, growing dividend, opportunistic share repurchases and leverage reduction
  - Ongoing focus on expense management and capital structure
  - CEO / CFO placed 1<sup>st</sup> in the 2018, 2019 and 2020 Institutional Investor All America Executive Team survey for the TMT sectors
  - Over the last five years, NXST share price performance has significantly outpaced our peer group, the Dow Jones, S&P 500 and Russell 3000 indices

# Largest Local Affiliate Broadcast Group by U.S. TV Household Reach

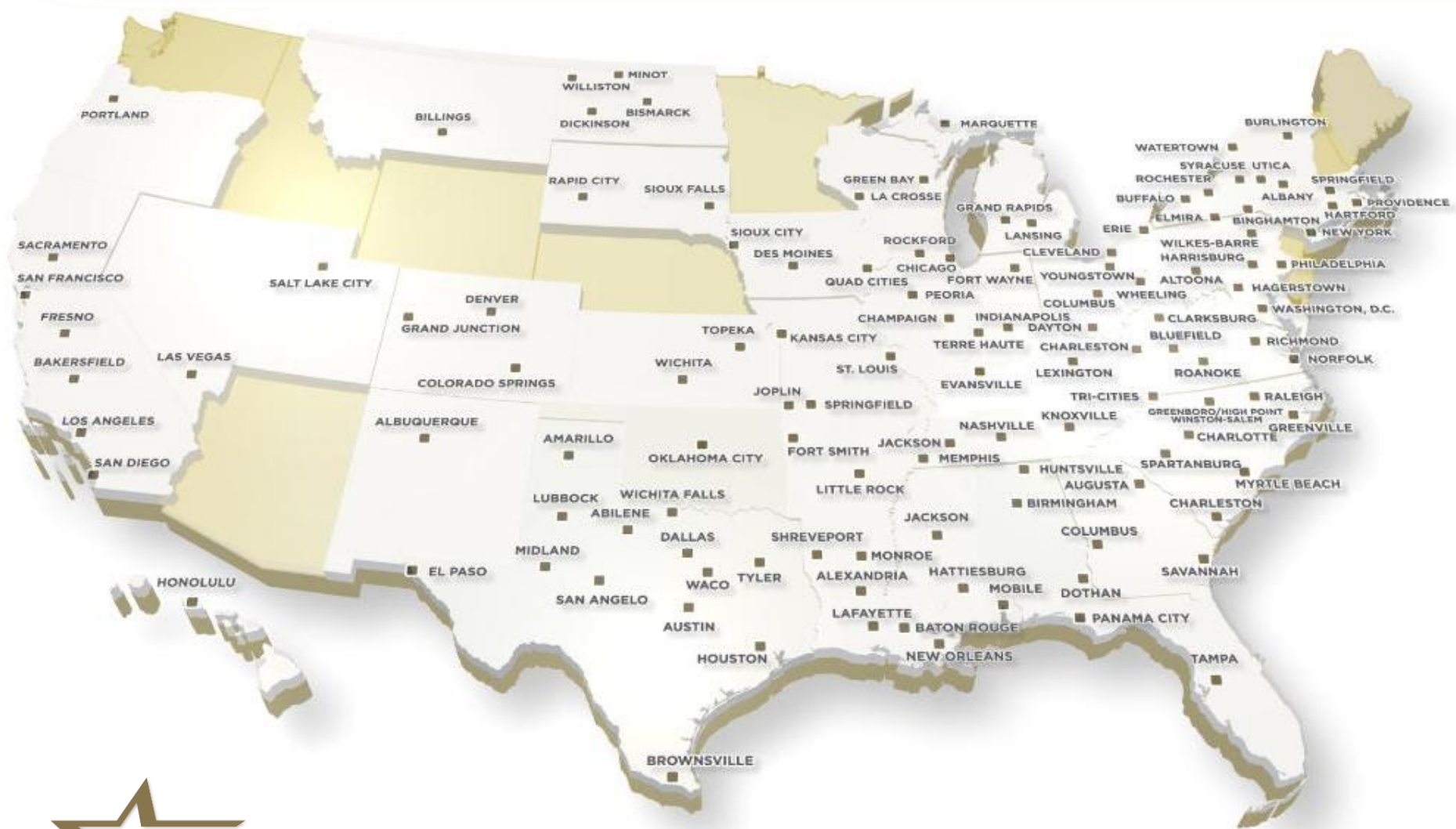
#1 local broadcast TV affiliate station group and one of the largest producers and distributors of local news, lifestyle, sports and network programming

% of U.S. Television Households Reached, Inclusive of UHF Discount



Company filings and SNL Kagan. Pro forma for all transactions announced to date.  
Includes both Nexstar-owned stations and stations to which Nexstar provides services pursuant to contractual agreements

# Superior Geographic Diversification and Scale



**198** *Local & Network Affiliated TV Stations<sup>1</sup>*

**116** *U.S. Markets*

**460** *Local Websites and Mobile Apps*

**40** *U.S. States*



(1) Includes both Nexstar-owned stations and stations to which Nexstar provides services pursuant to contractual agreements.



# Strong Local Television Brands with Leading Local News and Content

Award-winning journalism, top-rated network programming and premium local and regional multi-platform marketing opportunities



17

*Top 25 U.S. Television Markets*

~82.5

*Million U.S. TV Households*

+270,000

*Hours of Local Content Annually*

~94

*Million Unique Users*

32

*State Capital News Bureaus*

~5,500

*Local Multi-Media Journalists*

+1,400

*Combined Sales Personnel*

# Launch of NewsNation, WGN America's Primetime National Newscast

NewsNation draws on the local, regional, and national expertise of Nexstar's 5,500 journalists in local newsrooms across the country



- NXST launched its primetime national newscast, *NewsNation*, on Sept. 1, 2020
- WGN America was rebranded as NewsNation and expanded its programming on March 1, 2021
- *NewsNation* airs daily, in primetime from 6 p.m. to 11 p.m. ET and reaches ~75 million television households across the country
- The broadcast delivers news reporting that is fact-based, impactful, and unbiased
- *NewsNation's* team of reporters and producers also delivers news twenty-four hours a day online through *News Nation's* mobile app, NewsNationNow
- *NewsNation's* anchor teams and correspondents feature award-winning journalists
- Excluding one-time capital expenditures of ~\$20 million, the ongoing operations of *NewsNation* will be cost-neutral as it replaces existing syndicated programming on WGN America
- *News Nation* creates another opportunity for monetization and revenue diversification

# 2020: Record Financial Results

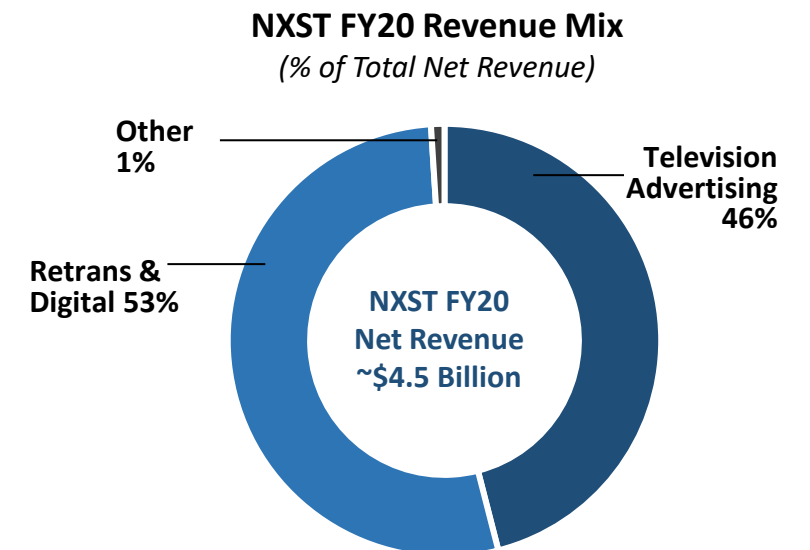
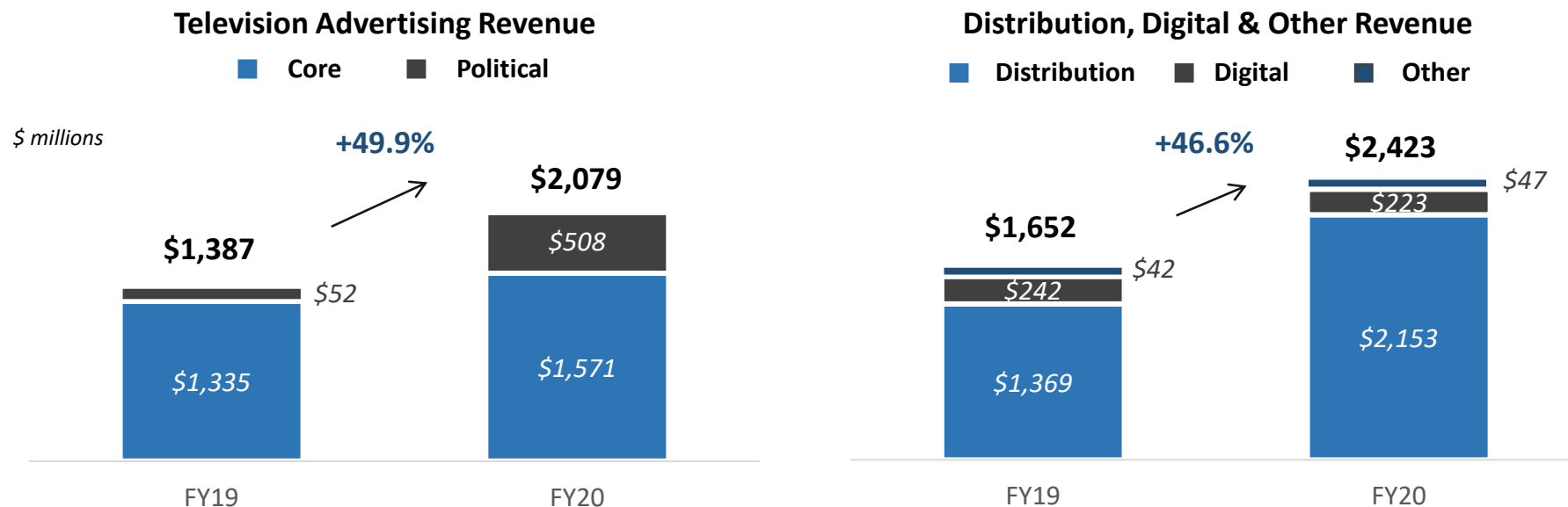
## NXST Generated Record 2020 Financial Results

### NXST 2020 Financial Results Y/Y and Political Even-Year Comparison<sup>1,2</sup>

	12M Ended Dec. 31 (in millions)			12M Change (%)	
	2020	2019	2018	'20 vs. '19	'20 vs. '18
Net Revenue	\$4,501.3	\$3,039.3	\$2,766.7	+48.1%	+62.7%
Net Income	\$808.1	\$236.3	\$388.3	+242.0%	+108.1%
Adjusted EBITDA <i>(Before 1x Transaction Exp.)</i>	\$1,995.6	\$972.3	\$1,031.9	+105.3%	+93.4%
Adjusted EBITDA	\$1,951.2	\$898.1	\$1,023.4	+117.2%	+90.7%
Free Cash Flow <i>(Before 1x Transaction Exp.)</i>	\$1,304.6	\$520.9	\$692.7	+150.5%	+88.3%
Free Cash Flow	\$1,280.1	\$439.5	\$684.2	+191.3%	+87.1%

- NXST generated record net revenue, Adjusted EBITDA and free cash flow in 2020
- Though guidance was suspended, NXST full year 2020 free cash flow was ultimately in line with pre-pandemic expectations
- NXST lowered YE20 total net leverage to 3.6x, in line with previously stated goal of reaching high 3.0x by YE20

## NXST 2020 Revenue Growth





# 2020 Highlights: Operations, Capital Structure, Leverage Reduction & Return of Capital

- **Record FY20 revenue, broadcast cash flow, adjusted EBITDA and free cash flow** primarily reflecting the realization of Tribune synergies, distribution agreement renewals executed in 2H19 and strong political advertising revenue
  - Achieved free cash flow budget and June 2019 forecast despite affects of pandemic
  - FY20 adjusted EBITDA and free cash flow include ~\$224mm in distributions from equity investments related to **NXST's 31% ownership in the TV Food Network**
- NXST implemented a range of COVID-related cost-cutting initiatives throughout 2020 which resulted in **operating and corporate expense savings of \$75 mm** from budgeted levels without furloughs, staff reductions or pay cuts
- In FY20, NXST allocated ~**\$1.0 bn in funds from operations and investments toward debt reduction**, lowering its first lien net leverage ratio from 3.52x at year-end 2019 to 2.28x at December 31, 2020; total net leverage ratio at December 31, 2020 was 3.6x, compared to 5.18x at year-end 2019
- In FY20, **NXST returned \$101 mm to shareholders in the form of dividends** and **allocated \$282 mm of cash from operations to opportunistically repurchase ~2.4 mm NXST shares**, reducing its basic share count to ~43 mm outstanding class A common shares
- **NXST completed the purchase and sale agreements with Fox**, whereby NXST purchased the WJZY (FOX) and WMYT (MyNetworkTV) in Charlotte, and divested KCPQ (FOX) and KZJO (MyNetworkTV) in Seattle and WITI (FOX) in Milwaukee for **net after tax proceeds of ~\$240 mm**
- NXST reached settlement with Sinclair, resolving the outstanding litigation inherited in the Tribune transaction
  - As part of the resolution, Sinclair agreed to **sell NXST WDKY-TV in Lexington, KY and the non-license assets of KGBT-TV in Harlington, TX**, in addition to making a **cash settlement payment of ~\$98 mm** to NXST
- Completed the **accretive acquisitions of WPIX-TV\*** and digital consumer product recommendations company **BestReviews** in December 2020
- NXST launched **the News Nation prime-time newscast on September 1, 2020**, which reaches ~75 mm U.S. TV households and is complemented by the 24/7 mobile news app, newsnationnow.com

# 2020 Highlights: Capital Markets Transactions / Strategic Operational Alignment

- **NXST completed two capital market transactions that allowed the Company to eliminate its most expensive debt while extending maturities**
  - NXST and Mission entered into an **incremental secured revolving credit facility** in an aggregate principal amount of **\$280 mm**, of which \$250 mm was allocated to Mission and \$30 mm allocated to NXST
  - NXST completed the **offering of \$1 bn of 4.75% senior notes due 2028** and used the net proceeds to redeem in full its \$900 mm 5.625% senior notes due 2024 and to pay related premiums, accrued and unpaid interest, and fees and expenses, with the remainder available for general corporate purposes
  - The resulting interest expense savings, combined with the declining borrowings and attractive rate environment, will allow NXST to de-lever while affording the financial flexibility to act on other opportunities to enhance shareholder value
- **NXST combined Nexstar Broadcasting and Nexstar Digital subsidiaries to drive synergies, create operational efficiencies, reduce expenses and enhance financial results**
  - In October, NXST **promoted Tom Carter** to President and Chief Operating Officer, while he retains his current responsibilities as Chief Financial Officer
    - During his 11 year tenure, he has played a major role in executing the Company's growth plan through the completion and successful integration of accretive acquisitions which have significantly expanded NXST's free cash flow and operating portfolio while cementing the Company's position as the nation's largest local television broadcaster
  - In November, **NXST combined its two primary operating subsidiaries**, merging Nexstar Digital LLC, and Nexstar Broadcasting, Inc. creating a new single operating subsidiary, Nexstar Inc.
    - New operational structure aligns the Company's national leadership in local content production with its broadcasting and digital management teams to maximize the value of NXST's media content, national reach and significant consumer digital usage across multiple platforms
    - NXST will strengthen its focus on distributing content consumers want most, delivered the way they prefer to consume it, which the Company believes will drive near- and long-term operating results and improvements
    - NXST expects a **mid-seven figure expense savings in 2021** as a result of the synergies, efficiencies, and streamlined reporting structure resulting from this realignment

# 2021: Record First Quarter Financial Results

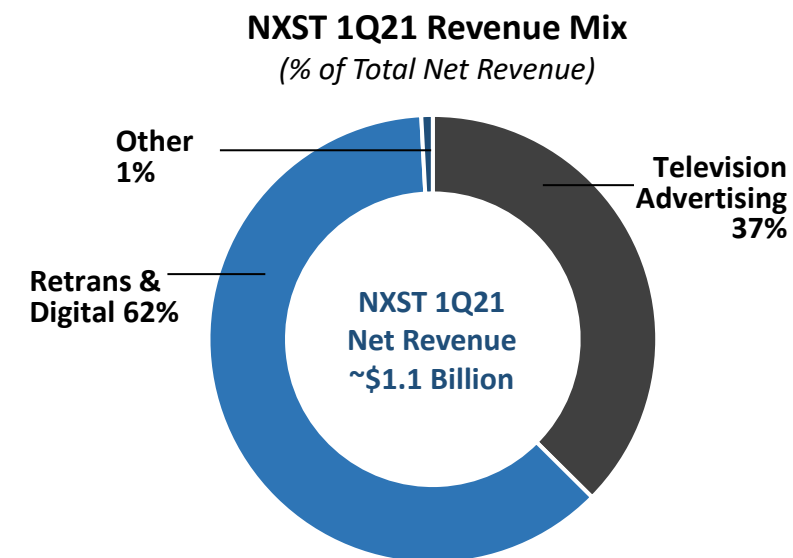
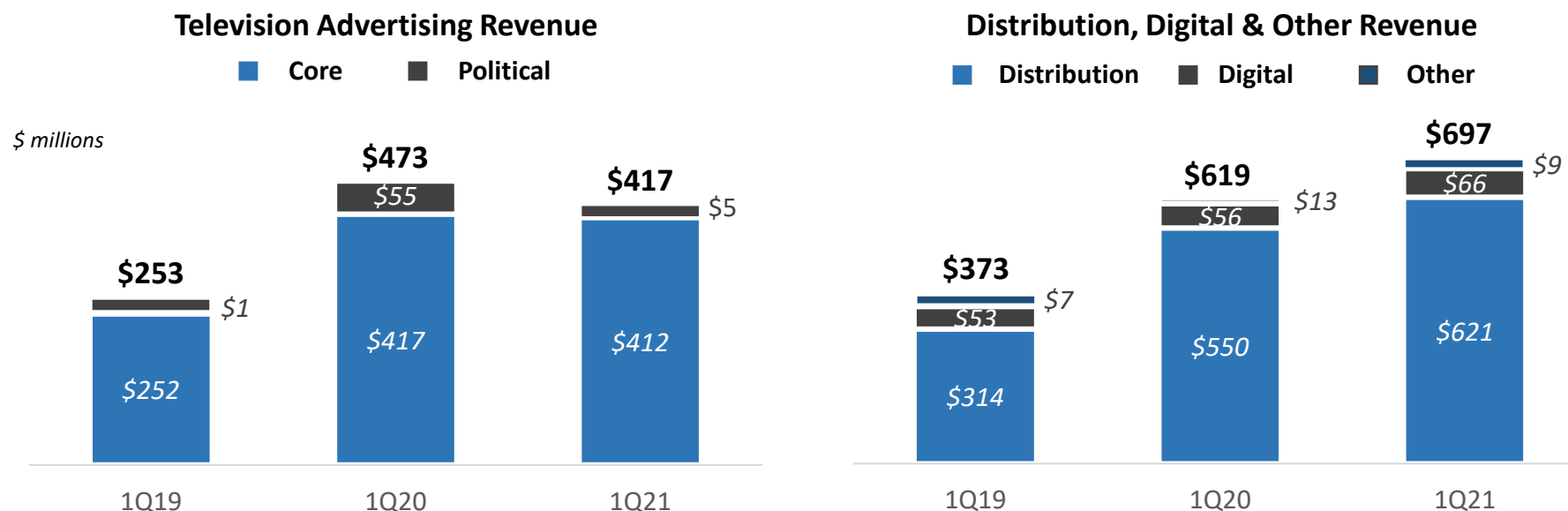
## NXST Generated Record First Quarter Financial Results in 2021

### NXST 2021 Financial Results Y/Y and Non-Political Odd-Year Comparison<sup>1,2</sup>

	3M Ended Mar. 31 (in millions)			3M Change (%)	
	2021	2020	2019	'21 vs. '20	'21 vs. '19
Net Revenue	\$1,113.9	\$1,091.8	\$626.6	+2.0%	+77.8%
Net Income	\$199.2	\$157.7	\$56.9	+26.3%	+250.1%
Adjusted EBITDA <i>(Before 1x Transaction Exp.)</i>	\$572.6	\$565.2	\$183.8	+1.3%	+211.5%
Adjusted EBITDA	\$571.4	\$557.2	\$178.4	+2.5%	+220.3%
Free Cash Flow <i>(Before 1x Transaction Exp.)</i>	\$484.6	\$430.4	\$125.8	+12.6%	+285.2%
Free Cash Flow	\$483.5	\$423.0	\$120.4	+14.3%	+301.6%

- NXST's record first quarter net revenue reflects double-digit digital and distribution revenue and a continued recovery in core advertising
- NXST's record first quarter Adjusted EBITDA and free cash flow include ~\$178 mm in cash distributions from NXST's 31.3% ownership stake in TV Food Network
- NXST lowered total net leverage to 3.4x, compared to 3.6x at year-end 2020

## NXST First Quarter 2021 Revenue Growth



# 2021 YTD Highlights: Operations, Capital Structure, Leverage Reduction & Return of Capital

- **Record 1Q21 revenue, broadcast cash flow, adjusted EBITDA and free cash flow** primarily reflecting double-digit digital and distribution revenue and a continued recovery in core advertising, which offset the year-over-year decline in cyclical political advertising revenue
  - 1Q21 adjusted EBITDA and free cash flow include ~\$178mm in distributions from equity investments related to **NXST's 31% ownership in the TV Food Network**
- In 1Q21, NXST allocated **~\$75 mm in funds from operations and investments toward debt reduction**, lowering its first lien net leverage ratio from 2.28x at year-end 2020 to 2.14x at March 31, 2021; total net leverage ratio at March 31, 2021 was 3.4x, compared to 3.6x at year-end 2020
- In 1Q21, **NXST returned \$30.4 mm to shareholders in the form of dividends and allocated \$121 mm of cash from operations to opportunistically repurchase 808,530 NXST shares**, reducing its basic share count to ~43 mm outstanding class A common shares
  - In early 2021, NXST's Board of Directors **approved a 25% increase in the quarterly cash dividend to \$0.56 per share** beginning in 1Q21, marking the eighth annual consecutive rise in its cash dividend
  - In early 2021, NXST's Board of Directors also **approved an additional \$1.0 bn share repurchase authorization**, reflecting the attractiveness of NXST's free cash flow yield and a potential acceleration of share repurchases as leverage moderates and large-scale acquisitions become more scarce given current regulations
- **NXST reiterated its pro-forma average annual free cash flow guidance of approximately \$1.27 billion over the 2021/2022 cycle**
- In March 2021, **NXST had a ratings review with S&P which resulted in a one-notch upgrade on our Corporate Issuer rating to BB; a two-notch upgrade to BBB- on NXST's Secured Debt rating and a one-notch upgrade on NXST's Unsecured Bond rating to B+**
  - S&P's commentary centered on the rapid deleveraging exhibited post-Tribune acquisition and improved economic recovery
- Announced the promotion of experienced media executive Andy Alford to President of Broadcasting Division, effective June 1, 2021. Mr. Alford will replace Tim Busch who is retiring after serving NXST for more than 20 years
- In March 2021, NXST rebranded WGN America as NewsNation and expanded its news and talk programming line-up to five hours



# Growth in NXST Retransmission Revenue

TV ratings and programming cost analysis supports continued growth in retransmission fee revenues given broadcast's strong viewership trends compared to basic cable

## SNL Kagan Programming Cost Estimates

	2015	2016	2017	2018	2019	2020
<b>Broadcast</b>	\$ 6.4	\$ 8.0	\$ 9.4	\$ 10.6	\$ 11.7	\$ 12.8
<b>Basic Cable</b>	\$ 36.3	\$ 38.0	\$ 39.5	\$ 41.0	\$ 42.6	\$ 44.3
<b>RSN</b>	\$ 5.2	\$ 5.5	\$ 5.8	\$ 6.2	\$ 6.6	\$ 6.8
<b>Total</b>	\$ 47.9	\$ 51.5	\$ 54.7	\$ 57.8	\$ 60.9	\$ 63.9

<b>Broadcast as % of Total</b>	13.4%	15.5%	17.2%	18.3%	19.2%	20.0%
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- NXST led industry in securing retransmission consideration beginning in 2005
- Acceleration in retransmission revenue post-contract renewal cycle highlights ability to negotiate favorable rates which also leads to competitive advantages in deriving value from station acquisitions
  - Distribution revenues: FY20 \$2.2 bn (+57.3% Y/Y)
  - ~70% of sub base repriced in 2019, ~18% of sub base repriced in 2020

## Comscore TV Essentials Ratings Data<sup>1</sup>

	Ratings	Share of Total %
<b>Total Broadcast (8 Networks)</b>	10.81	35%
<b>Total Cable (196 Basic Cable Nets)</b>	19.88	65%
<b>Total Ratings</b>	30.69	

	Ratings	Relative Share to Basic Cable Nets (%)
<b>CBS</b>	2.74	12%
<b>NBC</b>	2.57	11%
<b>ABC</b>	2.55	11%
<b>FOX</b>	1.31	6%
<b>The CW</b>	0.47	2%
<b>Univision</b>	0.46	2%
<b>Telemundo</b>	0.43	2%
<b>MyNetwork</b>	0.29	1%
<b>Total Broadcast</b>	10.81	35%

<sup>1</sup> Q3 2019 data

# Growth in NXST Political and Issue Advertising

- NXST significantly exceeded its 2020 full year political revenue guidance, generating \$507 million in political advertising revenue
- NXST is well positioned headed into the 2022 mid-term election cycle with a strong presence in markets with key races
- House race 435 seats total; 88 competitive races total
  - Broad exposure to races in NXST markets
  - 75 competitive races in states where NXST has presence
- Senate race 34 seats total; 9 competitive races total
  - 29 total races in NXST markets
  - 7 competitive races in NXST markets
- Gubernatorial elections 38<sup>1</sup> total; 15 competitive races total
  - 29 total races in NXST markets
  - 12 competitive races in NXST markets



2022 Senate Races (34 Total Races; 29 in NXST Markets)			2022 Gubernatorial Races (38 Total Races; 29 in NXST Markets)		
Market	Incumbent	Party	Market	Incumbent	Party
Alabama	Open*	R	Alabama	Ivey	R
Arkansas	Boozman	R	Arkansas	Open*	R
California	Padilla	D	California	Newson	D
Colorado	Bennet	D	Colorado	Polis	D
Connecticut	Blumenthal	D	Connecticut	Lamont	D
Florida	Rubio	R	Florida	DeSantis	R
Georgia	Warnock	D	Georgia	Kemp	R
Hawaii	Schatz	D	Hawaii	Open*	D
Illinois	Duckworth	D	Illinois	Pritzker	D
Indiana	Young	R	Iowa	Reynolds	R
Iowa	Grassley	R	Kansas	Kelly	D
Kansas	Moran	R	Maryland	Open*	R
Kentucky	Paul	R	Massachusetts	Baker	R
Louisiana	Kennedy	R	Michigan	Whitmer	D
Maryland	Van Hollen	D	Nevada	Sisolak	D
Missouri	Open*	R	New Mexico	Lujan Grisham	D
Nevada	Cortez-Masto	D	New York	Cuomo	D
New York	Schumer	D	Ohio	DeWine	R
North Carolina	Open*	R	Oklahoma	Stitt	R
North Dakota	Hoeven	R	Oregon	Open*	D
Ohio	Open*	R	Pennsylvania	Open*	D
Oklahoma	Lankford	R	Rhode Island	McKee	D
Oregon	Wyden	D	South Carolina	McMaster	R
Pennsylvania	Open*	R	South Dakota	Noem	R
South Carolina	Scott	R	Tennessee	Lee	R
South Dakota	Thune	R	Texas	Abbott	R
Utah	Lee	R	Vermont	Scott	R
Vermont	Leahy	D	Virginia	Open*	D
Wisconsin	Johnson	R	Wisconsin	Evers	D

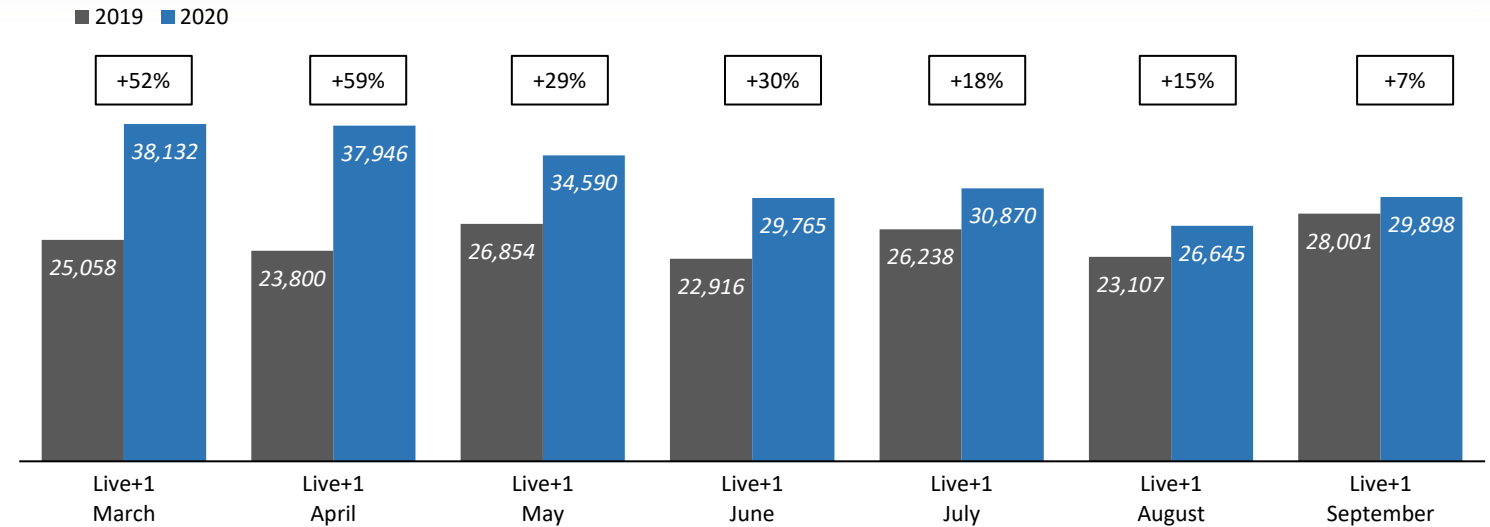
\*Senators Richard Shelby (AL), Rob Portman (OH), Richard Burr (NC), Pat Toomey (PA) have announced they will not be seeking re-election.  
Incumbents for open gubernatorial races cannot seek reelection due to term limits.

<sup>1</sup>The Virginia and New Jersey gubernatorial elections take place on November 2, 2021.

# Growth in Local Broadcast TV News Viewership and NXST Digital User Engagement

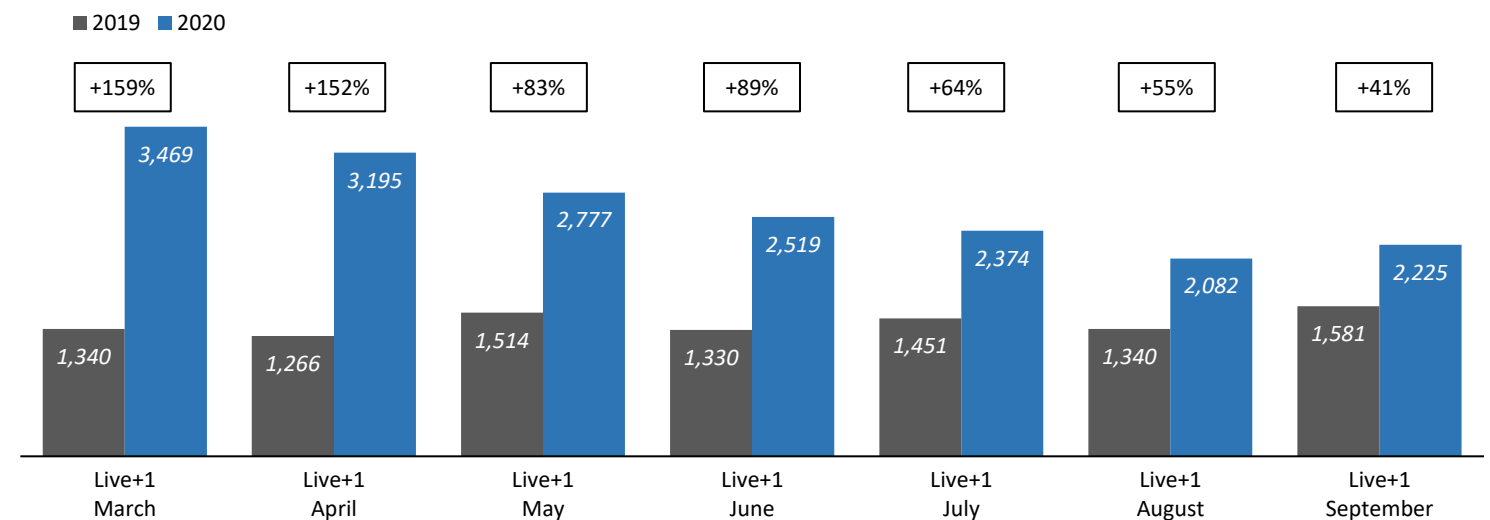
- Local broadcast television remains an essential source for critical information and updates on the coronavirus, as well as a key source of entertainment
- Local broadcast television evening news viewership among adults and millennials age 18 to 34 remains impressively high, even as markets reopen
- Nexstar's digital network delivered record growth and audience engagement in 2020, ranking #1 in local news for every month of the year (Source: Comscore)
- Nexstar's digital network reached all-time highs across key performance indicators in 2020 (Source: Comscore):
  - Average monthly users of 91 million
  - Total pageviews of 7.8 billion
  - Total multiplatform minutes of 10.4 billion
  - Total digital video views of 1.6 billion

**Age 18+ Local Broadcast TV Evening News Viewership (Live +1) Average Cumulative Weekly Impressions (000) and Percent Increase vs. 2019**



Source: TVB, Nielsen, NLTV, monthly average of weekly cumulative impressions in the 25 LPMs. M-F Local News: M-F 4-8p. ABC, CBS, CW, Fox, NBC, Tel, Uni

**Age 18-34 Local Broadcast TV Evening News Viewership (Live +1) Average Cumulative Weekly Impressions (000) and Percent Increase vs. 2019**

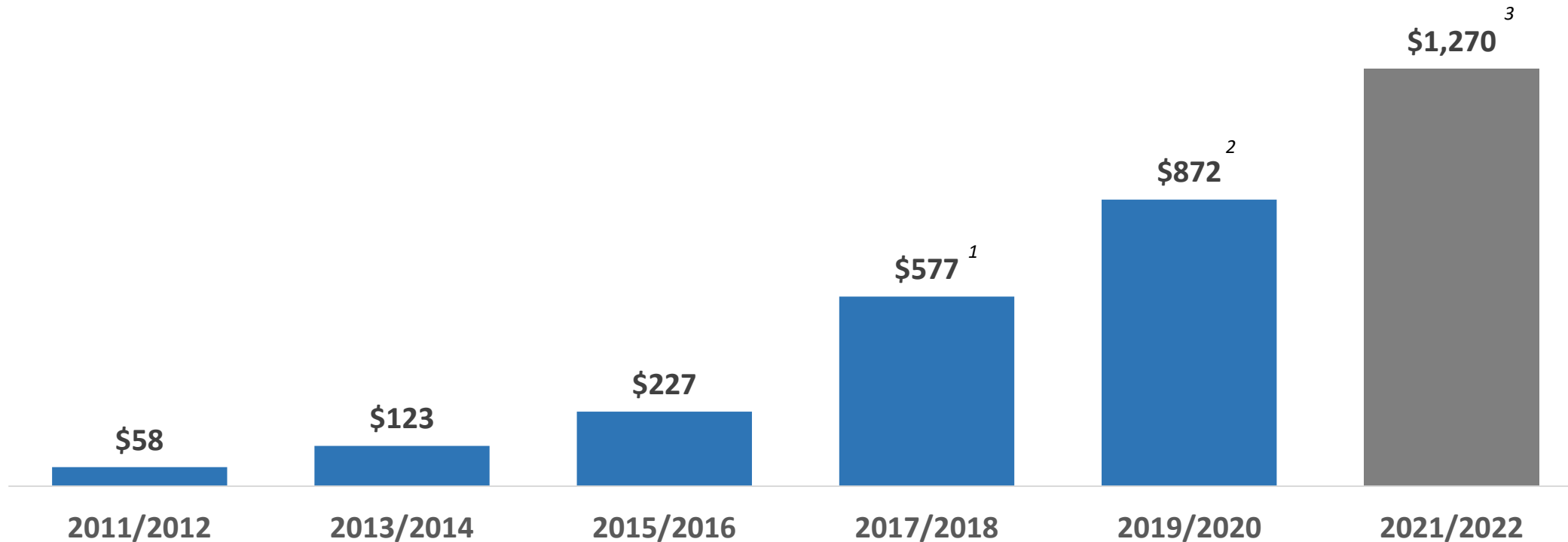


Source: TVB, Nielsen, NLTV, monthly average of weekly cumulative impressions in the 25 LPMs. M-F Local News: M-F 4-8p. ABC, CBS, CW, Fox, NBC, Tel, Uni

# Significant Pro Forma FCF Growth

(\$ in millions)

## NXST Average Annual Free Cash Flow Growth (FY) Based on Two-Year Cycles



<sup>1</sup> Reported average annual free cash flow before transaction expenses in the twenty-four month period 2017/2018

<sup>2</sup> Reported average annual free cash flow before transaction expenses in the twenty-four month period 2019/2020

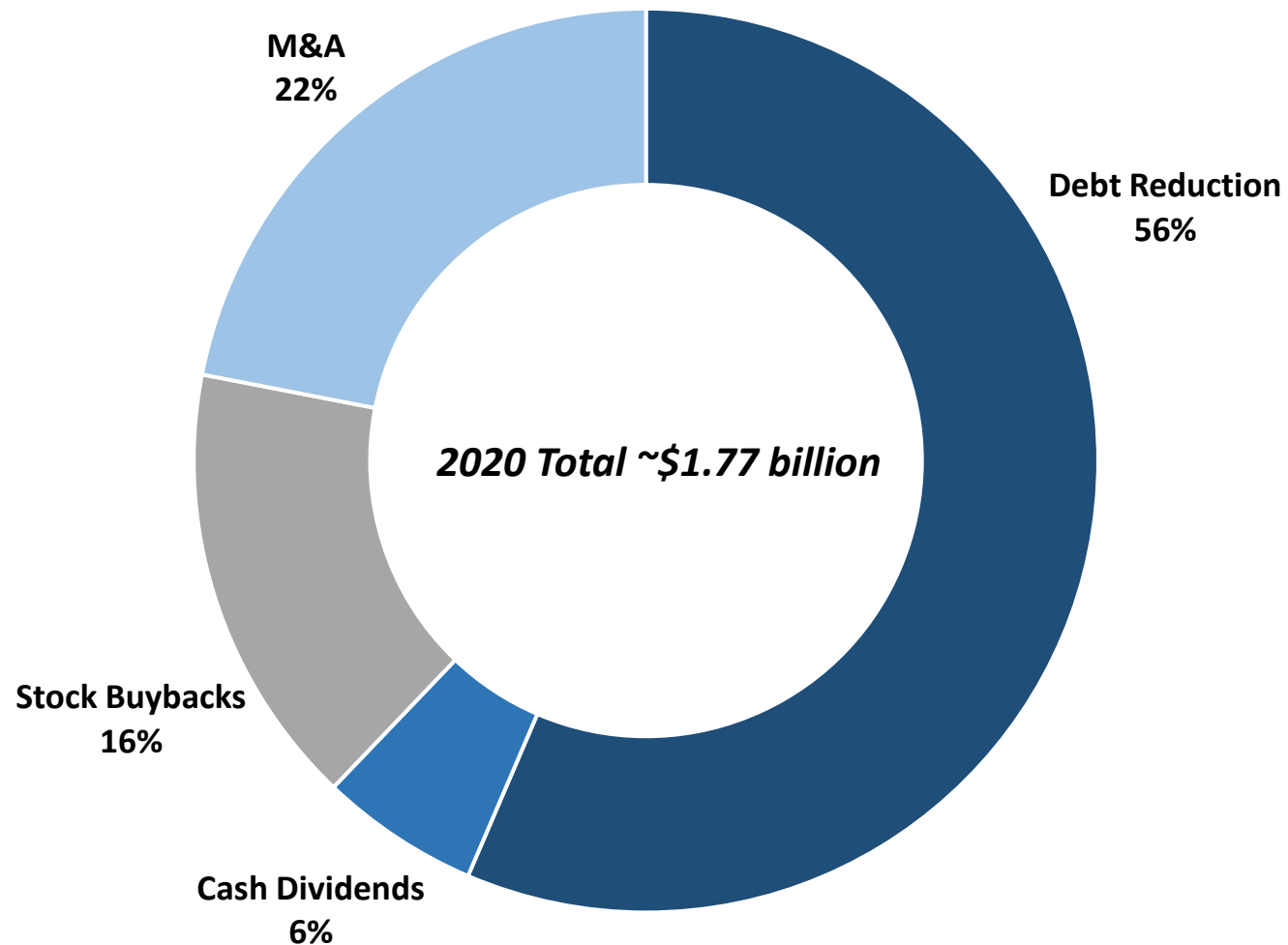
<sup>3</sup> Estimated average annual free cash flow before transaction expenses in the twenty-four month period 2021/2022

- Management reinstated guidance and expects to generate pro-forma average annual free cash flow of ~\$1.27 bn over the 2021/2022 cycle
- Reflecting 2020 and 2021 share repurchase activity, NXST has ~43 mm shares outstanding at March 31, 2021
- Debt reduction and return of capital to shareholders (through dividend payments and share repurchases) are priorities, along with the potential opportunistic accretive M&A



# Prudent Allocation of Capital

**NXST 2020 Capital Allocation Mix (%)**



- NXST brought ~**28%** of every net revenue dollar to the free cash flow line in 2020, allowing the Company to strategically deploy cash in a manner that is consistent with its commitment to leverage reduction and shareholder returns

## Sources of Capital:

(in millions)

Operating free cash flow	\$ 1,280
After-tax proceeds from divestitures / litigation settlements	\$ 320
Mission borrowings and asset conversions	\$ 140
Other	\$ 30
<b>TOTAL</b>	<b>\$ 1,770</b>

## Uses of Capital:

(in millions)

Debt reduction	\$ 1,000
Complementary accretive acquisitions	\$ 389
Opportunistic share repurchases	\$ 282
Quarterly cash dividends	\$ 101
<b>TOTAL</b>	<b>\$ 1,770</b>

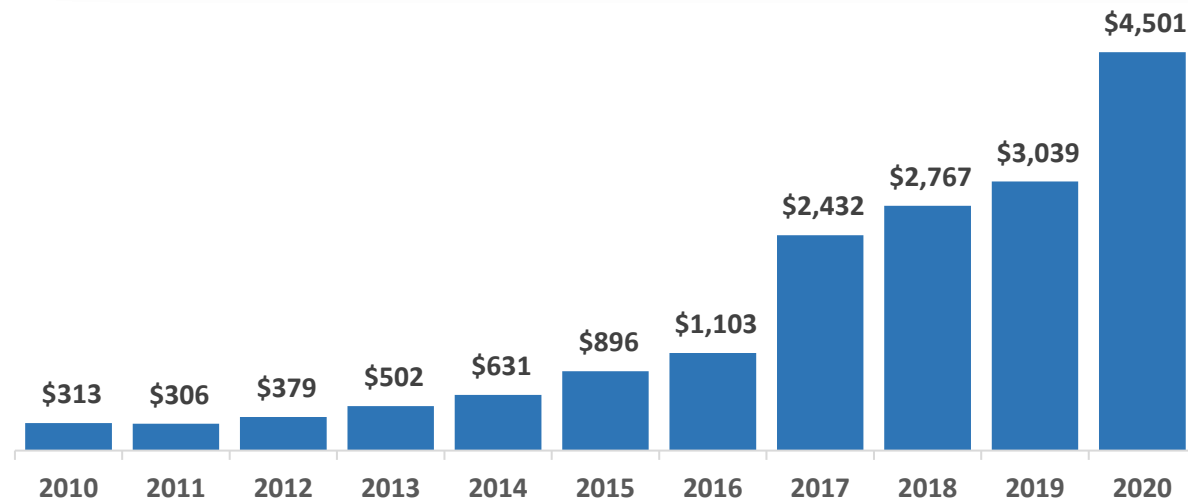
- Despite the pandemic, NXST's total net leverage at year-end 2020 was 3.60x, compared to 5.18x at year-end 2019 and in-line with the Company's previously stated goal of reaching high-3x by year-end 2020

# Local Leadership Combined with Disciplined Operating Strategies Driving Record FCF

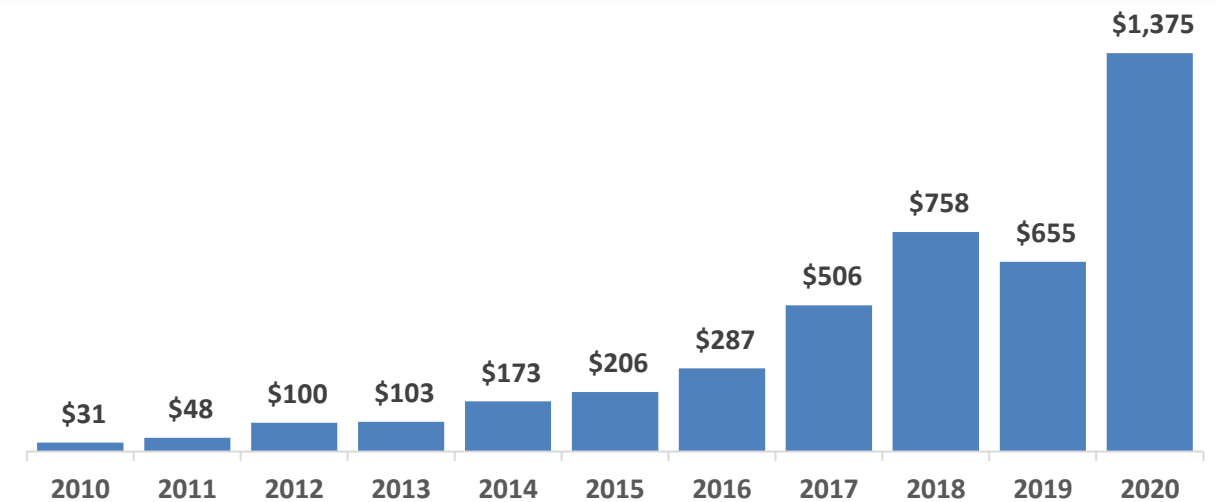
- **Continued growth of non-core revenue channels**
  - **Political:** NXST exceeded its 2020 full year political revenue guidance, generating \$507 million in political advertising revenue
  - **Retransmission:** Contract renewals for >200 agreements in last three years
    - Repriced ~70% of sub base in 2019 with ~18% repriced in 2020
    - Agreements with ABC / FOX / CBS / NBC include equally attractive economics for OTT platforms
  - **Digital:** Profitable growth of station-level and Nexstar Digital platform
    - New revenue applications / monetization of mobile leading to growth in continuing operations
- **Strong operating fundamentals, accretive M&A, share repurchases and balance sheet driving record FCF**
  - NXST reinstated guidance and expects to generate pro-forma average annual free cash flow of ~\$1.27 billion over the 2021/2022 cycle
- **Highly accretive Tribune Media acquisition proving to be a strategically / financially compelling growth opportunity**
  - Created largest US broadcast television affiliate station group with leading digital media platform
  - Positions NXST to more effectively compete with other media and innovate
  - Further diversifies affiliation mix and increases Nexstar's attractiveness as a network partner
  - Upsized and overachieved year one synergies of \$185 million
  - Generating significant average annual pro forma FCF growth
- **Financial capacity / flexibility to reduce leverage while returning capital to shareholders**
  - Cash dividend increase of 25% to \$2.80 annually in 2021, marking eighth annual consecutive increase
  - Opportunistic share repurchases of ~750,000 shares in 2018, ~440,000 shares in 2019, ~2,400,000 shares in 2020 and ~808,500 shares in 1Q21
  - ~\$1.05 billion remains under NXST's share repurchase authorization as of March 31, 2021, including the \$1.0 billion new share repurchase program authorized by the Board of Directors on January 27, 2021
  - Reported total net leverage ratio at March 31, 2021 was ~3.4x, while NXST's senior leverage ratio was 2.14x versus a 4.25x covenant
- **FCC's proposed rulemaking to modernize ownership rules and facilitate the voluntary adoption of new ATSC 3.0 standards for innovative Next Gen TV services would result in stronger competitive positioning for broadcast TV industry**
  - Potential new long-term revenue opportunities through the development of ATSC 3.0 related products/services

# Historical Financial Summary (in millions)

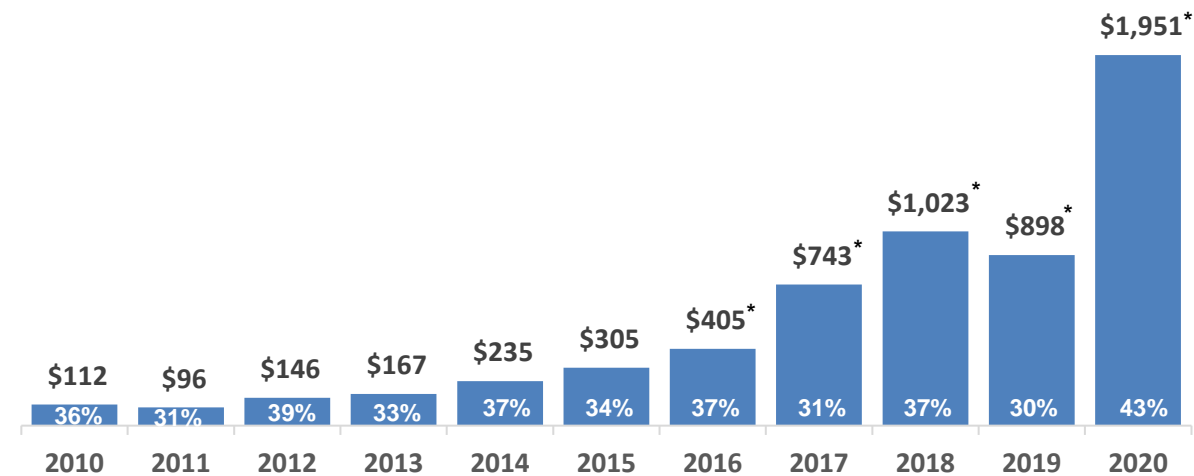
FY Net Revenue



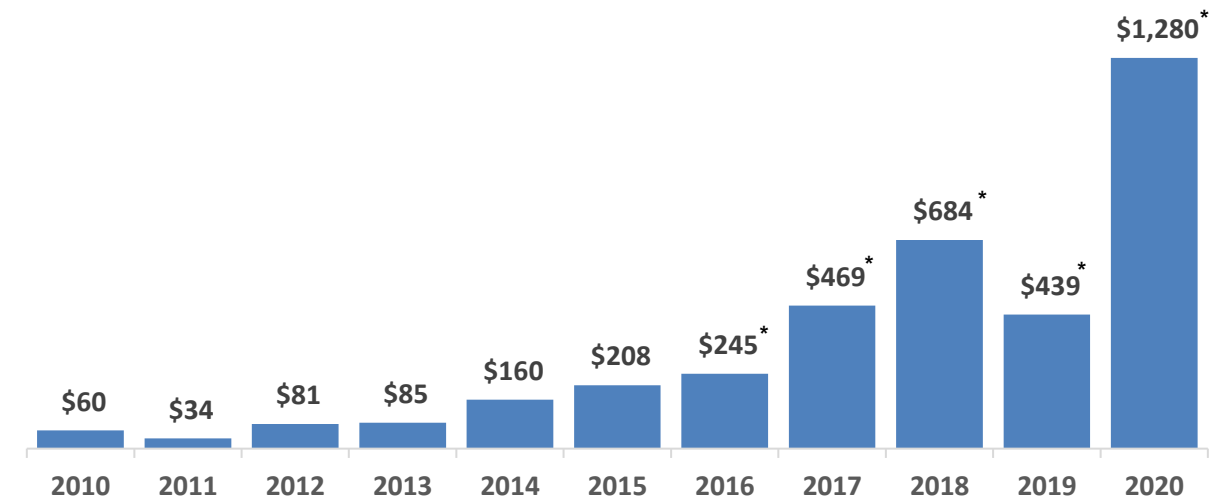
FY Income From Operations



FY Adjusted EBITDA<sup>(1)</sup>



FY Free Cash Flow<sup>(1)</sup>



<sup>1)</sup> Definitions and disclosures regarding non-GAAP financial information can be located in the Company's Fourth Quarter 2020 Financial Results press release dated February 23, 2020

\*Reported Adjusted EBITDA and Free cash flow including transaction expenses in the twelve month period ended December 31 of \$44.4 million in 2020, \$74.1 million in 2019, \$8.5 million in 2018, \$58.9 million in 2017 and \$8.9 million in 2016. 2020 Adjusted EBITDA and FCF includes \$223.7 million of cash distributions from Nexstar's 31% ownership of TV Food Network. Adjusted EBITDA before transaction expenses in the twelve month period ended December 31 was \$1,995.6 million (44.0% margin) in 2020, \$972.3 million (32.0% margin) in 2019, \$1,031.9 million (28.6% margin) in 2018, \$802.2 million (33.0% margin) in 2017 and \$414.3 million (37.6% margin) in 2016

Free cash flow before transaction expenses in the twelve month period ended December 31 was \$1,304.6 million in 2020, \$520.9 million in 2019, \$692.7 million in 2018, \$528.0 million in 2017 and \$253.6 million in 2016

# Summary 1Q21 Financial Results

## Summary 1Q21 Financial Highlights

(\$ in thousands)

Core advertising revenue

Political revenue

**Total Advertising revenue**

Distribution fee revenue

Digital revenue

Other revenue

**Net revenue**

**Income from operations**

**Net (loss) income**

**Adjusted EBITDA before one-time transaction expenses**

**Adjusted EBITDA**

**Adjusted EBITDA margin<sup>1</sup>**

**Free cash flow before one-time transaction expenses**

**Free cash flow**

### Three Months Ended March 31

2021	2020	Change
\$411,714	\$417,379	(1.4)%
\$5,408	\$55,341	(90.2)%
<b>\$417,122</b>	<b>\$472,720</b>	(11.8)%
\$621,235	\$549,716	+13.0%
\$66,390	\$56,440	+17.6%
\$9,184	\$12,946	(29.1)%
<b>\$1,113,931</b>	<b>\$1,091,822</b>	+2.0%
<b>\$284,920</b>	<b>\$305,015</b>	(6.6)%
<b>\$199,190</b>	<b>\$157,694</b>	+26.3%
<b>\$572,575</b>	<b>\$565,173</b>	+1.3%
<b>\$571,377</b>	<b>\$557,736</b>	+2.4%
<b>51.3%</b>	<b>51.1%</b>	
<b>\$484,649</b>	<b>\$430,400</b>	+12.6%
<b>\$483,451</b>	<b>\$422,963</b>	+14.3%

For a reconciliation of non-GAAP financial measurements, please see the supplemental tables at the end of Nexstar's second quarter financial results press release dated February 23, 2021

For detailed disclosure, please see Company's Annual Report on Form 10-K for the twelve month period ended December 31, 2020



# Debt / Leverage Analysis

	TTM ENDED					3M ENDED
(in millions)	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	3/31/21
Revolver	\$ 2.0	\$ 3.0	\$ 5.6	\$ -	\$ 327.0	\$ 327.0
First Lien Term Loans	662.2	2,791.9	2,407.5	5,860.4	4,559.1	4,483.1
6.875% Sr. Sub Notes	520.7	-	-	-	-	-
6.125% Sr. Sub Notes	272.6	273.0	273.4	-	-	-
5.875% Sr. Sub Notes	-	408.1	406.2	-	-	-
5.625% Sr. Sub Notes	884.9	886.5	888.2	890.0	-	-
5.625% Sr. Sub Notes	-	-	-	1,792.1	1,791.0	1,790.8
4.750% Sr. Sub Notes	-	-	-	-	990.9	991.2
Total Debt	\$ 2,342.4	\$ 4,362.5	\$ 3,980.9	\$ 8,492.5	\$ 7,668.0	\$ 7,592.1
Cash on Hand	\$ 87.7	\$ 115.7	\$ 145.1	\$ 232.1	\$ 152.7	\$ 339.8
Reported EBITDA	\$ 405.5	\$ 802.2*	\$ 1,031.9*	\$ 972.3*	\$ 1,995.6*	\$ 572.6*
Compliance EBITDA	\$ 429.0	\$ 842.9	\$ 1,101.6	\$ 1,608.6	\$ 2,119.6	\$ 2,612.9
<b>Total Leverage:</b>	<b>3.20x</b>	<b>5.06x</b>	<b>3.69x</b>	<b>5.18x</b>	<b>3.60x</b>	<b>3.40x</b>
<b>First Lien Leverage:</b>	<b>1.38x</b>	<b>3.20x</b>	<b>2.07x</b>	<b>3.52x</b>	<b>2.28x</b>	<b>2.14x (versus covenant of 4.25x)</b>
FCF	\$ 244.8	\$ 528.0*	\$ 692.7*	\$ 520.9*	\$ 1,304.6*	\$ 483.5*

\*Before one-time transaction expenses



## **Nexstar Media Group, Inc. Investor Presentation**

Perry A. Sook, Founder, Chairman & CEO  
Tom Carter, President, COO & CFO

**MAY 2021**