

Second Quarter 2024 Earnings Presentation

August 7, 2024

Forward-Looking Statements

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Terms such as “aim,” “anticipate,” “believe,” “confidence,” “contemplate,” “continue,” “conviction,” “could,” “drive,” “estimate,” “expect,” “forecast,” “future,” “goal,” “guidance,” “intend,” “likely,” “may,” “might,” “objective,” “opportunity,” “optimistic,” “outlook,” “plan,” “position,” “potential,” “predict,” “project,” “seek,” “should,” “strategy,” “target,” “will,” “would” or similar statements or variations of such words and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such terms. Forward-looking statements are based upon our current expectations, estimates and assumptions and involve risks and uncertainties that change over time; actual results could differ materially from those predicted by such forward-looking statements. These risks and uncertainties include, but are not limited to: significant competition in all aspects of our business; our ability to grow the size and profitability of our subscriber base; our dependence on user and other metrics that are subject to inherent challenges in measurement; numerous factors that affect our advertising revenues, including market dynamics, evolving digital advertising trends and the evolution of our strategy; damage to our brand or reputation; risks associated with generative artificial intelligence technology; economic, market, geopolitical and public health conditions or other events; risks associated with the international scope of our business and foreign operations; significant disruptions in our newsprint supply chain or newspaper printing and distribution channels or a significant increase in the costs to print and distribute our newspaper; risks associated with environmental, social and governance matters and any related reporting obligations; adverse results from litigation or governmental investigations; risks associated with acquisitions (including The Athletic), divestitures, investments and similar transactions; the risks and challenges associated with investments we make in new and existing products and services; risks associated with attracting and maintaining a talented and diverse workforce; the impact of labor negotiations and agreements; potential limits on our operating flexibility due to the nature of significant portions of our expenses; the effects of the size and volatility of our pension plan obligations; liabilities that may result from our participation in multiemployer pension plans; our ability to improve and scale our technical and data infrastructure; security incidents and other network and information systems disruptions; our ability to comply with laws and regulations with respect to privacy, data protection and consumer marketing and subscription practices; payment processing risk; defects, delays or interruptions in the cloud-based hosting services we utilize; our ability to protect our intellectual property; claims against us of intellectual property infringement; our ability to meet our publicly announced guidance and/or targets; the effects of restrictions on our operations as a result of the terms of our credit facility; our future access to capital markets and other financing options; and the concentration of control of our company due to our dual-class capital structure.

More information regarding these risks and uncertainties and other important factors that could cause actual results to differ materially from those in the forward-looking statements is set forth in the Company’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2023, and subsequent filings. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

This presentation refers to certain non-GAAP financial measures, including adjusted operating profit, defined as operating profit before depreciation, amortization, severance, multiemployer pension plan withdrawal costs and special items; adjusted operating profit margin, defined as adjusted operating profit divided by revenues; adjusted operating costs, defined as operating costs before depreciation, amortization, severance and multiemployer pension plan withdrawal costs and special items; adjusted diluted EPS, defined as diluted EPS excluding amortization of acquired intangible assets, severance, non-operating retirement costs and special items; and free cash flow, defined as net cash provided by operating activities less capital expenditures. Refer to the appendix for reconciliations to the most comparable GAAP financial measures. Certain guidance is provided on a non-GAAP basis and not reconciled to the most directly comparable GAAP measure because we are unable to provide, without unreasonable effort, a calculation or estimation of amounts necessary for such reconciliation due to the inherent difficulty of forecasting such amounts.

The sum of individual metrics may not always equal total amounts indicated due to rounding.

Second quarter 2024 business highlights

Subscriber growth was fueled by multiple products across the Company's portfolio

- The Company added approximately **300k net digital-only subscribers in the quarter**, bringing the Company's **total subscribers to 10.84 million**
- The Company added approximately **280k net bundle and multiproduct subscribers** and **240k net other single-product subscribers** in the quarter
- **Bundle and multiproduct subscribers now make up 45% of the Company's total subscriber base**, up from 43% in the first quarter of 2024

Saw growth across the Company's multiple revenue streams

- **Total digital-only average revenue per user (ARPU) increased 2.1% year-over-year to \$9.34**
- **Digital-only subscription revenues increased 12.9% year-over-year** as both digital subscribers and total digital-only ARPU grew
- **Digital advertising revenues increased 7.8% year-over-year** due to higher revenues from display advertising
- **Other revenues increased 4.9% year-over-year** largely as a result of higher Wirecutter affiliate referral and licensing revenues

AOP and AOP margin continued to grow as the Company demonstrated cost discipline

- **Year-over-year adjusted operating costs (AOC) grew 4.4%**, which reflects our disciplined approach to costs even as we continue to invest in the areas that differentiate us
- **Adjusted operating profit (AOP) grew 13.6% year-over-year** to approximately \$105 million
- **AOP margin increased approximately 110 basis points year-over-year to 16.7%**

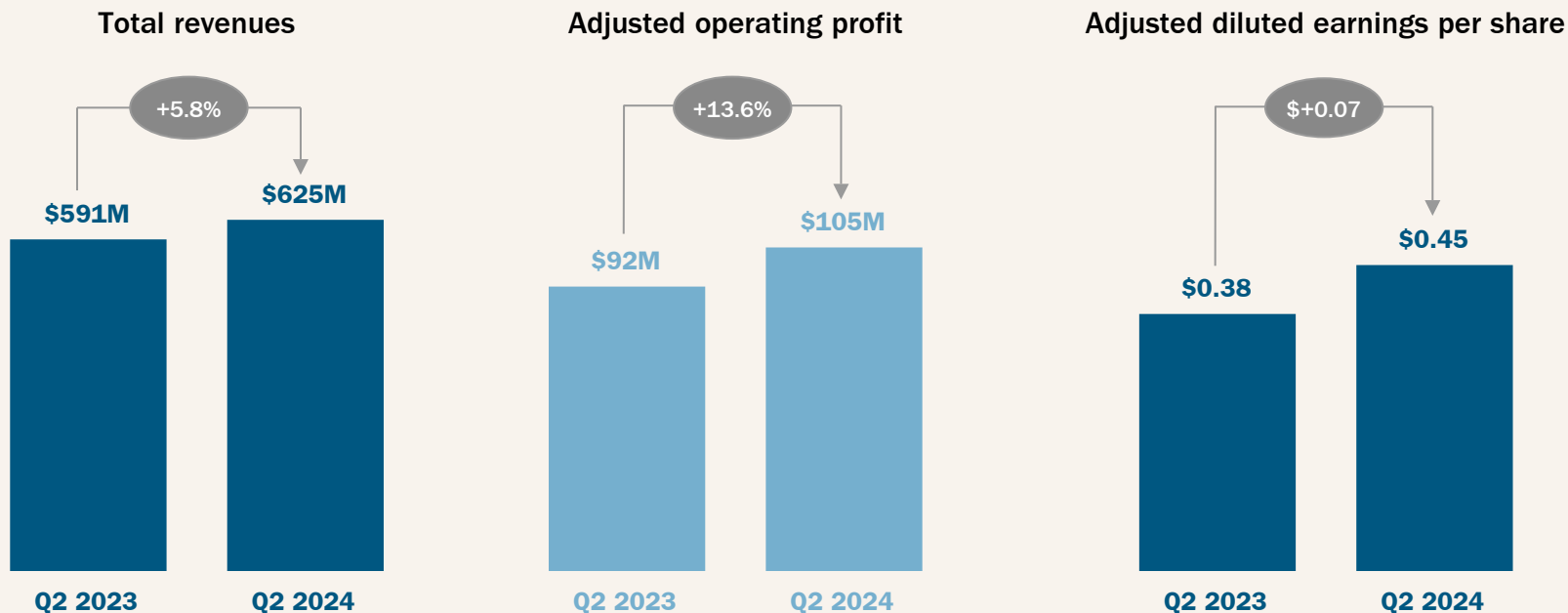
Adjusted operating costs is a non-GAAP financial measure defined as operating costs before depreciation, amortization, severance, multiemployer pension withdrawal costs and special items. Adjusted operating profit is a non-GAAP financial measure defined as operating profit before depreciation, amortization, severance, multiemployer pension plan withdrawal costs and special items. Adjusted operating profit margin is a non-GAAP financial measure defined as adjusted operating profit expressed as a percentage of revenues. See the appendix for more information, including reconciliations to the most comparable GAAP measures.

Second quarter 2024 actual results compared to guidance

	Q2 2024 Guidance	Q2 2024 Actuals
Digital-only subscription revenues	increase 11 - 14%	+12.9%
Total subscription revenues	increase 6 - 8%	+7.3%
Digital advertising revenues	increase high-single-digits	+7.8%
Total advertising revenues	increase low-single-digits	+1.2%
Other revenues	flat to increase low-single-digits	+4.9%
Adjusted operating costs	increase 4 - 5%	+4.4%

Adjusted operating costs is a non-GAAP financial measure. See the appendix for more information, including a reconciliation to the most comparable GAAP measure. See the appendix for more information.

Continued execution of the Company's strategy is driving healthy financial results

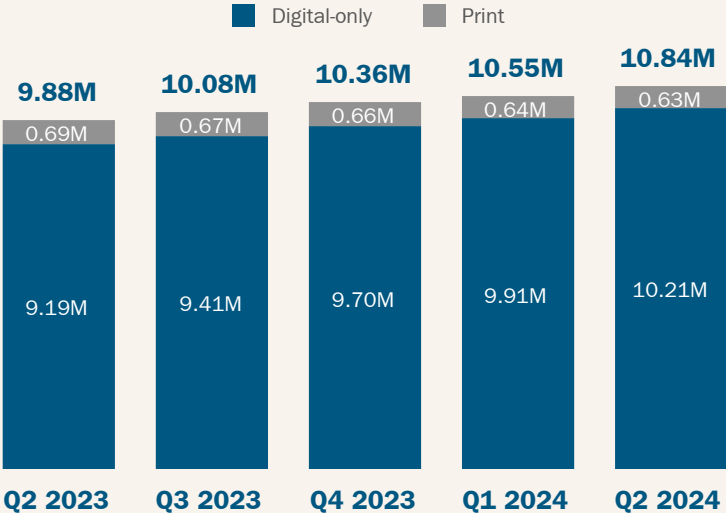


Adjusted operating profit is a non-GAAP financial measure. Adjusted diluted earnings per share is a non-GAAP financial measure defined as diluted EPS excluding amortization of acquired intangible assets, severance, non-operating retirement costs and special items. See the appendix for more information, including reconciliations to the most comparable GAAP measure.

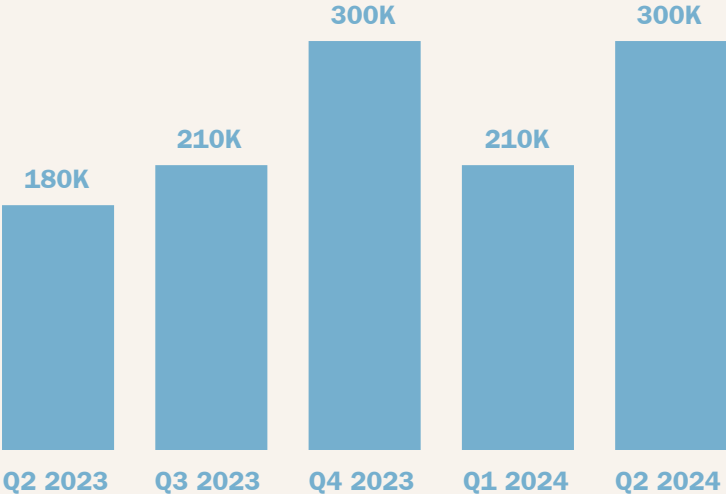
The Company added 300K digital-only net new subscribers in the second quarter, bringing the total subscriber count to 10.84 million

Digital-only net additions were largely driven by bundle and multiproduct subscriber additions as well as other single product subscriber additions

Total subscribers



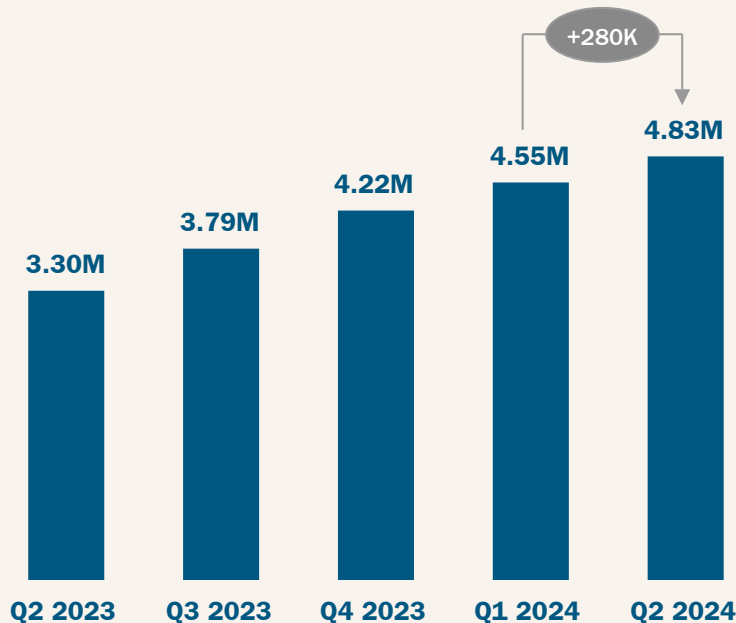
Digital-only subscriber net adds



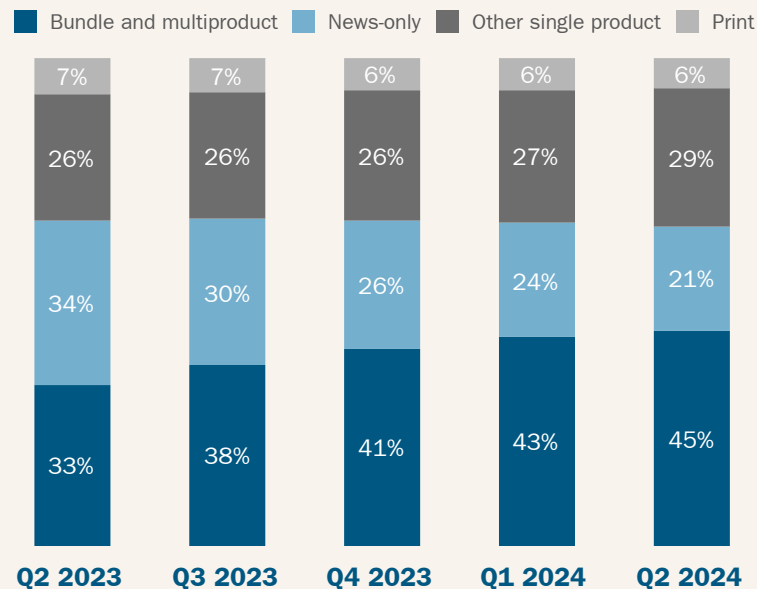
Subscribers (including net subscriber additions) are rounded to the nearest ten thousand.

Bundle and multiproduct subscribers are becoming a larger portion of the subscriber base

Bundle and multiproduct subscribers



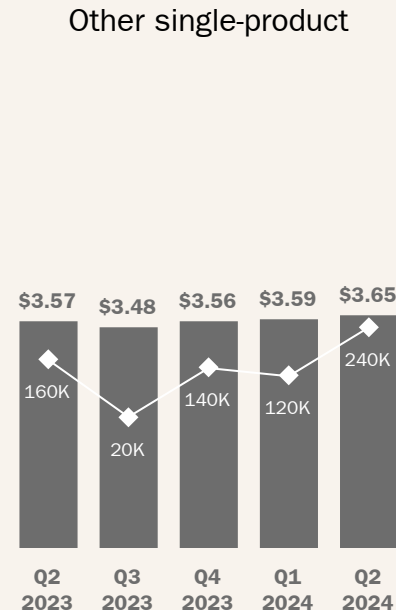
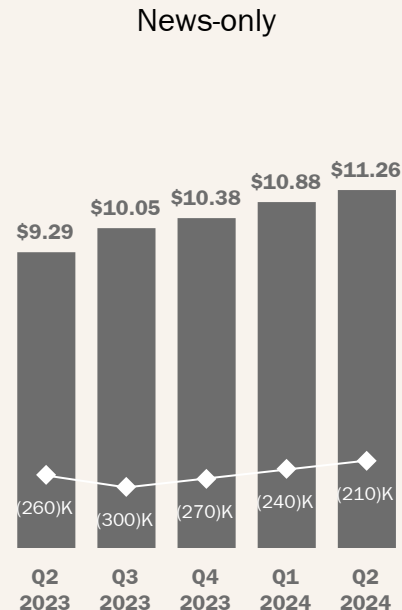
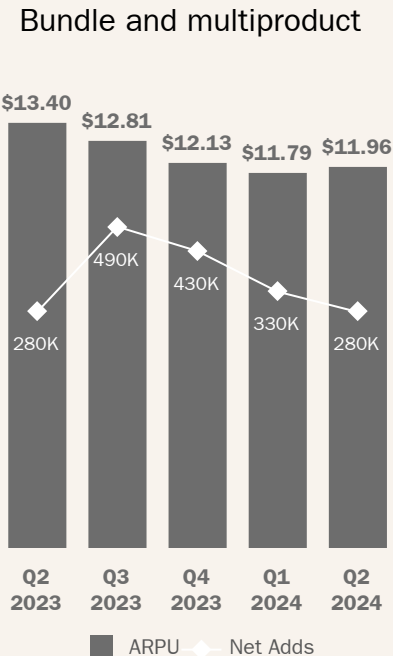
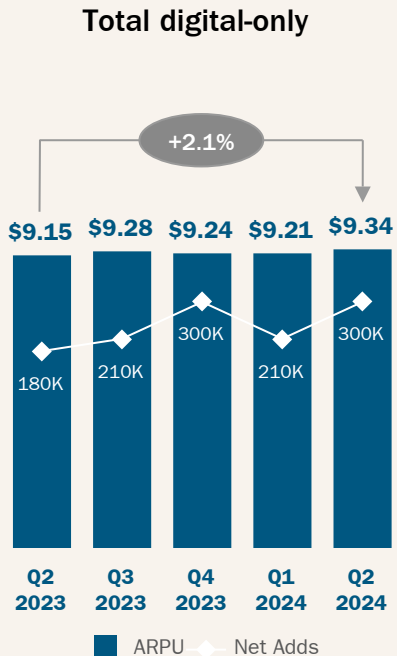
Breakdown of total subscribers by type



Subscribers (including net subscriber additions) are rounded to the nearest ten thousand.

Total digital-only ARPU grew 2.1% year-over-year

The year-over-year increase was driven primarily by subscribers transitioning from promotional to higher prices and price increases on tenured non-bundled subscribers

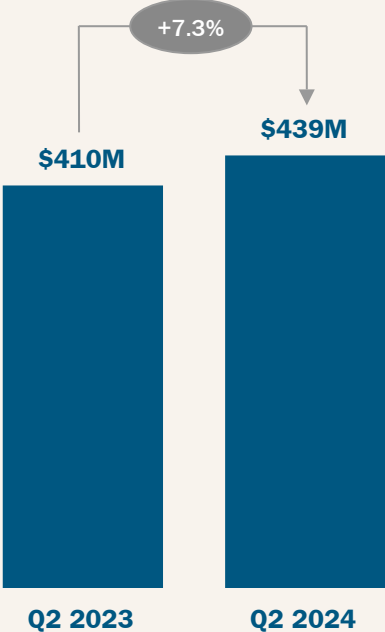


Subscribers (including net subscriber additions) are rounded to the nearest ten thousand.

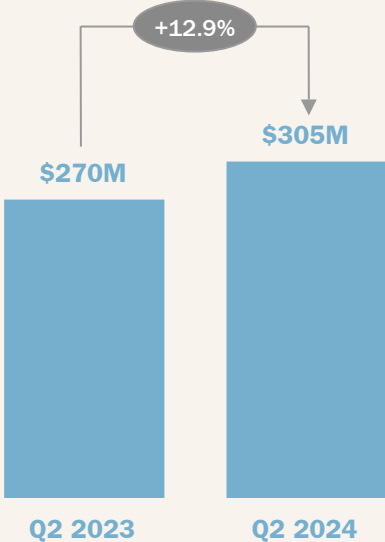
Average Revenue Per User or “ARPU,” a metric we calculate to track the revenue generation of our digital subscriber base, represents the average revenue per digital subscriber over a 28-day billing cycle during the applicable quarter.

Total subscription revenues grew 7.3% year-over-year as growth from digital was partially offset by print declines

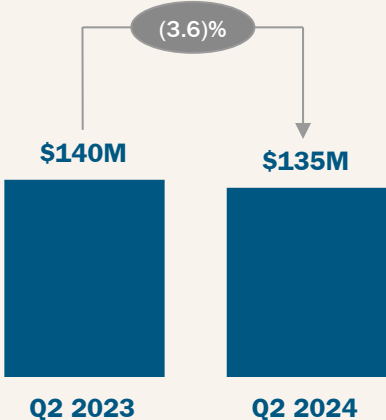
Total subscription revenues



Digital subscription revenues

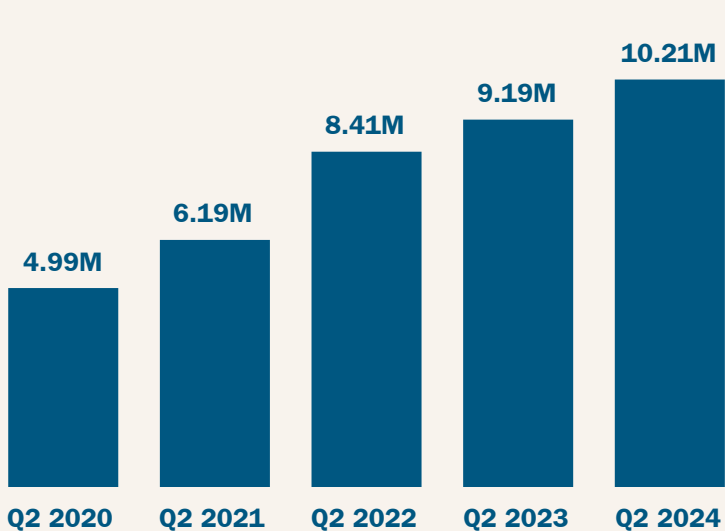


Print subscription revenues

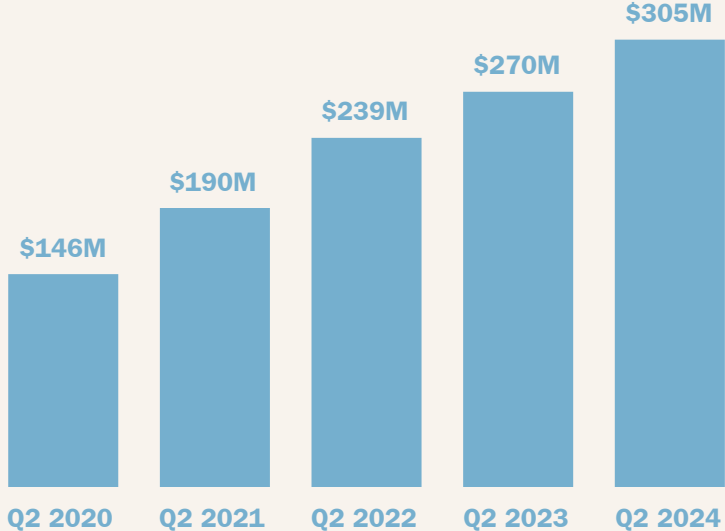


The Company continued to scale its digital-only subscriber base and grow digital subscription revenues

Total digital-only subscribers



Total digital-only subscription revenues

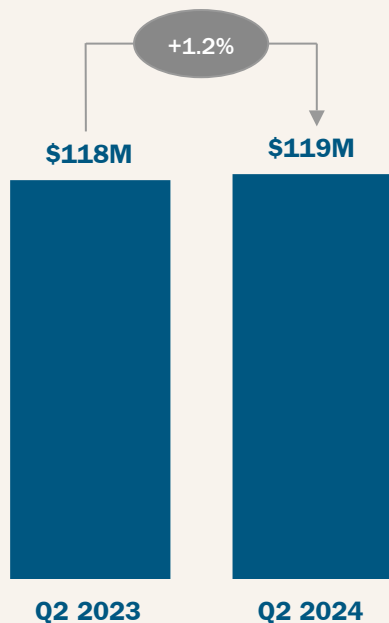


Subscribers (including net subscriber additions) are rounded to the nearest ten thousand.

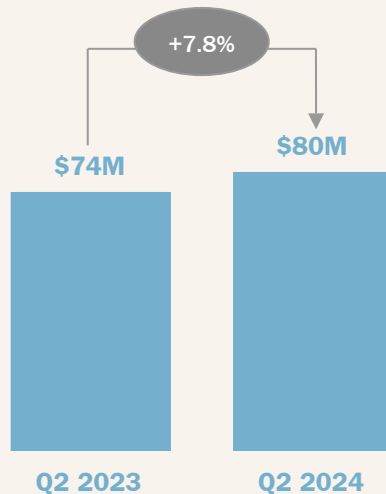
Total advertising revenues increased 1.2% year-over-year

Growth in digital advertising was partially offset by declines in print advertising

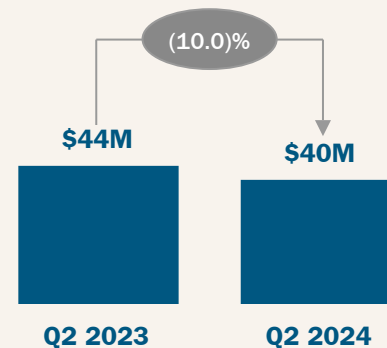
Total advertising revenues



Digital advertising revenues

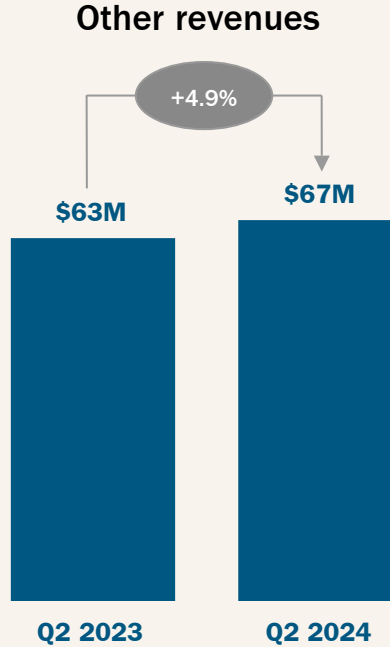


Print advertising revenues



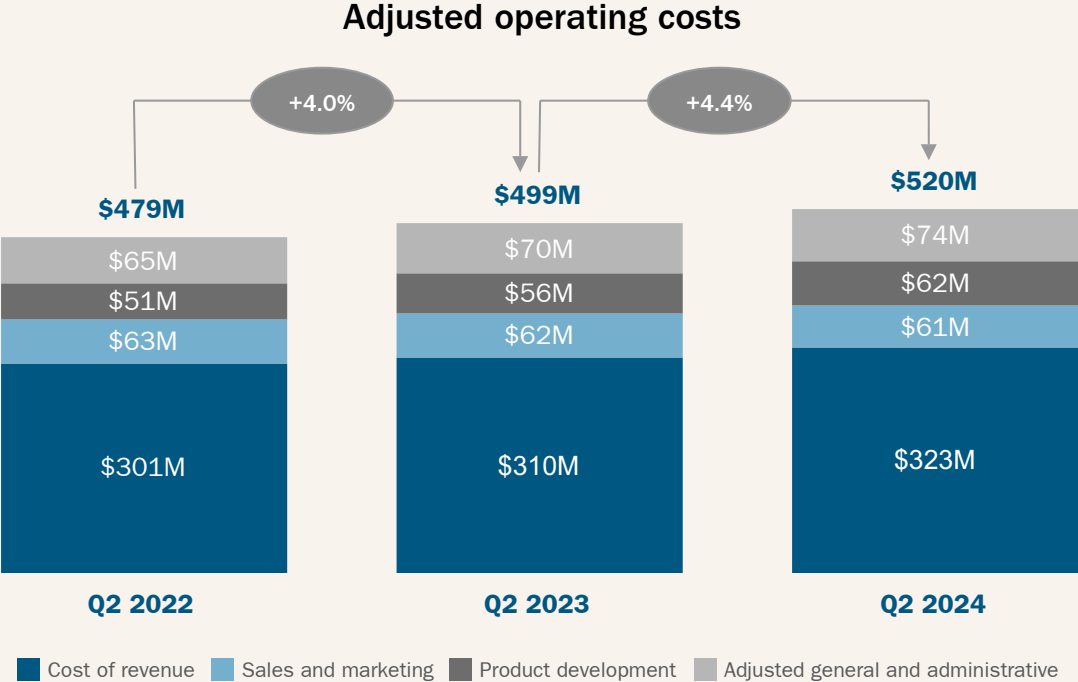
Other revenues grew 4.9% year-over-year

Growth was driven by continued strength from Wirecutter affiliate referral and licensing revenues



Adjusted operating costs grew 4.4% year-over-year

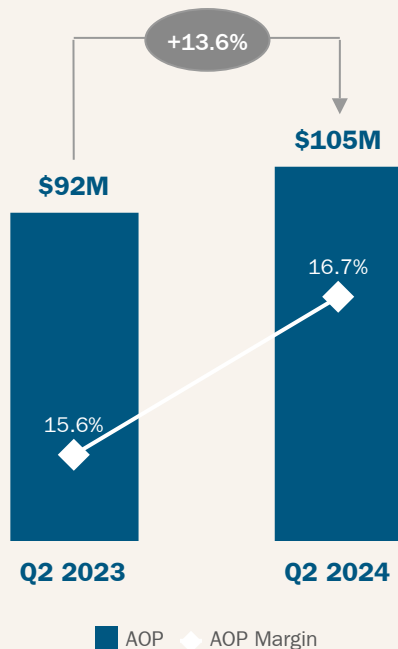
Growth was driven largely by higher journalism, product development, and general and administrative costs, partially offset by lower sales and marketing costs



Adjusted operating costs is a non-GAAP financial measure. Adjusted general and administrative costs is a non-GAAP financial measure that adjusts for severance and multiemployer pension plan withdrawal costs. See the appendix for more information, including reconciliations to the most comparable GAAP measures.

Adjusted operating profit grew **13.6%** year-over-year and adjusted operating profit margin expanded **110** basis points to **16.7%**

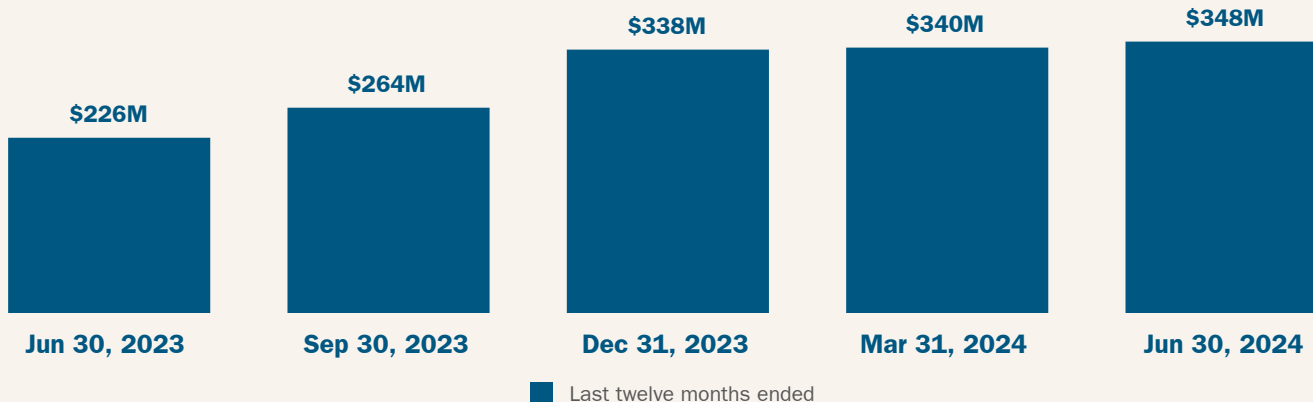
Adjusted operating profit and adjusted operating profit margin



Adjusted operating profit and adjusted operating profit margin are non-GAAP financial measures. See the appendix for more information, including reconciliations to the most comparable GAAP measures.

The Company continues to generate healthy and growing free cash flow and aims to return at least 50% of free cash flow to shareholders over the mid-term

Free Cash Flow



Last twelve months (LTM) represents performance covering the preceding 12 months relative to the last day of the quarter.

Free cash flow is a non-GAAP financial measure defined as net cash provided by operating activities, as reported, less capital expenditures. See the appendix for more information, including a reconciliation to the most comparable GAAP measure.

The New York Times Company's third quarter 2024 guidance

Below is the Company's guidance for revenues and adjusted operating costs for the third quarter of 2024 compared with the third quarter of 2023

Q3 2024 Guidance

Digital-only subscription revenues	increase 12 - 15%
Total subscription revenues	increase 7 - 9%
Digital advertising revenues	increase high-single-digits
Total advertising revenues	flat to increase low-single-digits
Other revenues	increase 9 - 11%
Adjusted operating costs	increase 5 - 6%

The Company expects the following on a pre-tax basis in 2024:

Depreciation and amortization	approximately \$80 million
Interest income and other, net	approximately \$35 million
Capital expenditures	approximately \$40 million

Adjusted operating costs is a non-GAAP financial measure. See the appendix for more information, including a reconciliation to the most comparable GAAP measure.

Appendix

Reconciliation of operating profit to adjusted operating profit and adjusted operating profit margin

We define adjusted operating profit as operating profit, as reported, before depreciation and amortization, severance, multiemployer pension plan withdrawal costs and special items. Adjusted operating profit margin is defined as adjusted operating profit expressed as a percentage of revenues.

(\$ in thousands)	Second Quarter		% Change
	2024	2023	2024 vs. 2023
Operating profit	\$79,410	\$55,775	42.4%
Add:			
Depreciation and amortization	20,537	21,858	(6.0)%
Severance	1,473	713	*
Multiemployer pension plan withdrawal costs	1,297	1,084	19.6%
Generative AI Litigation Costs ⁽¹⁾	1,983	—	*
Impairment charge	—	12,736	*
Adjusted operating profit	\$104,700	\$92,166	13.6%
Divided by:			
Revenues	\$625,097	\$590,853	5.8%
Operating profit margin	12.7%	9.4%	330 bps
Adjusted operating profit margin	16.7%	15.6%	110 bps

(1) Second quarter 2024 results included as a special item litigation-related costs in connection with a lawsuit against Microsoft Corporation and Open AI Inc. and various of its corporate affiliates alleging unlawful and unauthorized copying and use of the Company's journalism and other content in connection with their development of generative artificial intelligence products ("Generative AI Litigation Costs"). Management determined to report Generative AI Litigation Costs as a special item beginning in the first quarter of 2024 because, unlike other litigation expenses, the Generative AI Litigation Costs arise from a discrete, complex and unusual proceeding and do not, in management's view, reflect the Company's ongoing business operational performance.

* Represents a change equal to or in excess of 100% or not meaningful.

Reconciliation of total operating costs to adjusted operating costs and general and administrative costs to adjusted general and administrative costs

We define adjusted operating costs as operating costs, as reported, before depreciation and amortization, severance, multiemployer pension withdrawal costs and special items. Adjusted general and administrative costs are defined as general and administrative costs before severance and multiemployer pension withdrawal costs.

(\$ in thousands)	Second Quarter			% Change	
	2024	2023 ⁽¹⁾	2022 ⁽¹⁾	2024 vs. 2023	2023 vs. 2022
Total operating costs	\$545,687	\$535,078	\$504,019	2.0%	6.2%
Less:					
Depreciation and amortization	20,537	21,858	20,704	(6.0)%	5.6%
Severance	1,473	713	2,660	*	(73.2)%
Multiemployer pension plan withdrawal costs	1,297	1,084	1,194	19.6%	(9.2)%
Generative AI Litigation Costs	1,983	—	—	*	*
Impairment charge	—	12,736	—	*	*
Adjusted operating costs	\$520,397	\$498,687	\$479,461	4.4%	4.0%

(1) Recast to conform to the current presentation of total operating costs.

* Represents a change equal to or in excess of 100% or not meaningful.

(\$ in thousands)	Second Quarter			% Change	
	2024	2023	2022	2024 vs. 2023	2023 vs. 2022
General and administrative	\$76,870	\$72,273	\$69,141	6.4%	4.5%
Less:					
Severance	1,473	713	2,660	*	(73.2)%
Multiemployer pension plan withdrawal costs	1,297	1,084	1,194	19.6%	(9.2)%
Adjusted general and administrative	\$74,100	\$70,476	\$65,287	5.1%	7.9%

* Represents a change equal to or in excess of 100% or not meaningful.

Reconciliation of diluted earnings per share to adjusted diluted earnings per share

We define adjusted diluted earnings per share as diluted EPS, as reported, excluding amortization of acquired intangible assets, severance, non-operating retirement costs and special items

	Second Quarter		% Change
	2024	2023	2024 vs. 2023
Diluted earnings per share	\$0.40	\$0.28	42.9%
Add:			
Amortization of acquired intangible assets	0.04	0.04	*
Severance	0.01	—	*
Non-operating retirement costs:			
Multiemployer pension plan withdrawal costs	0.01	0.01	*
Other components of net periodic benefit costs	0.01	—	*
Special items:			
Generative AI Litigation Costs	0.01	—	*
Impairment charge	—	0.08	*
Income tax expense of adjustments	(0.02)	(0.03)	*
Adjusted diluted earnings per share ⁽¹⁾	\$0.45	\$0.38	18.4%

(1) Amounts may not add due to rounding.

* Represents a change equal to or in excess of 100% or not meaningful.

Reconciliation of net cash provided by/(used in) operating activities to free cash flow

We define free cash flow as net cash provided by operating activities, as reported, less capital expenditures

(\$ in thousands)	Last Twelve Months Ended				
	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Net cash provided by operating activities	\$374,146	\$362,967	\$360,618	\$289,763	\$254,321
Less:					
Capital expenditures	\$(25,931)	\$(23,108)	\$(22,669)	\$(25,691)	\$(28,748)
Free cash flow	\$348,215	\$339,859	\$337,949	\$264,072	\$225,573

Last twelve months (LTM) represents performance covering the preceding 12 months relative to the last day of the quarter.