



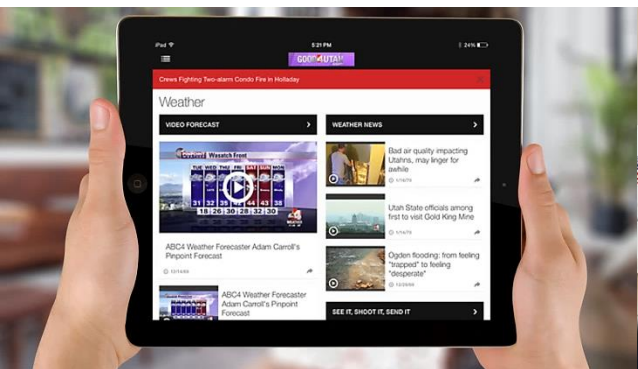
Keeping it Local  
NXST: NASDAQ



## 25<sup>th</sup> Annual Communacopia Conference

Tom Carter, EVP & CFO

September 21, 2016



# Safe Harbor

## Forward-Looking Statements

This communication 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 and Media General claim 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 communication, concerning, among other things, the ultimate outcome and benefits of a transaction between Nexstar and Media General and timing thereof, and 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 timing to consummate the proposed transaction; the risk that a condition to closing of the proposed transaction may not be satisfied and the transaction may not close; the risk that a regulatory approval that may be required for the proposed transaction is delayed, is not obtained or is obtained subject to conditions that are not anticipated, the impact of changes in national and regional economies, the ability to service and refinance our outstanding debt, successful integration of Media General (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 and Media General undertake 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 communication might not occur. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this release. For more details on factors that could affect these expectations, please see the definitive joint proxy statement/prospectus of Nexstar and Media General and Media General's and Nexstar's other filings with the SEC.

# Keeping it Local/Driving Diversification

## Local Diversified Media Company with Leading Broadcast Television and Digital Media Properties



**104 Full Power  
TV Stations**



**37 Duopoly  
Markets**



**+1,640 Weekly  
Local News Hours**



**60+ Community  
Web Portals**



**62 Markets  
25 States**



**~18.1% U.S.  
TV HHs**



**~80% "Big 4"  
Network Affiliates**



**Profitable Digital  
Media Businesses**

- **Nexstar has the #1 or #2 Revenue Share Ranking in 70% of its Markets**
- **~67% of Pro-forma Broadcast Cash Flow (BCF) is from Top 100 DMAs**
- **Stable Core Advertising Revenue and Growing Political Advertising Revenue**
- **Growing High Margin Non-Traditional Revenue Streams**
  - Retransmission Agreements
  - Digital Media (Community Portal, Mobile, Other Digital Platforms)
    - FY15 digital media and retransmission fee revenue of \$387.9 mm increased 92.4% over prior year level and accounted for 43.3% of net revenue

# Recent Key Operating Events

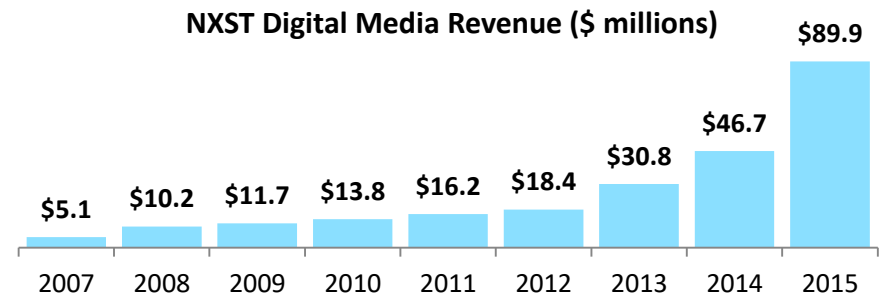
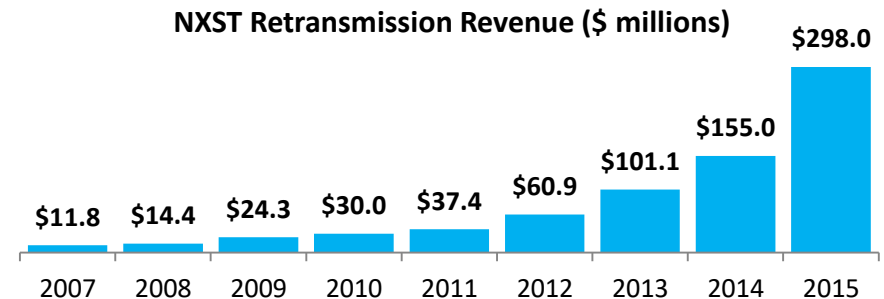
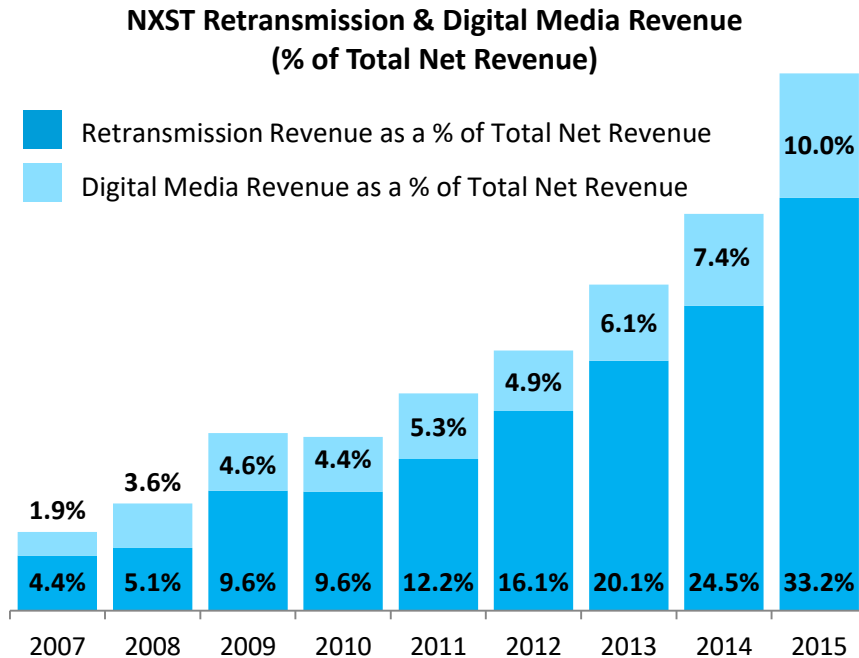
## ▪ Record Financial Results

	3M Ended June 30 (in millions)			6M Ended June 30 (in millions)			3M Change (%)		6M Change (%)		← Last Even-Year Political Cycle
	2016	2015	2014	2016	2015	2014	'16 vs. '15	'16 vs. '14	'16 vs. '15	'16 vs. '14	
Net Revenue	\$262.0	\$219.3	\$146.9	\$517.7	\$421.1	\$280.8	+19.5%	+78.4%	+22.9%	+84.4%	
Broadcast Cash Flow	\$103.2	\$85.4	\$58.7	\$201.3	\$161.1	\$109.3	+20.8%	+75.8%	+25.0%	+84.2%	
Adjusted EBITDA	\$90.2	\$74.9	\$49.6	\$172.5	\$138.9	\$91.7	+20.4%	+81.9%	+24.2%	+88.1%	
Free Cash Flow (FCF)	\$48.7	\$50.1	\$30.4	\$100.8	\$93.0	\$55.6	(2.8%)	+60.2%	+8.4%	+81.3%	

- **Entered into definitive agreement to acquire Media General (NYSE: MEG) for \$4.6bn in accretive cash and stock transaction on Jan. 27, 2016**
  - Compelling combination delivering immediate and long-term value to shareholders of both companies
- **Seventeen accretive strategic transactions 2011-2016 YTD (excluding pending Media General acquisition)**
  - Transactions increase scale, present significant synergies and expand FCF
  - Acquired stations diversify/complement station portfolio in terms of geography and market size
- **Ongoing reduction in cost of capital and deleveraging**
  - Weighted average cost of debt ~5.0% at June 30, 2016
  - Reduced net leverage covenant ratio to 3.99x at June 31, 2016 from 4.32x at Dec. 31, 2015
- **2016 cash dividend increase of 26.3% to \$0.96 annually, marking third annual consecutive rise of cash dividend**
  - 100% compound annual growth in payout level since initiation of cash dividend in 2013
  - Represents a modest payout ratio relative to FCF generation
  - Returned over \$2.34 per share to shareholders in 2015 through cash dividend and share repurchases

# Growth in NXST Retransmission and Digital Media Revenue

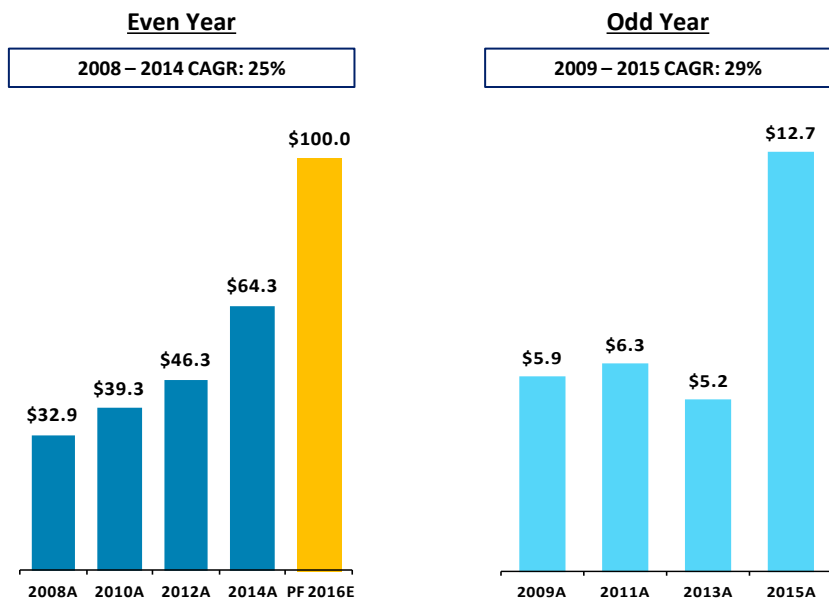
Retransmission and Digital Media revenue is materially diversifying NXST's total net revenue



- 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
  - Retransmission revenues: FY15 \$298.0 mm (+92.3% Y/Y); CAGR of 49.7% (2007-2015)
  - ~45% of sub base repriced in 2015, ~40% of sub base to be repriced in 2016
- Digital media revenue growth was driven by organic growth and contributions from LAKANA, our recently formed digital media services company, and the mid-year accretive acquisition of Yashi, a leading online programmatic video platform
  - Digital revenues: FY15 \$89.9 mm (+92.5% Y/Y); CAGR of 43.1% (2007-2015)

# Nexstar: Leading Pure-Play Broadcast Operator

## NXST Political Ad Revenue Growth



- With rampant political partisanship and a 2016 presidential election without an incumbent, NXST recorded primary dollars late in 2015 given its presence in key political markets
- Nexstar expects to generate ~\$100mm of political revenues in FY16
- Long-term political spending expected to continue to grow due to significant spending increases by PACs, non-candidate entities and issue advertising

## 2016 Key Senate and Gubernatorial Elections

2016 Senate Races		
PF Nexstar Market	Incumbent	Party
Alabama	Richard Shelby	R
Arizona	John McCain	R
Arkansas	John Boozeman	R
California	Barbara Boxer <sup>(1)</sup>	D
Colorado	Michael Bennett	D
Florida	Marco Rubio	R
Illinois	Mark Kirk	R
Indiana	Dan Coats	R
Iowa	Chuck Grassley	R
Louisiana	David Vitter	R
Maryland	Barbara Mikulski	D
Missouri	Roy Blunt	R
Nevada	Harry Reid	D
New York	Chuck Schumer	D
Pennsylvania	Pat Toomey	R
Utah	Mike Lee	R
Vermont	Patrick Leahy	D
Wisconsin	Ron Johnson	R

2016 Gubernatorial Races		
PF Nexstar Market	Incumbent	Party
Indiana	Mike Pence	R
Missouri	Jay Nixon	D
Montana	Steve Bullock	D
Utah	Gary Herbert	R
Vermont	Peter Shumlin	D

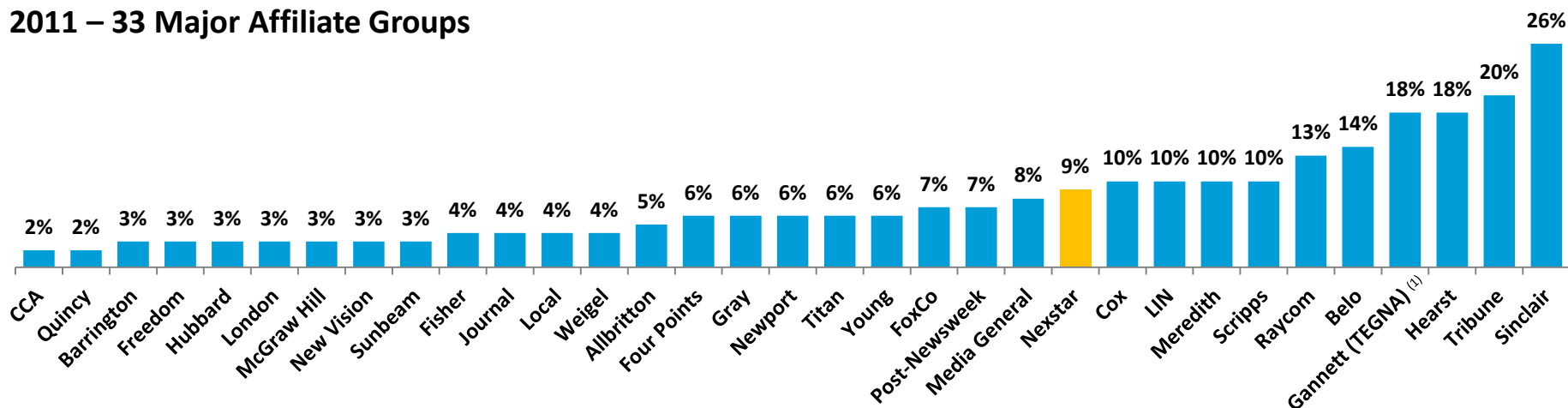
Source: Company filings and Nexstar management. Note: Dollars in millions.

(1) Barbara Boxer is retiring in 2016.

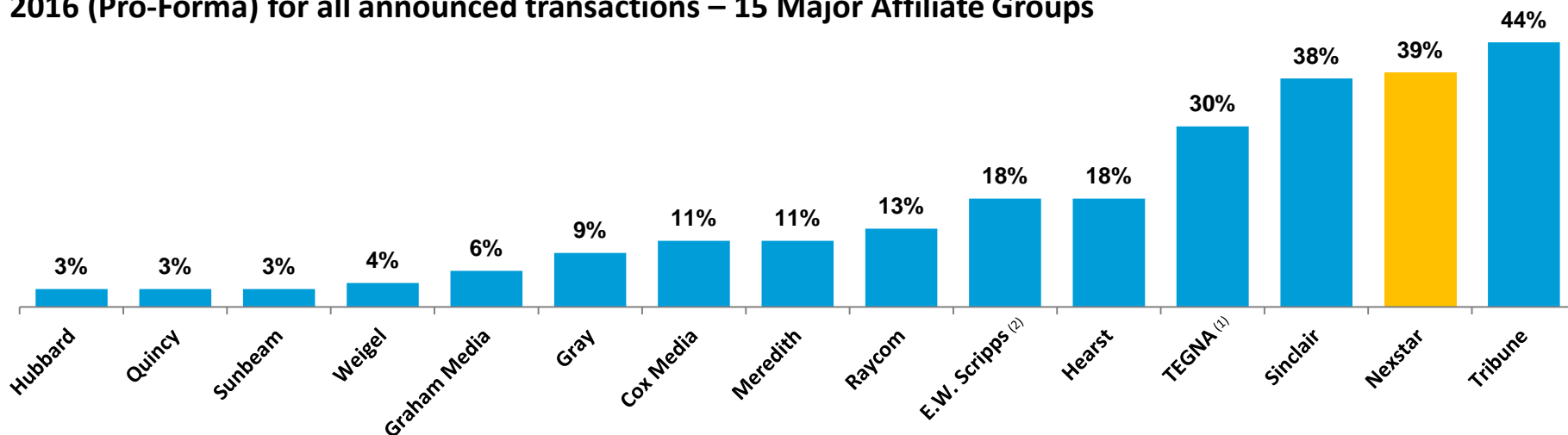
# Consolidation Is Reshaping the Industry Landscape

Sorted by percent of US TV households reached

## 2011 – 33 Major Affiliate Groups



## 2016 (Pro-Forma) for all announced transactions – 15 Major Affiliate Groups



Note: Pro forma for all announced transactions

Source: BIA, Company filings

Excludes: O & O groups, Hispanic, Religious and ION

(1) Gannett completed spinoff of publishing business from broadcast/digital business on June 29, 2015, the broadcast/digital entity was renamed TENGA

(2) E.W. Scripps Company completed the merger of its broadcast assets with those of Journal Communications and the spinoff of their respective newspapers on April 1, 2015



# NXST/MEG: A Complementary Combination



## Pure-Play Broadcasting and Digital Media Leader Positioned for Long-term Success

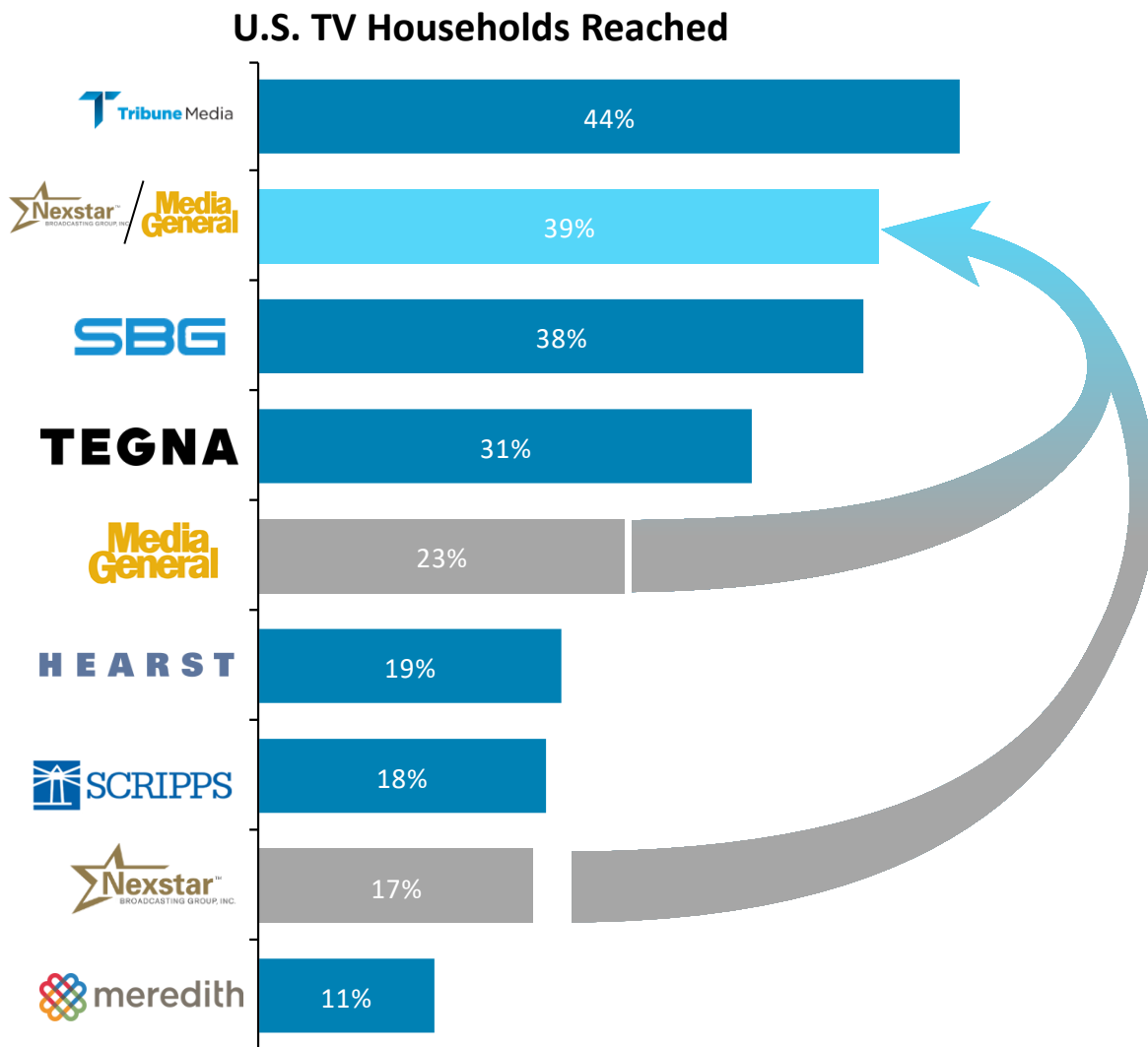
- **Creates leading pure-play broadcast operator**
  - Top 2 television broadcaster maximizes benefits of increased scale - \$2.3 bn of annual revenue
  - Strong and complementary nationwide coverage reaching ~39% of U.S. TV households
  - Increased geographic diversity in mid-sized and top 50 designated market areas (DMAs)
- **Increased scale and reach of combined digital operations**
  - Extensive digital media assets, complementary technologies
  - Segments of each company's digital media business have already partnered in a number of areas
  - Nexstar management record of running profitable digital media properties
- **Financially compelling combination for shareholders of both companies**
  - Immediate and substantial premium for MEG shareholders
  - \$76 mm in readily achievable synergies in year one
  - Share in upside of combined company
    - \$500 mm of average annual free cash flow
  - Nexstar pro forma average 2016/2017 free cash flow per share, per year increases ~37% to > \$11.15
- **Nexstar has proven track record of delivering shareholder value**
  - Experienced, industry-leading management team
  - History of operational excellence
  - Proven acquisition integration and synergy realization capabilities



# Leading Pure-Play Broadcast Operator

## Highlights

- Media General transaction increases Nexstar's broadcast portfolio by approximately two-thirds
  - More than doubles Nexstar's current audience reach
  - Provides entrée to 15 new top-50 DMAs
  - Offers synergies related to the increased scale of the combined digital media operations
- Nexstar has successfully growing its portfolio of digital assets, allowing it to drive increased value through scale

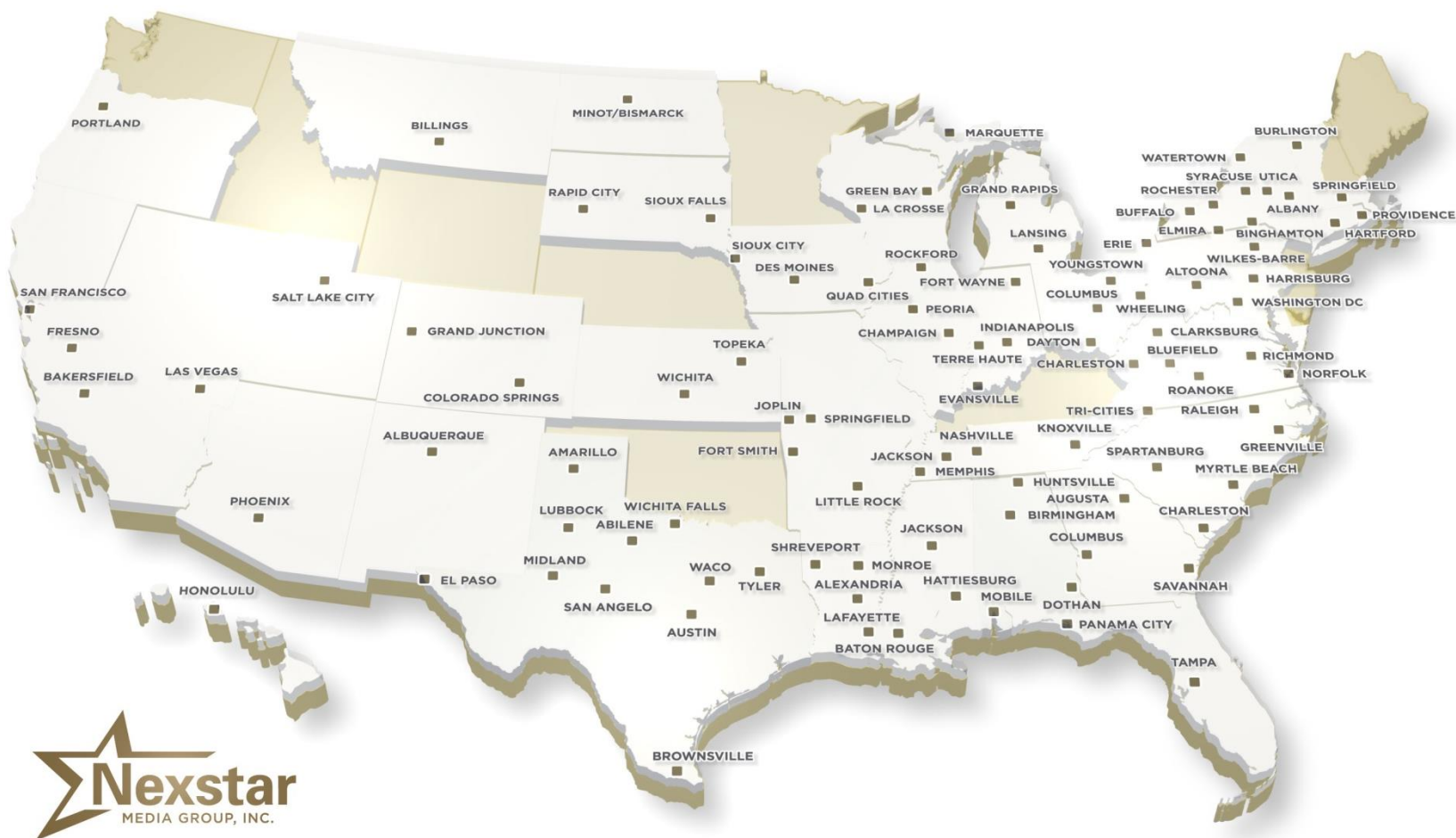


*Pro forma for the transaction, Nexstar will be the second largest broadcasting group in the nation with 38.9% US television household reach, the national regulatory ownership cap*

## Leading Pure-Play Broadcast Operator

**Pro forma: 171 Television Stations in 100 markets reaching ~38.9% of all U.S. TV HH**

## Transaction provides entry into 15 top 50 DMAs



*Source: Company filings.*

## Pro Forma Nexstar Media Group Markets

# Transaction Update



- **February 2016**
  - Financing commitment for bank syndication closed, consisting of ten lenders
- **March 2016**
  - Preliminary Form S-4 filed with SEC<sup>1</sup>
- **May / June 2016**
  - Form S-4 declared effective
  - Shareholders of NXST and MEG voted to approve merger and acquisition of MEG by NXST
  - NXST announces the execution of agreements providing for the divestiture of 13 stations for total consideration of \$548 mm<sup>2</sup>, representing a seller's multiple of approximately 11.1x average 2014/2015 broadcast cash flow
    - The Company believes these asset sales bring the Nexstar/Media General transaction into compliance with Federal Communication Commission and Department of Justice ("DOJ") requirements for approval
    - Cash proceeds from all sales will be used to pay down debt
- **July 2016**
  - NXST completes offering of \$900 mm of new 5.625% senior notes which fully addresses the portion of the planned financing for the transaction that the Company expects to do outside of the secured loan market
- **September 2016**
  - NXST receives preliminary DOJ / Hart-Scott-Rodino approval of transaction
  - NXST is currently in market with \$3.2 bn of first lien financing

**The \$548 mm divestiture proceeds and the cost of capital of the \$900 mm senior notes were key assumptions in Nexstar's '16/'17 free cash flow guidance for the combined entity and both were more favorable than the assumptions in the Company's guidance**

1) Notice of Effectiveness was filed by the SEC on May 6, 2016, and is available at [www.sec.gov](http://www.sec.gov)

2) For more information on announced station divestitures, see Forms 8-K filed by Nexstar Broadcasting Group Inc. on June 6, 2016 and June 14, 2016 available at [www.sec.gov](http://www.sec.gov)

3) For more information on announced senior notes offering, see Forms 8-K filed by Nexstar Broadcasting Group Inc. on July 13, 2016; July 15, 2016 and July 29, 2016 available at [www.sec.gov](http://www.sec.gov)

# Transformational Acquisitions and Operating Strategies Driving Record FCF

- **Continued double-digit growth of non-core revenue channels**
  - Political: Even-year CAGR of 25% (2008-2014), odd-year CAGR of 29% (2009-2015)
    - NXST Political revenue expected to reach ~\$100 mm in 2016
  - Retransmission: Contract renewals for >200 agreements in last two years
    - Agreements with 3 of the top 5 distribution partners
    - ~45% of sub base repriced in 2015, ~40% of sub base to be repriced in 2016
  - Digital Media platform rapidly expanding
    - New revenue applications and monetization of mobile leading to growth organically and through accretive M&A
- **Strong operating fundamentals, accretive M&A, share repurchases and strengthened balance sheet driving record FCF**
  - Legacy NXST expected to generate pro forma FCF of \$250 mm per year during 2016/2017, or average FCF of ~\$8.15 per share per year
- **Closed and successfully integrated highly accretive acquisitions (excluding pending MEG transaction)**
- **Agreement to acquire MEG represents transformative and strategically / financially compelling growth opportunity**
  - Creates second-largest broadcast television group with leading digital media platform
  - Pro forma operating base of 171 full power TV stations in 100 markets reaching 39% of U.S. TV HHs
  - Expected to generate annual revenue in excess of \$2.3 bn and \$76 mm of readily achievable year one synergies
  - Expected to generate average pro forma FCF of approximately \$11.15 per share per year during the 2016/2017 cycle
  - Economically compelling for both companies' shareholders
- **Broadcast spectrum monetization opportunity**
- **Financial capacity / flexibility to reduce leverage while returning capital to shareholders**



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