



iHeart
MEDIA

First Quarter 2020

May 7, 2020

Safe Harbor Statement

Forward Looking Language

Certain statements in this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of iHeartMedia, Inc. and its subsidiaries (the “Company”), to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The words or phrases “guidance,” “believe,” “expect,” “anticipate,” “estimates,” “forecast” and similar words or expressions are intended to identify such forward-looking statements. In addition, any statements that refer to expectations or other characterizations of future events or circumstances, such as statements about the anticipated impact of the COVID-19 pandemic on our business, financial position and our expected costs, savings and timing of our modernization initiatives and other capital and operating expense reduction initiatives, our business plans, strategies and initiatives, our expectations about certain markets, our expectations regarding our FCC petition for declaratory ruling and our anticipated financial performance and liquidity, are forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other important factors, some of which are beyond our control and are difficult to predict. Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this presentation include, but are not limited to: weak or uncertain global economic conditions; increased competition; dependence upon the performance of on-air talent, program hosts and management; fluctuations in operating costs; technological changes and innovations; shifts in population and other demographics; impact of our substantial indebtedness; impact of future acquisitions, dispositions and other strategic transactions; legislative or regulatory requirements; impact of legislation or ongoing litigation on music licensing and royalties; regulations and concerns regarding privacy and data protection; risk associated with our emergence from the Chapter 11 Cases; risks related to our Class A common stock, including our outstanding special warrants; and regulations impacting our business and the ownership of our securities. Other unknown or unpredictable factors also could have material adverse effects on the Company’s future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this presentation may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this presentation. Additional risks that could cause future results to differ from those expressed by any forward-looking statement are described in the Company’s reports filed with the U.S. Securities and Exchange Commission, including in the section entitled “Item 1A. Risk Factors” of iHeartMedia, Inc.’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Except as otherwise stated in this presentation, the Company does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

Non-GAAP Financial Measures

This presentation includes information that does not conform to U.S. generally accepted accounting principles (GAAP), such as (i) Adjusted EBITDA, (ii) Free cash flow and (iii) revenue and revenue excluding the effects of political revenue. Since these non-GAAP financial measures are not calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, the most directly comparable GAAP financial measures as an indicator of operating performance. Furthermore, these measures may not be consistent with similar measures provided by other companies. This data should be read in conjunction with previously published company reports on Forms 10-K, 10-Q and 8-K. These reports are available on the Investor Relations page of www.iheartmedia.com. Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included at the end of this presentation.

This presentation should be read in conjunction with the Q1 2020 and FY 2020 earnings release of iHeartMedia, Inc. and Form 10-Q filing of iHeartMedia, Inc. available at www.iheartmedia.com
Numbers may not sum due to rounding. In this presentation, Adjusted EBITDA is defined as consolidated Operating income adjusted to exclude restructuring and reorganization expenses included within Direct operating expenses, Selling, General and Administrative expense, (“SG&A”) and Corporate expenses and share-based compensation expenses included within Corporate expenses, as well as the following line items presented in our Statements of Operations: Depreciation and amortization; Impairment charges; and Other operating income (expense), net. Free cash flow from (used for) continuing operations is defined as Cash provided by (used for) operating activities from continuing operations less capital expenditures, which is disclosed as Purchases of property, plant and equipment by continuing operations in the Company’s Consolidated Statements of Cash Flows. See reconciliations in the Appendix.

Predecessor - Successor Presentation

Our financial results for the three months ended March 31, 2019 are referred to as those of the “Predecessor” period. Our financial results for the three months ended March 31, 2020 are referred to as those of the “Successor” period. Our results of operations as reported in our Consolidated Financial Statements for these periods are prepared in accordance with GAAP.

Executive Summary

- Strong financial performance in January and February was followed by a sharp decline in revenue in March resulting from the effects of the COVID-19 pandemic
- Given the uncertain business outlook, IHRT withdrew its full-year guidance in March and in April announced that it had taken major cost-saving actions to:
 - Expand the Company’s financial flexibility
 - Provide sufficient liquidity to operate effectively even in an extended period of economic weakness
 - Position the Company for solid growth when advertising demand returns to normal levels
- These actions, in combination with our previously announced modernization initiatives, are expected to deliver **operating expense savings of approximately \$250 million achieved in 2020**
- IHRT’s cost saving actions and resilient balance sheet underpin its **strong liquidity position**:
 - Cash balance of \$646.8 million as of March 31, 2020
 - Over 90% of long-term debt maturing in 2026 or later
 - Favorable debt terms: no maintenance covenants for Term Loan Facility or Senior Secured Notes
 - Analyzed three COVID-19 scenarios: (i) recovery beginning in Q3; (ii) recovery beginning in Q4 and (iii) prolonged recession in 2021; under all scenarios we have sufficient liquidity
- **IHRT believes that its continued leadership in audio, resilient capital structure, strong liquidity position and experienced management team will position the Company to capitalize on a recovery in the advertising market**

IHRT is Positioned to be Resilient Through a Downturn

- In April, IHRT announced that it has taken action in response to the currently weak economic environment resulting from COVID-19
- In addition to the in-year expected savings of approximately \$50 million related to the modernization initiatives announced in February, IHRT has also initiated an additional \$200 million in operating expense savings for 2020 driven by:
 - Reductions in compensation for senior management and other employees
 - Furloughing of certain employees that are non-essential at this time
 - Suspension of new employee hiring, travel and entertainment expenses and 401(k) matching program
 - Major reduction of consultant fees and other discretionary expenses
- **Total direct operating expense savings to be achieved in 2020 are expected to be approximately \$250 million**
- Anticipate decreased variable sales expense and commissions associated with lower revenue
- Additional benefits to free cash flow will be driven by:
 - **CARES Act:** approximately \$100 million reduction in tax-related cash payments in 2020
 - **New capital expenditure actions:** reducing capital expenditures by expected \$80 million in 2020
- **These actions - in combination with IHRT's highly resilient capital structure -- will expand the Company's financial flexibility, provide sufficient liquidity to operate effectively even in an extended period of economic weakness, and position the Company for growth when advertising demand returns**

Strong Listening Trends Across All Platforms

- The COVID-19 pandemic has further proven radio's critical importance in providing companionship
- While some listening has shifted due to changing work environments, overall the consumer is turning to radio for connection and companionship during these isolating times
 - A Nielsen Flash Survey conducted in March 2020 revealed that **28% of American adults are spending more time listening to the radio vs. 17% listening less**
 - Havas Group released a study in April that 34% of respondents were doing more radio listening than pre-COVID
 - Mindshare study in April showed radio listening increasing from March to April
- **Listeners on in-home devices have grown significantly in March over February:**
 - Web is +43%
 - Smart TVs +35%
 - Game consoles +28%
 - Siri up +18%
- **Extending Podcasting Leadership With Continued Growth in Podcast listening**
 - In Q1, usage increased by 35% year over year based on unique audience and our podcast revenue in Q1 grew 80% year-over-year; podcast revenue is currently pacing at over 100% year-over-year for Q2
 - IHRT remains the #1 commercial podcast publisher with about a two to one lead over the next largest commercial podcaster, according to Podtrac

IHRT Has Stayed Close and Connected to Consumers

- In a normalized environment, IHRT is able to effectively monetize its unparalleled reach, trust and engagement across multiple platforms with advertisers
- In this period of dislocation, our goal is to remain close to the consumer to insure that we are positioned to capitalize when advertising demand returns
- **Some of the ways in which we are staying close to our consumers:**
 - Update our daily programming based on consumer sentiment to be relevant every day
 - Adjusted to how listeners have shifted their schedules in response to COVID-19
 - Top morning shows have been extended to 11AM
 - Created unique programming on all our platforms to respond to the realities of this temporary environment
 - iHeartRadio Living Room Concert for America on Fox
 - COVID-19 on-air updates, newsletter and podcast
 - Verizon's 'Pay It Forward' campaign to the Global Citizen concert
 - Wednesday night living room concerts with State Farm and First Responder Fridays with FirstNet, Built with AT&T
 - Looking for ways to fill the voids in the lives of our audiences
 - "Commencement: Speeches For The Class of 2020" which will be delivered as both podcasts and over our 850 radio stations nation-wide
 - Speakers include John Legend, Eli Manning, Mellody Hobson, Katie Couric, Bobbi Brown, David Solomon, Halsey, Pitbull and over 30 more
 - Virtual prom for high school seniors featuring sets by today's hottest DJs and personalities

Q1 '20 Financial Results:

\$US Dollars in millions	Successor Company		Predecessor Company		Variance
	Three Months Ended March 31,		Three Months Ended March 31,		
	2020		2019		
Revenue	\$	780.6	\$	795.8	(1.9)%
Direct operating expenses		301.6		282.9	6.6%
SG&A expenses		344.1		324.9	5.9%
Corporate expenses		39.9		39.1	2.1%
Depreciation & amortization		96.8		38.3	152.7%
Impairment charges		1,727.9		91.4	nm
Other operating expenses		(1.1)		—	nm
Operating income (loss)	\$	(1,730.8)	\$	19.1	nm
Depreciation & amortization		96.8		38.3	
Other operating expenses		1.1		—	
Share-based compensation		4.6		0.4	
Restructuring expenses		40.8		7.8	
Adjusted EBITDA	\$	140.3	\$	157.1	(10.6)%

- **Revenue:** down 1.9% (down 4.8% excluding political)
 - Decline in revenue driven by effects of COVID-19, which impacted revenue in March
 - Decline offset by digital growth, primarily due to growth in podcasting, and higher political
 - Audio & Media Svs growth driven by political revenue given Presidential election year
- **Direct Operating Expenses:** Up 6.6%
 - Driven primarily by impact of modernization initiatives
 - Higher variable digital costs including royalties, content and production costs
- **SG&A Expenses:** Up 5.9%
 - Driven by modernization initiatives and higher bad debt expense
- **Operating Income (Loss):** Down, driven by non-cash \$1.7 billion impairment due to impact of COVID-19
- **Adjusted EBITDA:** Down 10.6%

Notes: In this presentation, Adjusted EBITDA is defined as consolidated Operating income adjusted to exclude restructuring and reorganization expenses included within Direct operating expenses, Selling, General and Administrative expense, ("SG&A") and Corporate expenses and share-based compensation expenses included within Corporate expenses, as well as the following line items presented in our Statements of Operations: Depreciation and amortization; Impairment charges; and Other operating income (expense), net. See reconciliations in the Appendix.

iHeartMedia Revenue Streams:

\$US Dollars in millions	Successor Company	Predecessor Company	Variance
	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019	
Revenue			
Broadcast Radio	461.7	487.2	(5.2)%
Digital	92.8	75.9	22.2%
Networks	134.6	138.2	(2.6)%
Sponsorship and Events	29.3	39.7	(26.1)%
Audio and Media Services	60.2	51.4	17.2%
Other	4.0	5.1	(21.5)%
Eliminations	(2.0)	(1.8)	
Revenue, total	\$ 780.6	\$ 795.8	(1.9)%

Political Revenue Impact by Segment:

<i>\$US Dollars in millions</i>	Successor Company		Predecessor Company		Variance
	Three Months Ended March 31,		Three Months Ended March 31,		
	2020		2019		
Revenue					
Political Revenue Impact:					
Audio Segment	\$	18.2	\$	2.6	\$ 15.6
Audio & Media Svs Segment		7.6		0.5	7.1
Total	\$	25.8	\$	3.1	\$ 22.7

Capital Expenditures

\$USD in millions

iHeartMedia, Inc.

Three Months Ended March 31,

	2020	2019	Variance
Audio	\$ 18.6	\$ 20.1	\$ (1.5)
Audio & Media Services	0.7	0.7	—
Corp	2.4	2.2	0.2
Total	\$ 21.7	\$ 23.0	\$ (1.3)

Key Drivers:

- IT infrastructure and back office automation
- Leasehold improvements

2020 Full-Year CapEx Guidance

- \$75 million - \$95 million
- Maintenance CapEx = ~\$30 million - \$40 million

Debt

\$USD in millions	Maturity	Successor Company	
		3/31/2020	12/31/2019
Cash and cash equivalents		\$ 646.8	\$ 400.3
Term Loan Facility due 2026 ⁽¹⁾	2026	\$ 2,096.0	\$ 2,251.3
Asset-based Revolving Credit Facility ⁽²⁾	2023	350.0	—
6.375% Senior Secured Notes	2026	800.0	800.0
5.25% Senior Secured Notes	2027	750.0	750.0
4.75% Senior Secured Notes	2028	500.0	500.0
Other Secured Subsidiary Debt		20.5	21.0
Total Secured Debt		4,516.5	4,322.3
8.375% Senior Unsecured Notes	2027	1,450.0	1,450.0
Other Subsidiary Debt		6.2	12.5
Long-term debt fees		(19.1)	(19.4)
Liabilities subject to compromise		—	—
Total Debt		\$ 5,953.6	\$ 5,765.4
Weighted Average Cost of Debt ⁽⁴⁾		5.5%	6.4%
Mandatorily Redeemable Preferred Stock		\$ 60.0	\$ 60.0

⁽¹⁾On February 3, 2020, iHeartCommunications made a \$150.0 million prepayment using cash on hand and entered into an agreement to amend the Term Loan Facility to reduce the interest rate to LIBOR plus a margin of 3.00%, or the Base Rate (as defined in the credit agreement) plus a margin of 2.00% and to modify certain covenants contained in the credit agreement.

⁽²⁾On March 13, 2020, we borrowed \$350.0 million on the ABL Facility, the proceeds of which were invested as cash on the Balance Sheet. As of March 31, 2020, we had a facility size of \$450.0 million under the ABL Facility, had \$350.0 million outstanding borrowings and had \$47.3 million of outstanding letters of credit, resulting in \$52.7 million of availability.

Appendix

Q1 2020 Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

\$US Dollars in millions

	Successor Company		Predecessor Company	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2020		2019	
Net loss	\$	(1,688,736)	\$	(135,601)
Loss from discontinued operations, net of tax		—		169,554
Income tax benefit		(150,511)		(61,194)
Interest expense (income), net		90,089		(99)
Depreciation and amortization		96,768		38,290
EBITDA	\$	(1,652,390)	\$	10,950
Reorganization items, net		—		36,118
Loss on investments, net		9,955		10,237
Other expense, net		7,860		127
Equity in loss of nonconsolidated affiliates		564		7
Impairment charges		1,727,857		91,382
Other operating expense, net		1,066		27
Share-based compensation		4,625		392
Restructuring and reorganization expenses		40,802		7,811
Adjusted EBITDA	\$	140,339	\$	157,051

Q1 2020 Reconciliation of Free Cash Flow from Continuing Operations to Cash Provided by Operating Activities from Continuing Operations

(In thousands)

	Successor Company	Predecessor Company
	Three Months Ended March 31,	Three Months Ended March 31,
	2020	2019
Cash provided by operating activities from continuing operations	\$ 91,540	\$ 136,666
Purchases of property, plant and equipment from continuing operations	(21,664)	(22,953)
Free cash flow from continuing operations	\$ 69,876	\$ 113,713

Q1 2020 Reconciliation of Revenues excluding Effects of Political Revenue to Revenues

(In thousands)

	Successor Company	Predecessor Company
	Three Months Ended March 31,	Three Months Ended March 31,
	2020	2019
Consolidated revenue	\$ 780,634	\$ 795,797
Excluding: Political revenue	(25,805)	(3,081)
Consolidated revenue excluding effects of political revenue	\$ 754,829	\$ 792,716
Audio revenue	\$ 722,385	\$ 746,216
Excluding: Political revenue	(18,159)	(2,620)
Audio revenue excluding effects of political revenue	\$ 704,226	\$ 743,596
Audio and Media Services revenue	\$ 60,227	\$ 51,392
Excluding: Political revenue	(7,646)	(461)
Audio and Media Services revenue excluding effects of political revenue	\$ 52,581	\$ 50,931



About iHeartMedia, Inc.

iHeartMedia, Inc. (NASDAQ: IHRT) is the number one audio company in America based on consumer reach. The company's leadership position in audio extends across multiple platforms, including more than 850 live broadcast stations; its iHeartRadio service available across more than 250 platforms and 2,000 devices including smart speakers, smartphones, TVs and gaming consoles; through its influencers; social; live events; podcasting; and information services for local communities. The company uses its unparalleled national reach to target both nationally and locally on behalf of its advertising partners, and uses the latest technology solutions to transform the company's products and services for the benefit of its consumers, communities, partners and advertisers.

investor.iheartmedia.com

Investors

Kareem Chin

Senior Vice President

KareemChin@iheartmedia.com