# Third Quarter 2020
# Investor Presentation

November 9, 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, expectations regarding economic recovery and the recovery of our advertising revenue, 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 excluding the effects of political revenue and (iv) digital revenue excluding podcast 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 Q3 2020 and YTD 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 period from January 1, 2019 through May 1, 2019 are referred to as those of the “Predecessor” period. Our financial results for the three and nine months ended September 30, 2020, the three months ended September 30, 2019 and the period from May 2, 2019 through September 30, 2019 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. Although GAAP requires that we report on our results for the period from January 1, 2019 through May 1, 2019 and the period from May 2, 2019 through September 30, 2019 separately, management views the Company’s operating results for the nine months ended September 30, 2019 by combining the results of the applicable Predecessor and Successor periods because such presentation provides the most meaningful comparison of our year-to-date results to prior periods.

The combined results for the nine months ended September 30, 2019, which we refer to herein as the results for the "nine months ended September 30, 2019" represent the sum of the reported amounts for the Predecessor period from January 1, 2019 through May 1, 2019 and the Successor period from May 2, 2019 through September 30, 2019. These combined results are not considered to be prepared in accordance with GAAP and have not been prepared as pro forma results per applicable regulations. The combined operating results do not reflect the actual results we would have achieved absent our emergence from bankruptcy and may not be indicative of future results.

# Executive Summary

- **Q3 Financial Performance Lower YoY, but Substantially Improved from Q2 Levels**
  - Revenue of $744M up 53% sequentially, moving from down 47% YoY in Q2 to down 22% YoY in Q3
  - Adjusted EBITDA of $162M down 41% YoY; substantial increase from Q2 level of $(29)M
  - Positive Free Cash Flow of $14 million down 91% YoY; improved from Q2 level of $(7)M

- **Monthly Revenue Comparisons Continue to Show Sequential Improvement**
  - July, August & September down 27%, 21% and 18% YoY, respectively
  - October revenue increased 2% YoY, benefitting from significant political advertising

- **Digital Revenue Increased 17% YoY, Validating our Multi-Platform Growth Strategy**
  - YoY increase includes 74% YoY growth in our Podcasting Business
  - Digital Revenue excluding Podcasting grew 8% YoY

- **Received Declaratory Ruling from the FCC Granting our Request to Allow up to 100% of our Common Stock to be Owned by non-US persons, subject to certain limitations**
  - Ruling allows for the simplification of our capital structure and will enhance the liquidity of our Class A common stock by facilitating the conversion of the Warrants
  - On an as-converted basis to Common Stock, Warrants account for approximately 52% of the Company's equity as of 9/30/20

- **Completed Strategic Acquisition of Voxnest in October, Further Strengthening our Market-Leading Podcasting Platform, while Continuing to Expand our Content with Industry Leading Creators**
  - Entered into an exclusive agreement with Pushkin Industries, Malcolm Gladwell's podcasting network, to distribute and monetize its best-in-class content, and co-produce a whole new slate of shows
  - Launched standalone podcast Joint Venture with Charlamagne tha God, the Black Effect, which is the largest podcast publisher dedicated to Black listeners, bringing together the most influential and trusted voices in Black culture
  - Launched the iHeartMedia Latino Podcast Network led by Enrique Santos, targeting Latino audiences across the country

- **Exceptionally Well-Positioned for Growth and Margin Expansion as Advertising Activity Continue to Recover**
  - Execution on track to deliver $250M of cost savings in 2020 from modernization initiatives and COVID-19-related initiatives
  - Patient capital structure, ample liquidity, strong free cash flow model provide high financial resilience

# Our Results Validate Our Multi-Platform Product & Revenue Strategy

- Revenue is now almost evenly split between the Broadcast Radio Revenue line and our other revenue lines, illustrating the progress we are making on becoming a multi-platform company.

- Our other revenue lines, which have been the focal point of our growth efforts, have had meaningfully better revenue performance than our Broadcast Radio Revenue line, which was down 29% in Q3.

  - Digital Revenue increased 17% YoY
    - Includes a 74% YoY growth in our Podcasting Business
    - Digital Revenue excluding Podcasting grew 8% YoY compared to (11)% in Q2 '20
    - Our Digital business is comprised of streaming, OTT, subscription, display, newsletters, podcasting, and other content that is disseminated over digital platforms
    - Our iHeartRadio app has been downloaded over 2.9 billion times
    - iHeartRadio digital listening has seen double digit growth YoY across devices, listening is up 42% on Smart TVs and 11% on Smart Speakers
    - Our digital services associated with our stations and personalities average 71 million unique visitors per month, according to Comscore
  - Networks revenue, which was down 26% in total, includes our content network Premiere, which was down only 16%

- Additionally, SmartAudio, which is part of our Broadcast revenue line, also had significantly better revenue performance, down only 12% YoY
  - Industry continues to transition towards more data, analytics and electronic transactions, which we are leading with our SmartAudio platform

# IHRT is the #1 Commercial Podcasting Publisher

- Podcasting continues to be our strongest performing business line, with 74% revenue growth in Q3, and with EBITDA margins above the overall company margins
  - We had 252 million downloads in September, a 71% increase YoY, as measured by Podtrac
  - In Q3 2020, we were #1 in monthly downloads each month and we extended our lead over all other ranked podcasters
  - We have ranked shows featured in all 19 possible categories, the most among publishers
  - The just-released October Podtrac results show that we reached an all-time high of 266 million downloads and we are the #1 ranked podcast publisher in terms of monthly audience and widening our lead on others

- We partner with the best content creators in the world, distribute their content to the largest audiences possible without a paywall, and use our broadcast radio business as a built-in marketing engine to drive engagement with our podcast shows
  - We continue to expand our content with leading creators. In the third quarter alone:
    - Entered into an exclusive agreement with Pushkin Industries, Malcolm Gladwell's podcasting network
    - Launched standalone podcast Joint Venture with Charlamagne tha God, the Black Effect, which is the largest podcast publisher dedicated to Black listeners
    - Launched the iHeartMedia Latino Podcast Network led by Enrique Santos, targeting Latino audiences across the country
  - These new partnerships are in addition to our existing partnerships including Will Ferrell, Bill Clinton, Hillary Clinton, Alec Baldwin, Shonda Rhimes, and many more.

- The next step in our podcasting strategy is to increase our podcast monetization capabilities and add to our modernization efforts with data and technology capabilities
  - We acquired Voxnest in October 2020, utilizing our ample liquidity to fuel our fastest growing business
  - The Voxnest acquisition provides two crucial benefits to our podcast business:
    - First, it opens up meaningful additional targetable inventory to our podcast advertisers
    - Second, it will allow for more efficient monetization of our inventory by helping to connect the fragmented programmatic marketplaces that exist in podcasting today and establishes the first at-scale Real Time Bidding podcast platform for non-premium podcast inventory

# IHRT is Positioned to be Resilient with Streamlined Cost Structure Expected to Provide Long-Term Margin Improvement

- IHRT took early actions to focus on aggressive cost management and maximizing liquidity to be prepared for a potential protracted recovery

- IHRT's modernization and other cost saving initiatives are a multi-pronged set of strategic initiatives aimed at creating lasting structural efficiencies that will position the company for sustainable, long-term growth and drive shareholder value

- Investment in modernization is a strategic decision to pioneer best practices:
  - Leverage investments in cloud-based technology and AI to maximize performance
  - Create centers of excellence throughout the organization that consolidate key resources for the Company, which increases quality, improves service, and reduces cost
  - Expand support for our content creators and sales force
  - Optimize our real estate footprint

- Modernization and cost saving initiatives remain on track to deliver $250 million of savings in 2020
  - $50 million in 2020 from Modernization initiatives; $100 million run-rate by mid-2021
  - $200 million of additional opex savings in 2020 identified in response to COVID
  - We have developed plans to make the majority of the $200M of post-COVID expense savings permanent

- In addition to modernization and cost savings initiatives, other benefits to free cash flow in 2020 include:
  - $100 million reduction in tax-related cash payments
  - Reduction in capital expenditures of approximately $80 million

- Increased focus on liquidity through proactive capital structure management
  - Cash balance = $713.7 million as of September 30, 2020
  - Total available liquidity(1) = $879.0 million as of September 30, 2020

[1] Total available liquidity defined as cash and cash equivalents plus available borrowings under the ABL Facility.

# Q3 '20 Financial Results:

| *$US Dollars in millions* | Successor Company | | | Successor Company |
| --- | --- | --- | --- | --- |
| | Three Months Ended September 30, | | | Three Months Ended June 30, |
| | 2020 | 2019 | Variance | 2020 |
| **Revenue** | **$ 744.4** | **$ 948.3** | **(21.5) %** | **$ 487.6** |
| Direct operating expenses | 276.7 | 316.7 | (12.6) % | 249.9 |
| SG&A expenses | 292.6 | 327.1 | (10.6) % | 261.2 |
| Corporate expenses | 34.7 | 58.5 | (40.8) % | 26.4 |
| Depreciation & amortization | 99.4 | 95.3 | 4.3 % | 103.3 |
| Impairment charges | — | — | | 5.4 |
| Other operating expenses | 1.7 | 9.9 | | 0.5 |
| **Operating income (loss)** | **$ 39.4** | **$ 140.8** | **(72.0) %** | **$ (159.1)** |
| Depreciation & amortization | 99.4 | 95.3 | | 103.3 |
| Impairment charges | — | — | | 5.4 |
| Other operating expenses | 1.7 | 9.9 | | 0.5 |
| Share-based compensation | 5.9 | 17.1 | | 4.2 |
| Restructuring expenses | 15.8 | 11.6 | | 16.4 |
| **Adjusted EBITDA** | **$ 162.1** | **$ 274.7** | **(41.0) %** | **$ (29.3)** |

- **Revenue:** down 21.5% (down 25.1% excluding political)
  - Decline in revenue driven by macroeconomic effects of COVID-19
  - Decline offset by digital growth, primarily due to growth in podcasting, and higher political
- **Direct Operating Expenses:** Down 12.6%
  - Driven primarily by impact of cost-saving initiatives
  - Lower variable costs, driven by lower revenue
- **SG&A Expenses:** Down 10.6%
  - Driven by cost-saving initiatives
- **Operating Income (Loss):** Down 72.0%, driven by lower revenue, resulting from impact of COVID-19
- **Adjusted EBITDA:** Down 41.0%, or $112.5 million

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

# YTD Q3 '20 Financial Results:

| *$US Dollars in millions* | Successor Company<br>Nine Months Ended September 30,<br>2020 | Successor Company<br>May 2 - September 30,<br>2019 | Predecessor Company<br>January 1 - May 1,<br>2019 | Non-GAAP Combined<br>Nine Months Ended September 30,<br>2019 | Variance |
|---|---|---|---|---|---|
| **Revenue** | **$ 2,012.7** | **$ 1,584.0** | **$ 1,073.5** | **$ 2,657.5** | **(24.3) %** |
| Direct operating expenses | 828.2 | 515.5 | 381.2 | 896.7 | (7.6) % |
| SG&A expenses | 897.9 | 547.3 | 427.2 | 974.6 | (7.9) % |
| Corporate expenses | 101.0 | 85.3 | 53.6 | 139.0 | (27.3) % |
| Depreciation & amortization | 299.5 | 154.7 | 52.8 | 207.5 | 44.3 % |
| Impairment charges | 1,733.2 | — | 91.4 | 91.4 | |
| Other operating expenses | 3.2 | 6.6 | 0.2 | 6.8 | |
| **Operating income (loss)** | **$ (1,850.5)** | **$ 274.5** | **$ 67.0** | **$ 341.6** | **nm** |
| Depreciation & amortization | 299.5 | 154.7 | 52.8 | 207.5 | |
| Impairment charges | 1,733.2 | — | 91.4 | 91.4 | |
| Other operating expenses | 3.2 | 6.6 | 0.2 | 6.8 | |
| Share-based compensation | 14.7 | 20.2 | 0.5 | 20.6 | |
| Restructuring expenses | 72.9 | 13.5 | 13.2 | 26.7 | |
| **Adjusted EBITDA** | **$ 273.2** | **$ 469.4** | **$ 225.1** | **$ 694.6** | **(60.7) %** |

- **Revenue:** Down 24.3% (down 26.6% excluding political)
  - Decline in revenue driven by effects of COVID-19
  - Decline offset by digital growth, primarily due to growth in podcasting, and higher political
- **Direct Operating Expenses:** Down 7.6%
  - Driven primarily by impact of cost-saving initiatives
  - Lower variable costs, driven by lower revenue, offset by higher digital costs, driven by podcasting
- **SG&A Expenses:** Down 7.9%
  - Driven by cost-saving initiatives, offset by higher bad debt expense
- **Operating Income (Loss):** Down $2.2 billion; driven by Q1 non-cash $1.7 billion impairment due to impact of COVID-19
- **Adjusted EBITDA:** Down 60.7%

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, 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 Three Months Ended September 30, 2020 | Successor Company Three Months Ended September 30, 2019 | Variance |
|---|---|---|---|
| **Revenue** | | | |
| Broadcast Radio | $ 404.5 | $ 573.0 | (29.4) % |
| Digital | 112.6 | 96.7 | 16.5 % |
| Networks | 119.0 | 160.1 | (25.7) % |
| Sponsorship and Events | 28.9 | 55.5 | (48.0) % |
| Audio and Media Services | 75.0 | 59.9 | 25.3 % |
| Other | 6.4 | 5.0 | 27.7 % |
| Eliminations | (1.9) | (1.9) | |
| **Revenue, total** | **$ 744.4** | **$ 948.3** | **(21.5) %** |

| *$US Dollars in millions* | Successor Company Nine Months Ended September 30, 2020 | Successor Company May 2 - September 30, 2019 | Predecessor Company January 1 - May 1, 2019 | Non-GAAP Combined Nine Months Ended September 30, 2019 | Variance |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Broadcast Radio | $ 1,110.2 | $ 963.6 | $ 657.9 | $ 1,621.5 | (31.5) % |
| Digital | 298.6 | 160.9 | 102.8 | 263.7 | 13.2 % |
| Networks | 349.9 | 265.6 | 189.1 | 454.6 | (23.0) % |
| Sponsorship and Events | 73.1 | 87.3 | 50.3 | 137.7 | (46.9) % |
| Audio and Media Services | 174.5 | 100.4 | 69.4 | 169.8 | 2.8 % |
| Other | 12.3 | 9.2 | 6.6 | 15.8 | (22.1) % |
| Eliminations | (5.9) | (3.0) | (2.6) | (5.6) | |
| **Revenue, total** | **$ 2,012.7** | **$ 1,584.0** | **$ 1,073.5** | **$ 2,657.5** | **(24.3) %** |



iHeartMEDIA

# Political Revenue Impact by Segment

| *$US Dollars in millions* | Successor Company | | | | Variance | |
|---|---|---|---|---|---|---|
| | Three Months Ended September 30, | | | | | |
| | 2020 | | 2019 | | | |
| Revenue | | | | | | |
| **Political Revenue Impact:** | | | | | | |
| Audio Segment | $ | 21.8 | $ | 5.6 | $ | 16.2 |
| Audio & Media Svs Segment | | 17.8 | | 1.6 | | 16.2 |
| **Total** | **$** | **39.6** | **$** | **7.2** | **$** | **32.4** |

| *$US Dollars in millions* | Successor Company | | Successor Company | | Predecessor Company | | Non-GAAP Combined | | Variance | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Nine Months Ended September 30, | | May 2 - September 30, | | January 1 - May 1, | | Nine Months Ended September 30, | | | |
| | 2020 | | 2019 | | 2019 | | 2019 | | | |
| Revenue | | | | | | | | | | |
| **Political Revenue Impact:** | | | | | | | | | | |
| Audio Segment | $ | 44.4 | $ | 8.3 | $ | 4.0 | $ | 12.2 | $ | 32.1 |
| Audio & Media Svs Segment | | 28.0 | | 2.1 | | 0.8 | | 2.9 | | 25.1 |
| **Total** | **$** | **72.4** | **$** | **10.3** | **$** | **4.8** | **$** | **15.1** | **$** | **57.3** |

# Capital Expenditures

*$USD in millions*

| iHeartMedia, Inc. | Nine Months Ended September 30, | | |
|---|---|---|---|
| | 2020 | 2019 | Variance |
| Audio | $ 50.4 | $ 68.4 | $ (18.0) |
| Audio & Media Services | 2.4 | 4.1 | (1.7) |
| Corp | 5.7 | 10.0 | (4.3) |
| Total | $ 58.5 | $ 82.5 | $ (24.0) |

**Key Drivers:**

- Reduction driven by cost-savings initiatives
- IT infrastructure and back office automation
- Leasehold improvements

**2020 Full-Year CapEx Guidance**

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

# Debt

| $USD in millions | Maturity | Successor Company September 30, 2020 | Successor Company December 31, 2019 |
|---|---|---|---|
| **Cash and cash equivalents** | | **$ 713.7** | **$ 400.3** |
| Term Loan Facility due 2026[1] | 2026 | $ 2,085.5 | $ 2,251.3 |
| Incremental Term Loan Facility due 2026[2] | 2026 | 448.9 | — |
| Asset-based Revolving Credit Facility[2][3] | 2023 | — | — |
| 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 | | 23.0 | 21.0 |
| Total Secured Debt | | 4,607.4 | 4,322.3 |
| 8.375% Senior Unsecured Notes | 2027 | 1,450.0 | 1,450.0 |
| Other Subsidiary Debt | | 6.5 | 12.5 |
| Purchase accounting adjustments and original issue discount | | (19.6) | — |
| Long-term debt fees | | (22.5) | (19.4) |
| **Total Debt** | | **$ 6,021.8** | **$ 5,765.4** |
| **Net Debt** | | **$ 5,308.1** | **$ 5,365.1** |
| Weighted Average Cost of Debt | | 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 July 16, 2020, iHeartCommunications issued $450.0 million of incremental term loans under the Amendment No. 2. Proceeds from the issuance were used to repay the remaining balance outstanding on the Company's ABL Facility of $235.0 million and to increase cash equivalents available for general corporate purposes.

[3] On March 13, 2020, iHeartCommunications borrowed $350.0 million under the ABL Facility, the proceeds of which were invested as cash on the Balance Sheet. During the second and third quarters of 2020, iHeartCommunications voluntarily repaid all principal amounts outstanding under the ABL Facility. As of September 30, 2020, the ABL Facility had a borrowing base of $365.6 million, no outstanding borrowings and $41.2 million of outstanding letters of credit, resulting in $324.4 million of borrowing base availability. As a result of certain restrictions in the Company's debt and preferred stock agreements, as of September 30, 2020, approximately $165 million was available to be drawn upon under the ABL Facility.

# Appendix

# Q3 2020 Reconciliation of Net Income (Loss) to EBITDA and Adjusted EBITDA

| *$US Dollars in millions* | Successor Company | | |
|---|---|---|---|
| | Three Months Ended September 30, | | Three Months Ended June 30, |
| | 2020 | 2019 | 2020 |
| Net income (loss) | $ (32,112) | $ 12,374 | $ (197,317) |
| Income tax benefit (expense) | (15,228) | 16,758 | (43,742) |
| Interest expense, net | 85,562 | 100,967 | 81,963 |
| Depreciation and amortization | 99,379 | 95,268 | 103,347 |
| EBITDA | $ 137,601 | $ 225,367 | $ (55,749) |
| Gain on investments, net | (62) | (1,735) | (1,280) |
| Other expense, net | 1,177 | 12,457 | 1,258 |
| Equity in loss of nonconsolidated affiliates | 58 | 1 | 31 |
| Impairment charges | — | — | 5,378 |
| Other operating expense, net | 1,675 | 9,880 | 506 |
| Share-based compensation | 5,885 | 17,112 | 4,218 |
| Restructuring and reorganization expenses | 15,790 | 11,574 | 16,355 |
| **Adjusted EBITDA** | **$ 162,124** | **$ 274,656** | **$ (29,283)** |

# YTD Q3 '20 Reconciliation of Net Income (Loss) to EBITDA and Adjusted EBITDA

| *$US Dollars in millions* | Successor Company | Successor Company | Predecessor Company | Non-GAAP Combined |
|---|---|---|---|---|
| | Nine Months Ended September 30, | May 2 - September 30, | Jan 1 - May 1, | Nine Months Ended September 30, |
| | 2020 | 2019 | 2019 | 2019 |
| Net income (loss) | $ (1,918,165) | $ 51,167 | $ 11,165,113 | $ 11,216,280 |
| Income from discontinued operations, net of tax | — | — | (1,685,123) | (1,685,123) |
| Income tax expense | (209,481) | 32,761 | 39,095 | 71,856 |
| Interest expense (income), net | 257,614 | 170,678 | (499) | 170,179 |
| Depreciation and amortization | 299,494 | 154,651 | 52,834 | 207,485 |
| EBITDA | $ (1,570,538) | $ 409,257 | $ 9,571,420 | $ 9,980,677 |
| Reorganization items, net | — | — | (9,461,826) | (9,461,826) |
| Gain (loss) on investments, net | 8,613 | (1,735) | 10,237 | 8,502 |
| Other (income) expense, net | 10,295 | 21,614 | (23) | 21,591 |
| Equity in loss of nonconsolidated affiliates | 653 | 25 | 66 | 91 |
| Impairment charges | 1,733,235 | — | 91,382 | 91,382 |
| Other operating expense, net | 3,247 | 6,634 | 154 | 6,788 |
| Share-based compensation | 14,728 | 20,151 | 498 | 20,649 |
| Restructuring and reorganization expenses | 72,947 | 13,463 | 13,241 | 26,704 |
| **Adjusted EBITDA** | **$ 273,180** | **$ 469,409** | **$ 225,149** | **$ 694,558** |

# Q3 2020 and YTD Q3 2020 Reconciliation of Free Cash Flow from (used for) Continuing Operations to Cash Provided by Operating Activities provided by (user for) Continuing Operations

| *(In thousands)* | Successor Company | | |
|---|---|---|---|
| | Three Months Ended September 30, | | Three Months Ended June 30, |
| | **2020** | **2019** | **2020** |
| Cash provided by operating activities from continuing operations | $ 33,252 | $ 180,341 | $ 11,369 |
| Purchases of property, plant and equipment from continuing operations | (18,977) | (28,870) | (17,882) |
| Free cash flow from continuing operations | **$ 14,275** | **$ 151,471** | **$ (6,513)** |

| | Successor Company | Successor Company | Predecessor Company | Non-GAAP Combined |
|---|---|---|---|---|
| | Nine Months Ended September 30, | May 2 - September 30, | January 1 - May 1, | Nine Months Ended September 30, |
| | **2020** | **2019** | **2019** | **2019** |
| Cash provided by (used for) operating activities from continuing operations | $ 136,161 | $ 263,542 | $ (7,505) | $ 256,037 |
| Purchases of property, plant and equipment from continuing operations | (58,523) | (46,305) | (36,197) | (82,502) |
| Free cash flow from (used for) continuing operations | **$ 77,638** | **$ 217,237** | **$ (43,702)** | **$ 173,535** |

# Q3 2020 Reconciliation of Revenue excluding Effects of Political Revenue to Revenue

| *(In thousands)* | Successor Company | |
|---|---|---|
| | Three Months Ended September 30, | |
| | 2020 | 2019 |
| Consolidated revenue | $ 744,406 | $ 948,338 |
| Excluding: Political revenue | (39,588) | (7,151) |
| Consolidated revenue excluding effects of political revenue | **$ 704,818** | **$ 941,187** |
| | | |
| Audio revenue | $ 671,297 | $ 890,364 |
| Excluding: Political revenue | (21,800) | (5,600) |
| Audio revenue excluding effects of political revenue | **$ 649,497** | **$ 884,764** |
| | | |
| Audio and Media Services revenue | $ 75,039 | $ 59,873 |
| Excluding: Political revenue | (17,789) | (1,551) |
| Audio and Media Services revenue excluding effects of political revenue | **$ 57,250** | **$ 58,322** |

# YTD Q3 '20 Reconciliation of Revenue excluding Effects of Political Revenue to Revenue

| *(In thousands)* | Successor Company | Successor Company | Predecessor Company | Non-GAAP Combined |
|---|---|---|---|---|
| | Nine Months Ended September 30, | May 2 - September 30, | January 1 - May 1, | Nine Months Ended September 30, |
| | 2020 | 2019 | 2019 | 2019 |
| Consolidated revenue | $ 2,012,688 | $ 1,583,984 | $ 1,073,471 | $ 2,657,455 |
| Excluding: Political revenue | (72,382) | (10,347) | (4,777) | (15,124) |
| Consolidated revenue excluding effects of political revenue | **$ 1,940,306** | **$ 1,573,637** | **$ 1,068,694** | **$ 2,642,331** |
| Audio revenue | $ 1,844,026 | $ 1,486,594 | $ 1,006,677 | $ 2,493,271 |
| Excluding: Political revenue | (44,388) | (8,269) | (3,980) | (12,249) |
| Audio revenue excluding effects of political revenue | **$ 1,799,638** | **$ 1,478,325** | **$ 1,002,697** | **$ 2,481,022** |
| Audio and Media Services revenue | $ 174,517 | $ 100,410 | $ 69,362 | $ 169,772 |
| Excluding: Political revenue | (27,994) | (2,078) | (797) | (2,875) |
| Audio and Media Services revenue excluding effects of political revenue | **$ 146,523** | **$ 98,332** | **$ 68,565** | **$ 166,897** |



iHeartMEDIA

# Q3 2020 Reconciliation of Digital Revenue excluding Effects of Podcast Revenue to Digital Revenue

| *(In thousands)* | Successor Company | | | |
|---|---|---|---|---|
| | Three Months Ended September 30, | | | |
| | 2020 | | 2019 | |
| Digital revenue | $ | 112,589 | $ | 96,656 |
| Excluding: Podcast revenue | | (22,626) | | (13,033) |
| Digital revenue excluding effects of podcast revenue | **$** | **89,963** | **$** | **83,623** |

**About iHeartMedia, Inc.**
iHeartMedia (Nasdaq: IHRT) is the number one audio company in the United States, reaching nine out of 10 Americans every month – and with its quarter of a billion monthly listeners, has a greater reach than any other media company in the U.S. The company's leadership position in audio extends across multiple platforms, including more than 850 live broadcast stations in over 160 markets nationwide; through its iHeartRadio digital service available across more than 250 platforms and 2,000 devices; through its influencers; social; branded iconic live music events; other digital products and newsletters; and podcasts as the #1 commercial podcast publisher. iHeartMedia also leads the audio industry in analytics, targeting and attribution for its marketing partners with its SmartAudio product, using data from its massive consumer base. Visit iHeartMedia.com for more company information.

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