



# First Quarter 2023 Investor Presentation

May 2, 2023

NASDAQ: IHRT

# 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 expectations regarding economic recovery and the recovery of advertising revenue, expectations regarding the Company's digital transformation, future advertising demand, financial performance of the Company and of our segments, our expected costs savings and other capital and operating expense reduction initiatives, our business plans, strategies and initiatives, our expectations about certain markets and competitive position, including in a period of economic uncertainty, expected interest rates and interest expense savings, and our anticipated financial performance, liquidity and net leverage, 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: risks related to weak or uncertain global economic conditions; the impact of the COVID-19 pandemic or other future public health crises; competition, including increased competition from alternative media platforms and technologies; dependence upon our brand and 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 acquisitions, dispositions and other strategic transactions; risks related to our indebtedness; legislative or regulatory requirements; impact of legislation, ongoing litigation or royalty audits on music licensing and royalties; regulations and concerns regarding privacy and data protection and breaches of information security measures; risks related to our Class A common stock; 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 press release 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 hereof. 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 “Part I, Item 1A. Risk Factors” of iHeartMedia, Inc.'s Annual Reports on Form 10-K and “Part II, Item 1A. Risk Factors” of iHeartMedia, Inc.'s 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 and Adjusted EBITDA margin, (ii) Free cash flow, (iii) Free cash flow including net proceeds from real estate sales, (iv) net debt and net leverage, and (v) 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](http://www.iheartmedia.com). Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included at the end of this presentation. In addition, herein we have provided Revenue and Adjusted EBITDA guidance for the quarter ending June 30, 2023 and net leverage (as defined below) guidance for December 31, 2023, which reflects anticipated Adjusted EBITDA for the year ending December 31, 2023 and anticipated net debt as of December 31, 2023. A full reconciliation of the forecasted Adjusted EBITDA, net debt and net leverage on a non-GAAP basis to its most-directly comparable GAAP metric cannot be provided without unreasonable efforts due to the inherent difficulty in forecasting and quantifying with reasonable accuracy significant items required for the reconciliations, including gains or losses on investments, extinguishment of debt, equity in nonconsolidated affiliates, impairment charges, stock based compensation, and restructuring as well as the Company's cash and cash equivalents balance.

**This presentation should be read in conjunction with the Q1 2023 earnings release of iHeartMedia, Inc. and Form 10-Q filing of iHeartMedia, Inc. available at [www.iheartmedia.com](http://www.iheartmedia.com)**

*Numbers may not sum due to rounding. In this presentation, Adjusted EBITDA is defined as consolidated Operating income (loss) adjusted to exclude restructuring expenses included within Direct operating expenses and Selling, General and Administrative expense, (“SG&A”) and share-based compensation expenses included within SG&A expenses, as well as the following line items presented in our Statements of Operations: Depreciation and amortization; Impairment charges; and Other operating expense, net. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenues. 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. Free Cash Flow including net proceeds from real estate sales is Free cash flow further adjusted to include net proceeds from real estate sales. Net debt is Total debt less Cash and cash equivalents. Net leverage is defined as Net debt divided by Adjusted EBITDA. See reconciliations in the Appendix.*

# Executive Summary<sup>1</sup>

## ➤ **Q1 2023 Consolidated Results**

- Q1 Revenue of \$811 million, down 3.8%; above the guidance range of down mid-single digits
- Consolidated Adjusted EBITDA of \$93 million; above guidance range of \$80 million to \$90 million, compared to \$145 million in Q1 2022
- Cash Flows used for operating activities of \$(94) million
- Free Cash Flow of \$(133) million in seasonally lowest Free Cash Flow quarter of the year

## ➤ **Q1 2023 Digital Audio Group Results**

- Digital Audio Group Revenue of \$223 million up 4%
  - Podcast Revenue of \$77 million up 12%
  - Digital Revenue excluding Podcast of \$147 million up 1%
- Segment Adjusted EBITDA of \$54 million up 3%
  - Digital Audio Group Adjusted EBITDA margin of 24.2%

## ➤ **Q1 2023 Multiplatform Group Results**

- Multiplatform Group Revenue of \$529 million down 7%
- Segment Adjusted EBITDA of \$87 million down 35%
  - Multiplatform Group Adjusted EBITDA margin of 16.5%

## ➤ **Continued Proactive Capital Structure Improvement Through Debt Paydown**

- Cash balance and total available liquidity<sup>2</sup> of \$188 million and \$601 million, respectively, as of March 31, 2023
- Repurchased \$20 million in principal balance of 8.375% Senior Unsecured Notes (at a discount to par) for \$15 million in cash; expected to generate approximately \$2 million of annualized interest savings
  - As of March 31 2023, combined Notes repurchases of \$350 million at a discount to par for \$315 million cash; expected to generate approximately \$30 million of annualized interest savings

## ➤ **Guidance**

- Q2 Consolidated Revenue expected to decline in the mid-single digits; Q2 Consolidated Revenue excluding the impact of Political expected to decline in the low-single digits
- April Consolidated Revenue down approximately 5%
- Q2 Consolidated Adjusted EBITDA<sup>3</sup> expected to be \$180 million to \$200 million
- Remain committed to long term target of approximately 4x Net Debt to Adjusted EBITDA ("net leverage")<sup>3</sup>

1. Unless otherwise noted, all results are based on year over year comparisons

2. Total available liquidity is defined as cash and cash equivalents plus available borrowings under our ABL Facility. We use total available liquidity to evaluate our capacity to access cash to meet obligations and fund operations.

3. A full reconciliation of forecasted Adjusted EBITDA, net debt and net leverage on a non-GAAP basis to the most-directly comparable GAAP metrics cannot be provided without unreasonable efforts due to the inherent difficulty in forecasting and quantifying with reasonable accuracy significant items required for the reconciliations, including gains or losses on investments, extinguishment of debt, equity in nonconsolidated affiliates, impairment charges, stock based compensation, and restructuring as well as the Company's cash and cash equivalents balance.

# Segment Reporting: 2023 Q1 Results

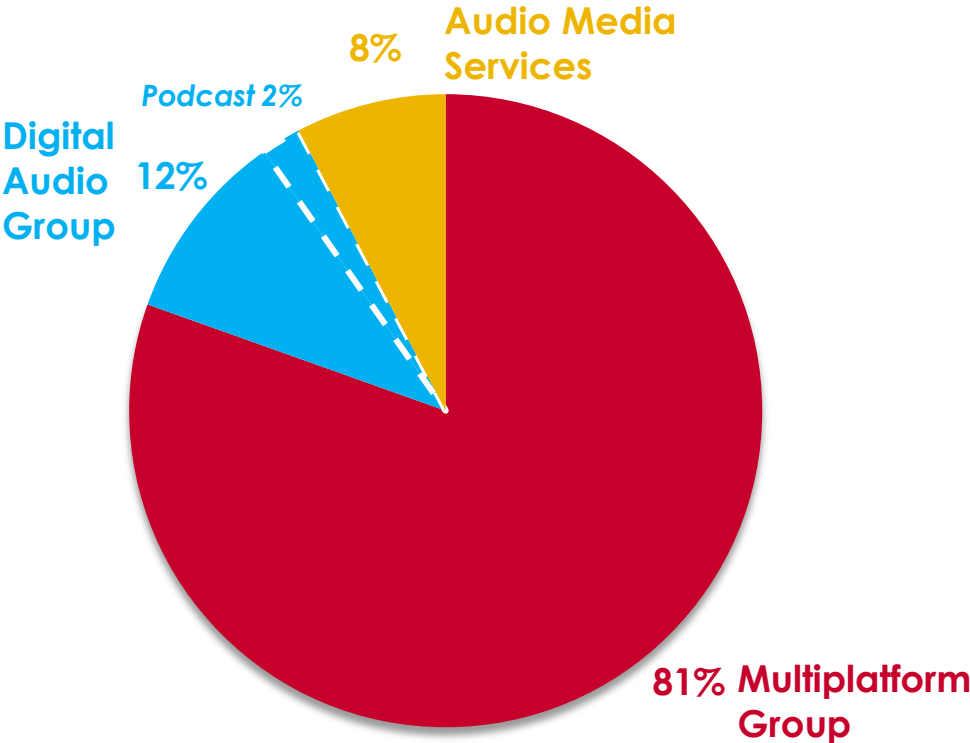
*\$US Dollars in millions*

	Revenue			Adjusted EBITDA			Adjusted EBITDA Margin %	
	Three Months Ended March 31,			Three Months Ended March 31,			Three Months Ended March 31,	
	2023	2022	% Chg	2023	2022	% Chg	2023	2022
Multiplatform Group	\$ 529.0	\$ 571.2	(7.4) %	\$ 87.1	\$ 133.9	(35.0) %	16.5 %	23.4 %
Digital Audio Group	223.4	214.2	4.3 %	54.1	52.5	3.1 %	24.2 %	24.5 %
Audio & Media Services Group	61.4	60.9	0.8 %	15.3	16.4	(6.4) %	24.9 %	26.9 %
Corporate and Other Items				(63.1)	(57.6)	9.6 %		
Eliminations	(2.5)	(2.8)	NM	—	—	NM		
<b>Consolidated</b>	<b>\$ 811.2</b>	<b>\$ 843.5</b>	<b>(3.8) %</b>	<b>\$ 93.4</b>	<b>\$ 145.2</b>	<b>(35.7) %</b>	<b>11.5 %</b>	<b>17.2 %</b>
<b>Memo: Podcast</b>	<b>\$ 76.8</b>	<b>\$ 68.5</b>	<b>12.1 %</b>					
<b>Memo: Digital ex. Podcast</b>	<b>\$ 146.6</b>	<b>\$ 145.7</b>	<b>0.6 %</b>					

# Continued Digital Growth Directly Translating to Revenue Mix Shift

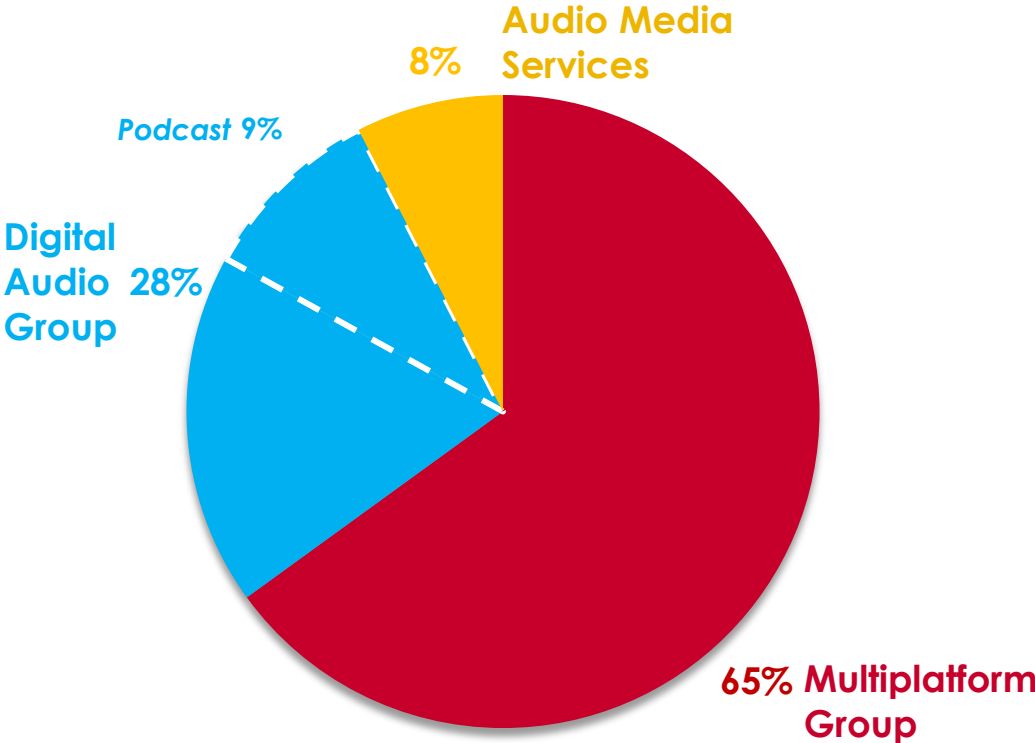
Q1 2020

Consolidated Revenue  
(% Composition<sup>1</sup>) (Total \$781MM)



Q1 2023

Consolidated Revenue  
(% Composition<sup>1</sup>) (Total \$811MM)

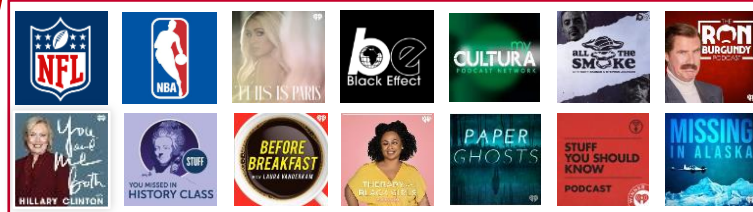


<sup>1</sup>Composition based on Total Consolidated Revenue which includes Eliminations of \$1.978MM for Q1 2020 and \$2.521MM for Q1 2023, not included in charts as figure is <1% of composition  
Figures may not foot due to rounding.



# iHeart Has the Only Total Audio Media Ecosystem

## CONTENT



### Radio Stations & Station Websites



### Networks



### Personalities



ENRIQUE SANTOS



BREAKFAST CLUB



RYAN SEACREST



DELILAH

## DISTRIBUTION Broadcast & Digital



### Events (Local & National)



### Email Newsletters and iHeart Websites

### 860+ O&O Broadcast Stations



## TECHNOLOGY

Hosting/Infrastructure, Data,  
Monetization, and Measurement



iHeart's Unique Audio Ecosystem Also Has Unsurpassed  
National Scale

# iHeartRadio Strategically Positioned in the Podcast Value Chain<sup>1</sup>



# And Leading Podcast Publisher Across All Podtrac Categories

Most Shows In Podtrac

## RANKING



96



48



21

#1 in total global Downloads  
for 33 consecutive months

Most Shows In Podtrac

## THE TOP 10

by category



34



19



15

#1 in unique U.S. Listeners  
for 30 consecutive months

Most Shows

## 1MM+ LISTENS



47



29










18

The Only Network with shows in  
all 19 Podtrac Categories



# iHeartRadio is the #1 Podcast Publisher in the US with More Downloads than the Next 2 Publishers Combined

PODCAST PUBLISHER	MONTHLY DOWNLOADS	MONTHLY AUDIENCE
 iHeart <b>RADIO</b>	386,173,000	33,908,000
WONDERY <sup>1</sup>	176,213,000	25,022,000
 n p r	183,582,000	20,110,000
The New York Times	126,355,000	12,233,000
 NEWS	71,499,000	11,369,000
DAILY WIRE	81,138,000	9,445,000
 The WALT Disney Company	43,662,000	8,540,000
 BARSTOOL SPORTS	36,238,000	7,305,000
 PRX	60,612,000	6,060,000
 FOX AUDIO NETWORK	42,243,000	5,427,000
THE MOST CREATORS + THE MOST-ENGAGED SUPERFANS ON THE BIGGEST STAGE IN PODCASTING		

Source: Podtrac Monthly Ranker, March 2023

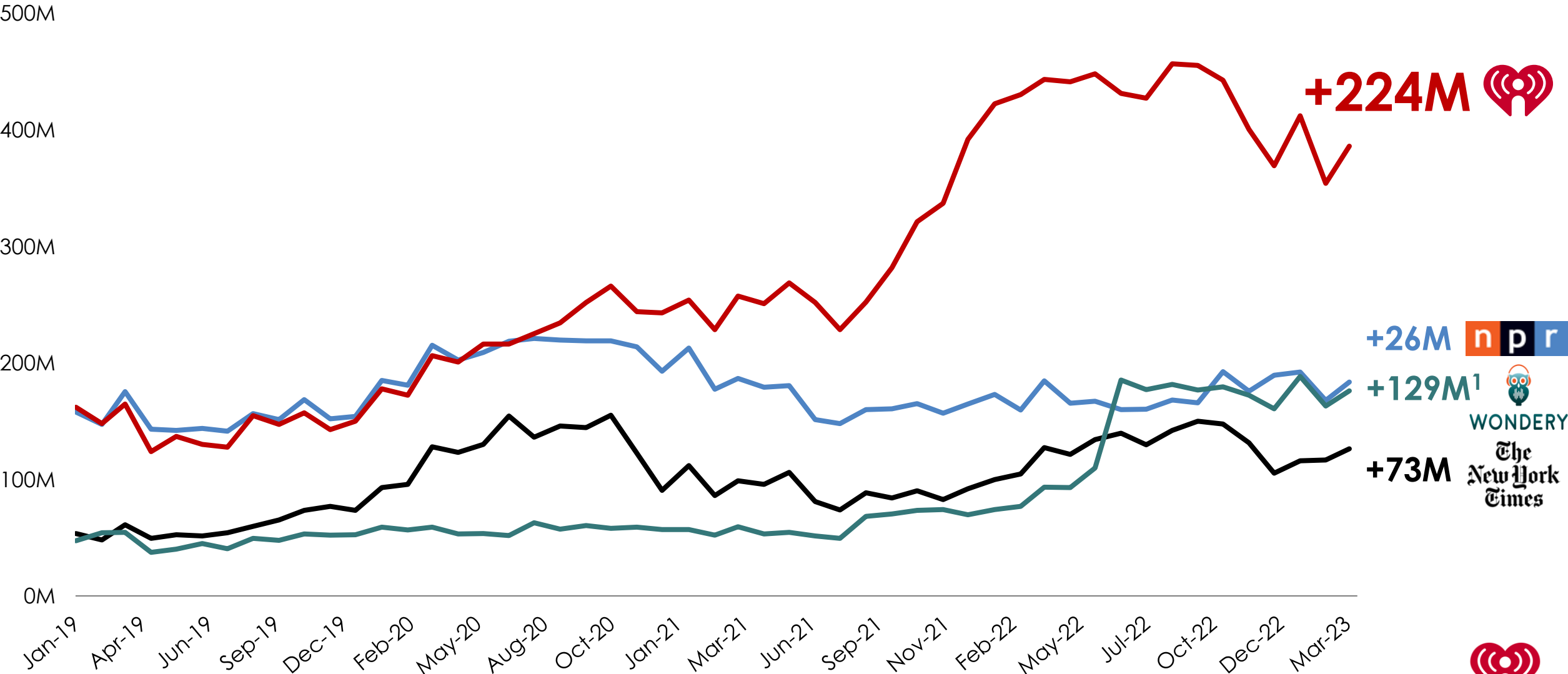
<sup>1</sup> Wondery growth attributable to distribution deals with Morbid Network (Morbid: A True Crime Podcast) and Exactly Right Media (My Favorite Murder, The Podcast Will Kill You, Tenfold More Wicked Presents: Wicked Worlds, That's Messed Up: An SVU Podcast) which have increased their U.S. monthly podcast audience



# iHeartPodcast Network's Monthly Downloads Have Grown More than the Next 2 Publishers Combined

Podtrac: Monthly Podcast Streams & Downloads

Growth since 2019



Source: Podtrac Rankings, Global Streams & Downloads, Jan 2019 – March 2023  
<sup>1</sup> Wonderly growth attributable to distribution deals with Morbid Network (Morbid: A True Crime Podcast) and Exactly Right Media (My Favorite Murder, The Podcast Will Kill You, Tenfold More Wicked Presents: Wicked Worlds, That's Messed Up: An SVU Podcast) which have increased their U.S. monthly podcast audience



# Digital Ex-Podcast Generates Additional Growth and TAM Opportunities

**Q1 2023 Revenue: \$147M**  
**FY 2022 Revenue: \$663M**

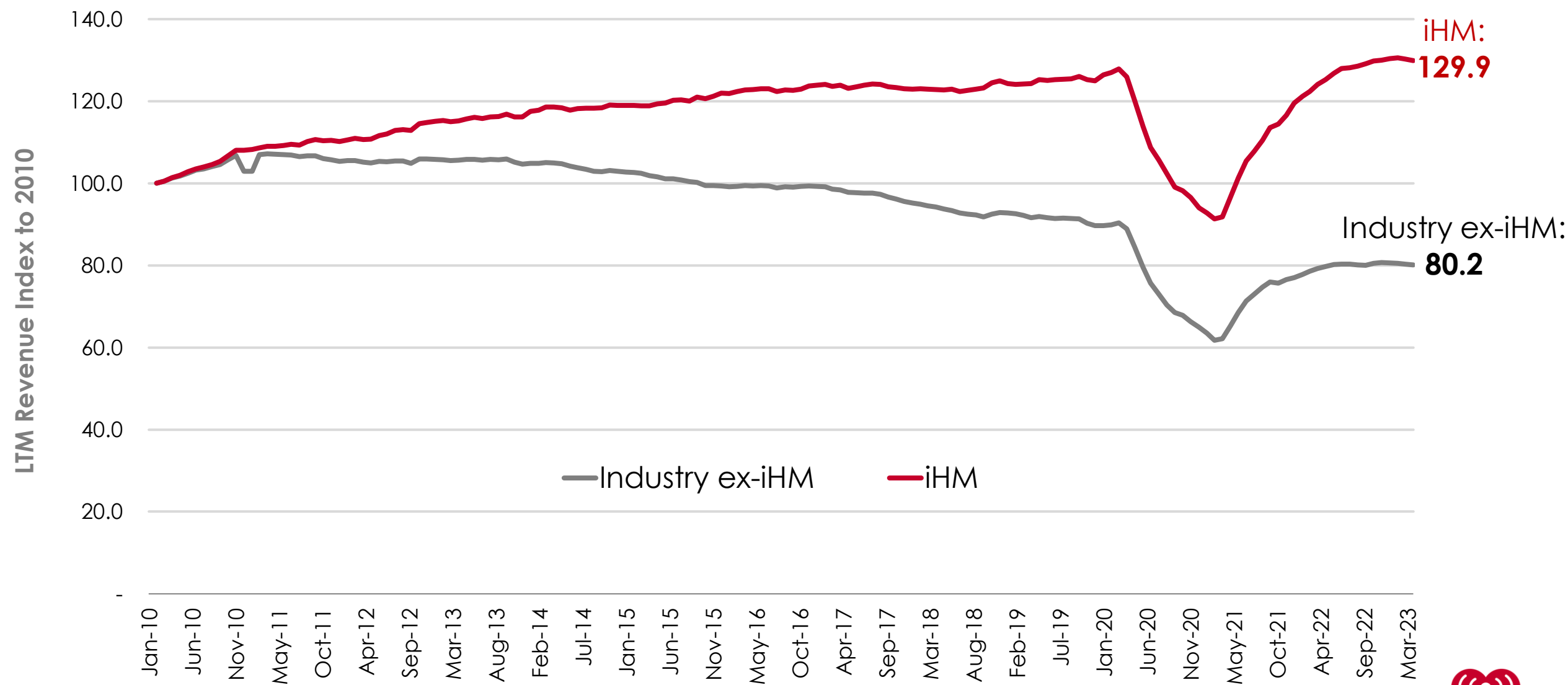


## Amplified by:

1. Largest audio salesforce in the US
2. Long-term sales relationships with SMBs positioning iHeart as a mini-agency
3. Continued investments in training, IT infrastructure, centers of excellence

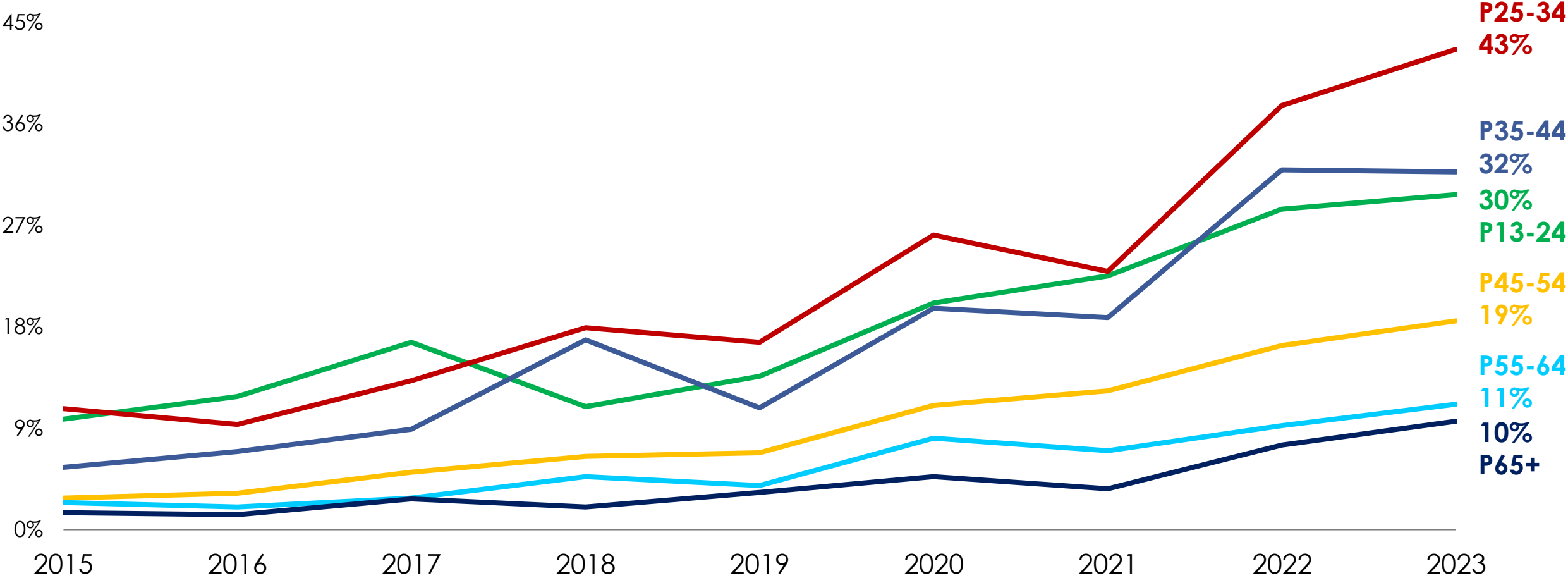
# Improving Broadcast Radio Revenue Share

## Miller-Kaplan Outperformance



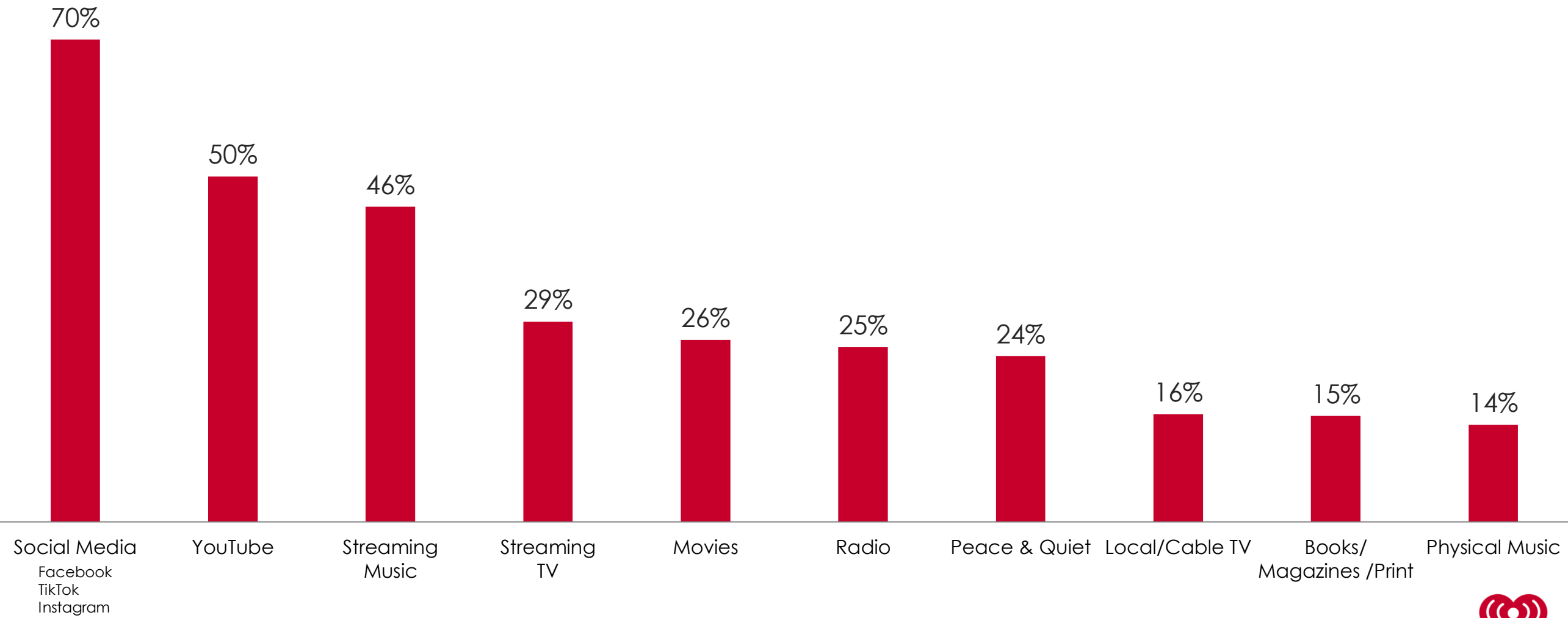
# Daily Podcast Reach is Accelerating Across Every Age Group -- Podcasts Hit an All-Time High in 2023

Daily Podcast Reach

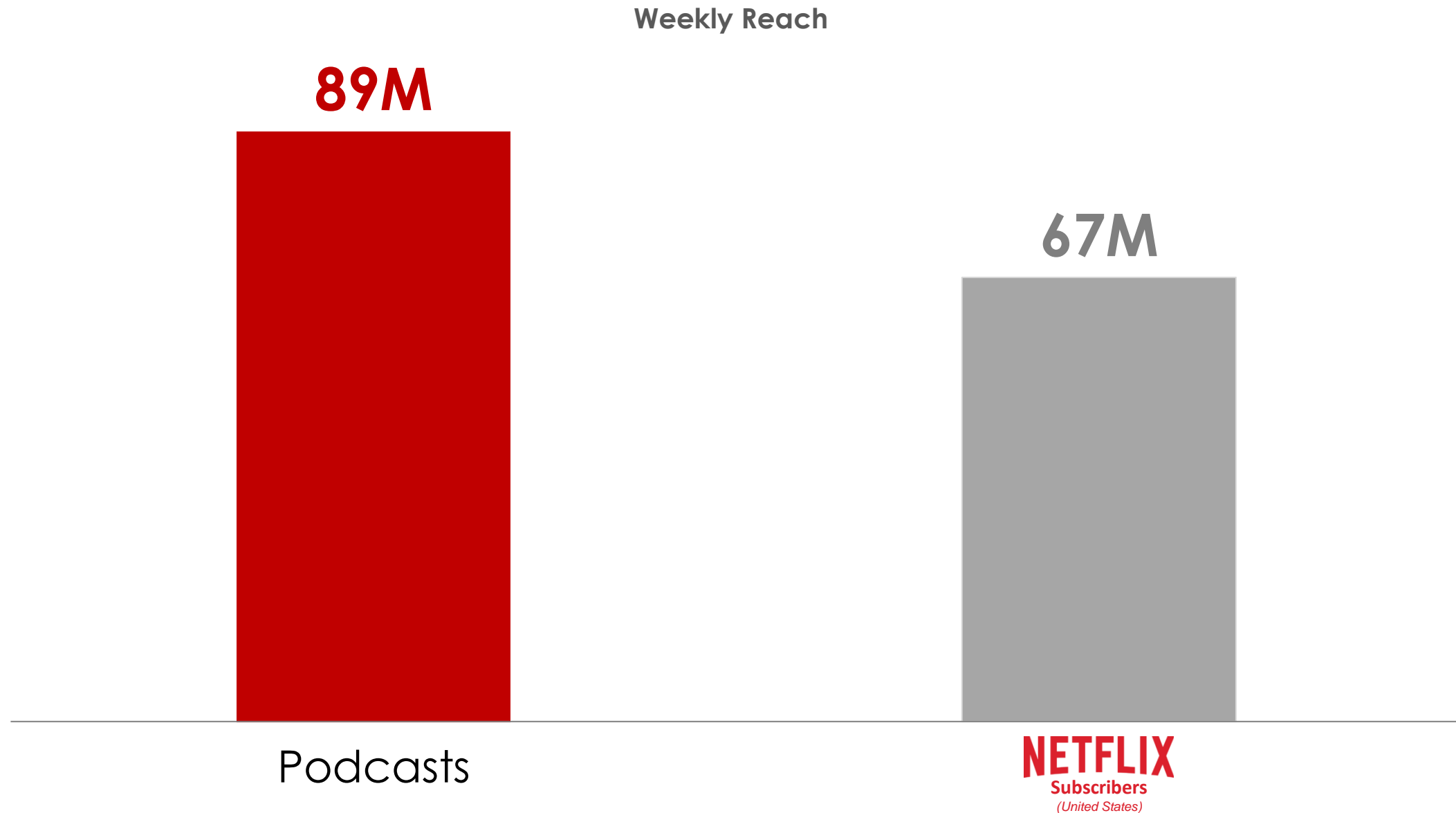


# Americans Making **More Time for Podcasts** Mostly by Reducing Time with Social Media and Streaming Video/Music

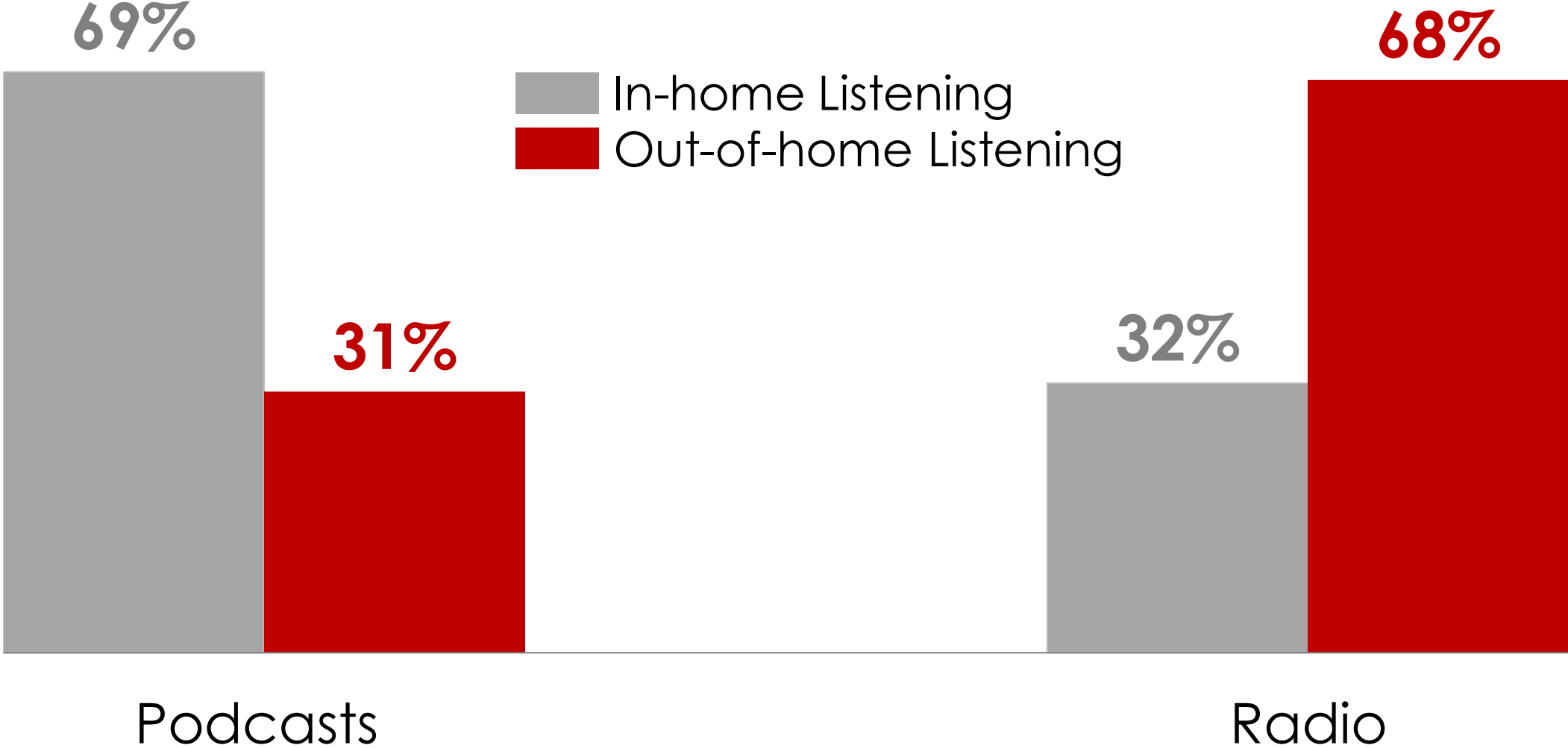
Has your podcast listening taken the place of time you used to spend with any the following? (Select all that apply)



# There are now **More Weekly Podcast Listeners** in the U.S. **Than Netflix Subscribers**



# Podcast and Radio are Complementary Advertising Services

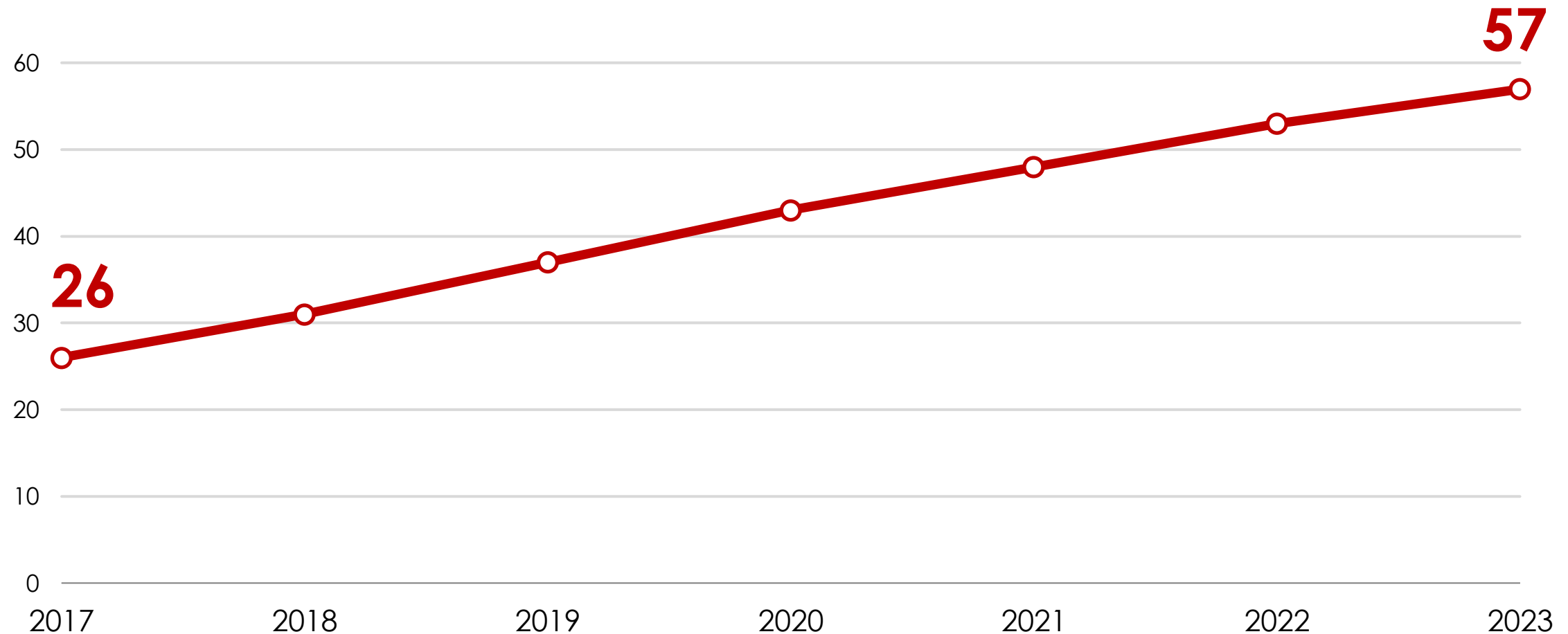




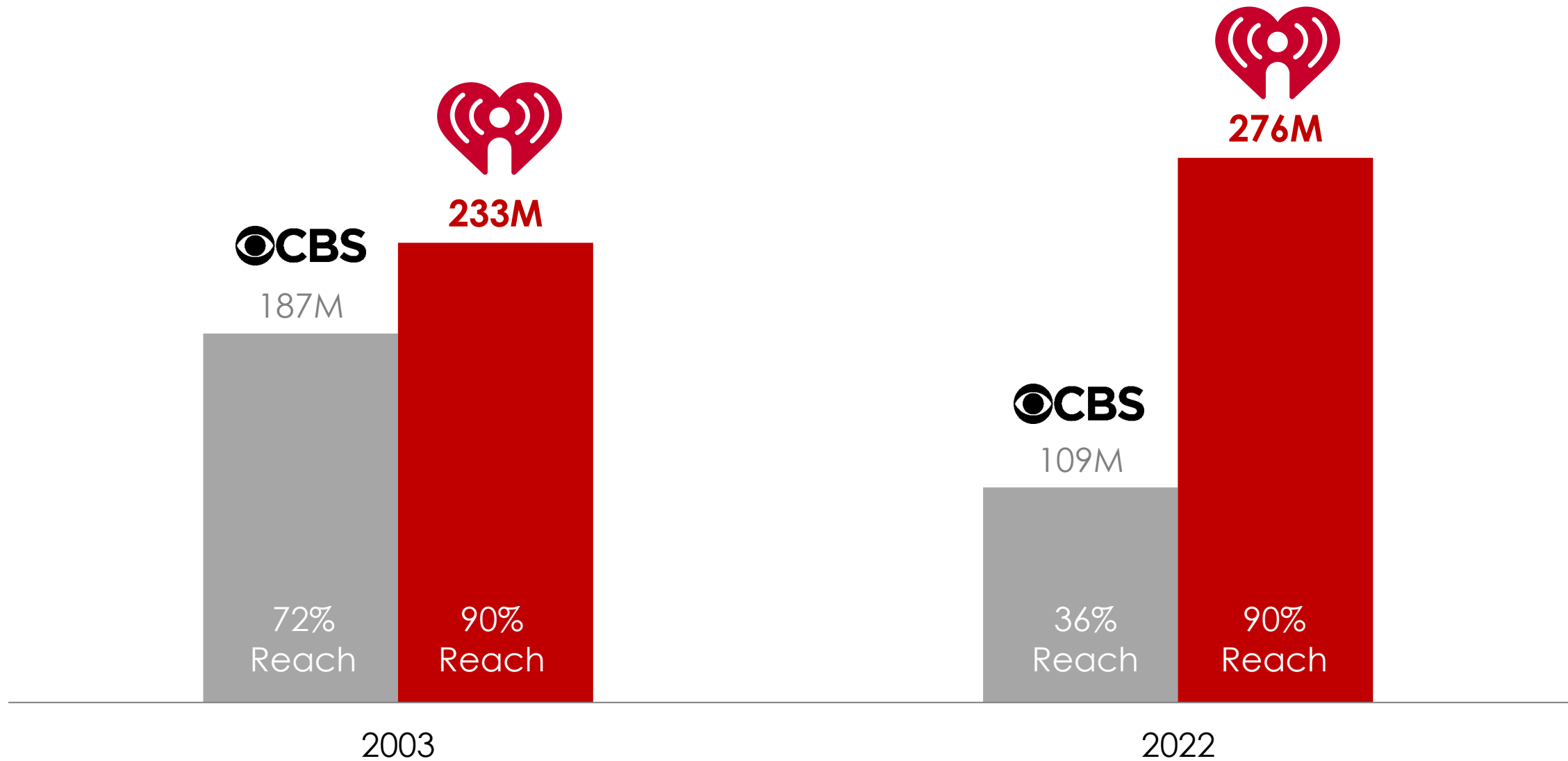
# Time Spent Listening to Podcasts

## Up 2X in the Past 5+years

Daily Time Spent Listening To Podcasts Among Podcast Listeners  
(minutes)



# iHeartRadio Maintains Unparalleled Reach as TV Networks Reach Declines



# Resilient Balance Sheet and Strong Liquidity

## ➤ Q1 2023 Balance Sheet Strength

- Cash balance \$188 million; total available liquidity<sup>1</sup> \$601 million
- No debt maintenance covenants
- No material debt maturities prior to 2026

## ➤ Full Year 2023 Free Cash Flow Inputs

- Cash taxes of \$25 to \$30 million
- Capital expenditures of approximately \$90 million
- Cash restructuring expenses down year over year

## ➤ 8.375% Senior Unsecured Note Repurchases

- During Q1, proactively retired \$20 million principal balance (at a discount to par) for \$15 million cash through secondary market repurchases
  - Net leverage positive transaction vs redemption at a call premium of 104.1875
  - Expected to generate annualized cash interest savings of approximately \$2 million
- As of March 31 2023, combined purchases of \$350 million (at a discount to par) for \$315 million cash
  - Expected to generate annualized cash interest savings of approximately \$30 million
- Continue to evaluate additional opportunities to further reduce our cost of capital

# Q1 '23 Financial Results

*\$US Dollars in millions*

	Three Months Ended March 31,			Three Months Ended December 31,
	2023	2022	Variance	2022
<b>Revenue</b>	\$ 811.2	\$ 843.5	(3.8)%	\$ 1,125.9
Direct operating expenses	344.6	330.5	4.3 %	412.7
SG&A expenses	402.8	384.3	4.8 %	429.7
Depreciation & amortization	108.5	114.1		111.5
Impairment charges	3.9	1.3		0.2
Other operating expenses	0.2	0.9		(1.0)
<b>Operating income</b>	<b>\$ (48.9)</b>	<b>\$ 12.3</b>		<b>\$ 172.8</b>
Depreciation & amortization	108.5	114.1		111.5
Impairment charges	3.9	1.3		0.2
Other operating expenses	0.2	0.9		(1.0)
Share-based compensation	10.2	5.5		10.9
Restructuring expenses	19.5	11.1		21.2
<b>Adjusted EBITDA</b>	<b>\$ 93.4</b>	<b>\$ 145.2</b>	<b>(35.7)%</b>	<b>\$ 315.6</b>

# iHeartMedia Q1 Revenue Streams

<i>\$US Dollars in millions</i>	Three Months Ended March 31,		Variance
	2023	2022	
<b>Revenue</b>			
Broadcast Radio	\$ 383.2	\$ 415.2	(7.7) %
Networks	108.0	117.6	(8.2) %
Sponsorship and Events	32.6	33.6	(3.0) %
Other	5.2	4.8	10.5 %
<b>Multiplatform Group</b>	<b>\$ 529.0</b>	<b>\$ 571.2</b>	<b>(7.4) %</b>
Digital ex. Podcast	146.6	145.7	0.6 %
Podcast	76.8	68.5	12.1 %
<b>Digital Audio Group</b>	<b>\$ 223.4</b>	<b>\$ 214.2</b>	<b>4.3 %</b>
<b>Audio &amp; Media Services Group</b>	<b>\$ 61.4</b>	<b>\$ 60.9</b>	<b>0.8 %</b>
Eliminations	(2.5)	(2.8)	
<b>Revenue, total</b>	<b>\$ 811.2</b>	<b>\$ 843.5</b>	<b>(3.8) %</b>

# Capital Expenditures

*\$USD in millions*

	Three Months Ended March 31,		
	2023	2022	Variance
Multiplatform Group	\$ 26.4	\$ 12.3	\$ 14.1
Digital Audio Group	5.8	5.2	0.6
Audio & Media Services Group	3.9	1.7	2.2
Corporate	3.1	3.4	(0.3)
<b>Total Gross Capital Expenditures<sup>1</sup></b>	<b>\$ 39.2</b>	<b>\$ 22.6</b>	<b>\$ 16.6</b>
Less: Proceeds from Real Estate Sales	\$ —	\$ 3.4	\$ (3.4)
<b>Total Net Capital Expenditures<sup>2</sup></b>	<b>\$ 39.2</b>	<b>\$ 19.2</b>	<b>\$ 20.0</b>

<sup>1</sup> The increase includes \$12.7 million of cash paid in the current period related to assets acquired in the fourth quarter of 2022.

<sup>2</sup> Total Net Capital Expenditures reflect our Total Gross Capital Expenditures less the impact of the Proceeds from Real Estate Asset Sales

Figures may not foot due to rounding.

# Debt

\$USD in millions	Maturity	March 31, 2023	December 31, 2022
<b>iHeartCommunications, Inc.</b>			
<b>Cash and cash equivalents</b>		<b>\$ 187.9</b>	<b>\$ 336.2</b>
Term Loan Facility due 2026	2026	\$ 1,864.0	\$ 1,864.0
Incremental Term Loan Facility due 2026	2026	401.2	401.2
Asset-based Revolving Credit Facility <sup>(1)</sup>	2027	—	—
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		4.3	4.5
Total Secured Debt		4,319.5	4,319.7
8.375% Senior Unsecured Notes <sup>(2)</sup>	2027	1,100.4	1,120.4
Other Subsidiary Debt		—	0.1
Purchase accounting adjustments and original issue discount		(9.8)	(10.6)
Long-term debt fees		(14.6)	(15.4)
<b>Total Debt</b>		<b>\$ 5,395.5</b>	<b>\$ 5,414.2</b>
<b>Net Debt</b>		<b>\$ 5,207.5</b>	<b>\$ 5,077.9</b>
Weighted Average Cost of Debt		7.1 %	6.9 %

1. On May 17, 2022, we entered into a \$450.0 million senior secured asset-based revolving credit facility (the "ABL Facility") maturing in 2027. As of March 31, 2023, the ABL Facility had a borrowing base of \$438.3 million, no outstanding borrowings and \$25.0 million of outstanding letters of credit, resulting in \$413.3 million of borrowing base availability.

2. During the three months ended March 31, 2023, we repurchased \$20 million in aggregate principal amount of iHeartCommunications Inc.'s 8.375% Senior Unsecured Notes due 2027 (at a discount to par) for \$15 million in cash

Figures may not foot due to rounding.

# Appendix



# Q1 2023 Reconciliation of Free Cash Flow to Cash Used for Operating Activities

(\$US Dollars in thousands)

	Three Months Ended March 31,	
	2023	2022
Cash used for operating activities	\$ (93,983)	\$ (52,212)
Purchases of property, plant and equipment	(39,165)	(22,557)
Free cash flow	<b>\$ (133,148)</b>	<b>\$ (74,769)</b>
Net proceeds from real estate sales <sup>1</sup>	—	3,366
Free cash flow including net proceeds from real estate sales	<b>\$ (133,148)</b>	<b>\$ (71,403)</b>

1. We deployed significant capital expenditures to accelerate the proactive streamlining of our real estate footprint. This initiative has succeeded in making certain real estate assets redundant, enabling the Company to sell such assets to partially fund the initiative's gross capital expenditures.

# Q1 2023 Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

\$US Dollars in thousands	Three Months Ended March 31,		Three Months Ended December 31,
	2023	2022	2022
Net loss	\$ (222,363)	\$ (48,739)	\$ 80,663
Income tax benefit (expense)	76,105	(20,209)	9,734
Interest expense, net	95,457	79,219	93,071
Depreciation and amortization	108,512	114,051	111,520
EBITDA	\$ 57,711	\$ 124,322	\$ 294,988
Loss on investments, net	6,505	1,765	5,404
Gain on extinguishment of debt	(4,625)	—	(15,119)
Other expense, net	99	270	(731)
Equity in earnings (loss) of nonconsolidated affiliates	(40)	29	(179)
Impairment charges	3,947	1,334	160
Other operating expense, net	221	870	(987)
Share-based compensation	10,152	5,535	10,875
Restructuring expenses	19,454	11,093	21,233
Adjusted EBITDA	\$ 93,424	\$ 145,218	\$ 315,644
Adjusted EBITDA margin	11.5 %	17.2 %	28.0 %



#### About iHeartMedia, Inc.

iHeartMedia (Nasdaq: IHRT) is the number one audio company in the United States, reaching nine out of 10 Americans every month. It consists of three business groups.

With its quarter of a billion monthly listeners, the iHeartMedia Multiplatform Group has a greater reach than any other media company in the U.S. Its leadership position in audio extends across multiple platforms, including more than 860 live broadcast stations in over 160 markets nationwide; its National Sales organization; and the company's live and virtual events business. It also includes Premiere Networks, the industry's largest Networks business, with its Total Traffic and Weather Network (TTWN); and BIN: Black Information Network, the first and only 24/7 national and local all news audio service for the Black community. iHeartMedia also leads the audio industry in analytics, targeting and attribution for its marketing partners with its SmartAudio suite of data targeting and attribution products using data from its massive consumer base.

The iHeartMedia Digital Audio Group includes the company's fast-growing podcasting business -- iHeartMedia is the number one podcast publisher in downloads, unique listeners, revenue and earnings -- as well as its industry-leading iHeartRadio digital service, available across more than 250 platforms and 2,000 devices; the company's digital sites, newsletters, digital services and programs; its digital advertising technology companies; and its audio industry-leading social media footprint.

The company's Audio & Media Services Group segment includes Katz Media Group, the nation's largest media representation company, and RCS, the world's leading provider of broadcast and webcast software.

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