

# Quarterly Industry Update

As of March 31, 2015

Industry: Television Broadcasting



## Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Television Broadcasting industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since March 31, 2014, the median 52-week share price return of the Television Broadcasting industry has decreased by -1.9%. In the last quarter, the median price-to-earnings multiple increased from 13.5x to 14.4x.

## Comparable Public Company Key Statistics

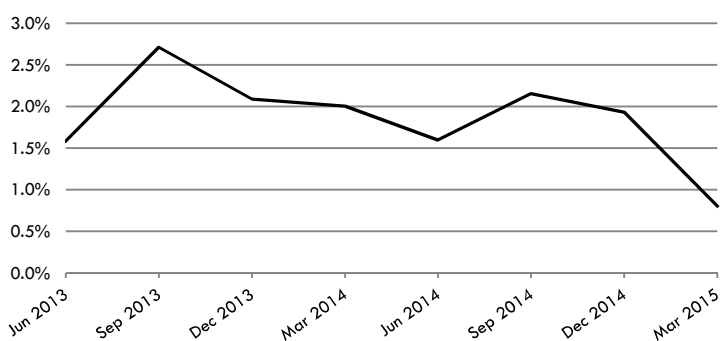
Median 52-Week Return	-1.9%	Median EV/Revenue Multiple	3.2x	Median Price/Earnings Multiple	14.4x
Median 3-Year CAGR Return	16.1%	Median EV/EBITDA Multiple	10.7x	Median EV/Gross CF Multiple	17.8x

## Comparable Public Company Market Price Returns (As of March 31, 2015)

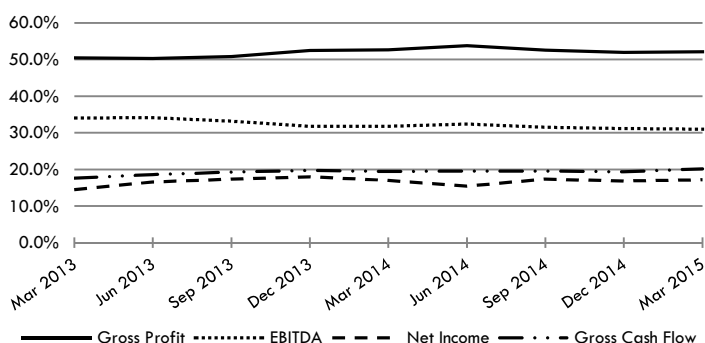
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
CBS Corporation	-13.2%	9.6%	-1.9%	14.0%	21.4%	34.2%	-13.2%	67.5%	40.2%	42.5%	35.6%
Central European Media Enterprises Ltd.	-16.4%	-17.1%	-9.5%	-20.6%	-27.9%	-38.1%	-16.4%	-37.9%	-5.2%	-68.0%	-13.8%
Crown Media Holdings Inc.	0.3%	13.0%	4.2%	39.7%	36.0%	15.8%	0.3%	90.8%	52.9%	-53.8%	80.7%
Discovery Communications, Inc.	-23.8%	-10.7%	-25.6%	-11.6%	6.7%	12.7%	-23.8%	42.4%	54.9%	-1.8%	36.0%
Entravision Communications Corporation	6.4%	-2.3%	-5.5%	40.9%	54.7%	18.1%	6.4%	266.9%	6.4%	-39.3%	-24.4%
Scripps Networks Interactive, Inc.	-12.9%	-8.9%	-9.7%	3.2%	12.1%	9.1%	-12.9%	49.2%	36.5%	-18.0%	24.7%
AMC Networks Inc.	-6.4%	20.2%	4.9%	10.1%	19.8%	N/A	-6.4%	37.6%	31.7%	N/A	N/A
Viacom, Inc.	-13.8%	-9.2%	-19.6%	5.4%	12.9%	14.7%	-13.8%	65.6%	16.1%	14.6%	33.2%
Twenty-First Century Fox, Inc.	9.2%	-11.9%	5.8%	5.3%	19.7%	18.6%	9.2%	37.9%	43.0%	22.5%	6.4%
Starz	1.6%	15.9%	6.6%	24.6%	-26.9%	N/A	1.6%	-74.8%	48.6%	N/A	N/A
Grupo Televisa, S.A.B.	12.6%	-3.1%	-0.8%	11.4%	16.1%	9.4%	12.6%	13.8%	26.2%	-18.8%	24.9%
<b>Median of Industry Public Companies</b>	<b>-6.4%</b>	<b>-3.1%</b>	<b>-1.9%</b>	<b>10.1%</b>	<b>16.1%</b>	<b>14.7%</b>	<b>-6.4%</b>	<b>42.4%</b>	<b>36.5%</b>	<b>-18.0%</b>	<b>24.9%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Television Broadcasting Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Television Broadcasting Industry

Date:	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015
EV/Revenues Multiple	3.4x	3.7x	3.5x	3.7x	3.7x	3.6x	3.0x	3.2x	3.2x
EV/EBITDA Multiple	9.9x	10.8x	11.4x	12.0x	13.0x	11.9x	10.6x	10.6x	10.7x
Price/Earnings Multiple	14.0x	14.5x	16.0x	16.9x	18.7x	18.9x	16.5x	13.5x	14.4x
EV/Gross Cash Flows Multiple	16.6x	17.1x	18.3x	19.6x	20.2x	19.1x	17.4x	17.8x	17.8x

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## Industry Initial Public Offerings (dollars in millions, except share prices)

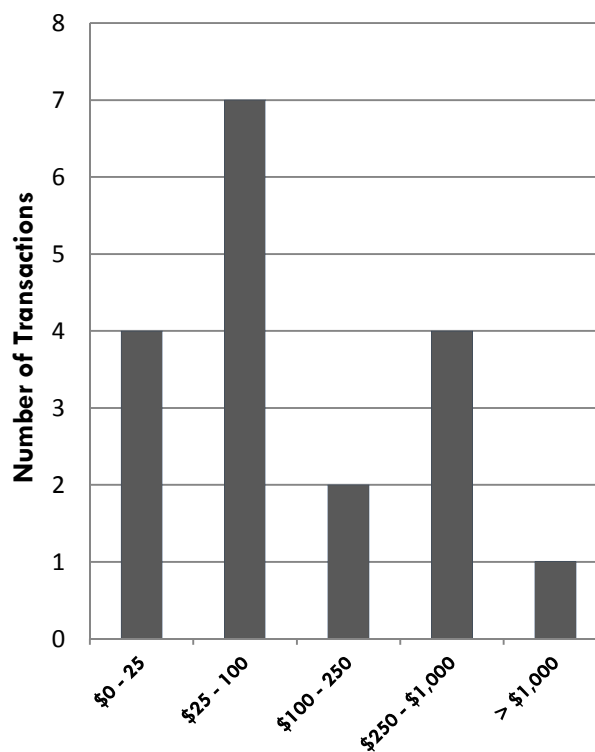
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
5/11/2011	Phoenix New Media Limited	\$11.00	12.8	\$140.4	\$72.3	\$0.0	\$92.2	\$7.6	\$5.1	\$8.8
10/31/2006	RRSat Global Communications Network Ltd.	\$12.50	3.8	\$47.5	\$27.3	\$0.0	\$40.5	\$11.9	\$7.0	\$14.0
5/31/2006	CTC Media, Inc	\$14.00	24.7	\$345.9	\$288.5	\$21.2	\$273.6	\$133.7	\$72.0	\$137.0
3/23/2006	Global Traffic Network Inc.	\$5.00	3.8	\$19.0	\$6.6	\$2.2	\$15.4	\$2.5	\$1.4	\$2.8
11/24/2003	Nexstar Broadcasting Group, Inc.	\$14.00	10.0	\$140.0	\$557.2	\$462.7	\$270.1	\$103.3	(\$96.5)	\$115.9
9/23/2003	Journal Communications Inc.	\$15.00	17.3	\$258.8	\$742.9	\$75.0	\$824.6	\$167.2	\$61.6	\$214.6
8/2/2000	Entravision Communications Corporation	\$16.50	39.5	\$752.3	\$604.3	\$487.5	\$85.7	\$6.3	(\$74.3)	\$22.2
5/3/2000	Crown Media Holdings Inc.	\$14.00	10.0	\$140.0	\$88.2	\$30.3	\$33.9	\$0.8	(\$60.7)	\$5.7
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$140.2</b>	<b>\$188.4</b>	<b>\$25.8</b>	<b>\$88.9</b>	<b>\$9.8</b>	<b>\$3.2</b>	<b>\$18.1</b>

nm: not meaningful

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
2/18/2015	HRTV, LLC	ODS Technologies, L.P.	\$72.8	100%
2/11/2015	WTVA Inc.	MSouth Equity Partners	\$18.7	100%
1/30/2015	KASW-TV, Inc.	Nexstar Broadcasting, Inc.	\$68.0	100%
12/19/2014	LIN Media LLC	Media General, Inc.	\$2,366.0	100%
12/19/2014	LIN Television Corporation	Harrisburg Television, Inc.	\$70.0	100%
12/19/2014	KXRM-TV	Media General Operations	\$93.1	100%
12/19/2014	WALA-TV Fox 10	Meredith Corporation	\$86.0	100%
12/1/2014	Grant Company, Inc.	Nexstar Broadcasting, Inc.	\$87.5	100%
11/10/2014	Launch TV Network, LLC	Success Holding Group	\$3.9	55%
9/10/2014	Channel 5 Broadcasting	Viacom International	\$760.1	100%
8/14/2014	CSC Media Group Ltd	Sony Pictures Television	\$182.0	100%
7/8/2014	Nova Televisia Bulgaria	Modern Times Group	\$215.0	100%
6/19/2014	Television Stations	Meredith Corporation	\$407.5	100%
6/13/2014	Hoak Media Corporation	Nexstar Broadcasting, Inc.	\$33.5	100%
6/2/2014	Eyeworks Holding B.V.	Warner Bros. Television	\$273.0	100%
5/6/2014	Lefffield Entertainment	ITV Studios America Inc.	\$360.0	80%
5/1/2014	KEVN, Inc.	Gray Television Group, Inc.	\$7.8	100%
4/28/2014	Duhamel Broadcasting	New Rushmore Radio	\$10.0	100%
<b>Median of All Transaction Targets</b>			<b>\$86.8</b>	<b>100%</b>

## Size of Merger and Acquisition Transactions (dollars in millions)



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