

Financial Issues Facing Larger Markets / Large Broadcasters

January 12, 2010



Jim Cotter - Biography

Jim Cotter, Managing Director, Mergers & Acquisitions

- Joined SunTrust Robinson Humphrey in 2007 as a Managing Director in Mergers and Acquisitions.
- Previous experience includes ten years of strategic advisory and transaction execution experience at various firms including JPMorgan Chase & Co., Jefferies Group, Inc. and CIT Group.
- Education: M.B.A. from Cornell's Johnson School of Management; B.A. in Philosophy, Tulane University.

Selected Transaction Experience

- Sale of Emageon to AMICAS
- Financial Advisor to PARC Management
- Sale of NationsRent (Baupost)
- Fairness Opinion Motient
- Sale of Palace Entertainment (Windward)
- Fairness Opinion to Palace Entertainment (Windward)
- Acquisition of Hünnebeck by HARSCO
- 363 Sale of Murray, Inc.
- 363 Sale of ASI / Robicon
- Acquisition of Intermedia Communications by WorldCom
- Advised the Special Committee of Rivera Holdings Corporation
- Advised the Special Committee of XO Communications and Provided Fairness Opinion
- Divestiture of Non-Digex Intermedia Assets
- Strategic Advisor to Rythms Net Connections
- Strategic Advisor to COINTEL (Hicks Muse)
- Strategic Advisor to PSN Sports (Hicks Muse)
- Convertible Preferred Stock Placement for RCN Communications
- Sale of United Building Materials (Oak Hill)
- Acquisition of Dap by RPM
- Poison Pill Pricing for RPM
- Sale of President Baking
- Strategic Advisor to Quexco regarding GNB Battery
- Advised MSV on Merger with SkyTerra
- Advised First Avenue and Provided Fairness Opinion for Merger with Crown Castle

Media & Communications Verticals

Selected Sector Relationships							
Cable	Wireless	Wireline	Competitive Telecom / Fiber	Data Centers / Internet Infrastructure	Publishing	Radio / Outdoor Advertising	Television / Networks

SunTrust Robinson Humphrey Media & Communications Team

Horace Zona, Managing Director & Group Head

- Joined STRH in 2008 as Group Head of the Media & Communications Corporate Investment Banking Practice
- Previous experience includes over 17 years in the Media & Communications sector at various firms including Wachovia Securities / First Union Securities, TD Securities, UBS Securities and Kidder Peabody
- Education: B.A. from Boston College

Fred Wysk, Director

- Joined STRH in 2008 as a Director in the Media & Communications Group.
- Previous experience includes covering traditional & digital media companies at Banc of America Securities and Managed Services and Biotech clients with Morgan Stanley's Healthcare investment banking group.
- Education: M.B.A from the MIT Sloan School of Management, J.D. from Whittier Law School; B.S. in Accounting from Arizona State University

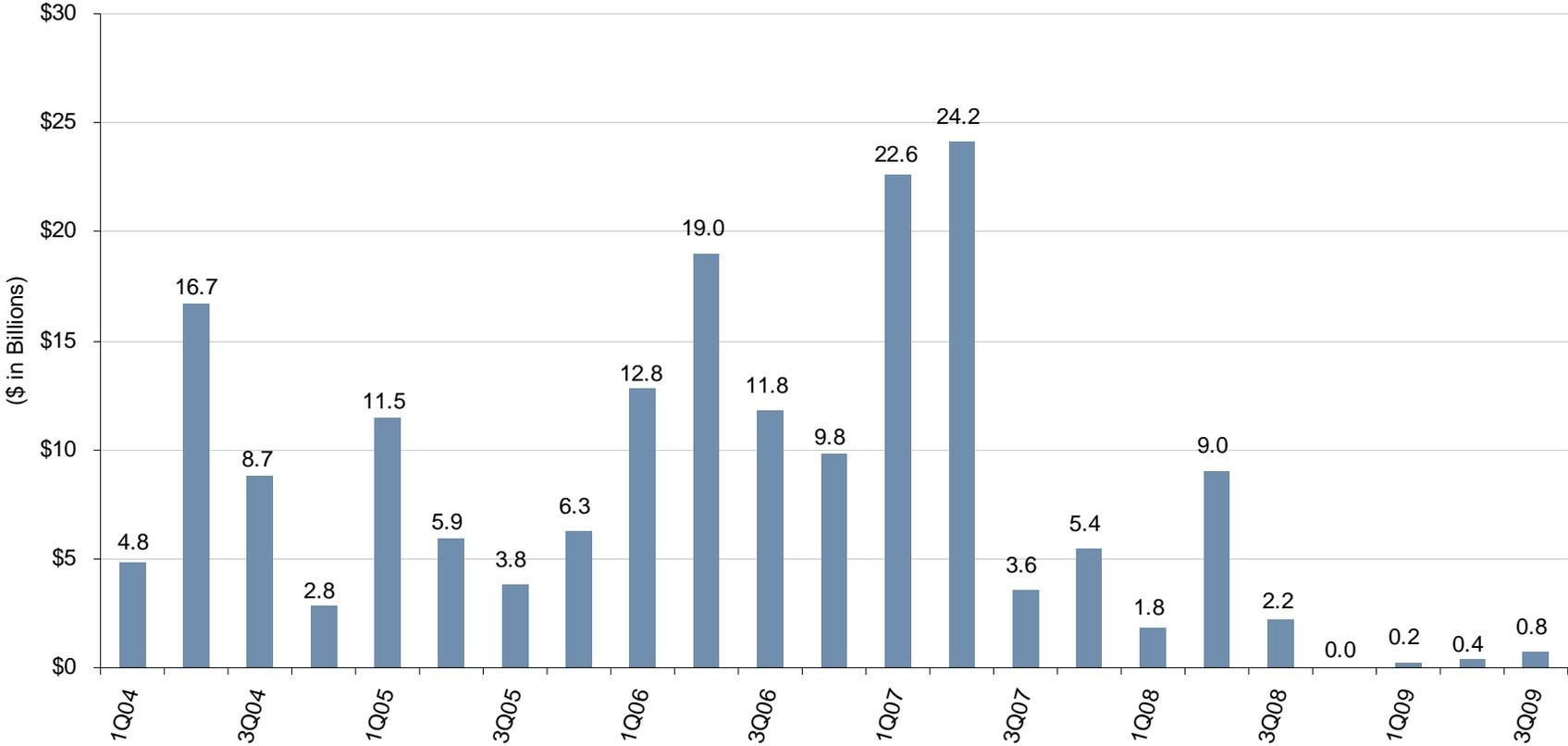
Rick Fogg, Managing Director

- Joined STRH in 2008 as Managing Director in the Media & Communications Group.
- Previous experience includes 15 years in the Media & Communications sector at various firms including Wachovia Securities / First Union Securities, AG Edwards and Wheat First Butch Singer.
- Education: M.B.A. from Darden Business School at The University of Virginia; Accounting major at Bucknell

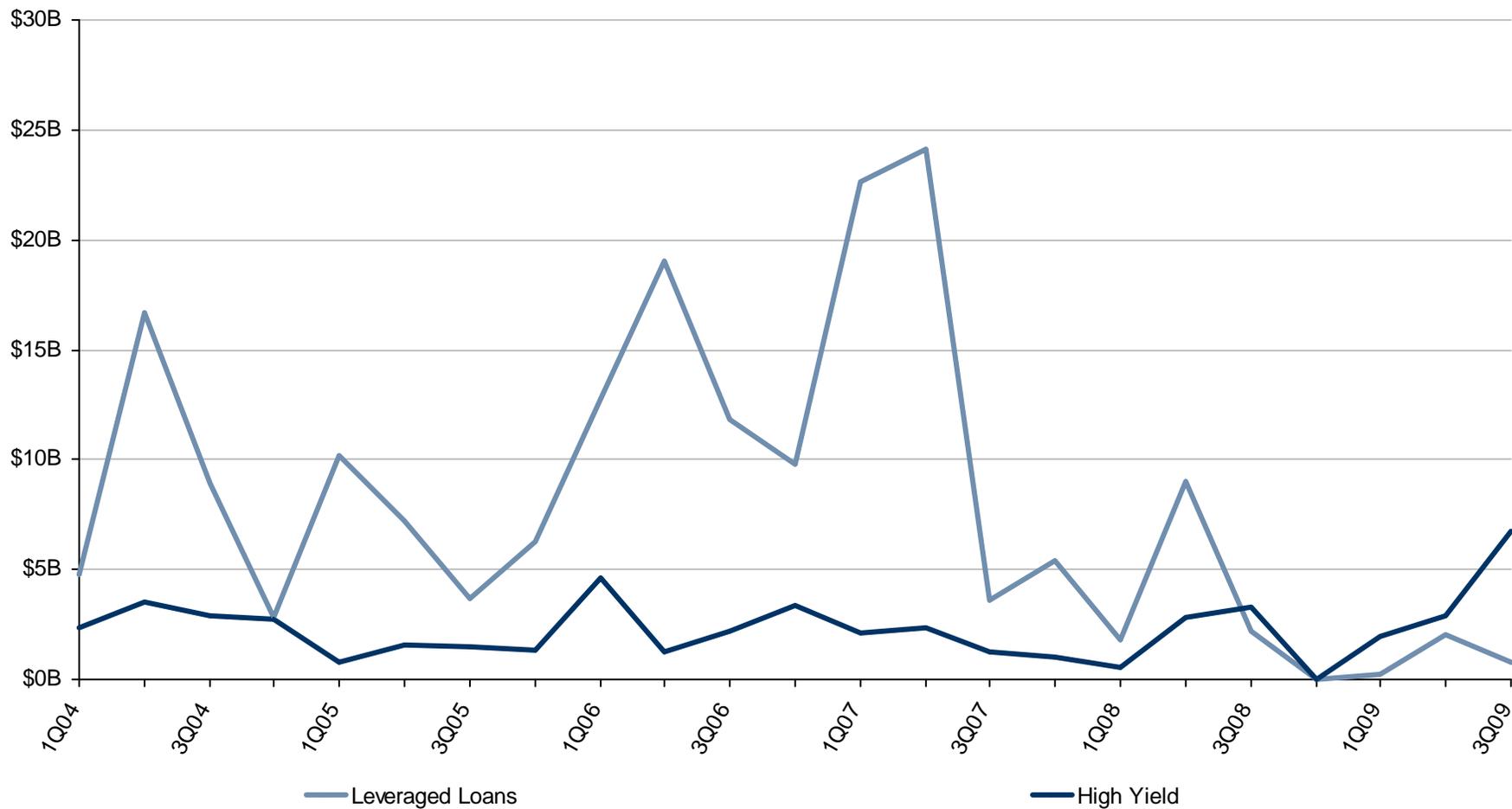
Bill Dauska, Vice President

- Joined STRH in 2008 as a Vice President in the Media & Communications Group.
- Prior to STRH, Bill was a Vice President in the Media & Communications group at Wachovia Securities. Prior to Wachovia, Bill was an Associate at Donaldson, Lufkin & Jenrette / Credit Suisse First Boston.
- Education: M.B.A. in Finance and Accounting from the University of Chicago Graduate School of Business; B.S. in Accounting from the University of Minnesota

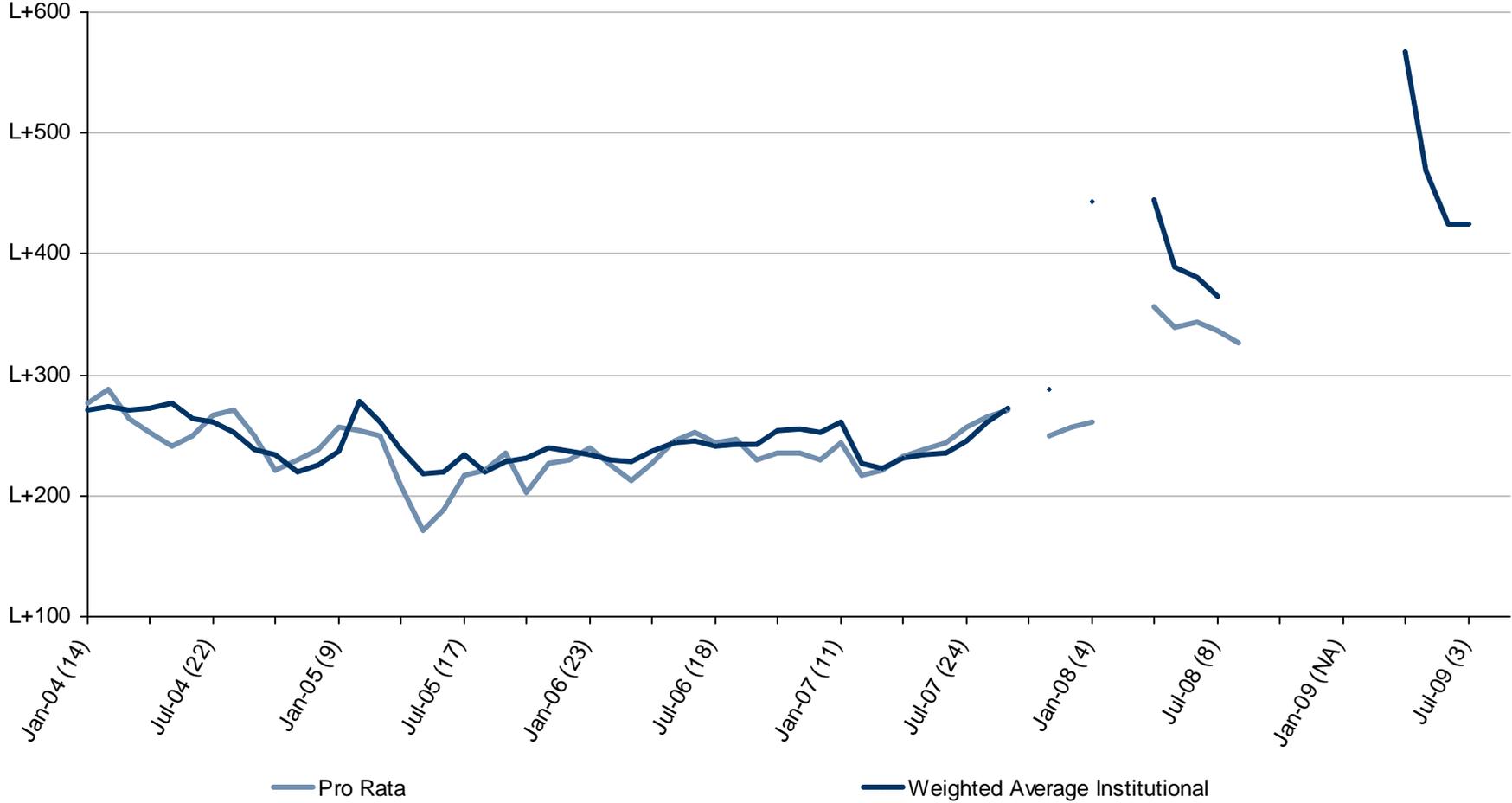
Media Loan Syndications Volume First Quarter 2004 – Third Quarter 2009



Total Media High Yield Bond and Leveraged Loan New Issuance Proceeds

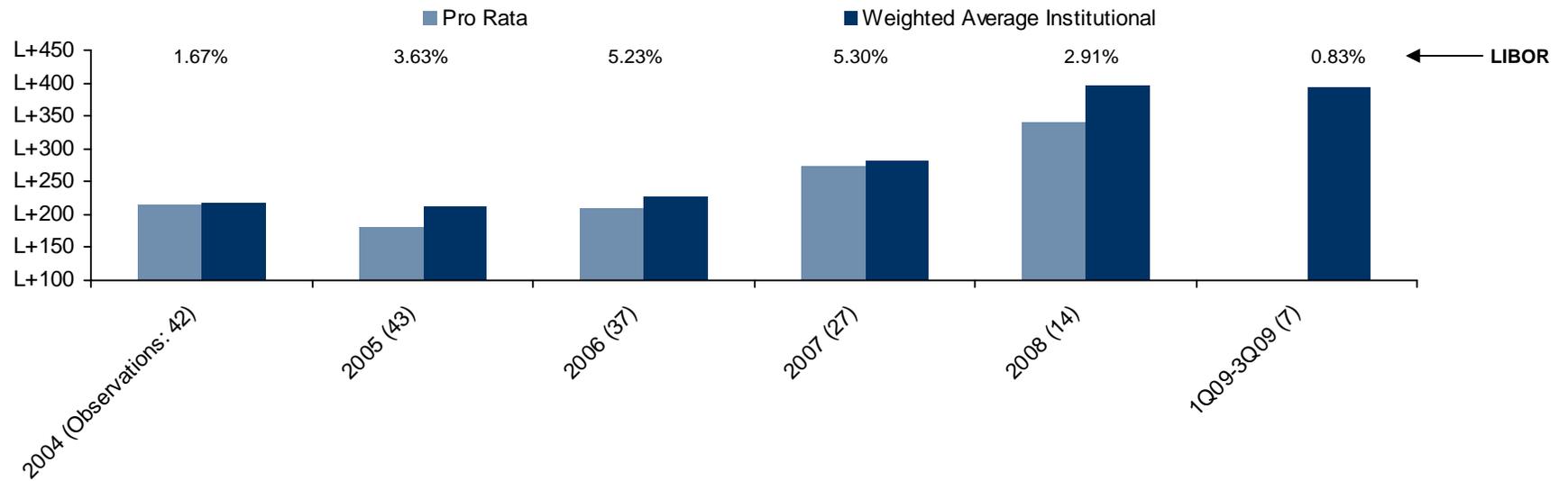


Rolling Three Month Average of New Issue Media Spreads

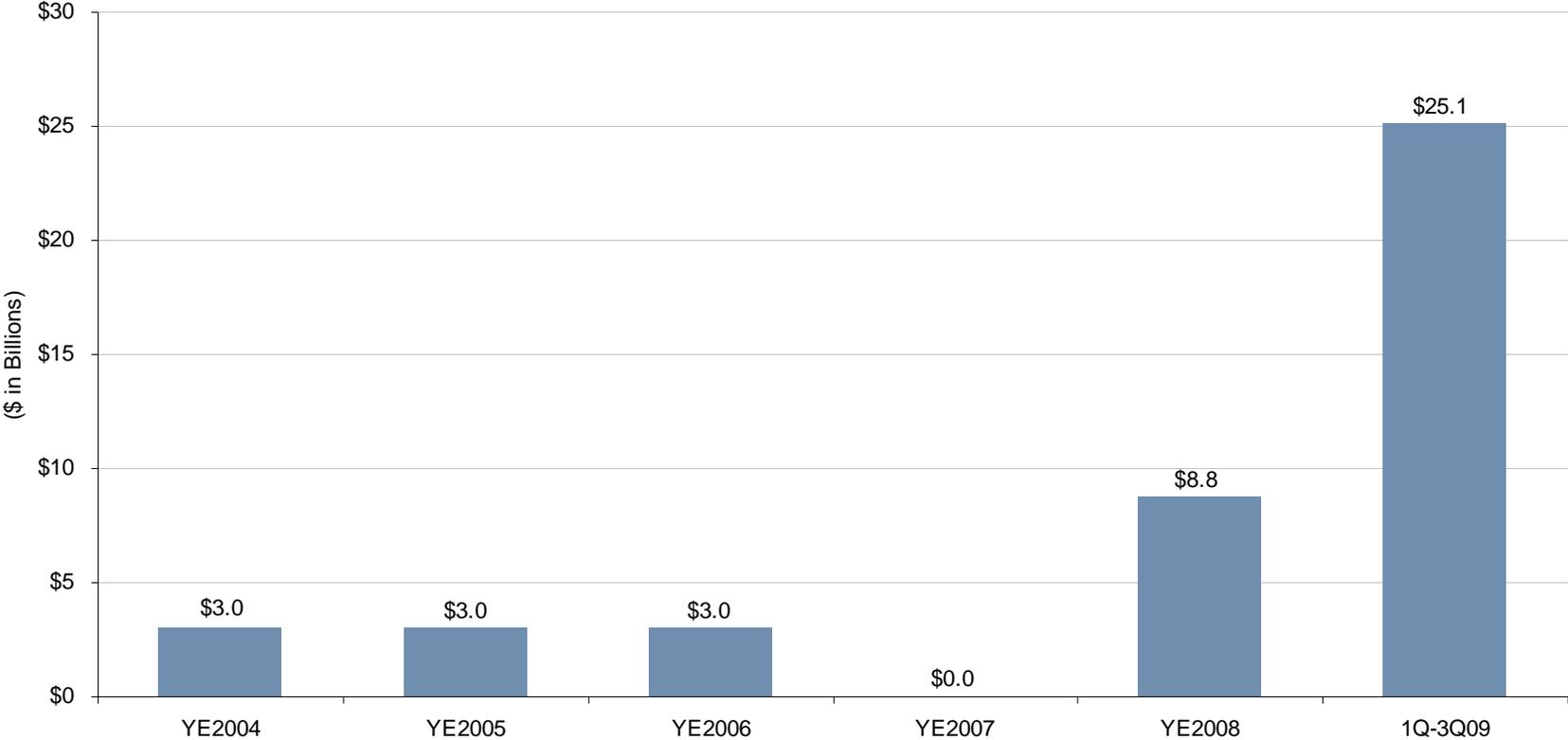


Average Pro Rata and Weighted Average Institutional Spread for Media Loans

Deals of \$250MM of More



Par Amount of Media S&P/LSTA Index Loans in Payment Default or Bankruptcy



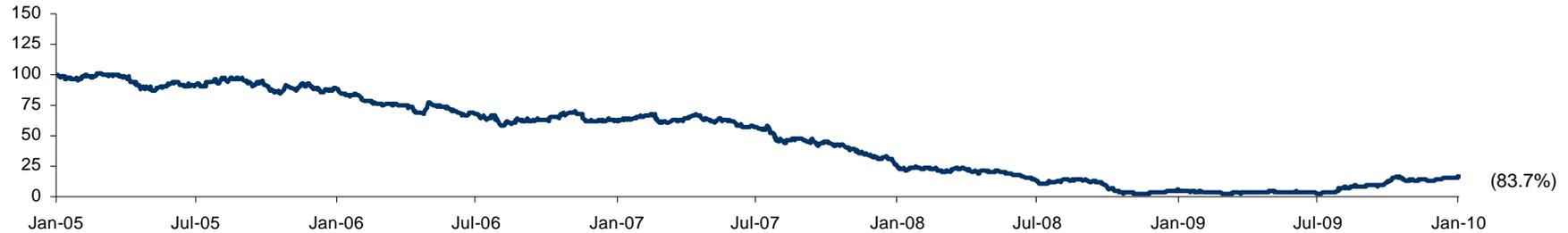
Note: Includes all loans including those not included in the LSTA/LPC mark-to-market service
Note: Vast majority are institutional tranches

Source: Standard & Poor's 3Q'09 Media & Telecom Review

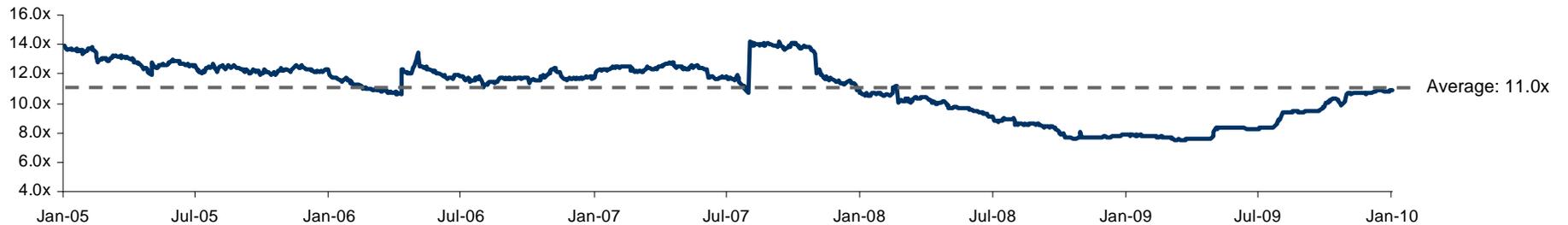


Radio Sector Share Price Performance and Valuation

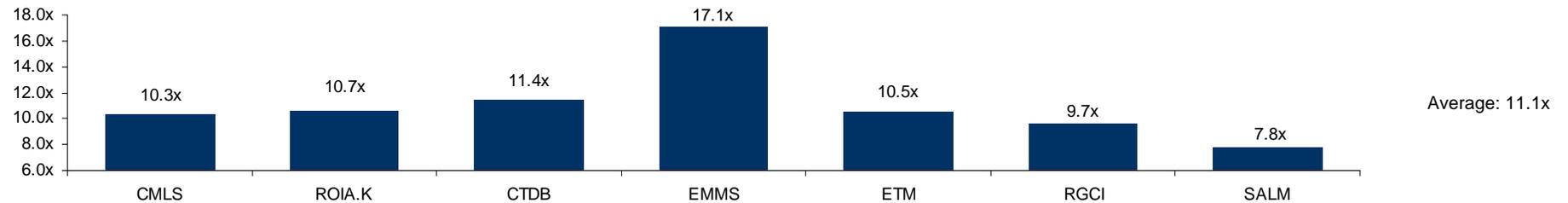
5-Year Share Price Performance



5-Year Enterprise Value / LTM EBITDA



Current Enterprise Value / LTM EBITDA



Note: As of 01/08/2010

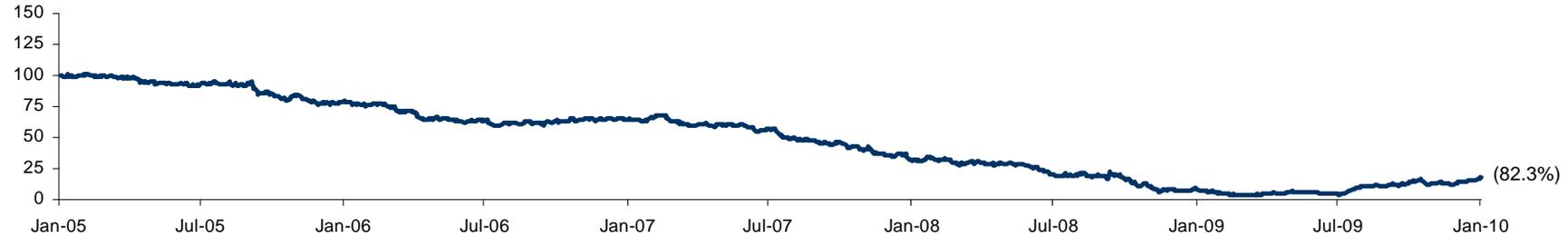
Source: Thomson One

9 Radio Index includes: Citadel Broadcasting, cumulus Media, Emmis Communications, Entercom Communications, Radio One, Regent Communications, Salem Communications

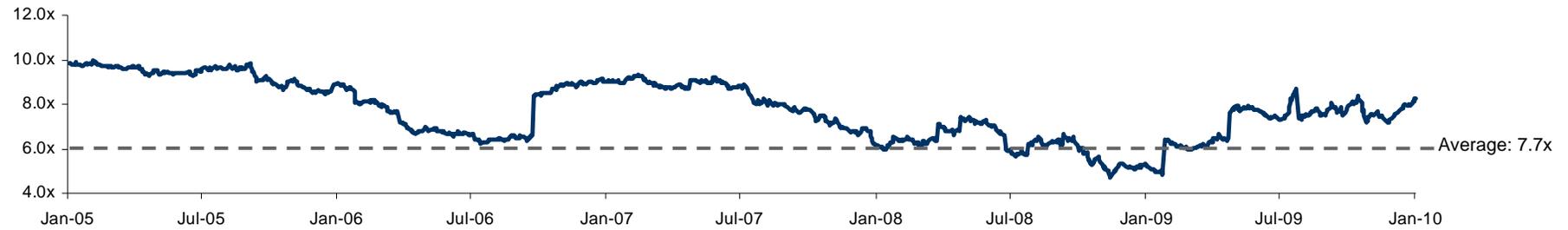


Newspaper Sector Share Price Performance and Valuation

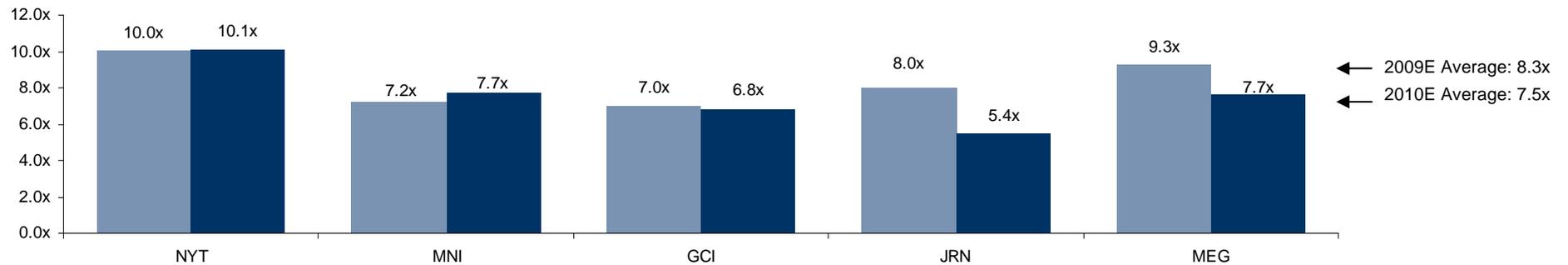
5-Year Share Price Performance



5-Year Enterprise Value / Forward EBITDA



Current Enterprise Value / Forward EBITDA



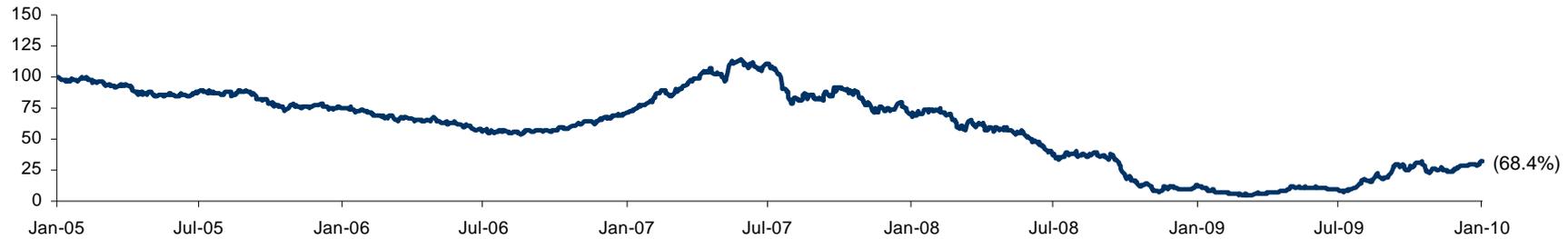
Note: As of 01/08/2010

Source: Thomson One

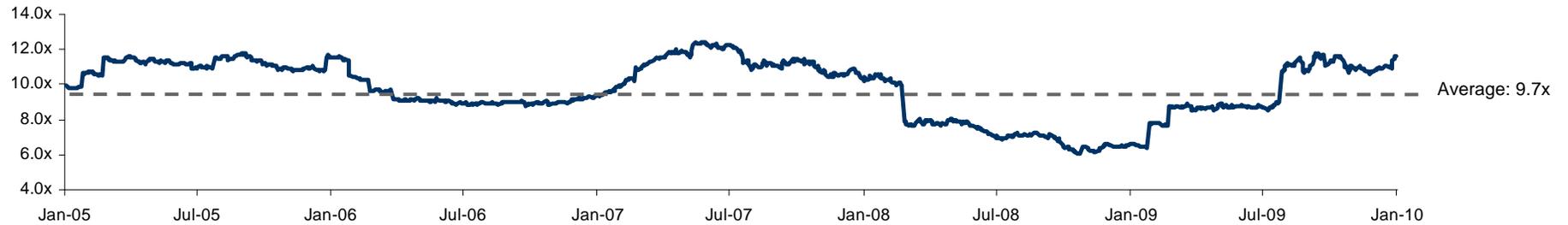
Newspaper Index includes: Gannett, Journal Communications, McClatchy Co., Media General, The New York Times Co.

Television Sector Share Price Performance and Valuation

5-Year Share Price Performance



5-Year Enterprise Value / Forward EBITDA



Current Enterprise Value / Forward EBITDA



Note: As of 01/08/2010

Source: Thomson One

Television Index includes: Belo, Gray Television, LIN TV, Nexstar Broadcasting, Sinclair Broadcast Group

Industry Observations and Conclusion

▪ **Capital Markets**

- Senior debt markets are constrained by reduced investor appetite and fewer investors
- High yield market is open to stronger operators looking to refinance
- Total debt multiples are significantly lower and pricing higher
- Equity investors are conservative, but recognize the cyclical opportunity

▪ **Operating Environment**

- Explosion of online competition – print, radio, video, interactive
- Macro recessionary forces creating a perfect storm

▪ **Public Policy Objective**

- Threat of a ownership concentration restricting information flow is diminished
- New and information are now ubiquitous
- Entertainment programming is flowing through new distribution channels rapidly

▪ **Conclusion**

- Less restrictive cross ownership rules could promote new business models and strengthen traditional media