

Dirks, Van Essen & Murray



Public Newspaper Companies are Back!

A.H. BELO
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The
New York
Times



NEWMEDIA
INVESTMENT GROUP

- There are now eight public newspaper companies, up from only four in 2013
- Public companies have been the buyers in transactions totaling **91%** of the dollar volume so far in 2015
- All of the “new” public companies have said publicly that they want to make acquisitions

A Little History

- **1963:** Dow Jones becomes the first newspaper company to go public
- **1974:** Ridder Publications and Knight Newspapers merge to create the largest newspaper group in the U.S.
- **1990:** Journal Register Co. goes public; the number of public newspaper companies peaks at 17
- **2000:** Tribune buys Times Mirror for \$7.2 billion; Gannett buys Central Newspapers for \$2.8 billion
- **2005:** Lee Enterprises buys Pulitzer for \$1.46 billion
- **2006:** McClatchy buys Knight Ridder for \$6.5 billion
- **2007:** Sam Zell takes Tribune private
- **2009:** JRC enters bankruptcy for the first time

The “New” Guys



- **New Media Investment Group.** The former GateHouse newspapers and a few others form the basis of a new public company, which started trading in February 2014.



- **Tribune Publishing.** Tribune Co. splits its newspaper and television assets into separate public companies in August 2014.

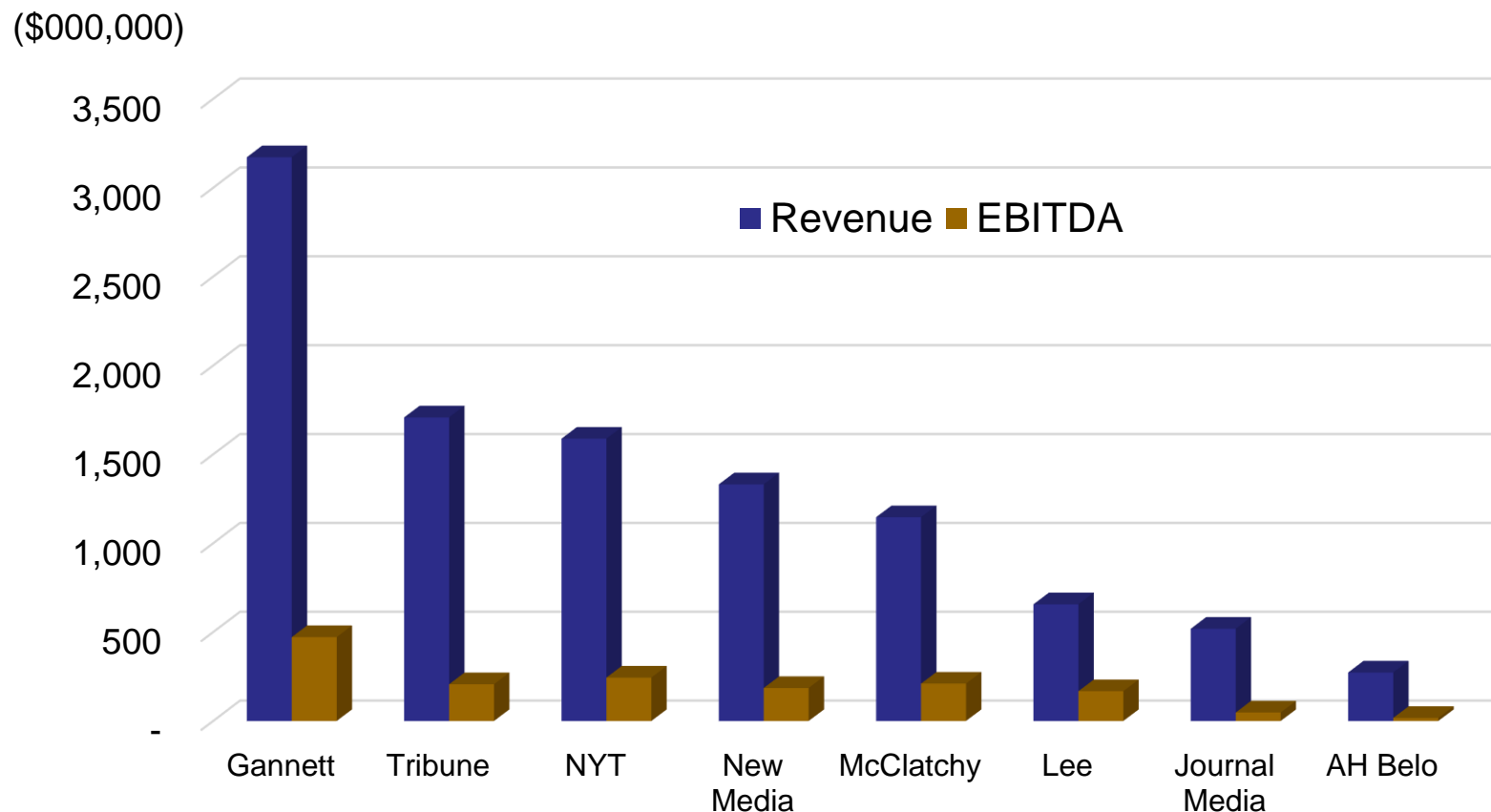


- **Journal Media Group.** Journal Communications and E.W. Scripps merge and spin off their newspaper and broadcast assets into separate companies in April 2015.



- **Gannett.** Gannett splits its newspaper and broadcast/digital companies at the end of the second quarter 2015, with the newspapers retaining the Gannett name.

Current Landscape

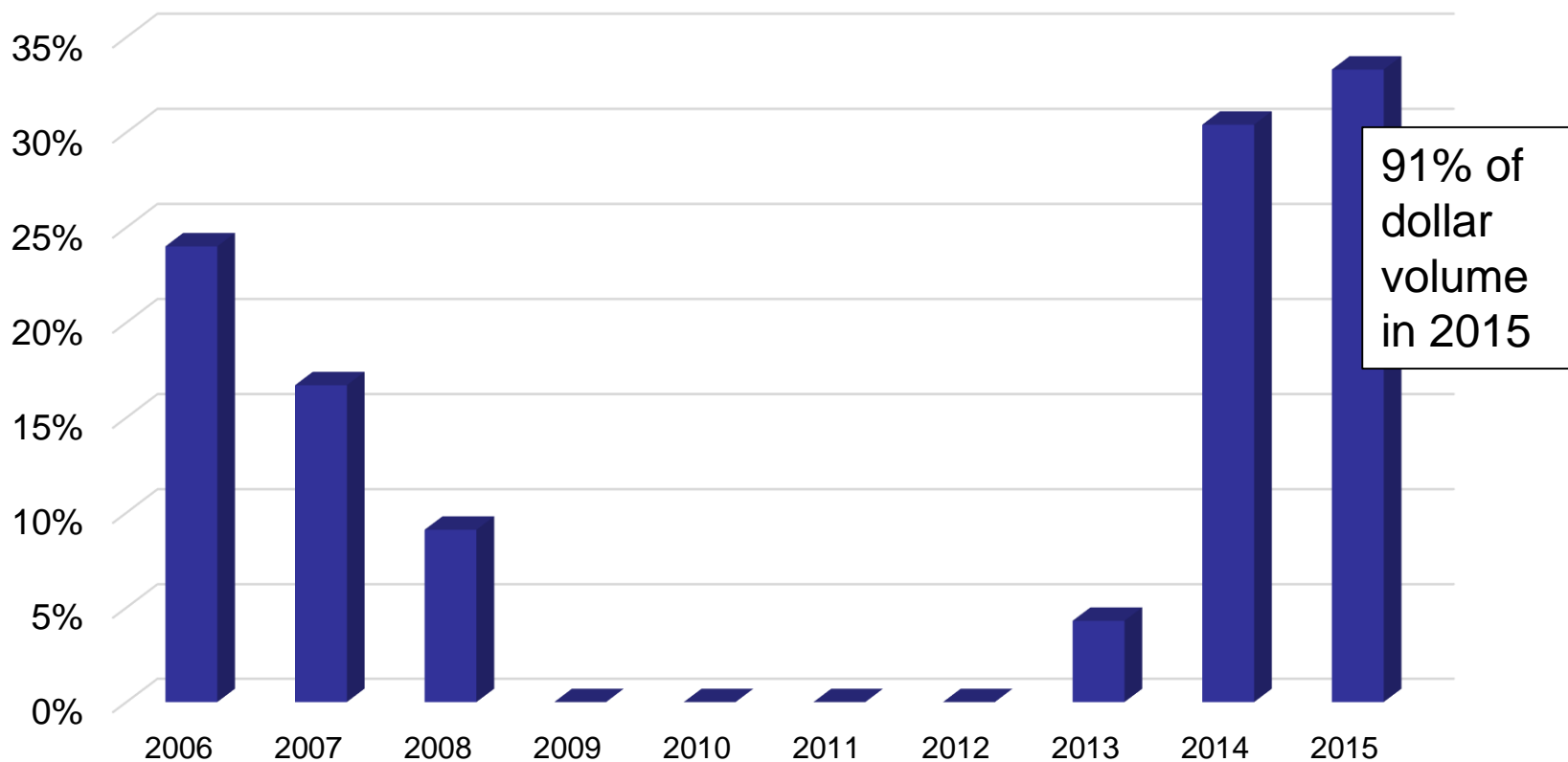


Source: DV&M

Includes pro forma adjustments for recent acquisitions and divestitures.

Public Companies on the Hunt

% of Transactions Involving Dailies Made by Public Companies

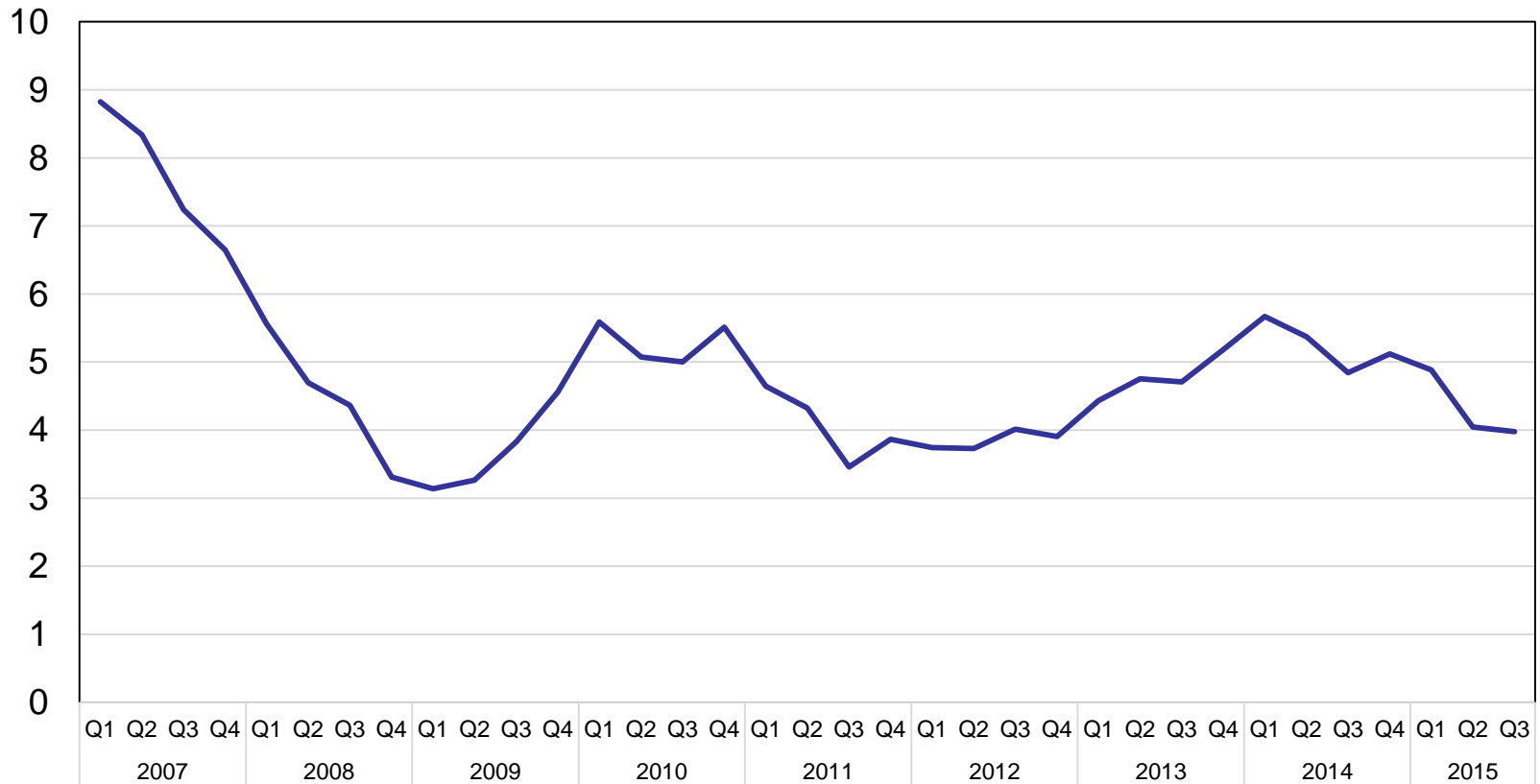


Source: DV&M

Excludes Berkshire Hathaway.

Valuation Trends

Public Newspaper Company Trading Multiples of EBITDA



Source: DV&M