

# Scripps to acquire Triton, the industry leader in digital audio infrastructure; measurement

Oct. 17, 2018

**CINCINNATI** – The E.W. Scripps Company (NASDAQ: SSP) is acquiring Triton, the global leader in digital audio technology and measurement services, helping Scripps advance its strategies for near- and long-term value creation.

Triton serves the growing digital audio marketplace through a software-as-a-service (SaaS) business-to-business revenue model. Triton powers or measures streaming music and podcasting for many of the biggest names in audio, including Pandora, Spotify, NPR, iHeart, Entercom, Cumulus, Prisa (Spain), Mediacorp (Singapore) and Karnaval (Turkey).

Triton's infrastructure and ad-serving solutions deliver live and on-demand audio streams and insert advertisements into those streams. Triton's data and measurement service is recognized as the currency by which publishers sell digital audio advertising.

## Financial highlights include:

- The purchase price is \$150 million.
- The transaction will be financed with cash on hand.
- Triton will be immediately accretive to company margins.
- Triton's 2018 revenue is projected to be approximately \$40 million, with EBITDA projected in the mid-teen millions.
- Triton's 2019 revenue is projected to grow in the low to mid-teens percent range over 2018.
- The revenue multiple for the transaction is about 3.7x; the EBITDA multiple is about 9x.
- This is a stock acquisition, and therefore there is no step-up in the assets for tax purposes.

Scripps President and CEO Adam Symson said the acquisition is consistent with the company's growth strategies and operating performance goals.

"Triton positions Scripps well to expand its role in the fast-growing global digital audio marketplace. Triton's efficient business model, multiple growing revenue streams, competitive advantages and expanding international footprint made this an attractive opportunity."

Over 12 years, Triton has become the industry standard by which digital audio is measured, said Symson, while its infrastructure and ad-serving solutions are fueling growth for the world's top audio companies.

"The acquisition of additional television stations remains our No. 1 M&A priority, with the goal of enhancing our national scale and in-market depth for our Local Media portfolio," said Symson. "On the National Media side, acquiring Triton complements our strategy of owning growth businesses that capitalize on the evolving habits of media consumers and furthers our commitment to margin expansion."

The global digital audio marketplace is projected to grow to \$14.8 billion in 2022, according to Statista, as consumers increasingly turn toward streaming audio services. The industry growth comes as a result of the ubiquity of smartphones, the popularity of connected cars and the explosive growth of smart speakers in homes.

Triton has two lines of business:

- **Measurement:** Triton's measurement technology platform is the standard in the digital audio marketplace. Triton's metrics are the currency through which agencies and brands buy digital audio advertising from streaming and on-demand audio companies.
- **Infrastructure:** Triton provides its clients with hosting and advertising infrastructure to deliver digital audio streams with data-powered dynamic ad insertion to listeners worldwide.

"Since its inception, Triton has partnered with the largest and most successful audio companies across the nation and around the world to support the growth of the streaming audio ecosystem," said Triton co-founder and CEO Neal Schore. "Joining Scripps, a company known for its focus on the future of media, will support our continued innovation and will strengthen the products and services we offer to our clients here in the U.S. and as we continue our expansion across the globe."

Schore brings more than 26 years of experience in media, including having served as the chairman of Westwood One. Schore and his veteran management team will continue to lead Triton.

The transaction is set to close before year end. Moelis & Company served as financial advisor to Triton for the transaction.

Scripps will host a conference call today at 10 a.m. Eastern time. A presentation called "Triton acquisition" will be used during the call and is available at <http://ir.scripps.com>.

Callers from the U.S. can dial (800) 230-1766 and international callers can dial (612) 332-0107 to join the call five minutes before it begins and ask to join the "Scripps call." A replay will be available from 12 p.m. on Oct. 17 until midnight Oct. 24 at (800) 475-6701; international callers can dial (320) 365-3844. Access code: 455667.

### **Forward-looking statements**

This document contains certain forward-looking statements related to the company's businesses that are based on management's current expectations. Forward-looking statements are subject to certain risks, trends and uncertainties, including changes in advertising demand and other economic conditions that could cause actual results to differ materially from the expectations expressed in forward-looking statements. Such forward-looking statements are made as of the date of this document and should be evaluated with the understanding of their inherent uncertainty. A detailed discussion of principal risks and uncertainties that may cause actual results and events to differ materially from such forward-looking statements is included in the company's Form 10-K on file with the SEC in the section titled "Risk Factors." The company undertakes no obligation to publicly update any forward-looking statements to reflect events or circumstances after the date the statement is made.

**About Scripps**

[The E.W. Scripps Company](#) (NASDAQ: SSP) serves audiences and businesses through a growing portfolio of local and national media brands. With 33 television stations, Scripps is one of the nation's largest independent TV station owners. Scripps runs a collection of national journalism and content businesses, including [Newsy](#), the next-generation national news network; podcast industry leader [Stitcher](#) and its advertising network [Midroll Media](#); and fast-growing national broadcast networks [Bounce](#), [Grit](#), [Escape](#) and [Laff](#). Scripps produces original programming including "[Pickler & Ben](#)," runs an award-winning investigative reporting newsroom in Washington, D.C., and is the longtime steward of the [Scripps National Spelling Bee](#). Founded in 1878, Scripps has held for decades to the motto, "Give light and the people will find their own way."

**Investor contact:**

*Carolyn Micheli, The E.W. Scripps Company, 513-977-3732, [Carolyn.micheli@scripps.com](mailto:Carolyn.micheli@scripps.com)*

**Media contact:**

*Kari Wethington, The E.W. Scripps Company, 513-977-3763, [Kari.wethington@scripps.com](mailto:Kari.wethington@scripps.com)*