Forward-Looking Statements:
Certain statements and information in this communication may be deemed to be “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Forward-looking statements may include, but are not limited to, statements relating to Sinclair’s objectives, plans and strategies, and all statements (other than statements of historical facts) that address activities, events or developments that Sinclair intends, expects, projects, believes or anticipates will or may occur in the future. These statements are often characterized by terminology such as “believe,” “hope,” “may,” “anticipate,” “should,” “intend,” “plan,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy” and similar expressions, and are based on assumptions and assessments made by Sinclair’s management in light of their experience and their perception of historical trends, current conditions, expected future developments, and other factors they believe to be appropriate. Any forward-looking statements in this communication are made as of the date hereof, and Sinclair undertakes no duty to update or revise any such statements, whether as a result of new information, future events or otherwise. Forward-looking statements are not guarantees of future performance. Whether actual results will conform to expectations and predictions is subject to known and unknown risks and uncertainties, including: risks and uncertainties discussed in the reports that Sinclair have filed with the Securities and Exchange Commission (the “SEC”); general economic, market, or business conditions; risks associated with the ability to consummate the Fox Regional Sports Networks acquisition (the “RSN Acquisition”) and the timing of the closing of the RSN Acquisition; the risk that a regulatory approval that may be required for the proposed transaction is delayed, is not obtained or is obtained subject to conditions that are not anticipated; the ability to successfully integrate RSN’s operations and employees; the ability to realize anticipated benefits of the RSN Acquisition; the potential impact of announcement of the RSN Acquisition on relationships, including with employees, customers and competitors; and other circumstances beyond Sinclair’s control. Refer to the section entitled “Risk Factors” in Sinclair’s annual and quarterly reports filed with the SEC for a discussion of important factors that could cause actual results, developments and business decisions to differ materially from forward-looking statements.
### Transformative Transaction
- Pro forma CY 2018 revenue of $6.7B and EBITDA of $2.6B<sup>(1)</sup>
- Leading platform of premium local sports and news content
- Diversification of content sources and revenue

### Acquiring Leader in RSNs
- Diversified portfolio consisting of exclusive local media rights to 42 teams, 21 brands and 14 RSNs (excludes YES Network)
- Strong EBITDA margins and free cash flow
- Enhances Sinclair’s existing sports businesses (Marquee, Tennis Channel, Stadium and High School)

### Complementary Offerings of Sports and News
- Expanded focus on sports, generating ~60% of total CY 2018 pro forma revenue (and ~15% of pro forma revenue from news)
- Local teams have loyal and consistent fan viewership
- Legalized sports betting likely to deepen fan engagement and attract new advertisers
- Complementary businesses and skillsets

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<sup>(1)</sup> Represents blended CY’17/’18 revenue and EBITDA for Sinclair and CY’18 revenue and EBITDA for the RSNs.

Note: Consolidated Sinclair, RSN unaudited financial statements.
Significant Value Creation

- **Implied transaction multiple of 6.5x (5.5x after benefit of tax attributes)**
  - CY 2019 projected EBITDA of $1.6B
  - Closest pure-play comp trades at ~7.75x (MSGN)
  - Excludes cost synergies
  - Reflects $1.5B NPV of tax step-up ($2.4B gross value over 15 years)

- **~100% accretive to previous FCF guidance on a consolidated basis**
  - $12.00 per share for ’18/’19 on a pro forma basis
  - $13.00 per share for ’19/’20 on a pro forma basis

- **Consolidated net leverage 4.7x (before preferred equity)**
  - RSN Sports Assets\(^{(1)}\): net leverage of 4.8x (before preferred equity)

- **Long-term synergies from programming and production in excess of $100M**

- **Very low required capex and high tax shield facilitates rapid deleveraging of consolidated company**

\(^{(1)}\) Includes Marquee and RSN portfolio.
## Transaction Summary

- $10.6B total enterprise value, all-cash transaction
- $9.6B purchase price adjusted for minority interests
- Creates fully siloed entity to acquire Fox RSNs; facilitates potential future RSN equity partnerships

## SBGI Financial Considerations

- $1.4B cash contributed to Diamond Sports Group, as buyer, in form of:
  - $0.7B cash
  - $0.7B of committed STGI incremental debt \(^{(1)}\)
- JV interest in Marquee Sports Network contributed
- Consolidated net leverage of 4.7x and 5.1x (including preferred equity) \(^{(2)}\)

## RSN Silo

- Fox RSNs and Marquee Sports Network assets
- $8.2B of new debt \(^{(1)}\)
- $0.8B of balance sheet cash
- $1.0B of privately placed preferred equity of Diamond Sports Holdings, an indirect parent of Diamond Sports Group, \(^{(3)}\) a newly-formed and wholly-owned subsidiary of Sinclair
- $1.5B NPV of tax benefit ($2.4B gross value)
- Net leverage of 4.8x and 5.4x (including preferred equity) \(^{(2)}\)
- 11-year weighted average remaining life of sports media rights contracts

## Approvals & Timing

- DOJ approval
- Anticipated closing in Q3 2019

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\(^{(2)}\) Consolidated leverage based on CY’18 RSN EBITDA plus blended CY’17/CY’18 Sinclair covenant EBITDA. RSN entity-level leverage based on CY’18 financials.

\(^{(3)}\) Commitment provided by JPMorgan Funding.
## Sinclair Assets

<table>
<thead>
<tr>
<th>Network</th>
<th>Subscribers (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>eins</td>
<td>N/A</td>
</tr>
<tr>
<td>MX</td>
<td>1</td>
</tr>
<tr>
<td>RSN</td>
<td>42</td>
</tr>
<tr>
<td>Sec</td>
<td>12</td>
</tr>
<tr>
<td>YES</td>
<td>16</td>
</tr>
</tbody>
</table>

## Other Market Participants

<table>
<thead>
<tr>
<th>Network</th>
<th>Subscribers (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;T</td>
<td>1</td>
</tr>
<tr>
<td>AT&amp;T</td>
<td>14</td>
</tr>
<tr>
<td>Ben</td>
<td>8</td>
</tr>
<tr>
<td>Caps</td>
<td>4</td>
</tr>
<tr>
<td>Cub</td>
<td>5</td>
</tr>
<tr>
<td>Den</td>
<td>2</td>
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<tr>
<td>HOU</td>
<td>2</td>
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<td>Ind</td>
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<td>MIL</td>
<td>2</td>
</tr>
<tr>
<td>NY</td>
<td>1</td>
</tr>
<tr>
<td>NYY</td>
<td>1</td>
</tr>
<tr>
<td>STL</td>
<td>1</td>
</tr>
<tr>
<td>TAV</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: SNL Kagan estimates.
(1) Joint venture.
(2) Excludes YES Network.
(3) Excludes the Chicago Cubs, who will be covered by Marquee beginning in the 2020 MLB season.
## Unmatched Portfolio of Sports Media Rights

<table>
<thead>
<tr>
<th>Networks</th>
<th>Brands</th>
<th>MLB</th>
<th>NBA</th>
<th>NHL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARIZONA</td>
<td>ARIZONA</td>
<td>A</td>
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<tr>
<td>DETROIT</td>
<td>DETROIT</td>
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<tr>
<td>FLORIDA</td>
<td>FLORIDA</td>
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<tr>
<td>SUN</td>
<td>SUN</td>
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<tr>
<td>MIDWEST</td>
<td>KANSAS CITY</td>
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<tr>
<td></td>
<td>INDIANA</td>
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<td>NORTH</td>
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<td>WISCONSIN</td>
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<td>OHIO</td>
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<tr>
<td>SPORTSTIME OHIO</td>
<td></td>
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<tr>
<td>SOUTH</td>
<td>CAROLINAS</td>
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<tr>
<td>SOUTHEAST</td>
<td>SOUTHWEST</td>
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<tr>
<td>SOUTHWEST</td>
<td>TENNESSEE</td>
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<td>WEST</td>
<td>WEST</td>
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<td></td>
<td>WEST SAN DIEGO</td>
<td>SD</td>
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<td></td>
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<td></td>
<td>PRIME TICKET</td>
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<td></td>
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</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>14</strong>(1)</td>
<td><strong>21</strong>(1)</td>
<td><strong>14</strong>(1)</td>
<td><strong>16</strong></td>
</tr>
</tbody>
</table>

*(1) Excludes Marquee and Cubs.*
Note: Media broadcast rights for Chicago Cubs on Marquee Sports Network begin in Q1 2020.
### Exploiting Digital Rights

- Drive streaming viewership onto new platforms and experiences
- Penetrate vMVPDs to capture broadest consumer base
  - 4.5M+ vMVPD subs in FY 2018 with opportunities for expected growth
- New technology-enabled viewing experiences will enhance product
- Creation of digital branded apps (as Fox has done with “FOX Sports GO”)

### Sports Betting

- **“Sports bettors watch about twice as much sports coverage as non-bettors do.”** So it stands to reason that making it easier for people to become sports bettors will make them **more likely to watch sports.**” – The New York Times
- “A 2016 survey by the American Gaming Association found that **84% of adults would be more likely to watch a game** they weren’t previously when they bet on it.” – Forbes
- “Media companies are already tossing around programming ideas and ways to **incorporate more stats and betting options on their digital platforms.**” – The Wall Street Journal
- Sports betting apps already important to advertisers in states where legal
- Potential upside to RSNs from content creation focused on sports betting / monetization of video rights

### Advertising

- Advertising has been under monetized historically by RSNs
- Live events with engaged, local viewers
- Net political ad revenue for the RSN Portfolio ranged from only ~$1.5 – $3.5M in the last three fiscal years
RSNs are the Destination to Watch Local Games

<table>
<thead>
<tr>
<th>Current</th>
<th>Emerging</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linear / TV Everywhere</td>
<td>vMVPDs</td>
<td>Other future delivery methods</td>
</tr>
<tr>
<td><img src="chart.png" alt="Logos" /></td>
<td><img src="chart.png" alt="Logos" /></td>
<td>AR / VR</td>
</tr>
<tr>
<td><img src="chart.png" alt="Logos" /></td>
<td><img src="chart.png" alt="Logos" /></td>
<td>Social Media</td>
</tr>
<tr>
<td><img src="chart.png" alt="Logos" /></td>
<td><img src="chart.png" alt="Logos" /></td>
<td>Other</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>All Devices</th>
<th>Streaming via vMVPD Services</th>
<th>TV Everywhere</th>
<th>“Portable” Rights Nationwide</th>
<th>Dynamic Ad Insertion in Internet Streams</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Note: While various exceptions and limitations are in place for each league, the chart above characterizes the majority of rights per league.
The Pay-TV Bundle is Stable but Evolving

The chart illustrates Year-over-Year Subscriber Growth from Q4 2010 to Q4 2018. The growth rates are indicated on the y-axis, ranging from -10.0% to 2.0%. Two lines are shown: one for vMVPD included and another for vMVPD excluded. The growth rates are highlighted for each quarter.

Source: Wall Street research.
Sports and News Live Viewership Growing Share

Share of Live Viewing Hours, Adults 24-54

Source: Wall Street research, Nielsen NNTV. Data based on Program Level National Total Day Results; News includes all programs in the News, News Documentary and Political Genre; Sporting Events includes Sporting events only; All Other Content is the remaining content that is not included in the News and Sports Categories. Standard Calendar 1/1-12/31 each year; Viewing Hours = Average Audience (XXX) x Hours Broadcast.
Local Sports Content Drives Consistent, High-Volume Viewership

**Detroit Team Games – Total Minutes Consumed**

<table>
<thead>
<tr>
<th>Games</th>
<th>Minutes in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>151</td>
<td>2,624</td>
</tr>
<tr>
<td>81</td>
<td>295</td>
</tr>
<tr>
<td>70</td>
<td>309</td>
</tr>
<tr>
<td></td>
<td>3,228</td>
</tr>
</tbody>
</table>

**Detroit Primetime Entertainment – Total Minutes Consumed**

<table>
<thead>
<tr>
<th>Episodes</th>
<th>Minutes in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>402</td>
</tr>
<tr>
<td>28</td>
<td>305</td>
</tr>
<tr>
<td>24</td>
<td>262</td>
</tr>
<tr>
<td></td>
<td>1,159</td>
</tr>
<tr>
<td></td>
<td>2,129</td>
</tr>
</tbody>
</table>

**Critical mass of highly popular, evergreen content**

Source: Nielsen and company materials.

(1) Minutes consumed is defined as follows: (a) the average number of households viewing per minute aired multiplied by (b) the number of minutes aired of all games and TV show episodes during the respective season, in each case in the Detroit DMA. Number of minutes aired reflects longer (e.g., extra innings) or shorter games and the actual minutes of each TV show (including commercials).
Legalized Sports Betting Opportunity

U.S. sports betting market poised for rapid expansion… ($B)

Projected US sports betting revenue


European participation is a roadmap for the US…

Survey of bettors that placed an online-only sports bet (last 12 months)

European participation is a roadmap for the US...

...presents substantial upside for media companies ($B)

Projected sports betting media spend (2025E)

% of Total Revenue:

- Advertising: 20%
- Sponsorships: 5%
- Proj. Media Spend: 25%

Advertising Sponsorships Proj. Media Spend

$1.0 $0.3 $1.3

Projected sports betting media spend (2025E)

~5,300 live events / year

~4,600 professional games / year

24,000+ hours of new content / year

~675M hours of content consumed

RSN portfolio offers vast inventory of live sports(1)

-% of Total Revenue:

- Advertising: 20%
- Sponsorships: 5%
- Proj. Media Spend: 25%

Advertising Sponsorships Proj. Media Spend

~40% ~45% ~35%

Projected sports betting revenue

18 – 34 25 – 34 35 – 44

~40% ~45% ~35%

in-play betting participation by age group (2017) a proxy for engagement

Survey of bettors that placed an online-only sports bet (last 12 months)

~4,600 professional games / year

24,000+ hours of new content / year

~675M hours of content consumed

14 MLB teams

16 NBA teams

12 NHL teams


(1) Reflects 2017 MLB season and 2017-18 NBA and NHL seasons. Minutes consumed is defined as follows: (a) the avg. number of households viewing per min. aired multiplied by (b) the number of min. aired of all games during the respective season. Number of min. aired reflects longer (e.g., extra innings) or shorter games (including advertisements), not scheduled broadcast windows; Excludes YES and Cubs.
Pro Forma Financial Profile

Calendar Year Total Revenue(1) ($ in billions)

- SBGI Standalone: $2.8B
- Pro Forma: $6.7B

Calendar Year EBITDA and Margin Profile(1) ($ in billions)

- SBGI Standalone: $0.9B
- Pro Forma: $2.6B

Calendar Year Total Revenue Mix(1)

- SBGI Standalone: Distribution 70%, Advertising 27%, Other 3%
- Pro Forma: Distribution 70%, Advertising 51%, Other 6%

FCF Per Share Guidance Update(3) ($ in billions, except per share)

- '18 / '19: $1.15 – $1.22B
- '19 / '20: $1.20 – $1.30B

Note: RSN financials based on unaudited financial statements.
(1) Represents blended CY’17/CY’18 metrics for Sinclair and CY’18 metrics for the RSNs.
(2) Includes add-back for management fees paid to parent.
(3) Based on commitment debt rates.
Financing Structure & Pro Forma Leverage

**RSN Sports Assets**
- Gross Leverage: 5.3x
- Gross Leverage (including preferred equity): 5.9x
- Net Leverage: 4.8x
- Net Leverage (including preferred equity): 5.4x

**Consolidated**
- Net Leverage: 4.7x
- Net Leverage (including preferred equity): 5.1x

**Illustrative Structure**

- **STGI**
  - New debt $0.7B
  - $1.4B + Marquee

- **Diamond Sports Holdings**
  - Preferred Equity $1.0B
  - $1.4B + Marquee

- **Intermediate Diamond Entities**

- **Fox RSNs**
- **Marquee**

**Pro Forma Capitalization**

- **Total New Debt**: $8.2B

Note: RSN based on unaudited financial statements.

(1) Simplified structure for presentation purposes.
(2) Based on CY'18 Leveraged EBITDA of $1.6B which excludes EBITDA from non-wholly owned RSNs and, instead, includes cash distributions from non-wholly owned RSNs.
(3) Based on CY'18 RSN attributable EBITDA of $1.6B plus blended CY'17/CY'18 Sinclair covenant EBITDA totaling $2.5B.
Key Highlights

- Leading platform for local sports and news
- Diversification of content sources and revenue
- Extensive multi-platform expansion opportunities
- Prime beneficiaries of emerging legalized sports betting mega trend
- Substantial EBITDA and FCF accretion
Q&A