BUY

Industry Capital Research

Entravision Communications Corporation (EVC)

Expect In-Line 3Q But Are Above '23/'24 Consensus and See Expansion Potential; Reaffirm Buy

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With results set for November 2 AMC, we look for an in-line 3Q, but see potential stock catalysts from rebound in margin outlook and digital expansion. The call will be at 5:00 pm ET, with dial-in 844 836-8739 (U.S.) or 412 317-5440 (int'l)

with dial-in 844 836-8739 (U.S.) or 412 317-5440 (int'l). For 3Q, we expect EVC to meet our estimates of revenue of \$275.3m and adjusted EBITDA of \$17.9m (6.5% margin) vs. consensus of \$274.0m/\$19.0m/6.9%. Compared to prior pacing, our 3 digital revenue growth estimates of +23% (reported)/+19% (pro forma) are roughly in line with EVC's +25%/+17%. Given META's strong 3Q revenue growth, discussed further below, we again ook for upside to our estimate for EVC Latam revenue growth of +17%, vs. +20% in 2Q (assuming +14% 2-year CAGR in both quarters); note that EVC Latam's revenue growth of +20% beat our +14% estimate in 2Q. We assume EVC Asia revenue growth was +37%, also a deceleration (from +50% in 2Q), again against a tougher 3Q comp. We see upside to our revenue growth estimates	Price at 10/26/23 (USD) Price Target 52-week range			3.53 5.00
\$17.9m (6.5% margin) vs. consensus of \$274.0m/\$19.0m/6.9%. Compared to prior pacing, our 3 digital revenue growth estimates of +23% (reported)/+19% (pro forma) are roughly in line with EVC's +25%/+17%. Given META's strong 3Q revenue growth, discussed further below, we again ook for upside to our estimate for EVC Latam revenue growth of +17%, vs. +20% in 2Q (assuming +14% 2-year CAGR in both quarters); note that EVC Latam's revenue growth of +20% beat our +14% estimate in 2Q. We assume EVC Asia revenue growth was +37%, also a deceleration (from				5 00
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EVC's +25%/+17%. Given META's strong 3Q revenue growth, discussed further below, we again ook for upside to our estimate for EVC Latam revenue growth of +17%, vs. +20% in 2Q (assuming +14% 2-year CAGR in both quarters); note that EVC Latam's revenue growth of +20% beat our +14% estimate in 2Q. We assume EVC Asia revenue growth was +37%, also a deceleration (from				3.42 - 7.33
+14% 2-year CAGR in both quarters); note that EVC Latam's revenue growth of +20% beat our +14% estimate in 2Q. We assume EVC Asia revenue growth was +37%, also a deceleration (from	Performance (%)	1m	3m	12m
+14% estimate in 2Q. We assume EVC Asia revenue growth was +37%, also a deceleration (from	Absolute	0	-27	-22
+50% in 2Q), again against a tougher 3Q comp. We see upside to our revenue growth estimates	S&P 500	-3	-9	8
for TV and radio of -18%/-20%, vs17%/-15% prior pacing, given EVC's August conference				318.6
comments about seeing more strength in national ad spending.	Market Cap (USDm)			
	Shares outstanding (m)			90.3
Near-term fundamental outlook has positive possibles, on eye-popping META growth and reset margin expectations. META's rest-of-world segment revenue growth more than doubled ir	Float (%)			89
3Q vs. 2Q (to 37% from 16% for total revenue and to 36% from 16% for ad revenue), representing	a Average volume			325,096
an acceleration in 2-year CAGRs as well, while our EVC Latam revenue growth estimate of +17% 3Q would actually be a deceleration in growth and 2-yr CAGR, suggesting 3Q upside for EVC	in S&P 500			4,137.2
atam. Digital segment operating cash flow margins are one of EVC's key swing factors, and we believe that after 2Q's reduced outlook we have reset the bar sufficiently low for 2023/24, at	Forecasts and ratios			
4.9%/6.4% now, down from 6.7%/7.5% at the beginning of this year. At an August conference, EV	C Year ended 12/31	2022A	2023E	2024E
aid that it did not see further downside to commission rates on its business with META, which icked down to 7% from 10% at mid-year. We assume that EVC digital gross margin bottoms in 30	1Q EPS (USD)	0.02	0.02	0.08
and improves in 4Q, helped by a seasonal uptick in revenue. At an October conference, EVC said that it hoped to get digital OCF margins to high single digits in the next 6 months through opex	2Q EPS (USD)	0.10	-0.02	0.02
nitiatives. We model digital OCF margin of 4.1% for 3Q, 7.3% for 4Q and 6.4% for 2024.	3Q EPS (USD)	0.11	-0.02	0.10
t might not take much to revive shares. First, revival would seem a low bar, as over the past	4Q EPS (USD)	-0.02	0.13	0.11
quarter EVC shares have lagged the S&P 500 by almost 20 percentage points. Second, EVC's cyclical ad-based business could find favor on receding recession expectations. Third, after EVC's	FY EPS (USD)	0.21	0.11	0.31
beat and raise with 3Q results last year, EVC shares rose by \sim 50% over the next quarter. Last but	% Change	-38%	-46%	179%
not least, management has flagged a shift in focus from digital M&A to digital organic growth nitiatives, on which it said at an October conference that it hoped to have updates in the near	P/E (x)	17.1	31.5	11.3
erm. Earlier this month, EVC announced a new partnership with Pinterest, for example.	EV/EBITDA (x)	4.2	6.1	4.3
Coeffirm ÉE nor share 12 month price torget and Duy reting, risks on page 2. Our DT is				
Reaffirm \$5 per share 12-month price target and Buy rating; risks on page 2. Our PT is supported by a DCF valuation based on explicit financial forecasts through 2028.	Revenue (USDm)	956.2	1,111.3	1,262.4
	% Change	26%	16%	14%

ANALYST CERTIFICATIONS AND IMPORTANT DISCLOSURES ARE LOCATED IN THE APPENDIX. Industry Capital

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Entravision Communications (EVC)

Investment Thesis and Valuation: Buy With \$5.00 Price Target

Positives supporting our Buy rating include: 1) EVC's share price is not fully capturing the potential of its digital media assets because their higher growth, different business models and strategic options are more difficult for investors to assess; 2) higher post-pandemic broadcast margins, stability of TV retransmission revenue (35% of 2022E EBITDA) and secular growth of political advertising revenue (31% of 2022E EBITDA), and potential monetization from future spectrum auction (as in 2017) reduce the operating risk profile of overall business; 3) pro forma net debt leverage under 2x and close to 10% free cash flow yield give senior management strategic flexibility; and 4) our DCF valuation supports substantial stock price upside over the next 12 months.

Our DCF-based 12-month price target is a weighted average of projected equity valuations at year-end 2023 and 2024. In structuring our DCF, first we adjust the current net debt for the value of any estimated payments remaining on the acquisitions (e.g., earnouts) and noncontrolling interest. Second, we adjust the current net debt by the estimated free cash flow to be generated by each valuation date. Finally, we value EVC both using a weighted average cost of capital (WACC) reflecting its own stock price trading and using separate WACCs for its broadcast and digital media businesses based on sector comparables, applied to separate free cash flow forecasts for each of these businesses. The results of these two methods set the range for our valuation. Note that in our DCF, for our terminal value estimates, we assume that capex equals D&A, which results in a substantially higher capex estimate than in our financial statement forecasts because capex should be like D&A for a terminal value forecast, to support the need for an asset base in perpetuity.

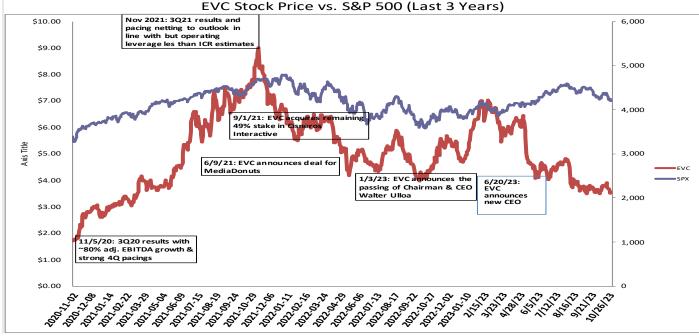
Risks to our investment thesis include: 1) impact of new incoming CEO and change in voting control on company's strategy and pursuit of potential longer-term options, including sale of all or a portion of the company, 2) sensitivity of EVC's advertising-based businesses to macroeconomic shocks, such as a recession, 3) volatility and profitability of EVC's digital media business, given its increasing focus on emerging markets, its dependence on a small number of commercial relationships with media tech platforms, and increasing competition, 4) secular challenges and potentially increasing competition from TelevisaUnivision for EVC's broadcast media business, and 5) risk-off market sentiment as an overhang for valuation of EVC's fast-growing, less mature digital advertising businesses.

Entravision Communications (EVC)

3Q 2023 Results Preview October 27, 2023

Figure 1: EVC Investment Thesis, Metrics and Valuation Summary

		(in millions, except unit data)	
		12-month price target:	\$5.00
ENTERPRISE VALUE			COMPANY CHARACTERISTICS AND INVESTMENT THESIS
Price per share	\$3.53	Company description	Entravision operates a digital media business serving the U.S. and roughly 40 international
Diluted shares outstanding	90.3		markets, and a broadcast business targeting U.S. Hispanics with 49 TV stations (mostly Univision
Equity market capitalization	319		network affiliates) in 14 of the top-50 U.S. Hispanic markets, and 45 radio stations (37 FM and 8
+Pro forma net debt	163		AM) as well as a radio network with distribution to over 100 U.S. markets together covering 31%
-Hidden value	9		of the U.S. Hispanic population. The company's 2022 revenue by segment was 78% from digital,
=Pro forma EV	\$473		15% from TV, and 7% from audio. TelevisaUnivision owns ~11% of Entravision's stock. On August
			2, 2000, Entravision completed an initial public offering at \$16.50 per share of its Class A common
OPERATING PROJECTIONS			stock, which is listed on the NYSE under the symbol "EVC."
Pro forma net revenue		Strategy	Expand digital media operations into fast-growing markets outside the U.S. and manage for free
2023	\$1,116		cash flow and asset value its TV-driven broadcast platforms in U.S. Hispanic markets.
2022	1,000	Est. acquisition capacity	\$256
% Chg	11.6%	Management	After the untimely death of former Chairman and CEO Walter Ulloa last December, Michael
Pro forma EBITDA			Christenson joined EVC from outside the company to become CEO effective July 1, 2023. Jeffrey
2023	\$77		Liberman is President and COO (since 2017 and with EVC since 2000). Christopher Young is CFO
2022	114		(as which he has served since 2008, having been with EVC since 2000).
% Chg	-32.2%	Positives	* Experience in expanding distribution in smaller, faster-growing ad markets, both in U.S. and
Pro forma EBITDA margin			internationally
2023	6.9%		* Low debt leverage and high free cash flow yield support returns of capital and digital-focused
2022	11.4%		acquisitions
Free cash flow per share			* Higher post-pandemic broadcast margins
2023	\$0.44		* Most of its TV stations are affiliated with leading U.S. Spanish language network Univision
2022	\$0.72		* Secular growth in U.S. political advertising spending
% Chg	-38.9%	Risks	* Management succession and corporate control, especially given loss of management voting
Est. 3-5 yr FCF Growth rate	7%		control triggered by death of prior CEO
			* Volatility of international media business, reflecting early stage and potential competition
VALUATION AND LEVERAGE			* Impact of sudden advertising declines on cash flow (e.g., in 2009 and 2020)
Pro forma EV/EBITDA			* Competition with TelevisaUnivision's expanding direct to consumer business
2023	6.1x		* TelevisaUnivision relationship through TV network affiliations and ownership stake may limit
2022	4.2x		strategic flexibility
Price / Free cash flow per share		Valuation	Attributing most of firm value to digital media business
2023	8.0x	Recent events	June 2023 - appointment of new CEO effective July 1. December 2022 - death of co-founder, CEO
2022	4.9x	1	& Chairman Walter Ulloa. September 2021 - acquired remaining 49% interest in Cisneros
Pro forma net debt / EBITDA		1	Interactive for \$84 million. July 2021 – announced acquisition of MediaDonuts AsiaPac digital
2023	2.1x		media business for \$36 million. October 2020 – acquired 51% stake in Cisneros Interactive for \$25
2022	1.4x	1	million. May 2020 – announced substantial expense costs targeting broadcast operations.
Dividend yield		Upcoming potential catalysts	Recession risk to advertising-based revenue, both in U.S. and internationally - Digital growth
2023	5.7%		initiatives - Advertising in upcoming U.S. election cycle - Changes in capital return/allocation with
2022	2.8%		new senior management



Source: Yahoo Finance, NASDAQ, company data and Industry Capital Research estimates

Entravision Communications Corporation (EVC)

Figure 2: Although we are slightly below 3Q consensus on EBITDA ...

In millions, except p	er share data								
			Estimates		,	oY %CHG			ICR vs
	Last Yr	Prior	Chg	Current	Prior	Chg	Current	Consensus	Consensus
3Q23E									
As Reported									
Revenue	241.0	275.3	0.0	275.3	14.2%	0.0%	14.2%	274.0	0.5%
Op Expense	215.1	257.4	0.0	257.4	19.7%	0.0%	19.7%		
Adjusted EBITDA	25.9	17.9	(0.0)	17.9	-31.0%	0.0%	-31.0%	19.0	-5.8%
Margin	10.8%	6.5%	0.0%	6.5%			· · · · ·	6.9%	-0.4%
Pro Forma EPS	\$0.12	(\$0.02)	\$+0.00	(\$0.02)	-116.7%	0.0%	-116.7%	\$0.04	-150.0%
FCF/sh (core)	\$0.18	\$0.11	\$+0.00	\$0.11	-38.9%	0.0%	-38.9%		
			Estimates		,	oY %CHG			ICR vs
	Last Yr	Prior	Chg	Current	Prior	Chg	Current	Consensus	Consensus
4Q23E									
As Reported									
Revenue	\$221.7	\$323.6	\$0.1	\$323.7	46.0%	0.0%	46.0%	312.0	3.8%
Op Expense	199.2	293.5	0.1	293.6	47.3%	0.1%	47.4%		
Adjusted EBITDA	22.5	30.2	(0.0)	30.2	34.3%	0.0%	34.3%	26.0	16.1%
Margin	10.1%	9.3%	0.0%	9.3%				8.3%	1.0%
Pro Forma EPS	\$0.11	\$0.13	\$+0.00	\$0.13	18.2%	0.0%	18.2%	\$0.13	0.0%
FCF/sh (core)	\$0.16	\$0.27	\$+0.00	\$0.27	68.8%	0.0%	68.8%		

Source: Company reports, FactSet, Industry Capital Research estimates

Entravision Communications (EVC)

Figure 3: ... we are above 2023/24 consensus on EBITDA

Summary of A	nnual Estir	nates							
In millions, except p	oer share data								
			Estimates			oY %CHG			ICR vs
	Last Yr	Prior	Chg	Current	Prior	Chg	Current	Consensus	Consensus
2023E									
Pro Forma *									
Revenue	999.8	1,111.6	4.3	1,115.8	11.2%	0.4%	11.6%		
Op expense	885.9	1,036.0	2.5	1,038.5	16.9%	0.3%	17.2%		
Adjusted EBITDA	113.9	75.6	1.7	77.3	-33.7%	1.5%	-32.2%		
As Reported									
Revenue	956.2	1,111.3	(0.0)	1,111.3	16.2%	0.0%	16.2%	1,094	1.6%
Op expense	853.2	1,036.0	0.0	1,036.0	21.4%	0.0%	21.4%		
Adjusted EBITDA	103.1	75.3	(0.0)	75.3	-26.9%	0.0%	-26.9%	73.0	3.1%
Margin	10.8%	6.8%	0.0%	6.8%				6.7%	0.1%
EPS	\$0.21	\$0.11	(\$0.00)	\$0.11	-45.4%	-0.2%	-45.5%	\$0.17	-34.0%
Cash FCF/sh	\$0.72	\$0.44	\$0.00	\$0.44	-38.9%	0.0%	-38.9%		
2024E									
Pro Forma *									
Revenue	1,115.8	1,262.4	0.0	1,262.4	13.1%	0.0%	13.1%		
Op expense	1,038.5	1,151.3	0.0	1,151.3	10.9%	0.0%	10.9%		
Adjusted EBITDA	77.3	111.1	0.0	111.1	43.7%	0.0%	43.7%		
As Reported									
Revenue	1,111.3	1,262.4	0.0	1,262.4	13.6%	0.0%	13.6%	1,259	0.3%
Op expense	1,036.0	1,151.3	0.0	1,151.3	11.1%	0.0%	11.1%		
Adjusted EBITDA	75.3	111.1	0.0	111.1	47.6%	0.0%	47.6%	102.0	8.9%
Margin	6.8%	8.8%	0.0%	8.8%				8.1%	0.7%
EPS	\$0.11	\$0.31	\$0.00	\$0.31	179.2%	0.0%	179.2%	\$0.41	-23.6%
Cash FCF/sh	\$0.44	\$0.95	\$0.00	\$0.95	115.9%	0.0%	115.9%		

Entravision Communications (EVC)

3Q 2023 Results Preview October 27, 2023

Figure 4: Our digital revenue estimates are above 2023/24 consensus; we reallocate some revenue and OCF to BCNMonetize from Legacy Digital

Entravision Comm Summary of Digital S									
n millions, except per share		Tuur Eou	mateo						
			Estimates			YoY %CHG			ICR vs
	Last Yr	Old	Chg	Current	Old	Chg	Current	Consensus	Consensu
2023E									
s Reported			-						
egacy Digital Revenue	103.7	125.7	(10.6)	115.1	21.2%	-10.2%	11.0%		
egacy Digital Opex	89.4	114.8	(7.9)	107.0	28.5%	-8.8%	19.7%		
egacy Digital OCF	14.3	10.9	(2.7)	8.1	-24.1%	-18.9%	-43.0%		
Margin	13.8%	8.6%	-1.6%	7.1%					
VC Latam Revenue	508.8	595.6	0.0	595.6	17.0%	0.0%	17.0%		
VC Latam Opex	480.2	569.4	0.0	569.4	18.6%	0.0%	18.6%		
EVC Latam OCF	28.6	26.2	0.0	26.2	-8.4%	0.0%	-8.4%		
Margin	5.6%	4.4%	0.0%	4.4%					
VC Asia Revenue	89.5	120.9	0.0	120.9	35.0%	0.0%	35.0%		
VC Asia Opex	84.2	113.7	0.0	113.7	35.1%	0.0%	35.1%		
EVC Asia OCF	5.3	7.2	0.0	7.2	34.8%	0.0%	34.8%		
Margin	6.0%	6.0%	0.0%	6.0%					
VC Africa Revenue	11.4	9.0	0.0	9.0	-21.1%	0.0%	-21.1%		
VC Africa Opex	10.7	10.5	0.0	10.5	-2.3%	0.0%	-2.3%		
VC Africa OCF	0.7	(1.4)	0.0	(1.4)	-296.8%	NM	NM		
Margin	6.4%	-16.0%	0.0%	-16.0%					
ack of Digital Revenue	1.7	5.7	(0.0)	5.7	NM	NM	NM		
ack of Digital Opex	1.6	5.5	(0.0)	5.5	NM	NM	NM		
ack of Digital OCF	0.1	0.2	(0.0)	0.2	NM	NM	NM		
Margin	3.5%	3.2%	0.0%	3.2%					
Adsmurai Revenue	31.7	77.1	0.0	77.1	143.1%	0.0%	143.1%		
Adsmurai Opex	28.5	74.3	0.0	74.3	161.1%	0.0%	161.1%		
Adsmurai OCF	3.3	2.8	0.0	2.8	-14.2%	0.0%	-14.2%		
Margin	10.3%	3.6%	0.0%	3.6%					
CNMonetize Revenue	0.0	0.0	10.6	10.6	NM	NM	NM		
SCNMonetize Opex	0.0	0.0	7.9	7.9	NM	NM	NM		
CNMonetize OCF	0.0	0.0	2.7	2.7	NM	NM	NM		
Margin		10.8%	14.4%	25.2%					
Digital Segment Revenue	747.1	934.1	(0.0)	934.1	25.0%	0.0%	25.0%	916	2.0
Digital Segment Opex	698.1	888.3	0.0	888.3	27.2%	0.0%	27.2%		
Digital Segment OCF	49.0	45.8	(0.0)	45.8	-6.5%	-0.1%	-6.6%		
Margin	6.6%	4.9%	0.0%	4.9%					
2024E									
As Reported									
egacy Digital Revenue	115.1	147.9	(16.8)	131.1	28.5%	-14.6%	13.9%		
egacy Digital Opex	107.0	134.4	(12.0)	122.4	25.6%	-11.2%	14.4%		
egacy Digital OCF.	8.1	13.5	(4.8)	8.7	65.8%	-59.4%	6.4%		
Margin	7.1%	9.1%	-2.5%	6.6%					
EVC Latam Revenue	595.6	669.3	0.0	669.3	12.4%	0.0%	12.4%		
EVC Latam Opex	569.4	632.4	0.0	632.4	11.1%	0.0%	11.1%		
VC Latam OCF	26.2	36.9	0.0	36.9	40.7%	0.0%	40.7%		
Margin	4.4%	5.5%	0.0%	5.5%					
VC Asia Revenue	120.9	134.5	0.0	134.5	11.2%	0.0%	11.2%		
VC Asia Opex	113.7	124.7	0.0	124.7	9.6%	0.0%	9.6%		
VC Asia OCF	7.2	9.8	0.0	9.8	36.3%	0.0%	36.3%		
Margin	6.0%	7.3%	0.0%	7.3%					
VC Africa Revenue	9.0	14.8	0.0	14.8	63.4%	0.0%	63.4%		
VC Africa Opex	10.5	14.3	0.0	14.3	36.6%	0.0%	36.6%		
VC Africa OCF	(1.4)	0.5	0.0	0.5	-131.3%	NM	NM		
Margin	-16.0%	3.1%	0.0%	3.1%					
ack of Digital Revenue	5.7	9.0	(0.0)	9.0	58.0%	0.0%	58.0%		
ack of Digital Opex	5.5	7.6	(0.0)	7.6	38.2%	0.0%	38.2%		
ack of Digital OCF	0.2	1.4	(0.0)	1.4	NM	NM	NM		
Margin	3.2%	15.4%	0.0%	15.4%					
Adsmurai Revenue	77.1	88.9	0.0	88.9	15.2%	0.0%	15.2%		
Adsmurai Opex	74.3	83.3	0.0	83.3	12.1%	0.0%	12.1%		
Adsmurai OCF	2.8	5.6	0.0	5.6	98.7%	0.0%	98.7%		
Margin	3.6%	6.3%	0.0%	6.3%					
CNMonetize Revenue	10.6	0.0	16.8	16.8	-100.0%	158.9%	58.9%		
CNMonetize Opex	7.9	0.0	12.0	12.0	-100.0%	151.2%	51.2%		
CNMonetize OCF	2.7	0.0	4.8	4.8	-100.0%	181.9%	81.9%		
Margin	25.2%	10.8%	18.0%	28.8%				_	
Digital Segment Revenue	934.1	1,064.3	0.0	1,064.3	13.9%	0.0%	13.9%	1014	5.0
Digital Segment Opex	888.3	996.7	0.0	996.7	12.2%	0.0%	12.2%		
Digital Segment OCF	45.8	67.6	0.0	67.6	47.7%	0.0%	47.7%		
	4.9%	6.4%	0.0%	6.4%					

Figure 5: No change to our DCF, last updated earlier this month; we will look to update our discount rate and risk premium inputs in November

Entravision Commu	unication	s												
Summary of Changes t	to Forecast	and Valua	tion		_									
(in \$ million except unit data)	203	23	DCF Va	luation		EB	ITDA CAG	GRs						
CAGRs	Rev	EBITDA	Low	High	2019-23	2021-25	2022-26	2023-27	2024-28	Risk Free Rate	Equity Premium	WACC-EVC	WACC-EVC-D	WACC-EVC-B
Prior	1,111.3	75.3	\$4.50	\$5.00	16%	5%	6%	11%	11%	4.7%	4.5%	9.7%	11.5%	7.8%
Current	1,111.3	75.3	\$4.50	\$5.00	16%	5%	6%	11%	11%	4.7%	4.5%	9.7%	11.5%	7.8%
Delta	0.0	0.0	\$0.00	\$0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Source: Company data and Industr	ource: Company data and Industry Capital Research estimates													

Entravision Communications (EVC)

3Q 2023 Results Preview October 27, 2023

In millions													
TELEVISION SEGMENT	2020A	2021A	1Q22	2Q22	3Q22	4Q22	2022A	1Q23A	2Q23A	3Q23E	4Q23E	2023E	2024E
Television PF Rev Growth	3.2%	-6.9%	-16.0%	-6.0%	-3.4%	14.7%	-1.2%	-1.8%	-8.7%	-17.9%	-28.0%	-15.6%	13.2%
Reported TV revenue	\$154.5	\$146.8	\$30.9	\$32.4	\$35.7	\$45.8	\$144.7	\$30.3	\$29.9	\$29.3	\$33.3	\$122.8	\$138.6
Growth	3.2%	-4.9%	-14.5%	-4.9%	-2.1%	13.8%	-1.4%	-1.8%	-7.5%	-17.9%	-27.4%	-15.2%	12.8%
TV non-recurring items:													
TV Political/Census	22.6	0.8	1.3	2.8	6.4	14.8	25.2	0.0	0.0	0.0	0.2	0.3	22.6
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	50.0%	50.0%	58.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental political	22.6	0.8	1.3	2.8	3.2	7.4	14.7	0.0	0.0	0.0	0.2	0.3	22.6
TV revenue ex political	131.9	146.1	29.6	29.6	32.5	38.4	130.1	30.3	29.9	29.3	33.0	122.5	116.0
Growth ex Political	-11.7%	10.7%	-18.1%	-13.1%	-10.0%	-3.5%	-10.9%	2.5%	1.1%	-9.8%	-14.1%	-5.8%	-5.3%
Retransmission Consent	36.8	37.0	9.2	9.0	8.9	8.9	36.0	9.6	9.3	9.1	8.7	36.7	37.4
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental Retrans	36.8	37.0	9.2	9.0	8.9	8.9	36.0	9.6	9.3	9.1	8.7	36.7	37.4
TV revenue ex Retrans	117.7	109.9	21.7	23.3	26.8	36.9	108.7	20.7	20.6	20.2	24.6	86.1	101.1
Growth ex Retrans	3.0%	-6.6%	-18.2%	-5.7%	-2.1%	18.0%	-1.1%	-4.5%	-11.6%	-24.5%	-33.5%	-20.8%	17.5%
TV World Cup/Other Soccer	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental World Cup	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TV revenue ex WC	154.5	144.8	30.9	32.4	35.7	45.8	144.7	30.3	29.9	29.3	33.3	122.8	138.6
Growth ex WC	3.2%	-6.2%	-14.5%	-3.5%	2.1%	13.8%	-0.1%	-1.8%	-7.5%	-17.9%	-27.4%	-15.2%	12.8%
TV Acquisitions/Dispositions (inc. Affiliations)	(9.4)	(9.8)	(6.5)	(6.1)	(7.5)	(8.1)	(28.3)	(6.4)	(6.0)	(6.2)	(6.5)	(25.1)	(22.8)
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental M&A	(9.4)	(9.8)	(6.5)	(6.1)	(7.5)	(8.1)	(28.3)	(6.4)	(6.0)	(6.2)	(6.5)	(25.1)	(22.8)
TV revenue ex M&A	163.9	156.6	37.4	38.5	43.2	53.9	173.0	36.7	35.9	35.5	39.7	147.9	161.4
Growth ex M&A	2.3%	-4.4%	-2.0%	7.9%	10.1%	23.7%	10.5%	-1.8%	-6.7%	-17.9%	-26.3%	-14.5%	9.2%
Spectrum usage/auction	5.4	6.2	1.5	1.7	1.6	1.8	6.6	2.1	2.1	2.1	2.1	8.6	8.6
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental Spectrum Usage	5.4	6.2	1.5	1.7	1.6	1.8	6.6	2.1	2.1	2.1	2.1	8.6	8.6
TV revenue ex Spectrum Usage	149.0	140.7	29.3	30.7	34.1	44.0	138.1	28.2	27.8	27.1	31.1	114.2	130.0
Growth ex Spectrum Usage	9.1%	-5.6%	-11.8%	-6.9%	-3.5%	12.5%	-1.8%	-4.0%	-9.5%	-20.4%	-29.3%	-17.3%	13.8%
PF TV revenue ex-all non-recurring	99.2	110.7	25.4	25.0	29.5	35.9	115.7	25.0	24.4	24.2	28.7	102.3	92.8
PF TV revenue growth ex all non-recurring	-11.2%	11.7%	-1.3%	1.0%	8.7%	8.3%	4.5%	-1.6%	-2.3%	-17.9%	-20.1%	-11.6%	-9.2%
TV rev grth ex all non-rec 2-yr CAGR	-6.8%	-0.4%	0.7%	22.8%	8.6%	5.0%	8.0%	-1.4%	-0.7%	-5.5%	-7.0%	-3.9%	-10.4%
PF TV advertising growth ex-political	-11.2%	14.8%	-20.3%	-20.2%	-15.0%	-6.8%	-15.1%	-1.6%	-2.3%	-17.9%	-20.1%	-11.7%	-9.4%
TV ad rev grth ex political 2-yr CAGR	-6.8%	1.0%	-9.5%	12.2%	-1.0%	-2.6%	-1.3%	-11.4%	-11.7%	-16.5%	-13.7%	-13.4%	-10.5%
PF TV revenue growth ex-political	-11.7%	10.7%	-18.1%	-13.1%	-10.0%	-3.5%	-10.9%	2.5%	1.1%	-9.8%	-14.1%	-5.8%	-5.3%
TV rev grth ex political 2-yr CAGR	-3.6%	-1.1%	-6.6%	7.3%	-0.6%	-1.3%	-0.7%	-8.4%	-6.3%	-9.9%	-9.0%	-8.4%	-5.6%
PF TV advertising growth	10.9%	-7.6%	-14.8%	-8.4%	-4.0%	16.4%	-1.6%	-7.9%	-14.7%	-28.3%	-36.2%	-24.1%	19.4%

Figure 6: Broadcast revenue drivers—conference hints at stronger national advertising growth could mean upside to modest 3Q TV assumptions

Source: Company reports; Industry Capital Research estimates

Figure 7: Broadcast revenue drivers—at radio segment, core advertising growth outlook is now negative, compared to positive earlier this year

In millions							_						
RADIO SEGMENT	2020A	2021A	1Q22	2Q22	3Q22	4Q22	2022A	1Q23A	2Q23A	3Q23E	4Q23E	2023E	2024E
Radio PF Rev Growth	-15.9%	23.4%	9.7%	5.8%	0.1%	14.1%	7.6%	-1.5%	-5.1%	-20.0%	-15.6%	-11.7%	8.0%
Pro forma radio:													
Revenue	\$46.3	\$58.0	\$12.6	\$14.9	\$16.5	\$20.4	\$64.4	\$12.2	\$13.5	\$13.2	\$15.5	\$54.5	\$59.5
Growth	-15.9%	25.4%	11.4%	5.8%	0.1%	26.3%	11.0%	-3.0%	-9.4%	-20.0%	-23.8%	-15.4%	9.3%
Radio non-recurring items:													
Political/Census	5.9	0.8	0.3	0.6	1.5	4.4	6.8	0.0	0.0	0.0	0.1	0.1	6.1
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental political	5.9	0.8	0.3	0.6	1.5	4.4	6.8	0.0	0.0	0.0	0.1	0.1	6.1
Radio revenue ex political	40.4	57.2	12.3	14.3	15.0	16.0	57.6	12.2	13.5	13.1	15.5	54.4	53.4
Growth ex Political	-26.4%	41.6%	8.7%	1.6%	-5.8%	0.6%	0.7%	-0.7%	-5.5%	-12.2%	-3.3%	-5.6%	-1.8%
NTR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental NTR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Radio revenue ex NTR	39.5	39.5	12.6	14.9	16.5	20.4	39.5	12.2	13.5	13.2	15.5	39.5	39.5
Growth ex NTR	3.0%	0.0%	11.4%	5.8%	0.1%	26.3%	0.0%	-3.0%	-9.4%	-20.0%	-23.8%	0.0%	0.0%
World Cup/Other Soccer													
Assm: % Incremental to Core	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental World Cup	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Radio revenue ex WC	46.3	58.0	12.6	14.9	16.5	20.4	64.4	12.2	13.5	13.2	15.5	54.5	59.5
Growth ex WC	-15.9%	25.4%	11.4%	5.8%	0.1%	26.3%	11.0%	-3.0%	-9.4%	-20.0%	-23.8%	-15.4%	9.3%
Revenue	40.4	57.2	12.3	14.3	15.0	16.0	57.6	12.2	13.5	13.1	15.5	54.4	53.4
Radio revenue growth ex all non-recurring	-26.4%	41.6%	8.7%	1.6%	-5.8%	0.6%	0.7%	-0.7%	-5.5%	-12.2%	-3.3%	-5.6%	-1.8%
Radio rev grth ex all non-rec 2-yr CAGR	-19.2%	2.0%	7.1%	52.3%	20.5%	10.0%	19.4%	3.9%	-2.0%	-9.0%	-1.4%	-2.5%	-3.7%

Source: Company reports; Industry Capital Research estimates

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Figure 8: Broadcast opex drivers

In millions													
OPERATING EXPENSE	2020A	2021A	1Q22	2Q22	3Q22	4Q22	2022A	1Q23A	2Q23A	3Q23E	4Q23E	2023E	2024E
Television PF Opex Growth	-4.2%	-0.3%	-3.2%	1.1%	-0.6%	-2.8%	-1.5%	4.5%	-0.8%	-4.8%	-11.6%	-3.4%	3.5%
Radio PF Opex Growth	-26.3%	-5.4%	-3.0%	4.9%	6.7%	2.9%	2.3%	17.1%	15.0%	-3.0%	-10.0%	4.3%	7.8%
Pro forma consolidated:													
Opex ex-cost of revenue	\$153.3	\$172.9	\$43.9	\$47.4	\$49.3	\$57.2	\$197.8	\$52.1	\$56.7	\$52.1	\$53.8	\$214.7	\$227.5
Growth	-11.6%	12.8%	8.5%	14.3%	14.6%	19.1%	14.4%	18.7%	19.8%	5.7%	-6.1%	8.6%	6.0%
Non-recurring opex items:													
M&A (acquisitions since 2020)	5.7	27.5	7.9	9.3	10.2	10.5	37.9	8.4	11.8	9.7	7.3	37.2	37.3
Assm: % Incremental	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental Cisneros	5.7	27.5	7.9	9.3	10.2	10.5	37.9	8.4	11.8	9.7	7.3	37.2	37.3
Opex ex Cisneros adjustment	147.6	145.5	35.9	38.1	39.1	46.7	159.9	43.7	44.9	42.4	46.5	177.5	190.2
Growth ex Cisneros	-14.9%	-1.5%	0.8%	8.9%	7.2%	22.0%	9.9%	21.6%	17.9%	8.6%	-0.6%	11.0%	7.1%
Fixed & variable cost reductions	(27.2)	(32.8)	(5.8)	(7.0)	(12.8)	(11.6)	(37.2)	(6.5)	(7.5)	(12.3)	(10.3)	(36.6)	(38.6)
Assm: % Incremental	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental cost reductions	(27.2)	(32.8)	(5.8)	(7.0)	(12.8)	(11.6)	(37.2)	(6.5)	(7.5)	(12.3)	(10.3)	(36.6)	(38.6)
Opex ex cost reductions adjustment	180.5	205.7	49.7	54.4	62.0	68.8	235.0	6.5	7.5	12.3	10.3	36.6	38.6
Growth ex cost reductions	4.1%	14.0%	9.4%	15.0%	14.1%	17.4%	14.2%	-87.0%	-86.2%	-80.2%	-85.0%	-84.4%	5.7%
Salary true-up	2.0	2.0	0.0	0.8	0.7	0.8	2.3	0.0	0.9	0.8	0.8	2.6	2.7
Assm: % Incremental	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Incremental salary true-up	2.0	2.0	0.0	0.8	0.7	0.8	2.3	0.0	0.9	0.8	0.8	2.6	2.7
Opex ex salary true-up	151.3	170.9	43.9	46.6	48.6	56.5	195.5	0.0	(0.9)	(0.8)	(0.8)	(2.6)	(2.7)
Growth ex salary true-up	-12.7%	13.0%	8.5%	14.3%	14.7%	19.1%	14.4%	-100.0%	-102.0%	-101.7%	-101.5%	-101.3%	5.3%
Opex ex-non-recurring	172.8	176.3	41.8	44.4	51.1	57.5	194.8	50.2	51.5	53.9	56.0	211.5	226.1
Opex growth ex all non-recurring	-0.3%	2.0%	2.7%	10.4%	8.3%	19.3%	10.5%	20.1%	16.1%	5.4%	-2.7%	8.6%	6.9%
Opex grth ex all non-rec 2-yr CAGR	-1.1%	0.8%	1.8%	6.3%	6.5%	9.2%	6.2%	11.1%	13.2%	6.8%	7.7%	9.5%	7.7%
Revenue-driven variable expense	31.7	32.3	6.5	7.3	8.3	11.1	33.3	6.2	6.4	6.2	7.6	26.4	30.4
Non-sales opex ex-non-recurring	141.1	143.9	35.2	37.0	42.8	46.4	161.5	44.0	45.1	47.6	48.4	185.1	195.7
Non-sales opex growth ex all non-recurring	-0.7%	2.0%	4.6%	13.6%	10.6%	19.1%	12.2%	25.0%	21.8%	11.4%	4.2%	14.7%	5.7%
Non-sales opex grth ex all non-rec 2-yr CAGR	-0.1%	0.6%	4.5%	3.4%	7.1%	12.1%	7.0%	14.3%	17.6%	11.0%	11.4%	13.4%	10.1%

Source: Company reports; Industry Capital Research estimates

Note: The above figure attempts to estimate core opex growth excluding the impact of variable sales expense by deducting 20% of estimated broadcast advertising revenue in all periods.

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Figure 9: Financial statement forecasts supporting our valuation

to an III and a second and a second													
In millions, except per share data AS REPORTED	2020A	2021A	1Q22	2022	3Q22	4Q22	2022A	1Q23A	2Q23A	3Q23E	4Q23E	2023E	2024E
Net revenue:	20204	2021A	1022	2022	3422	4022	20224	10234	20234	34235	40235	20236	20241
Television	\$154.5	\$146.8	\$30.9	\$32.4	\$35.7	\$45.8	\$144.7	30.3	29.9	29.3	33.3	122.8	138.6
Radio	46.3	58.0	12.6	14.9	16.5	20.4	64.4	12.2	13.5	13.2	15.5	54.5	59.5
Net broadcast revenue	200.7	204.9	43.5	47.3	52.1	66.2	209.1	42.5	43.5	42.5	48.8	177.2	198.1
Digital	143.3	555.3	153.7	174.4	188.9	230.1	747.1	196.4	229.9	232.9	275.0	934.1	1,064.3
Total net revenue (core)	344.0	760.2	197.2	221.7	241.0	296.3	956.2	238.9	273.4	275.3	323.7	1,111.3	1,262.4
Revenue from spectrum usage rights	0.0	0.0	137.12		241.0	250.5	0.0	230.5	273.4	275.5	525.7	0.0	0.0
Total net revenue	344.0	760.2	197.2	221.7	241.0	296.3	956.2	238.9	273.4	275.3	323.7	1,111.3	1,262.4
Total net revenue	344.0	700.2	137.2		241.0	250.5	550.2	250.5	273.4	273.3	525.7	1,111.5	1,202.4
Cost of Revenue													
Television													
Radio													
Digital	106.9	466.5	129.9	145.0	157.2	192.0	624.0	168.3	195.7	200.1	229.7	793.8	895.5
Digital cost of revenue as % of revenue	74.6%	84.0%	84.5%	83.1%	83.2%	83.4%	83.5%	85.7%	85.1%	86.0%	83.5%	85.0%	84.1%
Total cost of revenue (core)	106.9	466.5	129.9	145.0	157.2	192.0	624.0	168.3	195.7	200.1	229.7	793.8	895.5
Cost of revenue from spectrum usage rights (television)													
Total cost of revenue	106.9	466.5	129.9	145.0	157.2	192.0	624.0	168.3	195.7	200.1	229.7	793.8	895.5
Opex	i I												
Television opex	80.9	81.4	19.2	19.7	20.0	23.0	82.0	20.1	19.9	19.0	18.5	77.5	80.2
Radio opex	41.8	40.0	9.4	10.4	10.2	11.7	41.7	11.0	11.7	9.9	10.1	42.7	46.1
Digital opex	30.6	51.5	15.2	17.3	19.1	22.6	74.1	21.0	25.2	23.2	25.2	94.5	101.2
Total opex (core)	153.3	172.9	43.9	47.4	49.3	57.2	197.8	52.1	56.7	52.1	53.8	214.7	227.5
Spectrum usage rights													
Total Opex	153.3	172.9	43.9	47.4	49.3	57.2	197.8	52.1	56.7	52.1	53.8	214.7	227.5
		-				-							
OCF													
Television OCF	73.6	65.4	\$11.6	\$12.6	\$15.7	\$22.8	62.8	\$10.2	\$10.1	\$10.2	\$14.8	45.3	58.4
TV OCF Margin	47.6%	44.6%	37.7%	39.1%	43.9%	49.8%	43.4%	33.7%	33.6%	35.0%	44.5%	36.9%	42.1%
Incremental Margin	173.4%	106.6%					126.6%					79.6%	82.8%
Radio OCF	4.5	18.0	3.2	4.6	6.2	8.7	22.7	1.2	1.8	3.3	5.4	11.7	13.4
Radio OCF margin	9.7%	31.0%	25.5%	30.5%	38.0%	42.6%	35.2%	10.0%	13.5%	24.8%	34.9%	21.5%	22.6%
Incremental Margin	-70.4%	114.9%					74.0%	520.2%	195.3%	90.7%	67.2%	110.5%	33.7%
Digital OCF	5.7	37.3	8.6	12.2	12.7	15.6	49.0	7.1	9.0	9.5	20.1	45.8	67.6
Digital OCF margin	4.0%	6.7%	5.6%	7.0%	6.7%	6.8%	6.6%	3.6%	3.9%	4.1%	7.3%	4.9%	6.4%
Incremental Margin	7.9%	7.7%					6.1%	-3.4%	-5.6%	-7.1%	10.0%	-1.7%	16.8%
Total OCF (core)	83.8	120.8	23.4	29.4	34.6	47.1	134.5	18.6	20.9	23.0	40.3	102.8	139.4
Margin	24.4%	15.9%	11.9%	13.2%	14.4%	15.9%	14.1%	7.8%	7.7%	8.4%	12.4%	9.3%	11.0%
Incremental Margin			-0.6%	3.3%	6.9%	15.5%		-11.6%	-16.3%	-33.7%	-24.9%		
Spectrum sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total OCF	83.8	120.8	23.4	29.4	34.6	47.1	134.5	18.6	20.9	23.0	40.3	102.8	139.4
Total OCF Margin	24.4%	15.9%	11.9%	13.2%	14.4%	15.9%	14.1%	7.8%	7.7%	8.4%	12.4%	9.3%	11.0%
Incremental Margin			-0.6%	3.3%	6.9%	15.5%		-11.6%	-16.3%	-33.7%	-24.9%		
Corporate Expense	27.8	33.0	8.7	8.5	9.5	22.6	49.4	10.5	12.0	11.5	12.0	46.0	46.9
GAAP EBITDA	56.0	87.8	14.7	20.8	25.1	24.5	85.1	8.1	8.9	11.6	28.3	56.8	92.5
	i I												
Corporate non-cash comp	3.9	6.4	1.6	1.7	1.8	9.2	14.3	2.2	3.2	3.4	3.5	12.4	12.7
Opex adjustments to cash:	i I												
Amortization of syndication contracts	(0.5)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.5)
Payments on syndication contracts	(0.5)	(0.5)	(0.1)	(0.1)	(0.1)	(0.2)	(0.5)	(0.1)	(0.1)	(0.1)	(0.2)	(0.5)	(0.5)
Non-cash comp in direct opex	1.2	3.2	1.0	0.9	1.0	2.8	5.7	1.9	2.7	2.8	(1.6)	5.8	5.9
Non-recurring cash severance	1.7	0.4				4.3	4.3	0.1	0.5			0.6	
EBITDA attributable to redeemable noncontrolling interest	3.4	9.1	0.0	0.0	0.0	0.0	0.0	0.2	0.4			0.6	0.0
EBITDA attributable to noncontrolling interest	i I				(0.0)	3.4	3.4					0.0	0.0
Total opex (positive) adjustments to cash	0.5	5.5	(1.0)	(0.9)	(1.0)	(3.7)	(6.6)	(1.8)	(2.8)	(2.9)	1.7	(5.8)	(5.9)
	1												
Foreign currency (gain) loss	(1.1)	0.5	(0.8)	1.0	2.0	0.9	3.0	(1.0)	0.7	0.0	0.0	(0.3)	0.0
Total Adjusted EBITDA	60.4	88.2	18.1	22.5	25.9	36.5	103.1	13.0	14.2	17.9	30.2	75.3	111.1
	i I												
Other opex for spectrum (in corporate)													
Adjusted EBITDA (core)	60.4	88.2	18.1	22.5	25.9	36.5	103.1	13.0	14.2	17.9	30.2	75.3	111.1
Memo: adj. EBITDA (core) reported	60.4	88.0	18.1	22.5	26.0	36.5	103.1	13.0	14.2				
Model variance: adj. EBITDA	(0.0)	0.1	0.0	0.0	(0.0)	0.0		(0.0)	(0.0)				
Adj. EBITDA core margin Incremental Margin	17.6% 27.3%	11.6% 6.7%	9.2% 8.1%	10.1% 10.8%	10.8% 6.2%	12.3% 5.9%	10.8% 7.6%	5.4% -12.3%	5.2% -16.0%	6.5% -23.4%	9.3% -23.1%	6.8% -17.9%	8.8% 23.7%

Entravision Communications (EVC)

3Q 2023 Results Preview October 27, 2023

Figure 10: Financial statement forecasts supporting our valuation (cont.)

In millions, except per share data	2020A	2021A	1Q22	2Q22	3Q22	4Q22	2022A	1Q23A	2Q23A	3Q23E	4Q23E	2023E	2024E
Memo: cash opex (core)	\$153.8	\$178.4	\$42.9	\$46.4	\$48.3	\$53.6	\$191.2	50.3	54.0	49.2	55.4	\$208.9	221.6
Memo: cash corporate expense	23.9	26.6	7.1	6.8	7.7	13.4	35.1	8.3	8.8	8.0	8.4	33.6	34.2
Memo: total non-cash comp	5.1	9.6	2.6	2.6	2.8	12.0	20.0	4.1	6.0	6.3	1.9	18.2	18.6
Memo: adj. EBITDA - (OCF - cash corporate)	0.6	(6.0)	1.8	(0.1)	(0.9)	2.8	3.6	2.7	2.1	2.9	(1.7)	6.0	5.9
Memo: PF EBITDA attributable to redeemable noncontrolling	nterest												
D&A	17.3	22.4	6.4	6.3	6.6	6.5	25.7	6.5	6.5	6.8	6.7	26.5	37.9
D&A % of Revenue	5.0%	2.9%	3.2%	2.8%	2.7%	2.2%	2.7%	2.7%	2.4%	2.5%	2.1%	2.4%	3.0%
Change in fair value contingent consideration	0.000	8.224	5.1	1.0	0.7	7.4	14.2	(4.1)	1.1	0.0	0.0	(2.9)	0.0
Impairments	40.0	3.0	0.0	0.0	0.0	1.6	1.6	0.0	0.0	0.0	0.0	0.0	0.0
Other operating (gain) loss	(6.9)	(7.0)	(0.1)	(0.8)	(0.1)	1.4	0.4	0.0	0.0	(0.1)	1.4	1.3	(1.8)
Gain (Loss) on Sale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reserves, accruals and other, net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income (EBIT Inc. Impairments)	6.6	60.6	4.2	13.4	15.9	6.7	40.2	6.6	0.5	4.8	20.2	32.2	56.4
	1.9%	8.0%	2.1%	6.1%	6.6%	2.3%	4.2%	2.8%	0.2%	1.7%	6.2%	2.9%	4.5%
Operating Margin %					(2.3)			(3.2)				-	
Interest expense	(8.3)	(6.9)	(1.4)	(2.3) 0.0		(2.7)	(8.7)		(4.3)	(2.2)	(2.3)	(12.0)	(9.3)
Noncash interest	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest income	1.7	0.2	0.0	0.7	0.0	0.0	0.7	0.0	1.0	0.0	(1.0)	0.0	0.0
Net interest expense	(6.5)	(6.8)	(1.4)	(1.6)	(2.3)	(2.7)	(8.0)	(3.2)	(3.3)	(2.2)	(3.3)	(12.0)	(9.3)
Loss on debt extinguishment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.6)	0.0	0.0	0.0	(1.6)	0.0
Other income, net	0.0	0.2	0.0	0.0	(0.5)	(0.1)	(0.5)	(0.0)	(0.0)	0.0	0.0	0.0	0.0
Pretax income	0.1	54.0	2.7	11.8	13.1	4.0	31.7	1.9	(2.7)	2.6	16.9	18.6	47.0
Pretax margin	0.0%	7.1%	1.4%	5.3%	5.4%	1.3%	3.3%	0.8%	NM	0.9%	5.2%	1.7%	3.7%
Income (taxes) benefit	(1.5)	(18.7)	(0.9)	(3.4)	(4.1)	(3.3)	(11.6)	(0.2)	0.7	(4.1)	(2.9)	(6.5)	(16.5)
Effective tax rate	1276.3%	34.6%	31.1%	(3.4) 28.5%	31.1%	(5.5) 81.8%	36.5%	12.2%	27.0%	(4.1)	(2.9) 17.4%	35.0%	35.0%
Cash tax rate	6552.5%	7.6%	44.2%	52.6%	30.6%	137.3%	53.4%	3.8%	-128.1%	37.0%	37.0%	58.0%	7.0%
Not loss (Defens Fruits Investments)	(2.4)	25.4	10	0.5		0.7	20.4	4 -	(2.0)	(4.5)	42.0	42.4	20.0
Net Income (Before Equity Investments)	(1.4)	35.4	1.9	8.5	9.1	0.7	20.1	1.7	(2.0)	(1.5)	13.9	12.1	30.6
Equity in net of noncon. affils.	0.0	0.0	0.0	0.0	0.3	(2.4)	(2.1)	0.3	0.0	(0.1)	(2.3)	(2.1)	(2.1)
		_											
Reported Net income	(1.4)	35.4	1.9	8.5	9.4	(1.6)	18.1	2.0	(2.0)	(1.6)	11.6	10.0	28.5
Net margin	17.6%	11.6%	9.2%	10.1%	10.8%	12.3%	10.8%	5.4%	5.2%	6.5%	9.3%	6.8%	8.8%
Accretion of Preferred	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interest	2.5	5.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Not the termination and the s	(2.0)	20.4	10	0.5		(0.0)	10.1	2.0	(2.0)	(1.0)	11.0	10.0	20.5
Net inc. to common pre-1-time	(3.9)	29.4	1.9	8.5	9.4	(1.6)	18.1		(2.0)	(1.6)	11.6	10.0	28.5
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EPS - Basic, Continuing Operations	(\$0.05)	\$0.34	\$0.02	\$0.10	\$0.11	(\$0.02)	\$0.21	\$0.02	(\$0.02)	(\$0.02)	\$0.13	\$0.11	\$0.32
Extraordinary items/discontinued items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	(3.9)	29.4	1.9	8.5	9.4		18.1	2.0			11.6	10.0	28.5
Net income to common						(1.6)			(2.0)	(1.6)			
EPS - basic	(\$0.05) (\$0.05)	\$0.34	\$0.02	\$0.10	\$0.11	(\$0.02)	\$0.21	\$0.02	(\$0.02)	(\$0.02)	\$0.13	\$0.11	\$0.32 \$0.31
EPS - diluted		\$0.33	\$0.02	\$0.10	\$0.11	(\$0.02)	\$0.21	\$0.02	(\$0.02)	(\$0.02)			
EPS reported by company											\$0.13	\$0.11	.J.J.I
Advided services and FDC	(\$0.05)		\$0.02	\$0.10	\$0.11	(\$0.02)		\$0.02	(\$0.02)		30.13	\$0.11	<i></i>
Model variance: EPS	(\$0.05) \$0.00		\$0.02 \$0.00	\$0.10 (\$0.00)	(\$0.00)	\$0.00		\$0.00	(\$0.00)				
Pro forma adjustments	(\$0.05) \$0.00 39.8	9.6	\$0.02 \$0.00 5.1	\$0.10 (\$0.00) 1.0	(\$0.00) 0.7	\$0.00 18.8	25.6	\$0.00 0.0	(\$0.00) 0.0	0.0	0.0	0.0	0.0
Pro forma adjustments Pro forma net income	(\$0.05) \$0.00 39.8 35.9	9.6 39.1	\$0.02 \$0.00 5.1 7.0	\$0.10 (\$0.00) 1.0 9.4	(\$0.00) 0.7 10.1	\$0.00 18.8 17.1	43.6	\$0.00 0.0 2.0	(\$0.00) 0.0 (2.0)	(1.6)	0.0 11.6	0.0 10.0	0.0 28.5
Pro forma adjustments	(\$0.05) \$0.00 39.8	9.6 39.1 \$0.46	\$0.02 \$0.00 5.1 7.0 \$0.08	\$0.10 (\$0.00) 1.0 9.4 \$0.11	(\$0.00) 0.7 10.1 \$0.12	\$0.00 18.8 17.1 \$0.20		\$0.00 0.0	(\$0.00) 0.0		0.0	0.0	0.0 28.5 \$0.32
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43	9.6 39.1 \$0.46 \$0.44	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11	(\$0.00) 0.7 10.1 \$0.12 \$0.12	\$0.00 18.8 17.1 \$0.20 \$0.19	43.6 \$0.51 \$0.50	\$0.00 0.0 2.0 \$0.02 \$0.02	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02)	(1.6) (\$0.02) (\$0.02)	0.0 11.6 \$0.13 \$0.13	0.0 10.0 \$0.11 \$0.11	0.0 28.5 \$0.32 \$0.31
Pro forma adjustments Pro forma net income Pro forma EPS - basic	(\$0.05) \$0.00 39.8 35.9 \$0.43	9.6 39.1 \$0.46	\$0.02 \$0.00 5.1 7.0 \$0.08	\$0.10 (\$0.00) 1.0 9.4 \$0.11	(\$0.00) 0.7 10.1 \$0.12	\$0.00 18.8 17.1 \$0.20	43.6 \$0.51	\$0.00 0.0 2.0 \$0.02	(\$0.00) 0.0 (2.0) (\$0.02)	(1.6) (\$0.02)	0.0 11.6 \$0.13	0.0 10.0 \$0.11	0.0 28.5 \$0.32
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43	9.6 39.1 \$0.46 \$0.44	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11	(\$0.00) 0.7 10.1 \$0.12 \$0.12	\$0.00 18.8 17.1 \$0.20 \$0.19	43.6 \$0.51 \$0.50	\$0.00 0.0 2.0 \$0.02 \$0.02	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02)	(1.6) (\$0.02) (\$0.02)	0.0 11.6 \$0.13 \$0.13	0.0 10.0 \$0.11 \$0.11	0.0 28.5 \$0.32 \$0.31
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2	9.6 39.1 \$0.46 \$0.44 85.3	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0	(\$0.00) 0.7 10.1 \$0.12 \$0.12 84.9	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2	43.6 \$0.51 \$0.50 85.4	\$0.00 0.0 2.0 \$0.02 \$0.02 \$0.02 87.6	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8	(1.6) (\$0.02) (\$0.02) 88.1	0.0 11.6 \$0.13 \$0.13 88.3	0.0 10.0 \$0.11 \$0.11 88.0	0.0 28.5 \$0.32 \$0.31 90.2
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2	9.6 39.1 \$0.46 \$0.44 85.3	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0	(\$0.00) 0.7 10.1 \$0.12 \$0.12 84.9	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2	43.6 \$0.51 \$0.50 85.4	\$0.00 0.0 2.0 \$0.02 \$0.02 \$0.02 87.6	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8	(1.6) (\$0.02) (\$0.02) 88.1	0.0 11.6 \$0.13 \$0.13 88.3	0.0 10.0 \$0.11 \$0.11 88.0	0.0 28.5 \$0.32 \$0.31 90.2
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow:	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$0.43 \$4.2 \$4.2	9.6 39.1 \$0.46 \$0.44 85.3 87.9	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5 88.6	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0	(\$0.00) 0.7 10.1 \$0.12 \$0.12 84.9 87.4	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0	43.6 \$0.51 \$0.50 85.4 87.8	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8	(1.6) (\$0.02) (\$0.02) 88.1 89.9	0.0 11.6 \$0.13 \$0.13 88.3 88.3	0.0 10.0 \$0.11 \$0.11 88.0 89.4	0.0 28.5 \$0.32 \$0.31 90.2 91.1
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 60.4 -5.9	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5 88.6 18.1	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 \$5.0 87.0 22.5	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 84.9 87.4	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5	43.6 \$0.51 \$0.50 85.4 87.8	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8	(1.6) (\$0.02) (\$0.02) 88.1 89.9	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.42 84.2 84.2 84.2 84.2	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$1.1 -1.2 0.1	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 84.9 87.4 25.9 -1.9 0.1	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3 0.0	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1 -9.3
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$4.2 84.2 84.2 84.2 60.4 -5.9 5.3 -7.7	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 \$0.08 \$6.5 88.6 18.1 -1.2 0.1 -1.2	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9	\$0.00 0.0 2.0 \$0.02 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3 0.0 -6.2	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1 -9.3
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.4 -5.9 \$.33 -7.7 13%	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -6.2 6.8 -4.1 5%	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 \$0.08 \$6.5 \$8.6 18.1 -1.2 0.1 -1.2 7%	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28%	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15%	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15%	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16%	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1 1%	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 25%	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5%	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3 0.0 -6.2 21%	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14%	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1 -9.3 -3.3 3%
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% -5.6	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.00 \$1.1 7.0 \$0.008 \$0.00 \$1.1 7.0 \$0.008 \$0.008 \$0.000 \$1.1 7.0 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 \$5.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% -4.7	\$0.00 18.8 17.1 \$0.29 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16% -11.5	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5% -4.7	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1 -9.3 -3.3 3% -12.0
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$4.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2 8	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% -5.6 25%	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% -1.5 24%	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7 27%	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% -4.7 71%	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55%	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16% -11.5 45%	\$0.00 0.0 2.0 \$0.02 \$7.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8 104%	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1 125%	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5% -4.7 69%	0.0 11.6 \$0.13 \$0.13 88.3 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52%	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0 61%	0.0 28.5 \$0.32 90.2 91.1 -9.3 -3.3 3% -12.0 32%
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A Capex / D&A Capex / EBITDA	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% -5.6	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.08 \$0.00 \$1.1 7.0 \$0.008 \$0.00 \$1.1 7.0 \$0.008 \$0.008 \$0.000 \$1.1 7.0 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.008 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.010 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$0.000 \$	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 \$5.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% -4.7	\$0.00 18.8 17.1 \$0.29 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16% -11.5	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5% -4.7	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0	0.0 28.5 50.32 \$0.31 90.2 91.1 111.1 -9.3 -3.3 3% -12.0
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A Capex / EBITDA Plus: cost of revenue for spectrum usage rights	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$4.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2 8	9.6 39.1 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% 6%	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% -1.5 24% 9%	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7 27% 7%	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% -4.7 71% 18%	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55% 10%	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16.9 16.9 16.9 16.9 11.5 45% 11%	\$0.00 0.0 2.0 \$0.02 \$0.02 \$7.6 \$9.8 13.0 -3.0 0.7 -0.1 1% -6.8 104% 52%	(\$0.00) 0.0 (2.0) (\$0.02)	(1.6) (\$0.02) (\$0.02) 88.1 89.9 -2.2 0.0 -1.0 5% -4.7 69% 26%	0.0 11.6 \$0.13 \$0.13 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52% -12%	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 -10.8 14% -16.0 61% 21%	0.0 28.5 \$0.32 90.2 91.1 -111.1 -9.3 -3.3 % -12.0 32% 11%
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / BAC Capex / BAC Plus: cost of revenue for spectrum usage rights = Free Cash Flow	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.44 -5.9 \$5.9 \$5.3 -7.7 \$13% -9.5 \$55% 16% \$42.6	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% -5.6 25%	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% -1.5 24%	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7 27%	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% -4.7 71%	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55%	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16% -11.5 45%	\$0.00 0.0 2.0 \$0.02 \$7.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8 104%	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1 125%	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5% -4.7 69%	0.0 11.6 \$0.13 \$0.13 88.3 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52%	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0 61%	0.0 28.5 \$0.32 \$0.31 90.2 91.1 -9.3 -3.3 -3.3 3% -12.2 32%
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A Capex / EBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free cash flow (reported by company)	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2	9.6 39.1 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% 6.8 -5.6 25% 6% 79.0	\$0.02 \$0.00 5.1 7.0 \$0.08 \$6.5 88.6 18.1 -1.2 0.1 -1.2 7% -1.5 24% 9%	\$0.10 (\$0.00) 1.0 9.4 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7 27% 7% 14.3	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% -4.7 71% 18%	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 85.0 85.0 85.0 85.0 85.0 85.0 85.0 85.0	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 16% -11.5 45% 45% 63.3	\$0.00 0.0 2.0 \$0.02 \$0.02 \$7.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8 104% 52% 3.9 [¶]	(\$0.00) 0.0 (2.0) (\$0.02)	(1.6) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5% -4.7 69% 26% 10.0	0.0 11.6 \$0.13 \$0.3 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52% -12% 24.1	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 -10.8 14% -16.0 61% 21% 39.5	0.0 28.5 \$0.32 90.2 91.1 -9.3 -3.3 3% -12.0 32% 86.4
Pro forma adjustments Pro forma net income Pro forma EPS - basic EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A Capex / D&A Capex / EBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free Cash Flow (reported by company) Free Cash Flow (core)	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2	9.6 39.1 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% 6.8 -5.6 25% 6% 79.0 79.0	\$0.02 \$0.00 5.1 7.0 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% 9% 14.3	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7 27% 7% 14.3	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 \$0.12 \$0.12 \$7.4 87.4 25.9 -1.9 0.1 -4.0 15.4 15.4	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55% 10% 19.3	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 15% -11.5 45% 11% 63.3 63.3	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8 104% 52% 3.9	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1 125% 5.7% 1.6	(1.6) (\$0.02) (\$0.02) 88.1 89.9 -2.2 0.0 -1.0 5% 2.6% 10.0 10.0	0.0 11.6 \$0.13 \$8.3 88.3 88.3 30.2 -3.3 0.0 -6.2 21% -3.5 -52% -12% 24.1 24.1	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0 61% 21% 39.5 39.5	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1 -9.3 -3.3 3% -12.0 32% 11% 86.4
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Cash taxes / EBITDA Minus: capex Cash taxes / EBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free cash Flow (core) FCF per share (core)	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.45\$\$0 \$0.45\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% -5.6 25% 6% 79.0 79.0 \$0.90	\$0.02 \$0.00 5.1 7.0 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% -1.5 24% 9% 14.3 \$0.16	\$0.10 (\$0.00) 1.0 9.4 \$0.11 85.0 87.0 22.5 -1.2 0.8 87.0 22.5 -1.2 28% -1.7 27% 7% 14.3 14.3 \$0.16	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15.4 \$5.4 \$0.18	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55% 10% 19.3 19.3 \$0.22	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.5 16% 11% 63.3 63.3 \$0.72	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 -3.0 0.7 -0.1 1% 16% 52% 3.9 3.9 \$0.04	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 25% -8.1 125% 57% 1.6 \$0.02	(1.6) (50.02) (50.02) 88.1 89.9 -2.2 0.0 -1.0 5% -4.7 69% 26% 10.0 10.0 \$0.11	0.0 11.6 \$0.13 \$8.3 \$8.3 \$8.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52% -12% 24.1 24.1 \$0.27	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0 61% 21% 39.5 \$0.44	0.0 28.5 \$0.32 90.2 91.1 -9.3 -3.3 3% -12.0 32% 86.4 86.4 \$0.95
Pro forma adjustments Pro forma net income Pro forma EPS - basic EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A Capex / DBA Capex / EBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free Cash Flow (reported by company) Free Cash Flow (core)	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2	9.6 39.1 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% 6.8 -5.6 25% 6% 79.0 79.0	\$0.02 \$0.00 5.1 7.0 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% 9% 14.3	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 85.0 87.0 22.5 -1.2 0.8 -6.2 28% -1.7 27% 7% 14.3	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 \$0.12 \$0.12 \$7.4 87.4 25.9 -1.9 0.1 -4.0 15.4 15.4	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55% 10% 19.3	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.9 15% -11.5 45% 11% 63.3 63.3	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1 1% -6.8 104% 52% 3.9	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1 125% 5.7% 1.6	(1.6) (\$0.02) (\$0.02) 88.1 89.9 -2.2 0.0 -1.0 5% 2.6% 10.0 10.0	0.0 11.6 \$0.13 \$8.3 88.3 88.3 30.2 -3.3 0.0 -6.2 21% -3.5 -52% -12% 24.1 24.1	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0 61% 21% 39.5 39.5	0.0 28.5 \$0.32 90.2 91.1 -9.3 -3.3 3% -12.0 32% 86.4 86.4 \$0.95
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Cash taxes / EBITDA Minus: capex Cash zes / BAA Capex / BAA Capex / BAA Capex / BABA Capex / BBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free cash Flow (core) FCF per share (core)	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.45\$\$0 \$0.45\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0\$\$0	9.6 39.1 \$0.46 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% -5.6 25% 6% 79.0 79.0 \$0.90	\$0.02 \$0.00 5.1 7.0 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% -1.5 24% 9% 14.3 \$0.16	\$0.10 (\$0.00) 1.0 9.4 \$0.11 85.0 87.0 22.5 -1.2 0.8 87.0 22.5 -1.2 28% -1.7 27% 7% 14.3 14.3 \$0.16	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.12 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15.4 \$15.4 \$0.18	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55% 10% 19.3 19.3 \$0.22	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.5 16% 11% 63.3 63.3 \$0.72	\$0.00 0.0 2.0 \$0.02 \$0.02 87.6 89.8 13.0 -3.0 -3.0 0.7 -0.1 1% 16% 52% 3.9 3.9 \$0.04	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 25% -8.1 125% 57% 1.6 \$0.02	(1.6) (50.02) (50.02) 88.1 89.9 -2.2 0.0 -1.0 5% -4.7 69% 26% 10.0 10.0 \$0.11	0.0 11.6 \$0.13 \$8.3 \$8.3 \$8.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52% -12% 24.1 24.1 \$0.27	0.0 10.0 \$0.11 \$0.11 88.0 89.4 75.3 -11.9 2.9 -10.8 14% -16.0 61% 21% 39.5 \$0.44	0.0 28.5 \$0.32 \$0.31 90.2 91.1 -9.3 -3.3 3% -12.0 32% 11%
Pro forma adjustments Pro forma net income Pro forma EPS - basic EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Capex / D&A Capex / BBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free cash Flow (reported by company) Free Cash Flow (core) FCF per share (core) Memo: FCF/Adjusted EBITDA (core)	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 84.2 84.2 84.2 84.2 84.2 84.2 84.2 84.2	9.6 39.1 \$0.44 85.3 87.9 88.2 -6.2 6.8 -4.1 5% 6.8 -5.6 25% 6% 79.0 79.0 79.0 89.7%	\$0.02 \$0.00 5.1 7.0 \$0.08 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 7% 9% 14.3 \$0.16 79.1%	\$0.10 (\$0.00) 1.0 9.4 \$0.11 \$0.11 \$5.0 87.0 \$7.0 22.5 -1.2 0.8 -6.2 2.8% -1.7 2.7% 7% 14.3 \$0.16 63.4%	(\$0.00) 0.7 10.1 \$0.12 \$0.	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 -5.7 -5.5 15% -3.6 55% 10% 19.3 19.3 \$0.22 52.8% \$0.025	43.6 \$0.51 \$0.50 \$5.4 87.8 103.1 -6.7 -4.7 -16.9 15% 45% 11% 63.3 \$0.72 61.4%	\$0.00 0.0 2.0 \$0.02 87.6 89.8 13.0 -3.0 0.7 -0.1 1% 52% 3.9 \$0.04 29.8%	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 2.5% -8.1 125% 5.7% 1.6 \$0.02 11.0%	(1.6) (\$0.02) (\$0.02) 88.1 89.9 -2.2 0.0 -1.0 5% 26% 10.0 10.0 \$0.11 55.9%	0.0 11.6 \$0.13 \$0.3 88.3 88.3 88.3 30.2 -3.3 0.0 -6.2 21% -3.5 -52% -12% 24.1 24.1 \$0.27 79.9%	0.0 10.0 \$0.11 88.0 89.4 75.3 -11.8 2.9 -10.8 14% -16.0 61% 21% 39.5 39.5 \$0.44 52.5%	0.0 28.5 \$0.32 \$0.31 90.2 91.1 111.1 -9.3 -3.3 -3.3 -3.3 3% -12.0 32% 11% 86.4 86.4 \$0.95 77.8%
Pro forma adjustments Pro forma net income Pro forma EPS - basic Pro forma EPS EPS shares - Basic EPS shares - Diluted Free Cash Flow: EBITDA Cash net interest Other adjustments to cash - Cash taxes Cash taxes / EBITDA Minus: capex Cash taxes / EBITDA Minus: capex Cash taxes / EBITDA Plus: cost of revenue for spectrum usage rights = Free Cash Flow Free cash Flow (core) FCF per share (core) Memo: FCF/Adjusted EBITDA (core) Dividends per basic share	(\$0.05) \$0.00 39.8 35.9 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.43 \$0.59 \$5.9 \$5.9 \$5.77 13% 16% 42.6 43.0 42.6 \$0.51 70.5% \$0.13	9.6 39.1 \$0.44 85.3 87.9 88.2 -6.2 6.8 -5.6 25% 6% 79.0 79.0 79.0 89.7% \$0.10	\$0.02 \$0.00 5.1 7.0 \$0.08 86.5 88.6 18.1 -1.2 0.1 -1.2 0.1 -1.2 7% -1.5 24% 9% 14.3 \$0.16 79.1% \$0.02\$	\$0.10 (\$0.00) 1.0 9.4 \$0.11 85.0 87.0 22.5 -1.2 0.8 87.0 22.5 -1.2 0.8 6.2 28% -1.7 27% 7% 14.3 50.16 63.4% \$0.025	(\$0.00) 0.7 10.1 \$0.12 \$0.12 \$0.2 \$4.9 87.4 25.9 -1.9 0.1 -4.0 15% 15.4 \$0.18 \$59.4%	\$0.00 18.8 17.1 \$0.20 \$0.19 85.2 88.0 36.5 -2.5 5.5 15% -3.6 55% 10% 19.3 19.3 \$0.22 52.8%	43.6 \$0.51 \$0.50 85.4 87.8 103.1 -6.7 -4.7 -16.5 16% -11.5 45% 45% 63.3 63.3 50.72 61.4% \$0.10	\$0.00 0.0 2.0 \$0.02 \$0.02 \$7.66 \$9.8 13.0 -3.9 -3.9 -3.9 -3.9 -3.9 -3.9 -3.9 -3.9 -3.9 -3.9 -3.9 -3.0 -3.0 -3.9	(\$0.00) 0.0 (2.0) (\$0.02) (\$0.02) (\$0.02) 87.8 87.8 14.213 -3.223 2.2 -3.5 25% -3.5 25% 57% 1.6 \$0.02 11.0% \$0.05	(1.6) (\$0.02) (\$0.02) (\$0.02) 88.1 89.9 17.9 -2.2 0.0 -1.0 5% -4.7 69% 26% 10.0 10.0 55.9% \$0.05	0.0 11.6 \$0.13 88.3 88.3 30.2 -3.3 0.0 -6.2 21% 3.5 -52% 24.1 24.1 24.1 50.27 79.9% \$0.05	0.0 10.0 \$0.11 88.0 89.4 9.4 75.3 -11.9 2.9 -10.8 14% -16.0 61% 21% 39.5 39.5 \$0.44 52.5% \$0.20	0.0 28.5 \$0.32 \$0.31 90.2 91.1 -9.3 -3.3 3% -12.0 32% 86.4 86.4 \$0.95 77.8%

Entravision Communications (EVC)

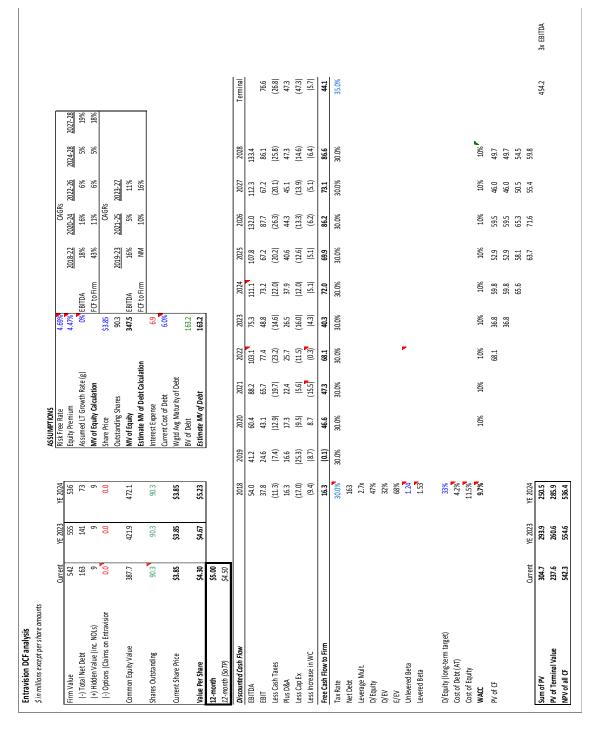
3Q 2023 Results Preview October 27, 2023

Figure 11: Financial statement forecasts supporting our valuation (cont.)

ANNUAL PERCENTAGE CHANGE	2020A	2021A	1Q22	2Q22	3Q22	4Q22	2022A	1Q23A	2Q23A	3Q23E	4Q23E	2023E	2024E
Net revenue growth	25.8%	121.0%	32.4%	24.3%	21.1%	26.7%	25.8%	21.2%	23.3%	14.2%	9.3%	16.2%	13.6%
Net revenue (core) growth	25.8%	121.0%	32.4%	24.3%	21.1%	26.7%	25.8%	21.2%	23.3%	14.2%	9.3%	16.2%	13.6%
TV revenue growth	3.2%	-4.9%	-14.5%	-4.9%	-2.1%	13.8%	-1.4%	-1.8%	-7.5%	-17.9%	-27.4%	-15.2%	12.8%
Radio revenue growth	-15.9%	25.4%	11.4%	5.8%	0.1%	26.3%	11.0%	-3.0%	-9.4%	-20.0%	-23.8%	-15.4%	9.3%
Digital revenue growth	108.0%	287.5%	51.5%	33.9%	29.3%	29.6%	34.5%	27.8%	31.8%	23.3%	19.5%	25.0%	13.9%
Cost of revenue	NM	NM	53.3%	33.0%	26.4%	29.4%	33.8%	29.5%	35.0%	27.3%	19.6%	27.2%	12.8%
Direct expense	-12.1%	-22.4%	-3.2%	1.1%	-0.7%	5.2%	0.7%	4.5%	0.7%	-4.8%	-19.7%	-5.5%	3.5%
SG&A	-10.3%	NM	-3.0%	4.9%	4.4%	33.1%	28.5%	17.1%	12.9%	-3.0%	24.6%	22.7%	11.3%
Opex	23.8%	NM	38.8%	27.8%	23.4%	26.8%	28.5%	26.8%	31.3%	22.2%	13.7%	22.7%	11.3%
Opex (core)	-11.6%	12.8%	8.5%	14.3%	14.6%	19.1%	14.4%	18.7%	19.8%	5.7%	-6.1%	8.6%	6.0%
TV opex	-4.2%	0.6%	-3.2%	1.1%	-0.7%	5.2%	0.7%	4.5%	0.7%	-4.8%	-19.7%	-5.5%	3.5%
Radio opex	-26.3%	-4.2%	-3.0%	4.9%	4.4%	9.7%	4.1%	17.1%	12.9%	-3.0%	-13.6%	2.5%	7.8%
Digital opex	-5.0%	68.1%	40.4%	43.5%	46.0%	45.1%	44.0%	37.7%	45.7%	21.5%	11.7%	27.5%	7.1%
Total OCF (core)	32.1%	44.1%	-1.2%	5.1%	9.2%	25.9%	11.4%	-20.7%	-28.8%	-33.4%	-14.5%	-23.5%	35.6%
TV OCF	12.8%	-11.0%	-28.3%	-13.0%	-3.8%	24.1%	-4.1%	-12.2%	-20.3%	-34.7%	-35.2%	-27.8%	28.8%
Radio OCF	NM	NM	97.1%	7.8%	-6.2%	58.7%	26.2%	-62.0%	-60.0%	-47.8%	-37.5%	-48.3%	14.5%
Digital OCF	NM	NM	46.1%	32.5%	45.2%	15.1%	31.3%	-16.8%	-25.8%	-24.8%	28.7%	-6.6%	47.7%
Corporate expense	3.0%	3.0%	-2.0%	-13.0%	4.2%	47.9%	3.0%	0.0%	0.0%	0.0%	9.2%	3.0%	3.0%
Adjusted EBITDA (core)	46.6%	45.9%	27.6%	26.4%	11.2%	11.2%	16.9%	-28.3%	-36.8%	-31.0%	-17.3%	-26.9%	47.6%
D & A	3.8%	29.7%	23.4%	23.4%	11.1%	3.6%	14.6%	1.2%	3.9%	3.8%	3.8%	3.2%	42.9%
Operating income	88.3%	47.7%	15.2%	17.3%	1.7%	-11.3%	2.1%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	NM
Pretax income	NM	NM	-72.0%	-18.2%	-31.3%	-62.6%	-41.3%	-31.1%	NM	-80.4%	NM	-41.3%	NM
Net income pre-extra.	NM	NM	-65.2%	7.6%	-23.6%	NM	-38.5%	6.0%	NM	NM	NM	-44.5%	NM
EPS, Continuing Operations	NM	NM	-66.7%	11.1%	-21.4%	NM	-38.2%	0.0%	NM	NM	NM	-47.6%	NM
EPS - diluted	NM	NM	-65.9%	8.6%	-22.8%	NM	-38.4%	4.6%	NM	NM	NM	-45.5%	NM
FCF/share	NM	76.5%	6.7%	14.3%	-28.0%	-37.1%	-20.0%	-75.0%	-87.5%	-38.9%	22.7%	-38.9%	NM
EPS shares - Diluted	-1.0%	4.4%	1.9%	-0.9%	-1.0%	-0.7%	-0.2%	1.3%	0.9%	2.8%	0.4%	1.9%	1.8%

Entravision Communications (EVC)





Entravision Communications (EVC)

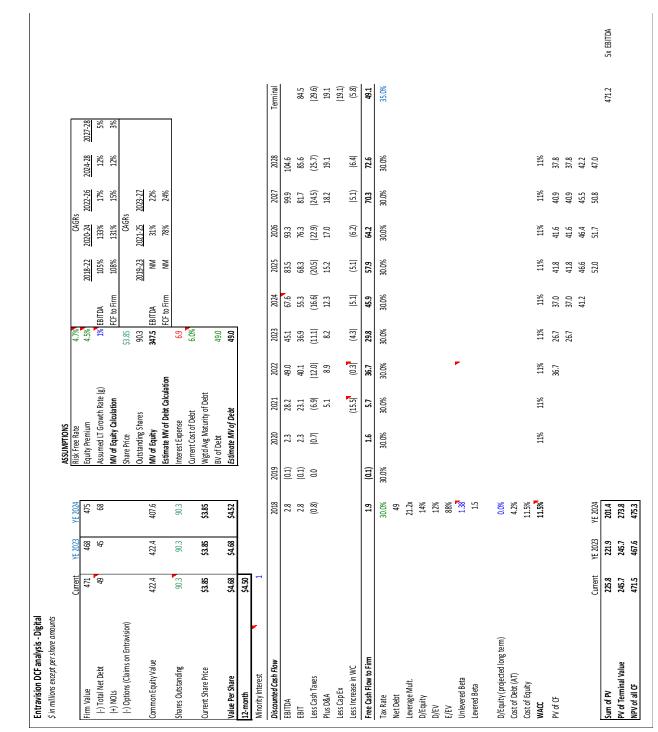


Figure 13: DCF analysis allocates over 90% of equity value to digital media business

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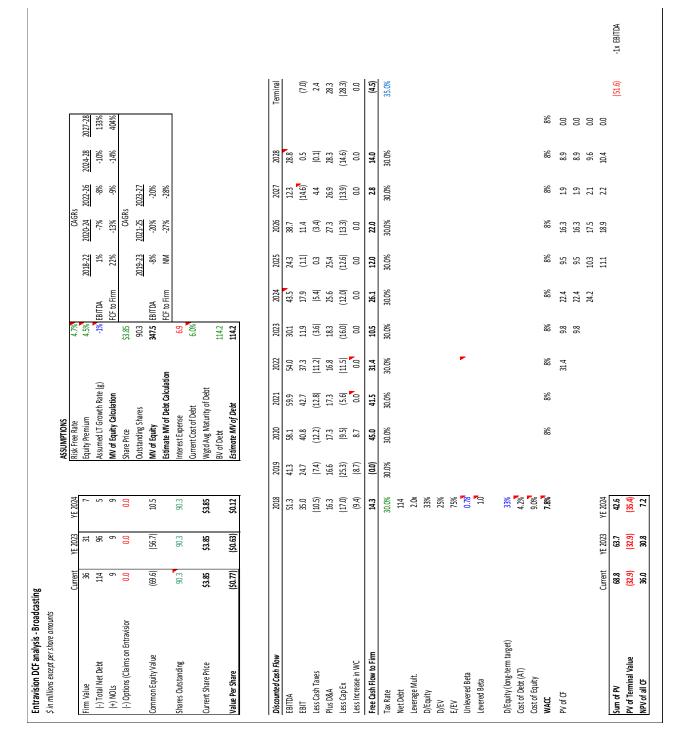


Figure 14: DCF analysis allocates under 10% of equity value to broadcasting business

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APPENDIX

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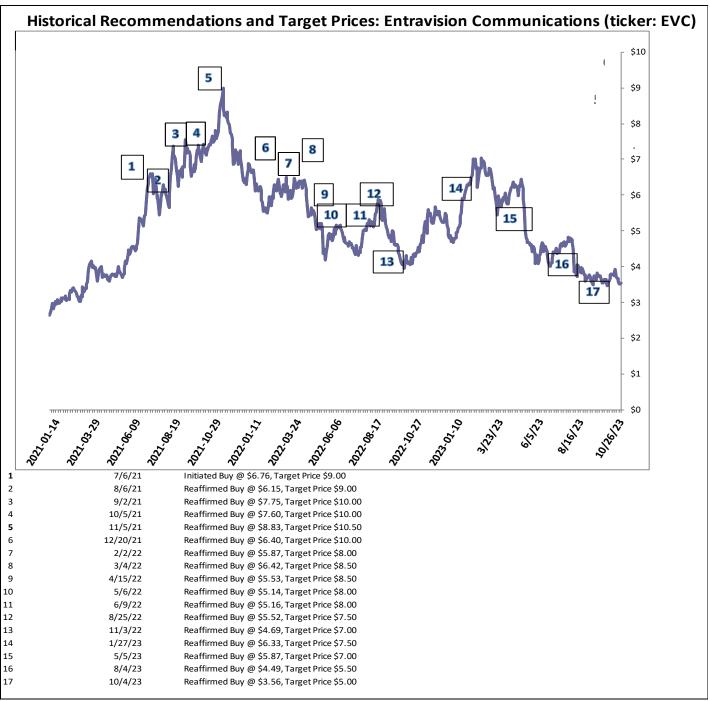
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The author, Director of Research at Industry Capital Research, is a CFA® charterholder who has 18 years of experience as an analyst at U.S. broker-dealers covering the media sector, was rated #2 Stock Picker in U.S. Media for 2016 by Thomson Reuters, holds a BA (Economics) and MBA from the University of Chicago and a JD from the University of Virginia, and is a member of the Beta Gamma Sigma and Phi Beta Kappa honor societies.

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HOLD: total return expected is between 15% and -15% over a 12-month period

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The target prices of shares mentioned in the accompanying text are based on the assumed investment horizon of 12 months. If company notes are published on these shares in the future, the target prices mentioned in the subsequent notes will have priority.

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