



2005



**Emmis Communications**  
**UBS 32<sup>nd</sup> Annual Media Week**  
**Conference**  
**Tuesday, Dec. 7, 2004**

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Note: Certain statements in this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involved known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Reference is made to the Company’s Annual Report on Form 10-K and other public documents filed with the Securities and Exchange Commission for additional information concerning such risks and uncertainties.

In addition, Emmis is now subject to the SEC’s Regulation G. As a result, we will no longer refer to the financial measures “Free Cash Flow” and “After Tax Cash Flow,” and the term “Broadcast Cash Flow” has been replaced with the term “Station Operating Income.” Additional disclosure related to non-GAAP financial measures can be found under the Investors on our website: [www.emmis.com](http://www.emmis.com).

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# Emmis Investment Highlights



- Unparalleled large market broadcasting assets
- Consistent outperformance of peer group and industry
- Strong Free Cash Flow generation & significant balance sheet improvement
- Disciplined acquisition strategy
- Experienced management team



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# Emmis Overview



- **Emmis' Radio Division** consists of the leading U.S. markets, including New York City, Los Angeles and Chicago, as well as Indianapolis, St. Louis, Austin and Phoenix.
- **Emmis' Television Division** is comprised of 16 network-affiliated stations operating in 12 states and markets such as Orlando and Portland, Ore.
- **Emmis' Publishing Division** consists of consumer magazine operations with leading titles, including *Los Angeles Magazine* and *Texas Monthly*.

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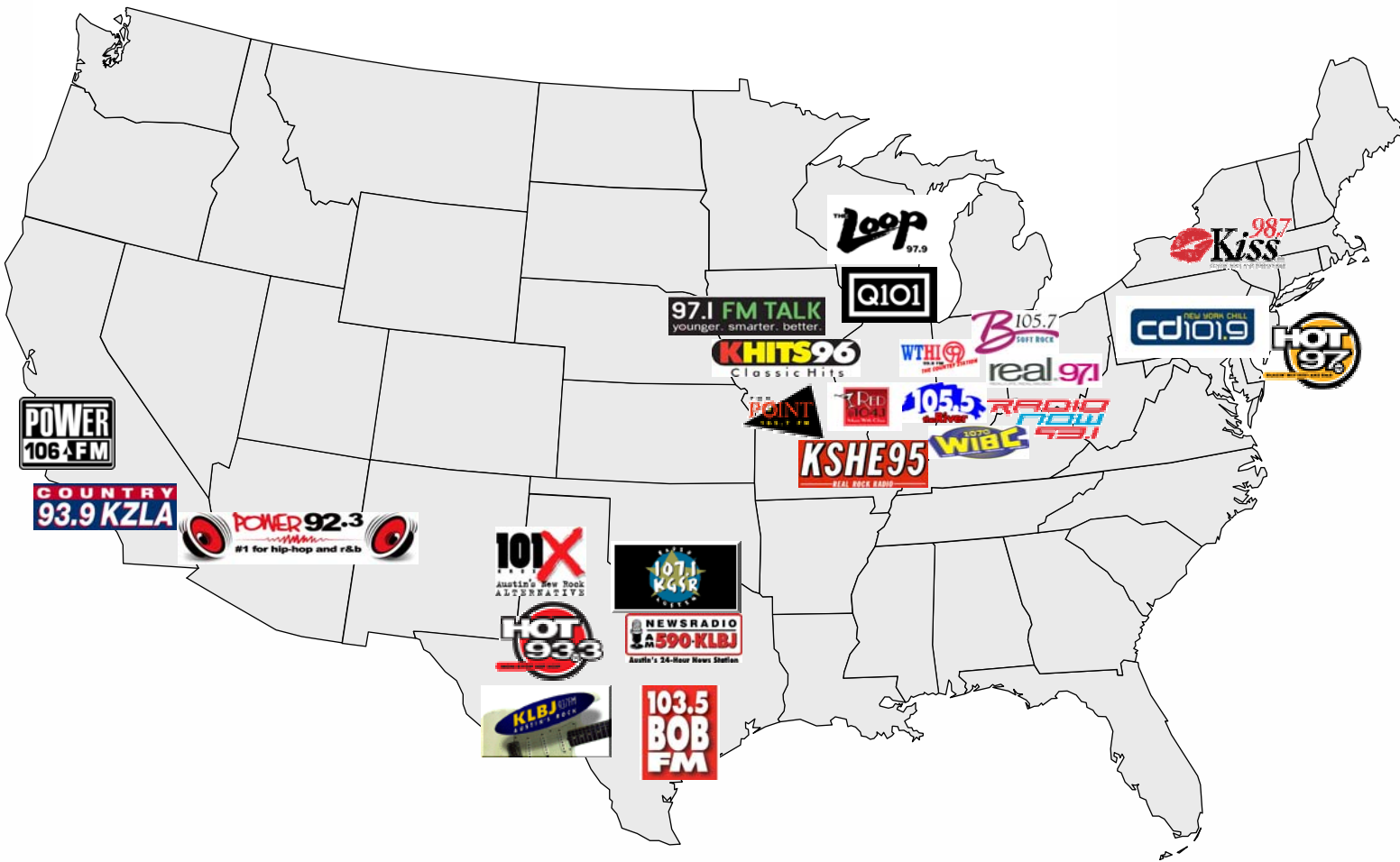
# Compelling Upside in Radio



- Radio has 32.5% of consumer media usage but only 8% of advertising
- Time spent with radio projected to increase as commutes grow longer
- Fragmentation means consumers are hard to reach
- Trend toward more targeted advertising continues

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# Emmis Radio



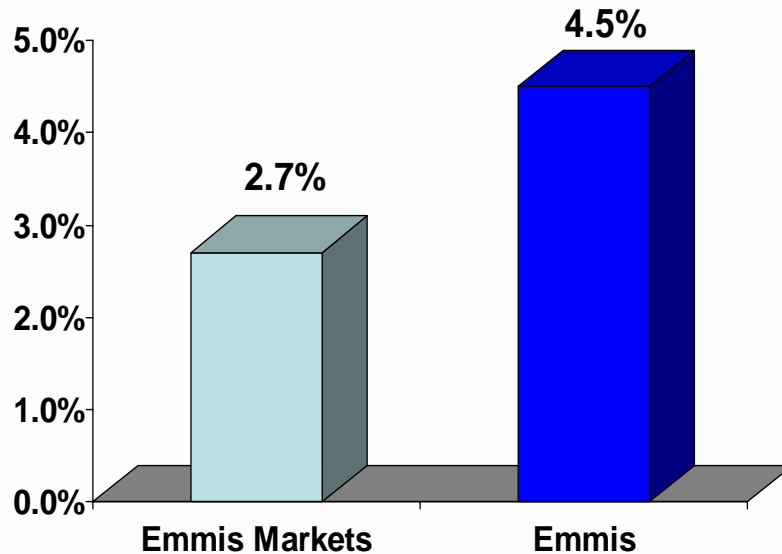
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# Emmis Radio Outperformance

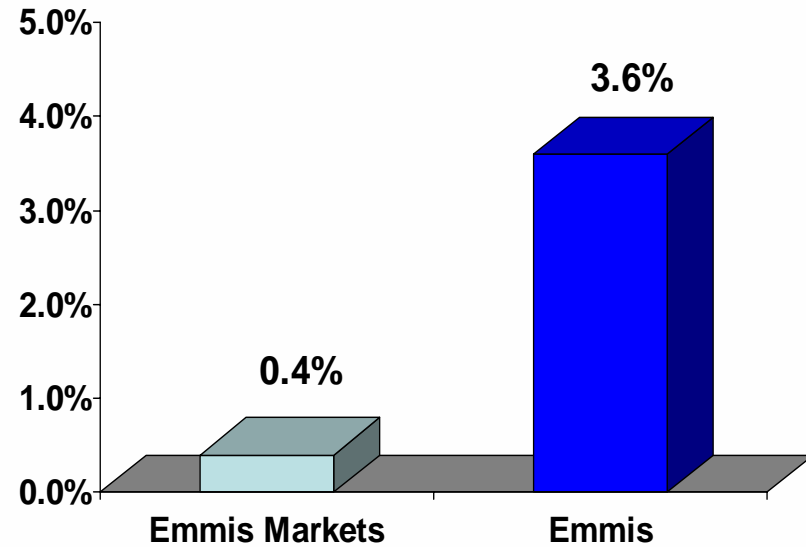
- Emmis met or beat market growth in each of last 7 quarters

## Emmis vs. Markets

FY 2004



YTD FY 2005



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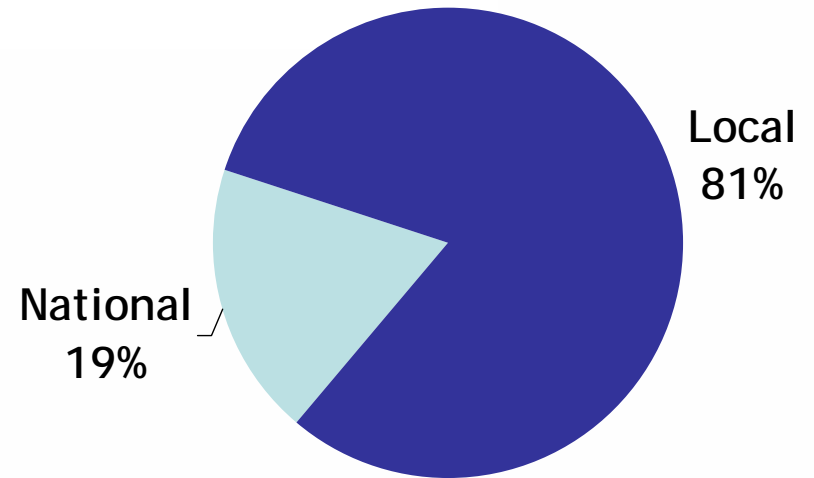


# Diverse Advertiser Base

FY 2005 Estimate

## Category mix for Q2 FY '05

1. Auto – 14%
  2. Beverages – 8%
  3. Restaurants – 7%
  4. Media – 5%
  5. Cellular/Pager Services – 5%
  6. Banks/Credit Card/Mortgage– 5%
  7. Movies/Video – 5%
  8. Dept. Stores/Clothing– 5%
  9. Entertainment – 4%
  10. Auto Accessories/Parts– 4%
- Total from Top 10 Categories – 60%



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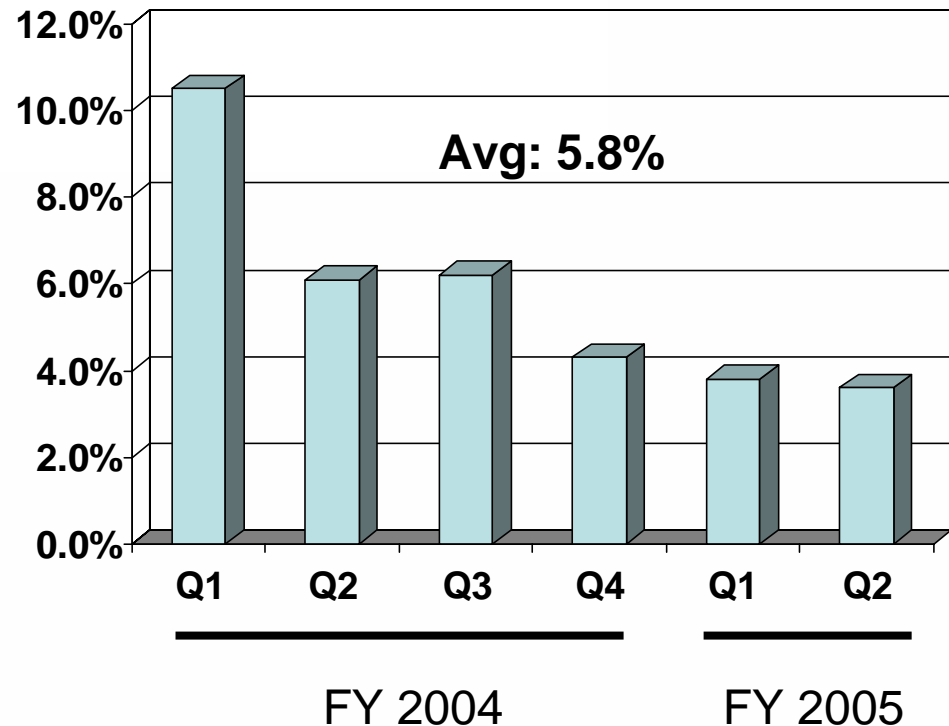


# Inventory Management

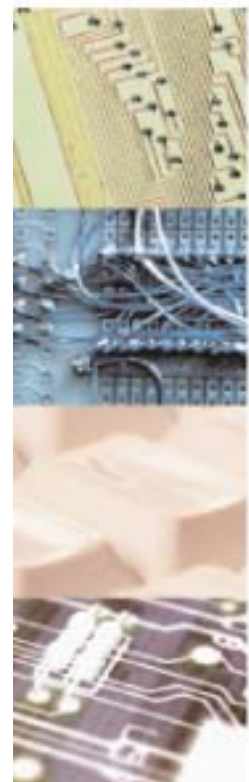





- Maximize revenues by managing inventory to maximize rate
- Consistent history of rate increases
- Expect to benefit from competitors' "less is more"

Radio Rate Increases



# NYC – Increased Rating Dominance



	Fall 2003	Winter 2004	Spring 2004	Summer 2004
	10.0 #1	9.5 #1	9.4 #1	10.3 #1 31 straight @ #1 18-34
	5.5 #3	5.7 #3	5.7 #3	6.1 #2 Highest since Spring 1996
	3.5 #8 (tie)	3.5 #10 (tie)	3.5 #8 (tie)	3.1 #13 (Tie)

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# LA – Continued Ratings Dominance



- Power 106, has been #1 12+ and 18-34 in the ratings for **10 straight books** in the #1 U.S. revenue market
- Fast growing target demo
- Hot morning personality
- One of the top-billing stations in the U.S.

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# Chicago – Strategic Fit



- Three Emmis Phoenix stations for WLUP-FM in Chicago and \$70m cash
- Heritage classic rock station complements existing alternative rock station
- Significant revenue growth in next 2-3 years
- Cost synergies

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# Emmis TV reaches 7.3m Households



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# Diversified location, affiliation



- Emmis owns and operates 16 TV stations in 14 markets
- Emmis' TV markets are predominantly middle-sized, with 2 large markets, Orlando & Portland
- Diversity of network affiliation
  - CBS(5), Fox(5), NBC(3), WB(2), ABC(1)
- The Television group has attained remarkable revenue growth by applying the same Emmis principles that proved successful in radio

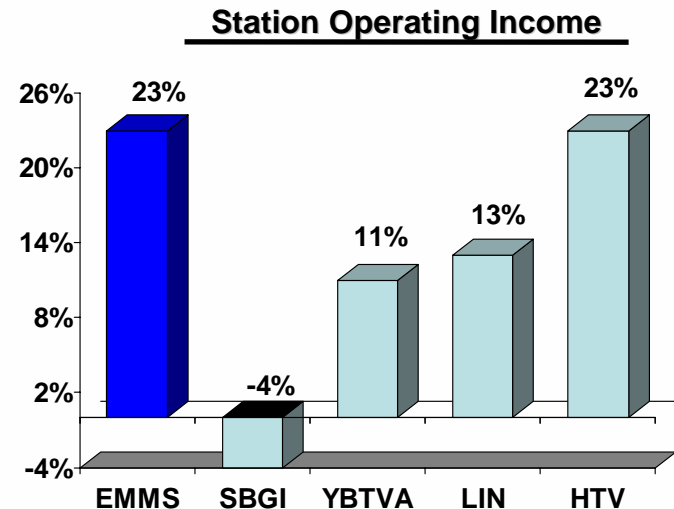
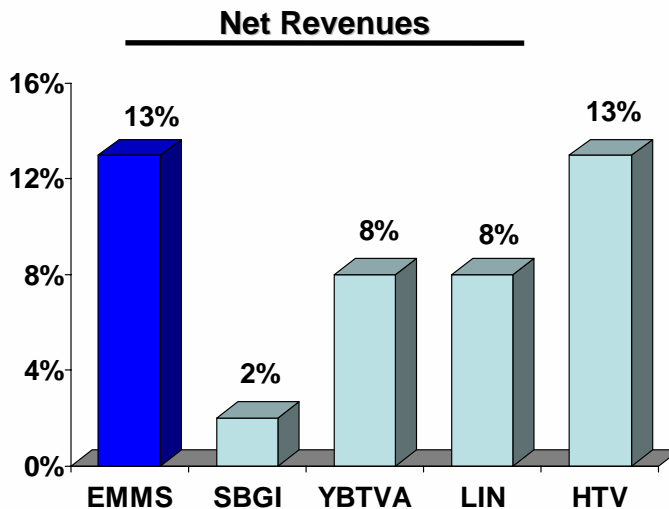
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# Emmis Television Outperformance



- Increased margins from 29% to 40% since acquisition
- Emmis TV **grew revenue share** at 11 of 13 measured stations in calendar '03
- Limited network compensation - \$2 m in FY '04

## YTD vs. Peers



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# Emmis Plus



5 million monthly readers

- Minimal capital requirements
- High returns on investment



/emmis/interactive



Minden idők legnagyobb slágerei



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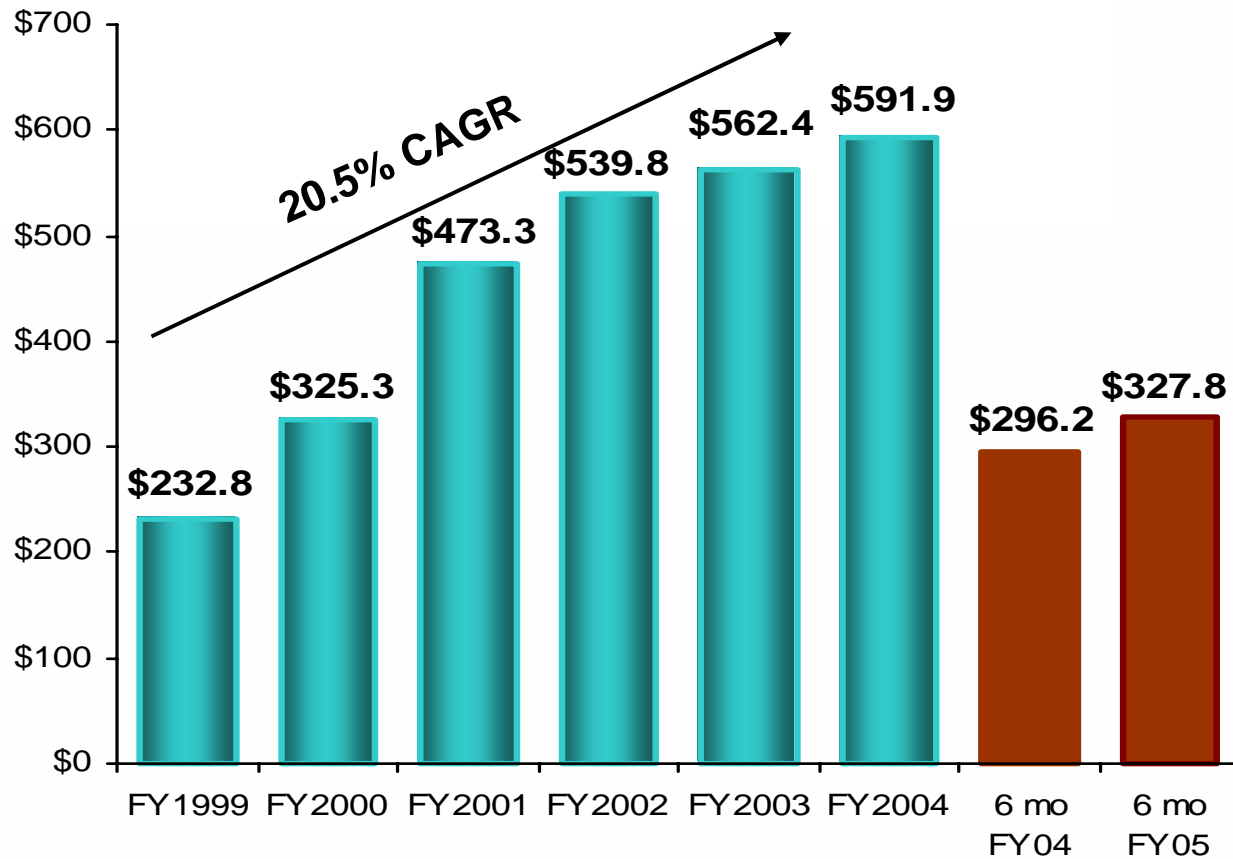
# Emmis Financials



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# Summary Historical Financials

## Net Revenues

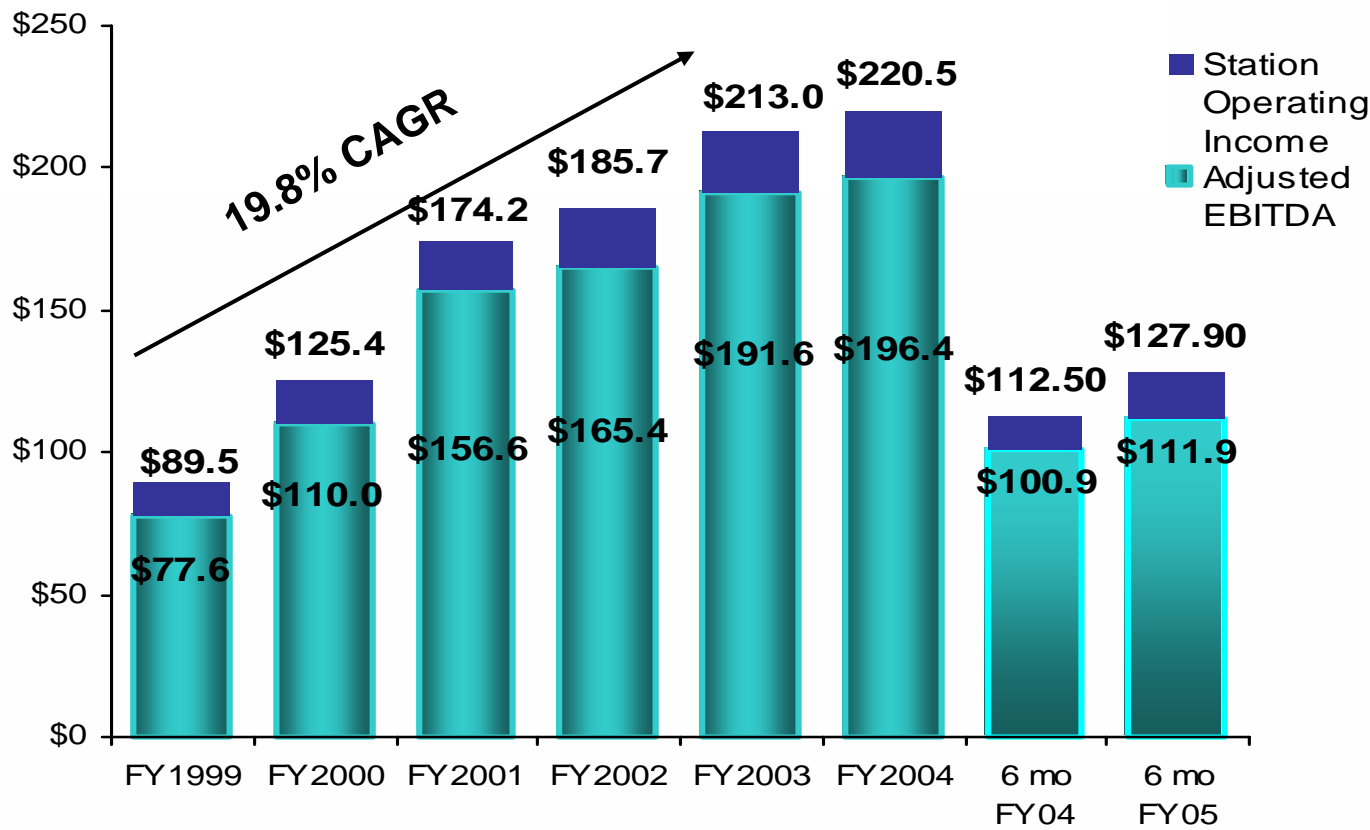


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# Summary Historical Financials

## Station Operating Income and Adjusted EBITDA (a,b)



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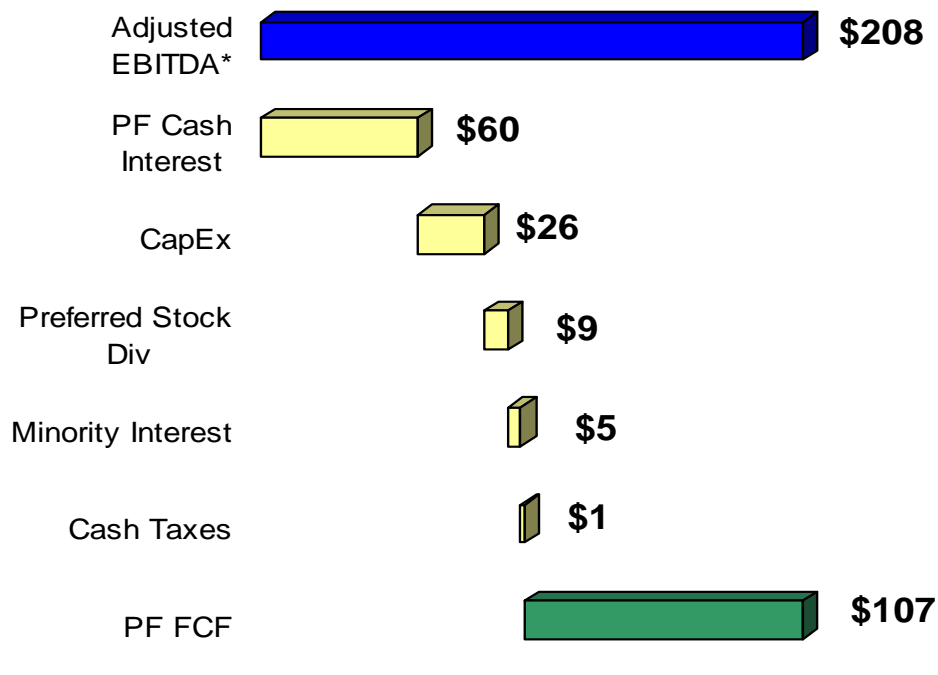
(a) Station Operating Income defined as net revenues, less station operating expenses.

(b) Adjusted for time brokerage fee, non-cash compensation, impairment charges and corporate restructuring fees.

# Substantial Operating Leverage



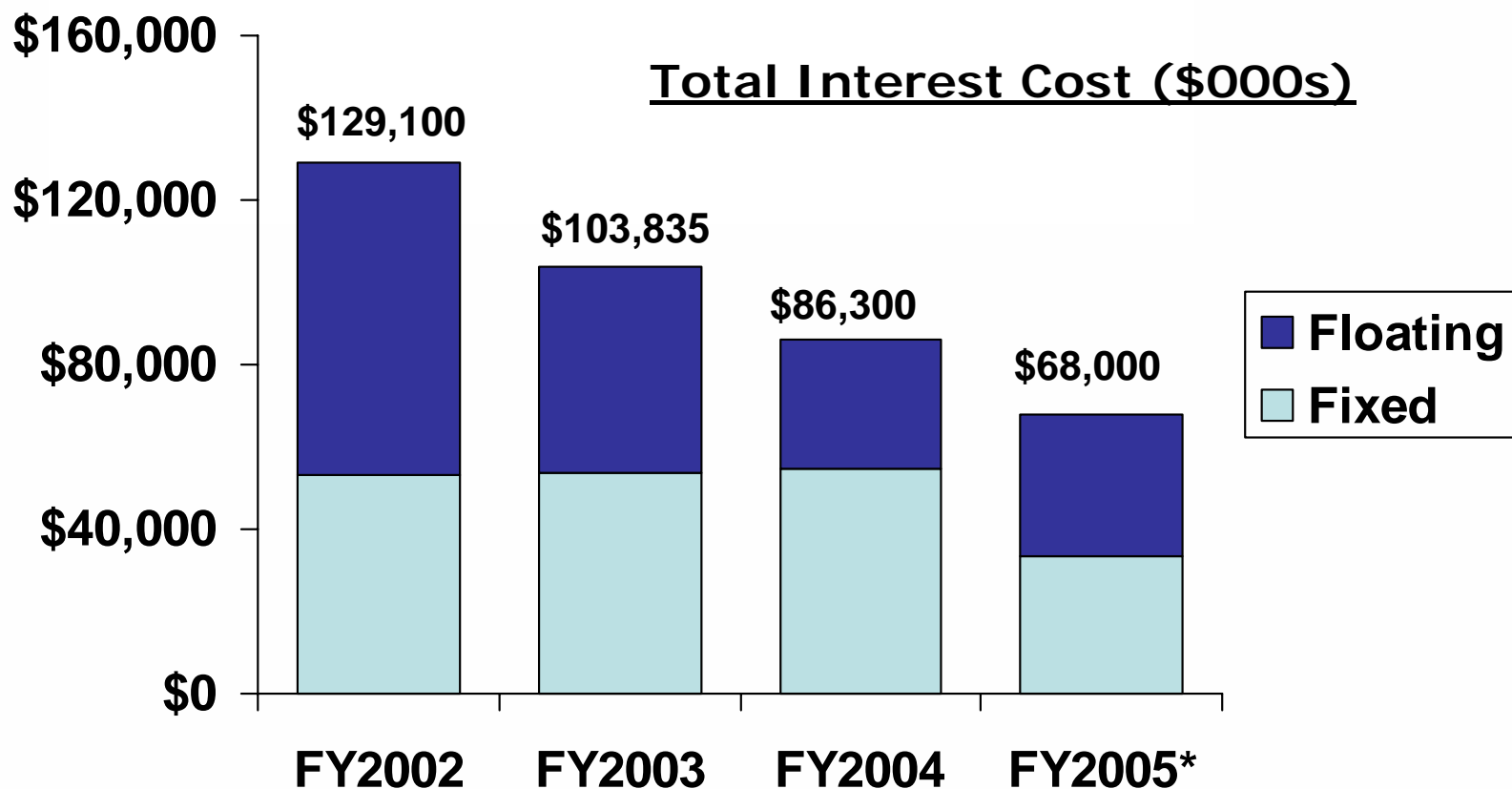
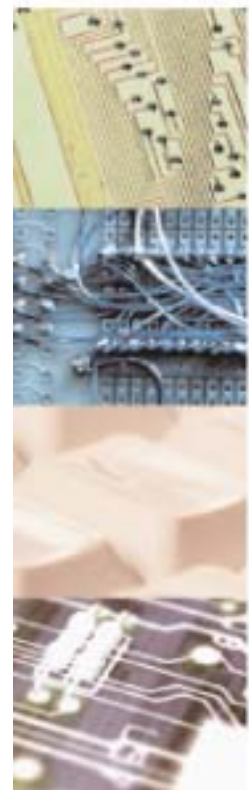
- Continue to use FCF to deleverage
- Refinancing dramatically reduced borrowing costs and increased FCF
- Free Cash Flow per share of **\$1.91**



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\* Consensus analyst expectation for FY 05

# Significant Debt Reduction

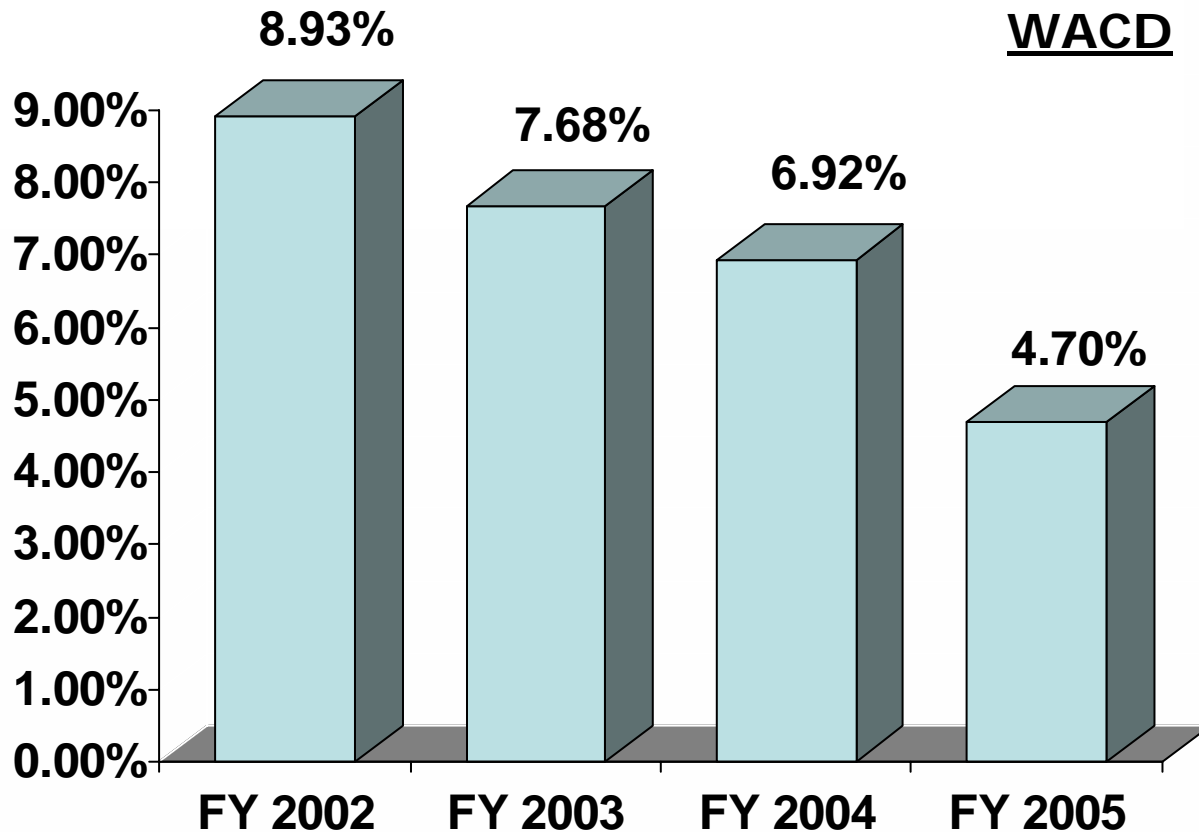


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Fixed interest includes amortization of debt fees

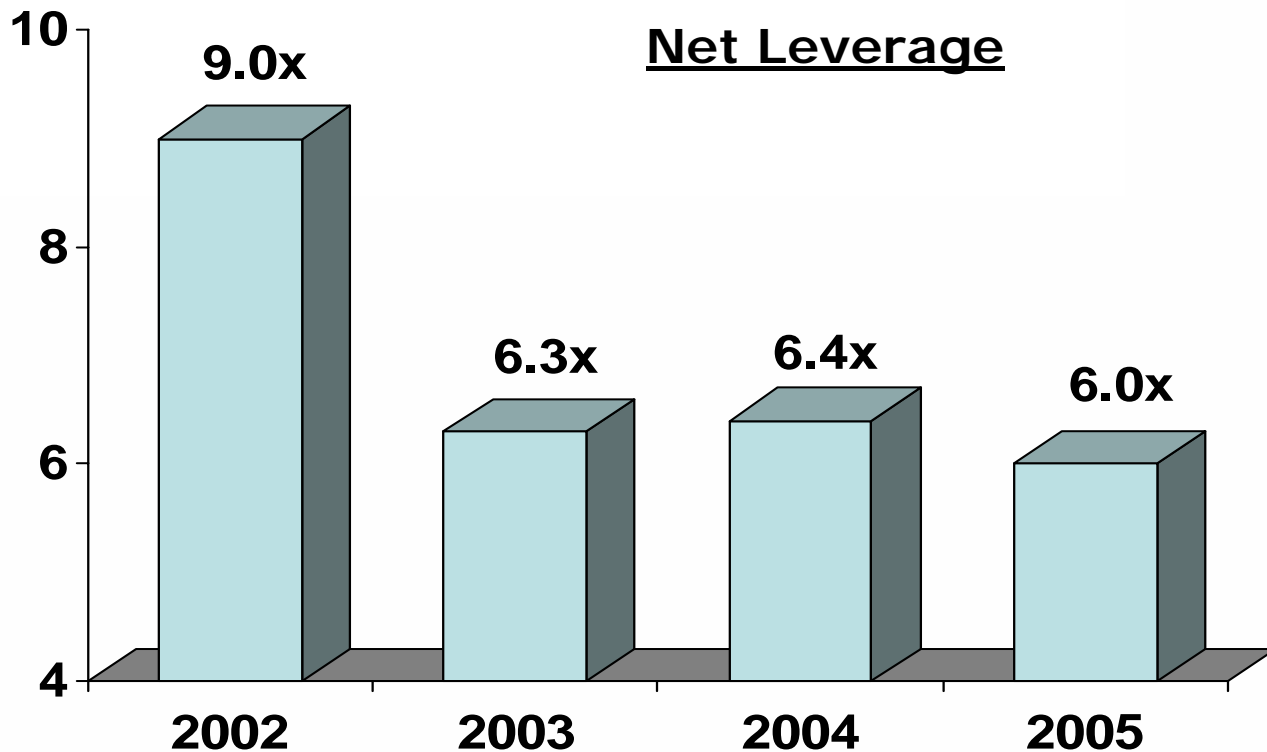
\* estimate

# Refinancing Dramatically Reduces Cost of Capital



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# Significant Debt Reduction

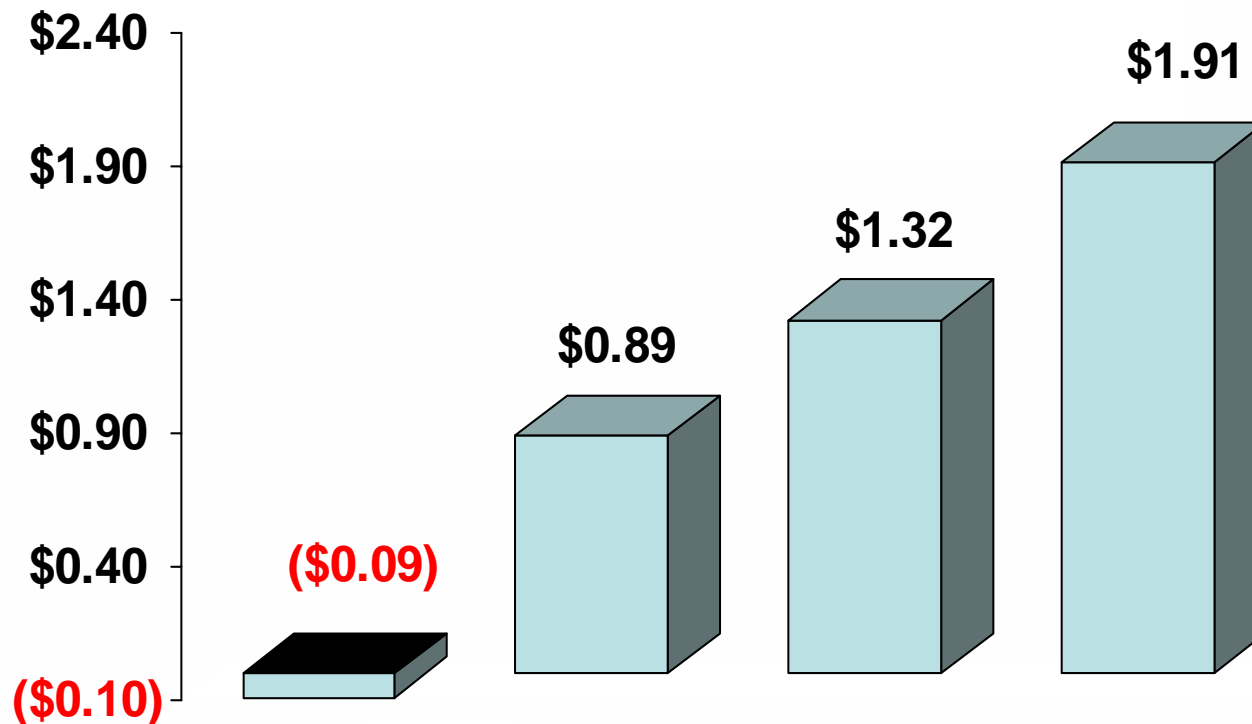


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# Significant Debt Reduction Fuels FCF Growth



FCF / Share\*



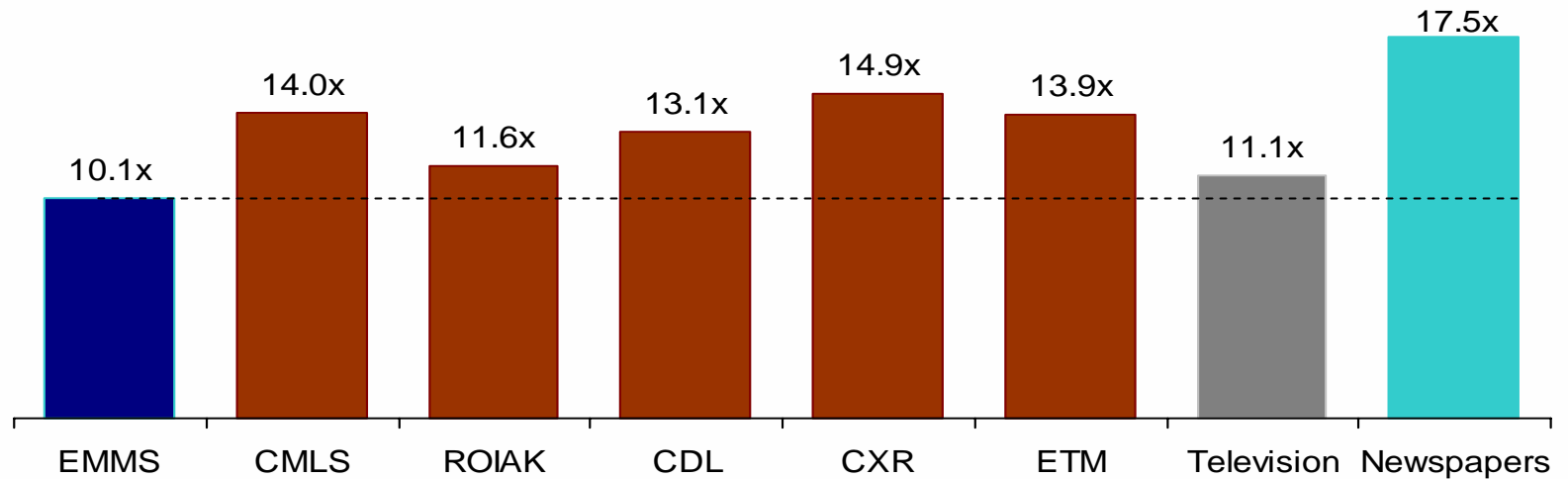
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\*NOTE: FCF per Share defined as Adjusted EBITDA – cash taxes – all interest expense – capital expenditures.  
(1) Interest expense for FY 05 is pro forma for debt refinancing activities completed in May 2004

# Compelling FCF Valuation



■ EMMS      ■ Radio Peers      ■ Television      ■ Newspapers



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Source: Lehman Brothers

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