

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported):

September 19, 2019

**TEGNA INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**1-6961**

(Commission File Number)

**16-0442930**

(I.R.S. Employer Identification No.)

**8350 Broad Street, Suite 2000, Tysons, Virginia**

(Address of principal executive offices)

**22102-5151**

(Zip Code)

(703) 873-6600

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock	TGNA	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 7.01. Regulation FD Disclosure

On September 19, 2019, TEGNA Inc. (the "Company") completed the previously announced acquisition of substantially all of the assets of television broadcast stations (i) WTIC / WCCT in Hartford-New Haven, CT; (ii) WPMT in Harrisburg-Lancaster-Lebanon-York, PA; (iii) WATN / WLMT in Memphis, TN; (iv) WNEP in Wilkes Barre-Scranton, PA; (v) WOI / KCWI in Des Moines-Ames, IA; (vi) WZDX in Huntsville-Decatur-Florence, AL; (vii) WQAD in Davenport, IA-Rock Island-Moline, IL; and (viii) KFSM in Ft. Smith-Fayetteville-Springdale-Rogers, AR from Nexstar Media Group, Inc., Tribune Media Company and their respective affiliates for cash consideration of \$740 million, subject to a working capital adjustment (the "Nexstar/Tribune Acquisitions").

On September 19, 2019, the Company issued a press release announcing the completion of the Nexstar/Tribune Acquisitions. The full text of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 7.01.

On August 8, 2019, the Company completed the previously announced acquisition of each of (i) WBNS TV, Inc. ("WBNS"), the owner of WBNS-TV, the CBS broadcast affiliate in Columbus, OH, (ii) VideoIndiana, Inc. ("VideoIndiana"), the owner of WTHR, the NBC broadcast affiliate, and WALV-CD, the MeTV broadcast affiliate, each located in Indianapolis, IN, and (iii) RadiOhio Incorporated ("RadiOhio"), the owner of radio broadcast stations WBNS (AM), WBNS-FM and the Ohio News Network (ONN), each located in Columbus, OH, for cash consideration of \$535 million, subject to a working capital adjustment (collectively, the "Dispatch Acquisitions").

On September 19, 2019, the Company updated financial guidance for the full-year 2019 that reflects the completion of the Nexstar/Tribune Acquisitions and Dispatch Acquisitions. The Company also is furnishing historical financial data for the six months ended June 30, 2019 and for the twelve months ended December 31, 2018 and interim quarterly data within those periods for TEGNA Inc. on a combined basis giving effect to the (1) the Nexstar/Tribune Acquisitions, (2) the Dispatch Acquisitions, (3) the acquisition of broadcast stations WTOL in Toledo, Ohio and KWES in Midland Odessa, TX, and (4) multicast networks Justice Network and Quest as if they were all completed on January 1, 2018. The guidance and financial data can be found in Exhibits 99.2 and 99.3, respectively, to this Current Report on Form 8-K and are incorporated by reference into this Item 7.01.

This information in Exhibits 99.1, 99.2 and 99.3 are "furnished" and not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, and is not otherwise subject to the liabilities of that section. It may be incorporated by reference in another filing under the Securities Exchange Act of 1934 or the Securities Act of 1933 only if and to the extent such subsequent filing specifically references the information incorporated by reference herein.

## Item 8.01 Other Events

On September 19, 2019, the Company completed its previously announced acquisition of the Nexstar/Tribune Acquisitions.

## Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

The following exhibits are filed or furnished, as appropriate, as part of this Current Report on Form 8-K:

Exhibit No.	Description
99.1	<a href="#">News Release of TEGNA Inc. dated September 19, 2019.</a>
99.2	<a href="#">TEGNA's updated financial guidance for the full-year 2019.</a>
99.3	<a href="#">Combined basis financial data for the six months ended June 30, 2019 and for the twelve months ended December 31, 2018 and interim quarterly data within those periods.</a>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**TEGNA Inc.**

Date: September 19, 2019

By: /s/ Clifton A. McClelland III  
Clifton A. McClelland III  
Senior Vice President and Controller

# TEGNA | NEWS RELEASE

## FOR IMMEDIATE RELEASE

September 19, 2019

### TEGNA Completes Acquisition of 11 Local Television Stations from Nexstar Media Group

Tysons, VA - TEGNA Inc. (NYSE: TGNA) today announced that it has completed its previously announced acquisition of 11 local television stations, including eight Big Four affiliates, from Nexstar Media Group for \$740 million in cash.

The acquisition adds complementary markets to TEGNA's existing portfolio of top network affiliates, including four affiliates in election battleground states. TEGNA now owns or operates 62 television stations across 51 markets, reaching more than 38 percent of U.S. television households.

The acquired stations include:

**WTIC/WCCT** - FOX/CW affiliates in Hartford-New Haven, CT

**WPMT** - FOX affiliate in Harrisburg-Lancaster-Lebanon-York, PA

**WATN/WLMT** - ABC/CW affiliates in Memphis, TN

**WNEP** - ABC affiliate in Wilkes Barre-Scranton, PA

**WOI/KCWI** - ABC/CW affiliates in Des Moines-Ames, IA

**WZDX** - FOX affiliate in Huntsville-Decatur-Florence, AL

**WQAD** - ABC affiliate in Davenport, IA and Rock Island-Moline, IL

**KFSM** - CBS affiliate in Ft. Smith-Fayetteville-Springdale-Rogers, AR

"These acquisitions enhance and diversify our portfolio of Big Four stations in key markets, including election battleground states, and reinforce our commitment to creating value for our shareholders," said Dave Lougee, president and CEO of TEGNA.

As previously announced, the transaction represents a compelling purchase price multiple for the company of 6.7 times expected average 2018/2019 EBITDA, including run rate synergies and net present value of tax savings (or 7.7 times, prior to tax savings). The transaction is expected to be EPS accretive within one year and immediately accretive to free cash flow per share. With the closing of this transaction and other recent M&A activity, TEGNA has updated its 2019 guidance metrics, all of which are in-line or ahead of prior guidance and are available in the 8-K filing TEGNA made this afternoon and its investor presentation found at [investors.tegna.com](http://investors.tegna.com).

TEGNA financed the transaction through the use of available cash and borrowing under its existing credit facility. Including the recent acquisitions of WTHR and WBNS from Dispatch Broadcast Group, TEGNA's leverage is now approximately 4.9 times. Going forward, free cash flow will be used to reduce debt, bringing leverage down to approximately 4.1 times by December 31, 2020. Share repurchases have also been suspended through the end of 2020.

## **About TEGNA**

TEGNA Inc. (NYSE: TGNA) is an innovative media company that serves the greater good of our communities. Across platforms, TEGNA tells empowering stories, conducts impactful investigations and delivers innovative marketing solutions. With 62 television stations and four radio stations in 51 markets, TEGNA is the largest owner of top 4 affiliates in the top 25 markets, reaching over 38 percent of all television households nationwide. TEGNA also owns leading multicast networks Justice Network and Quest. TEGNA Marketing Solutions (TMS) offers innovative solutions to help businesses reach consumers across television, email, social and over-the-top (OTT) platforms, including Premion, TEGNA's OTT advertising service. For more information, visit [www.TEGNA.com](http://www.TEGNA.com).

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**TEGNA Inc.**  
**Financial Guidance Updates**

Following TEGNA's closing of the Nexstar/Tribune station acquisitions, TEGNA updated its full-year 2019 key guidance as follows:

		<b>Including All Acquisitions As Reported<sup>(2)</sup></b>
<b>Full Year 2019 Key Guidance Metrics</b>	<b>Stand alone<sup>(1)</sup></b>	
Subscription Revenue	+ mid-teens percent	+ high-teens percent
Corporate Expenses	approximately \$45 million	approximately \$45 million
Depreciation	\$55 - 60 million	\$61 - 63 million
Amortization	approximately \$35 million	TBD <sup>(3)</sup>
Interest Expense	\$190 - 195 million	\$203 - 205 million <sup>(4)</sup>
Total Capital Expenditures	\$70 - 75 million	\$82 - 84 million
Non-Recurring Cap Ex (includes spectrum repack, corporate headquarters and KHOU relocations)	\$35 - \$40 million	\$40 - \$45 million
Effective Tax Rate	23 - 25%	23 - 25%
Leverage Ratio	approximately 4.0x	4.9x
Free Cash Flow as a % of est. 2018/19 Revenue	increased to 18 - 19%	18 - 19%
Free Cash Flow as a % of est. 2019/20 Revenue	18 - 19%	18 - 19%

<sup>(1)</sup> Includes only legacy TEGNA business and television stations WTOL and KWES acquired on January 2, 2019.

<sup>(2)</sup> Includes legacy TEGNA business and multicast networks Justice and Quest, Dispatch stations and Nexstar/Tribune station acquisitions subsequent to their acquisition dates.

<sup>(3)</sup> This will be updated upon completion of appraisals of the assets and liabilities related to the new acquisitions.

<sup>(4)</sup> Includes interest related to our \$1.1 billion ten-year 5.0% coupon bond offering completed in September.

## Combined Historical Financial Data

Due to the effect that the Recent Acquisitions<sup>1</sup> have on our financial results, we are presenting historical financial data for revenues and Adjusted EBITDA on a combined basis to provide more meaningful period over period comparisons of our financial results. The following tables set forth a summary of historical financial data for the six months ended June 30, 2019 and for the twelve months ended December 31, 2018 and interim quarterly data within those periods for TEGNA Inc. (the "Company") on a combined basis giving effect to the Recent Acquisitions as if they were all completed on January 1, 2018. These amounts are not necessarily indicative of what our results would have been had we completed the acquisitions on January 1, 2018, nor is it reflective of our expected results of operations for any future periods. For example, revenues and Adjusted EBITDA amounts do not include any adjustments for expected synergies. The acquisitions of the WTOL/KWES broadcast stations and the multicast networks Justice Network and Quest occurred on January 2, 2019 and June 18, 2019, respectively. The as reported revenues and Adjusted EBITDA amounts presented below include the results of these acquisitions subsequent to their acquisition dates.

The summary of unaudited combined historical financial data is derived from the addition of information for the fiscal year ended December 31, 2018 contained in the Company's financial data combined with the financial data for the Recent Acquisitions acquired for the year ended December 31, 2018 and for the six months ended June 30, 2019. This information is only a summary and we assume no responsibility for the accuracy or completeness of the information provided with respect to the Nexstar/Tribune Stations, the Dispatch Stations, or the other companies and businesses acquired pursuant to the Recent Acquisitions for periods prior to the completion of the acquisition of such company or business. Furthermore, the historical financial data for Combined Revenues and Combined Adjusted EBITDA is not pro forma information prepared in accordance with Article 11 of SEC regulation S-X, and the preparation of information in accordance with Article 11 would result in a significantly different presentation.

Combined Adjusted EBITDA, a non-GAAP measure, is defined as net income from continuing operations attributable to the Company on a combined basis giving effect to the Recent Acquisitions as if they were completed as of January 1, 2018, as applicable, before (1) provision for income taxes, (2) interest expense, (3) equity income (loss) in unconsolidated investments, net, (4) other non-operating items, net, (5) severance expense, (6) acquisition-related costs, (7) spectrum repacking reimbursement and other, (8) depreciation and (9) amortization. Management and the Company's Board of Directors use the Adjusted EBITDA non-GAAP measure for purposes of evaluating the Company's performance. Furthermore, the Leadership Development and Compensation Committee of our Board of Directors uses such measure to evaluate management's performance. The Company, therefore, believes that the use of this non-GAAP measure provides useful information to investors and other stakeholders by allowing them to view our business through the eyes of management and our board of directors, facilitating comparisons of results across historical periods and focus on the underlying ongoing operating performance of our business.

<sup>1</sup> WBNS TV, Inc., the owner of WBNS-TV, the CBS broadcast affiliate in Columbus, OH; VideoIndiana, Inc., the owner of WTHR, the NBC broadcast affiliate, and WALV-CD, the MeTV broadcast affiliate, each located in Indianapolis, IN; and RadiOhio Incorporated, the owner of radio broadcast stations WBNS (AM), WBNS-FM and the Ohio News Network (ONN), each located in Columbus, OH (collectively, the "Dispatch Stations"); WTIC / WCCT in Hartford-New Haven, CT, WPMT in Harrisburg-Lancaster-Lebanon-York, PA, WATN / WLMT in Memphis, TN, WNEP in Wilkes Barre-Scranton, PA, WOI / KCWI in Des Moines-Ames, IA, WZDX in Huntsville-Decatur-Florence, AL, WQAD in Davenport, IA-Rock Island-Moline, IL, KFSM in Ft. Smith-Fayetteville-Springdale-Rogers, AR (collectively, the "Nexstar/Tribune Stations"; broadcast stations WTOL in Toledo, Ohio and KWES in Midland Odessa, TX; and multicast networks Justice Network and Quest (such companies and businesses including Dispatch Stations and Nexstar/Tribune Stations being referred to collectively as the "Recent Acquisitions").

TEGNA Inc.

Unaudited, in thousands of dollars

**Combined Revenues**

	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>Q1</b>	<b>Q2</b>	<b>YTD</b>
Advertising & Marketing Services	\$ 316,283	\$ 343,999	\$ 660,282
Subscription	278,103	272,722	550,825
Political	2,969	4,820	7,789
Other	7,600	8,969	16,569
Total combined revenues	<u>\$ 604,955</u>	<u>\$ 630,510</u>	<u>\$ 1,235,465</u>

	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>Q1</b>	<b>Q2</b>	<b>YTD</b>
Total revenues, as reported (GAAP basis)	\$ 516,753	\$ 536,932	\$ 1,053,685
Recent Acquisitions	88,202	93,578	181,780
Total combined revenue (non-GAAP basis)	<u>\$ 604,955</u>	<u>\$ 630,510</u>	<u>\$ 1,235,465</u>

	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
Advertising & Marketing Services	\$ 335,696	\$ 340,023	\$ 321,834	\$ 338,944	\$ 1,336,497
Subscription	241,286	245,537	244,410	256,350	987,583
Political	9,840	33,204	72,519	165,207	280,770
Other	6,668	8,746	6,130	8,261	29,805
Total combined revenues	<u>\$ 593,490</u>	<u>\$ 627,510</u>	<u>\$ 644,893</u>	<u>\$ 768,762</u>	<u>\$ 2,634,655</u>

	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
Total revenues, as reported (GAAP basis)	\$ 502,090	\$ 524,080	\$ 538,976	\$ 642,136	\$ 2,207,282
Recent Acquisitions	91,400	103,430	105,917	126,626	427,373
Total combined revenue (non-GAAP basis)	<u>\$ 593,490</u>	<u>\$ 627,510</u>	<u>\$ 644,893</u>	<u>\$ 768,762</u>	<u>\$ 2,634,655</u>



TEGNA Inc.

Unaudited, in thousands of dollars

**Combined Adjusted EBITDA**

	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>Q1</b>	<b>Q2</b>	<b>YTD</b>
The Company net income from continuing operations (GAAP basis)	\$ 73,979	\$ 79,955	\$ 153,934
Plus: Provision for income taxes	22,774	24,879	47,653
Plus: Interest expense	46,385	46,327	92,712
(Less) Plus: Equity (income) loss in unconsolidated investments, net	(12,028)	615	(11,413)
Plus (Less): Other non-operating items, net	1,539	(8,964)	(7,425)
The Company operating income (GAAP basis)	<u>132,649</u>	<u>142,812</u>	<u>275,461</u>
Plus: Severance expense	—	1,452	1,452
Plus: Acquisition-related costs	3,911	5,208	9,119
Less: Spectrum repacking reimbursements and other	(7,013)	(4,306)	(11,319)
Plus: Depreciation	14,917	14,533	29,450
Plus: Amortization	8,689	8,823	17,512
The Company Adjusted EBITDA (non GAAP basis)	<u>153,153</u>	<u>168,522</u>	<u>321,675</u>
The Recent Acquisition Companies Adjusted EBITDA	<u>22,913</u>	<u>27,913</u>	<u>50,826</u>
Combined Adjusted EBITDA	<u>\$ 176,066</u>	<u>\$ 196,435</u>	<u>\$ 372,501</u>

	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
The Company net income from continuing operations (GAAP basis)	\$ 55,187	\$ 92,512	\$ 92,826	\$ 160,815	\$ 401,340
Plus: Provision for income taxes	20,385	27,755	13,789	45,438	107,367
Plus: Interest expense	47,725	49,104	48,226	47,010	192,065
(Less) Plus: Equity (income) loss in unconsolidated investments, net	1,238	(15,547)	(771)	1,288	(13,792)
Plus (Less): Other non-operating items, net	12,480	311	214	(1,509)	11,496
The Company operating income (GAAP basis)	<u>137,015</u>	<u>154,135</u>	<u>154,284</u>	<u>253,042</u>	<u>698,476</u>
Plus: Severance expense	—	—	7,287	—	7,287
Less: Spectrum repacking reimbursements and other	—	(6,326)	(3,005)	(2,370)	(11,701)
Plus: Depreciation	13,471	13,861	14,262	14,355	55,949
Plus: Amortization	6,782	7,962	8,047	8,047	30,838
The Company Adjusted EBITDA (non GAAP basis)	<u>157,268</u>	<u>169,632</u>	<u>180,875</u>	<u>273,074</u>	<u>780,849</u>
The Recent Acquisition Companies Adjusted EBITDA	<u>22,183</u>	<u>35,163</u>	<u>35,669</u>	<u>52,085</u>	<u>145,100</u>
Combined Adjusted EBITDA	<u>\$ 179,451</u>	<u>\$ 204,795</u>	<u>\$ 216,544</u>	<u>\$ 325,159</u>	<u>\$ 925,949</u>