Mark Adams, CEO

Inland Press Association
2016 Family Owners & Next Generation Leadership Conference

Fall 2013:
Family decides to invest in newspaper companies

- Initial review process:
  1. Evaluate community papers versus suburban and metros
  2. Contemplate risk of continued revenue declines in certain legacy categories
  3. Identify a 'platform' company for first acquisition
  4. Allocate an initial equity contribution
  5. Identify partner banking institution
  6. Meet with industry brokers

APG History and Structure:

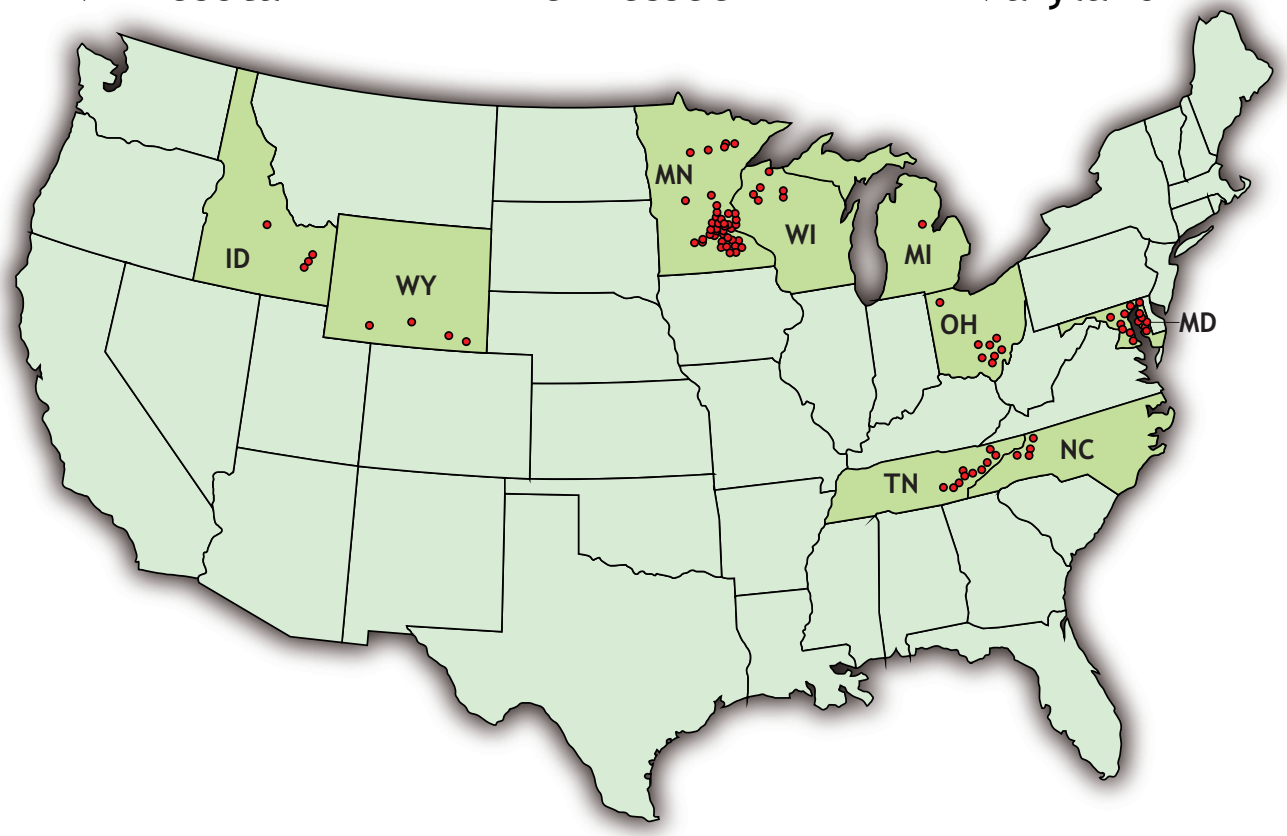
- Founded March 2014
- Owned equally by 4 siblings and one father
- Board consists of 5 family members and 2 outside directors with family ties
- No siblings involved in either APG or other family businesses

APG Acquisition History

March 2014:	3 out of 4 divisions of American Consolidated Media (OH, Northern MN, WI, MD)
July 2014:	Huckle Media (Southern MN)
November 2014:	Dorrance Media (Northwest WI)
November 2014:	Athens News, Inc. (Athens, OH)
January 2015:	Kimble Publications (Dundalk, MD)
July 2015:	Evergreen Shoppers (Ashland, WI)
July 2015:	Wash. Post Southern Maryland Newspapers (Southern MD)
October 2015:	Wyoming Newspapers, Inc. (Central and Western WY)
November 2015:	Post-Register, Inc. (Idaho Falls, ID)
December 2015:	Wyoming Business Review (Cheyenne, WY)
December 2015:	Crescent News Publishing (Defiance, OH)
September 2016:	ECM Publishers, Inc. (East Central MN)
September 2016:	Jones Media (Eastern TN, NC)

APG Overview

- 1,600 FTE Associates
- Operations in:
  - Idaho
  - Wyoming
  - Minnesota
  - Wisconsin
  - Michigan
  - Tennessee
  - North Carolina
  - Ohio
  - Maryland



Products and Services:

- 20 Dailies
- 155 Non-Daily, Shopper, and Specialty Publications
- Digital Agencies Serving Non-Core Customers
- Digital Products and Services Serving Core Customers
- Events
- Mobile Apps
- 8 Commercial Printing Facilities with a Total of 12 Press Lines

NEWSPAPERS

SPECIALTY PRODUCTS

DIGITAL SERVICES

COMMERCIAL PRINTING

APG Operating Philosophy

- Maintain EBITDA Operating Margin of 15%
- Keep Corporate Expense <1.25% of Revenue
- Low Debt: Conservatively Capitalized with a Debt Ratio of <2x EBITDA
- Local Community Investment and Engagement

Investment Strategy

Why Newspapers?

- 3rd Generation Media Family:
  Has owned broadcast radio, TV, publishing (newspapers & magazines), outdoor advertising
- Out-of-favor local media with compelling purchase attributes
  - Strong local brand with connection to the community
  - Seasoned management
  - Valuable underlying assets
  - Relatively low valuation multiples
  - Owners believe in the future of local content
  - Fractionalized media space – scores of smaller family-owned companies
- Diversify existing investments

Other Adams Companies

- Camping World/Good Sam LLC, Lincolnshire, IL
  - Largest national RV dealer network and camping equipment retailer. IPO completed October 7th, 2016
- Adams Outdoor Advertising, LLC, Atlanta Georgie
  - 4th largest US outdoor (billboard) company
- Fairway Outdoor Advertising, Inc., Atlanta Georgia
  - 5th largest outdoor advertising company. Co-owned with GTCR, Chicago based PE firm
- Adams Radio Group, LLC, Lakeville, MN
  - 20 stations in 4 smaller markets
- Adams Wine Group, LLC, Westlake Village, CA
  - Private and white label wine, distribution, fulfillment
- Adams Vineyards, LLC, Westlake Village, CA
  - Vineyards and wineries: Adler Fels, Michel-Schlumberger, ADAMVS, Château Fonplégade, Château L'Enclos
- Adams Label Group, LLC, Sonoma, CA
  - Wine label printing in Portland, Napa, Vancouver, Toronto
- Adams Office, LLC, Roxbury, CT
  - Main family office.

Questions & Comments