



▶ RADIO



▶ WEB



▶ PRINT

INVESTOR PRESENTATION

NASDAQ: SALM | June 2018



Safe Harbor

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 involve 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.”

This presentation also contains “non-GAAP financial measures” within the meaning of regulation G, specifically station operating income and Adjusted EBITDA. In conformity with regulation G, information reconciling the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with generally accepted accounting principles is available on the investor relations portion of the company's website at www.Salemmedia.com, as part of the most current report on form 8-K and earnings release issued by Salem Media Group.

Who We Are

- **Salem Media Group** is a multi-media company targeting conservative and Christian audiences.
- **We reach millions of consumers across the nation** through digital media, radio and publishing.
- **Salem Media has one of the largest content libraries** with more than 100 highly-trafficked website properties and 118 radio stations featuring multiple celebrity talk show hosts.
- **Strong financial model** characterized by recurring revenue, adjusted free cash flow and quarterly dividends (currently 6.8% yield)¹.



▶ RADIO



118 Radio Stations



SRN
Salem Radio Network



▶ WEB



RedState



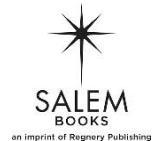
Daily Bible

BEARING ARMS Godtube.com

Bible Study Tools

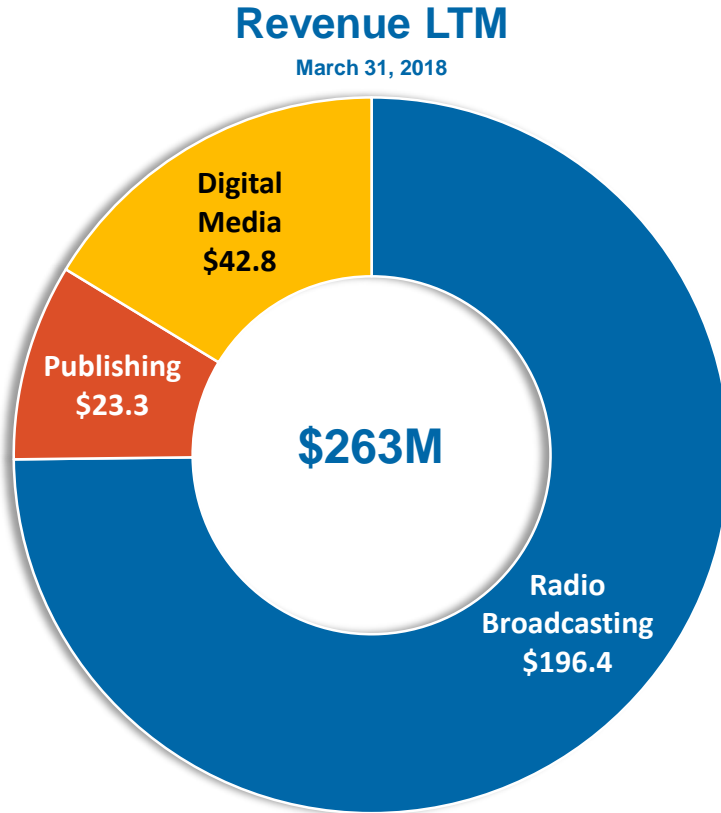


▶ PRINT



1) As of June 1, 2018

Our Integrated Multi-Media Approach



Dollars in millions



Radio Broadcasting

- #1 in commercial Christian radio broadcasting.
- 118 stations across 40 markets, with over 3,100 affiliates.



Digital Media

- More than 145 million monthly page views across hundreds of website properties.
- Salem's fastest growing segment.



Publishing

- Publish more than 2 million books annually.
- Several high profile authors under contract.

Our Integrated Multi-Media Approach

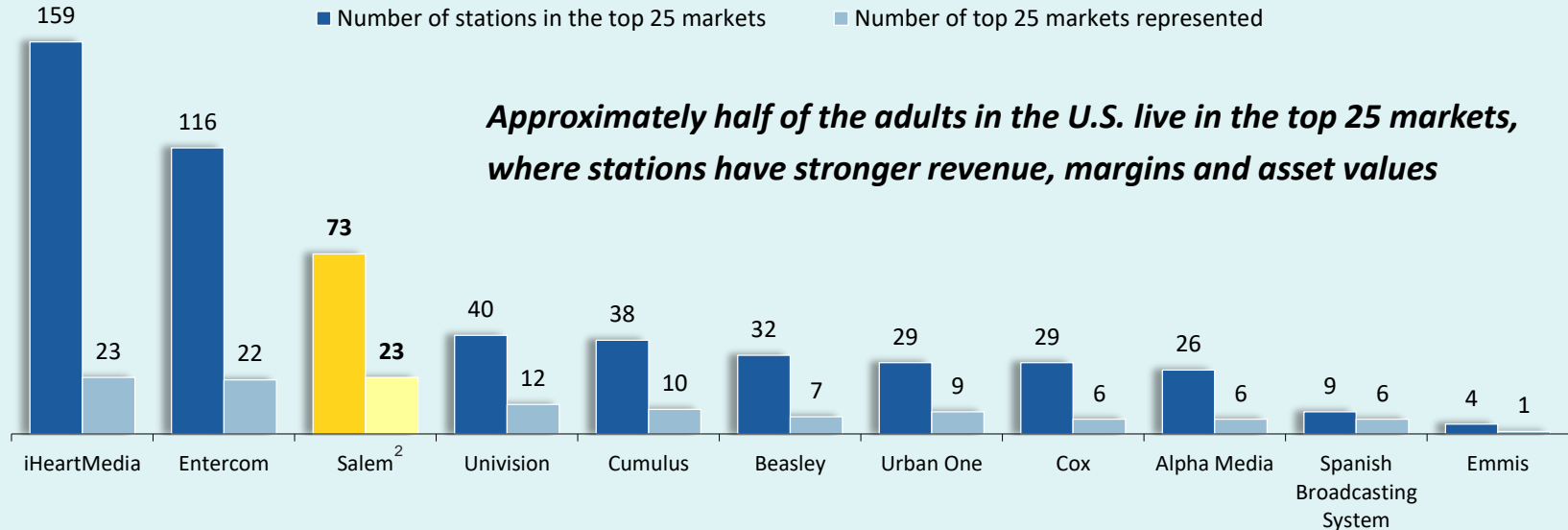
Radio Broadcasting

Digital

Publishing

We're the Third Largest Radio Broadcaster in the Top 25 U.S. Markets

Ownership of Radio Stations Serving the Top 25 Markets¹



1) Source: BIA/Kelsey and company filings. Market ranking excludes Puerto Rico. As of May 2018.

2) Includes announced acquisitions, divestitures, and exchanges for Salem.

Our Integrated Multi-Media Approach

Radio Broadcasting

Digital

Publishing

Three Strategic Radio Formats

Christian Teaching and Talk

40 Stations + Sirius XM
47% of radio revenue



Christian Music – The FISH®

12 Stations
23% of radio revenue



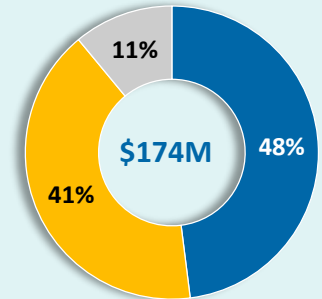
News Talk

21 Stations
34% of radio revenue



LTM March 2018 Radio Revenue

- Programming
- Advertising
- Other



Block Programming

- Programming time sold to national non-profit ministries and local churches.
- **Higher margins** than traditional spot advertising.
- **High renewal rates** exceeding 95% annually; 2.5-4.0% rate increases.
- **Our top 10 programmers have averaged 30+ years on the air.**
- Programming revenue comprises **48% of radio revenue** and **32% of total revenue.**



Our Integrated Multi-Media Approach

Radio Broadcasting

Digital

Publishing

Salem Radio Network – Over 3,100 Affiliates



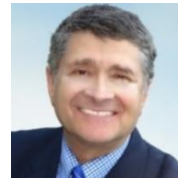
The Hugh
Hewitt Show



The Mike
Gallagher Show



The Dennis
Prager Show



The Michael
Medved Show



The Larry Elder
Show



The Joe Walsh
Show



The Eric
Metaxas Show

Number of Affiliates:	396	382	369	349	378	268	327
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1,292
Affiliates



238
Affiliates



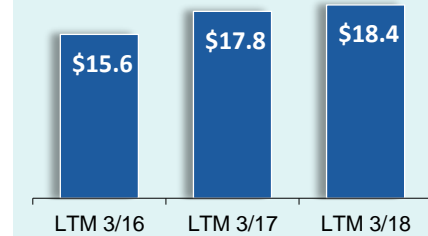
625
Affiliates



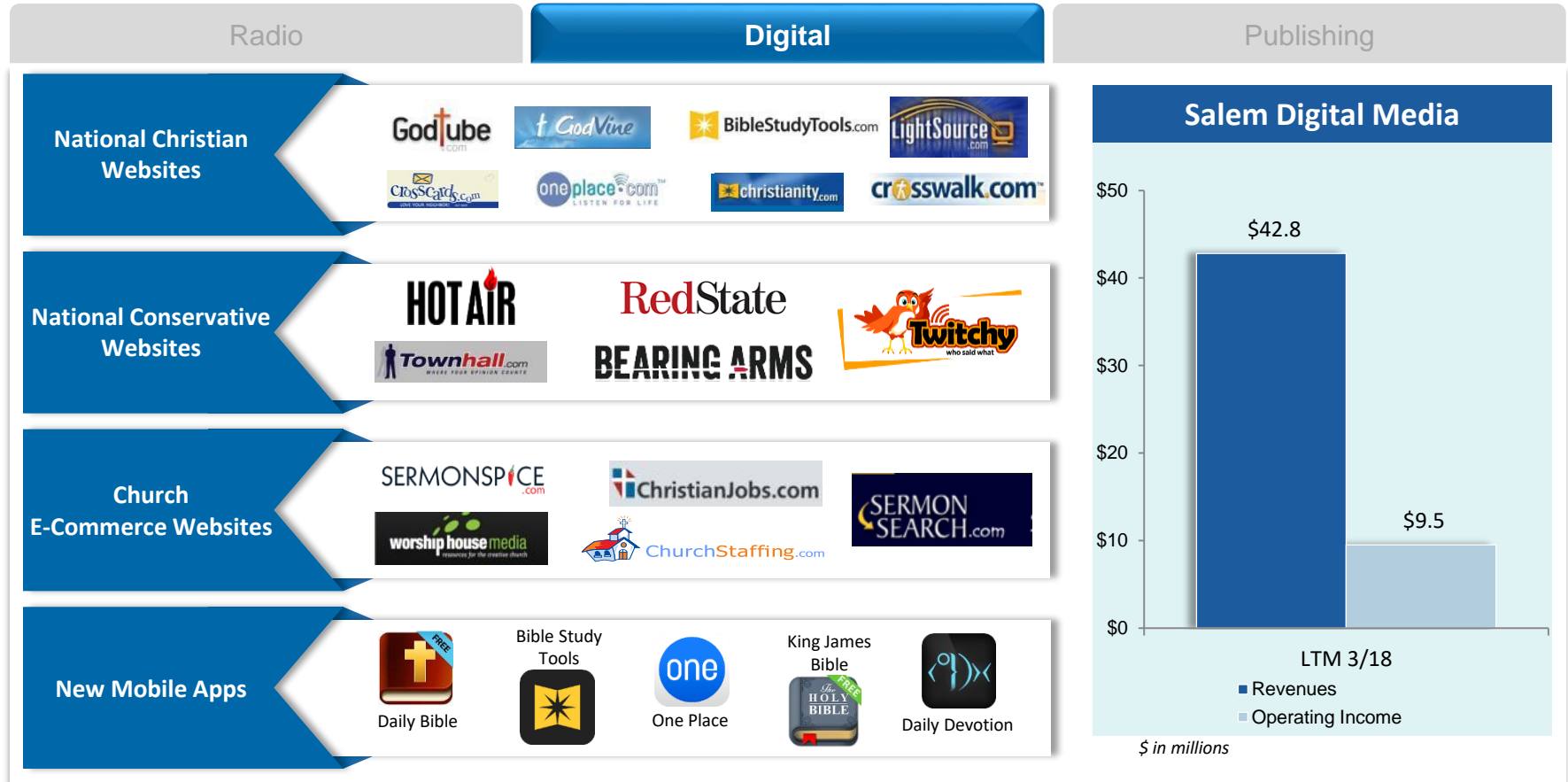
51
Affiliates

Network Revenue

\$ in millions



Our Integrated Multi-Media Approach



Our Integrated Multi-Media Approach

Radio

Digital

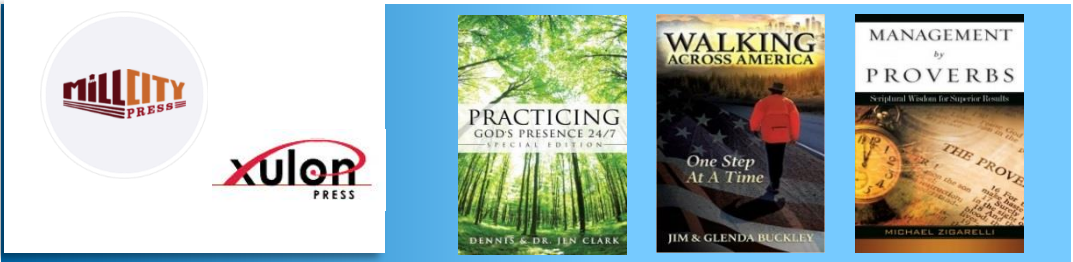
Publishing

More than 75 books on the NY Times Best Seller List

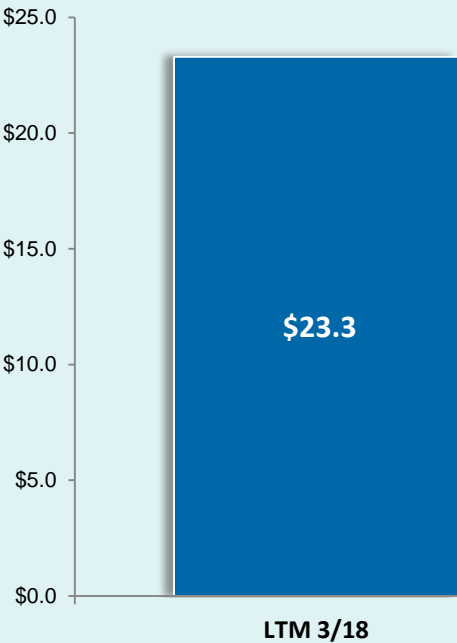
Salem Traditional Book Publishing



Salem Self-Publishing Services



Publishing Revenue



Why We're Different

- Radio hosts drive listeners to websites.
- Radio stations hold book signing events to grow book sales.
- Pastor events promote digital resources.
- Websites promote radio programs & books.
- Cross-selling between radio & digital with larger advertisers.



2018 Growth



➔ Election Year

- Increased Political Revenue
- Stronger book release schedule from Regnery
- Increased election-related pageviews

➔ Improved ratings at KLTU-FM Dallas

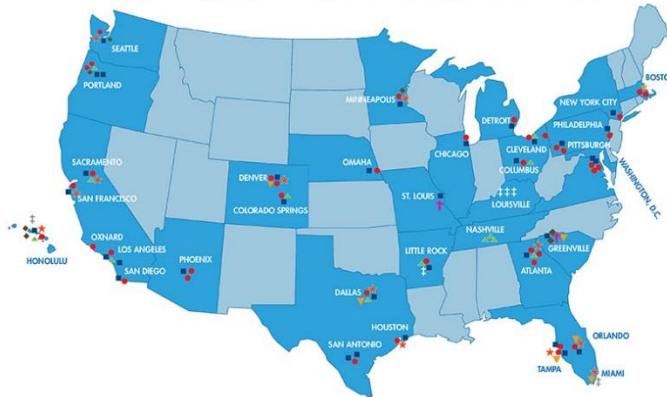
➔ Elimination of four loss-making magazines in 2017

➔ Third full year operating radio stations acquired from Disney in 2015



AMERICA IS LISTENING

Salem Media Group is the leading media corporation specializing in Christian and conservative content.



RADIO STATIONS

03

STRATEGIC FORMATS

- 40 Christian Teaching & Talk
- 34 News Talk
- 12 Contemporary Christian Music
- 11 Business Talk
- 7 Spanish Christian Teaching & Talk
- 2 Urban Gospel
- 6 Other Formats
- 6 Third-party Programming

saalemmedia.com

MOBILE APPS

include: Daily Bible Devotions App (iOS and Android) • King James Bible App (Android) • Daily Bible App (Android) • Bible Study Tools App (iOS) • Christian Radio App (iOS and Android) • One Place App (iOS, Android, Roku and Amazon) • Light Source App (iOS, Android, Roku and Amazon) • Citas y Mas Citas! (iOS) • Biblia Portuguese Bible FREE! • Bibliya Tagalog Bible LIBRE! (Google Play) • Japanese Bible • La Biblia - Italian Bible FREE (Google Play) • La Biblia Reina Valera (de estudio en Espanol) (iOS) • Louis Segond French Bible FREE (Google Play) • Luther Bible German Bible FREE (Google Play) • Spanish Bible Reina Valera Android • Vietnamese Bible (FREE!) (Google Play) • Vulgate Latin Bible FREE! (Google Play)

118

RADIO STATIONS NATIONWIDE

+

SATELLITE RADIO

Our radio stations are located in the top radio markets nationwide.

3100+

RADIO STATIONS NATIONWIDE

Extending our reach:

More than 3,100 radio stations—in small, medium and large markets nationwide—air Salem's news, talk and music programming.

03

STRATEGIC FORMATS

- Christian Teach & Talk
- News/Talk - The ANSWER
- Contemporary Christian Music

03

KEY DIVISIONS

- Broadcast
- Internet
- Publishing

BOOK PUBLISHING

• **Regnery Publishing**
The nation's leading publisher of conservative books for over 70 years. Has a track record of publishing national bestsellers and a wide range of successful imprints including Salem Books (Christian titles), Regnery Gateway, Regnery History, Regnery Fiction, and Regnery Kids.

Salem Author Services

Publishes 2,000+ new authors with more than 2 million copies sold, each year. Provides a full suite of services for independent authors through industry leading brands including Xulon Press, the world's oldest and largest Christian self-publisher; Mill City Press, BookPrinting.com and more.

100+

WEB PROPERTIES and growing!

The largest faith-based online audience.

MILLIONS OF PAGE VIEWS



UPON COMPLETION OF ALL ASSOCIATED TRANSACTIONS