

TEGNA Inc. (TGNA)

\$19.41 (Stock Price as of 12/31/2025)

Price Target (6-12 Months): **\$17.00**

Long Term: 6-12 Months

Zacks Recommendation: Underperform

(Since: 10/10/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

5-Strong Sell

Zacks Style Scores:

VGM: D

Value: B

Growth: F

Momentum: D

Summary

TEGNA faces mounting structural challenges as rapid shifts toward streaming, gaming and digital media continue to weaken the traditional broadcast TV model. Persistent cord-cutting is eroding viewership and pressuring advertising demand, while heavy reliance on political advertising leads to sharp swings in revenue and profitability, especially during non-election periods. Macroeconomic uncertainty puts pressure on marketing budgets, limiting advertising growth, and soft cash flows coupled with high leverage increase financial risk, reducing flexibility to manage debt and invest in growth. Despite these headwinds, TEGNA benefits from its focus on content creation, especially live and local programming, which remains valuable across platforms. A steady dividend and a pending merger provide near-term support and income stability.

Data Overview

52 Week High-Low	\$21.35 - \$14.87
20 Day Average Volume (sh)	1,100,911
Market Cap	\$3.1 B
YTD Price Change	6.3%
Beta	0.12
Dividend / Div Yld	\$0.50 / 2.6%
Industry	Broadcast Radio and Television
Zacks Industry Rank	Bottom 25% (182 out of 243)

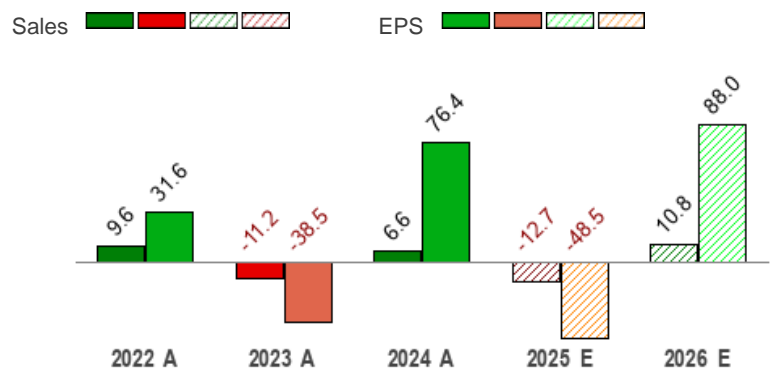
Last EPS Surprise	-5.7%
Last Sales Surprise	-1.4%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/26/2026
Earnings ESP	0.0%

P/E TTM	8.3
P/E F1	12.3
PEG F1	-7.5
P/S TTM	1.1

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	695 E	677 E	759 E	836 E	2,999 E
2025	680 A	675 A	651 A	698 E	2,707 E
2024	714 A	710 A	807 A	871 A	3,102 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.51 E	0.51 E	0.82 E	1.10 E	2.97 E
2025	0.37 A	0.44 A	0.33 A	0.45 E	1.58 E
2024	0.45 A	0.50 A	0.94 A	1.21 A	3.07 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/31/2025.

(2) The report's text and the price target are as of 12/15/2025.

Overview

TEGNA has evolved as a leading local news and media content provider. The company operates 64 television and two radio stations in 51 U.S. markets, catering to 39% of TV households in the United States. The company is one of the nation's largest producers of local news producing more than 1,700 hours of news per week.

TEGNA reported revenues of \$3.1 billion for 2024. This McLean, VA-based company has four reportable segments.

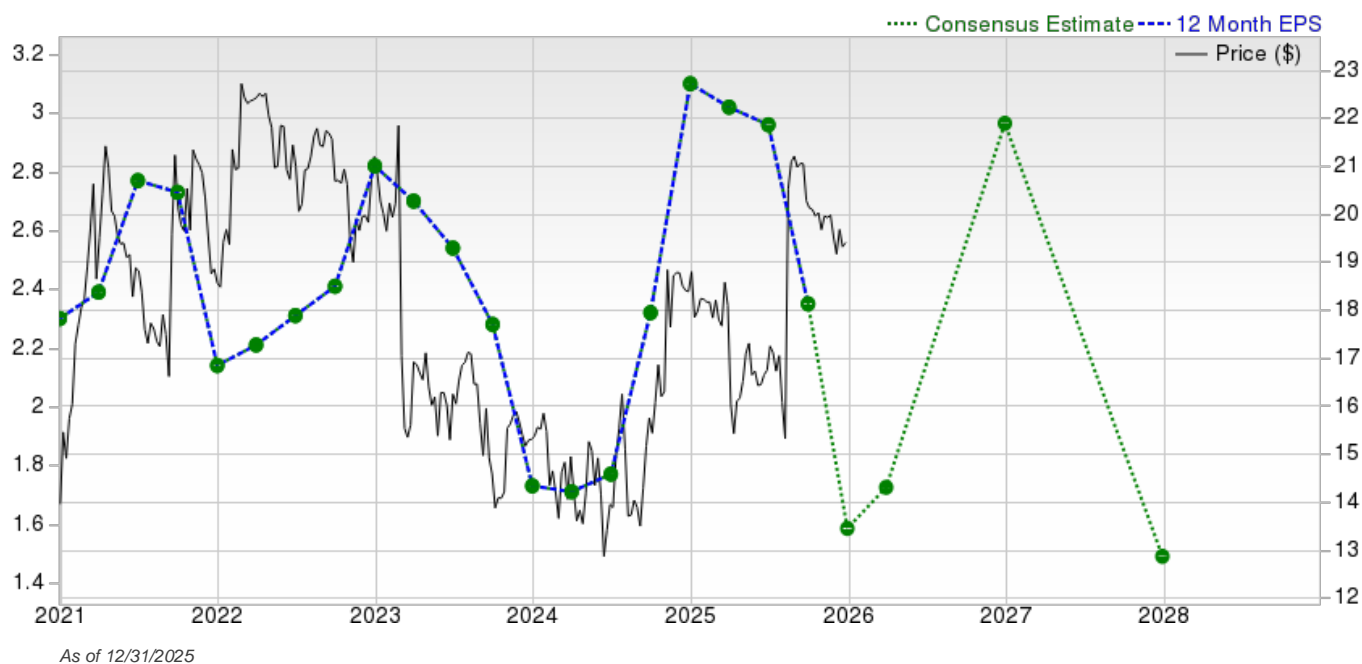
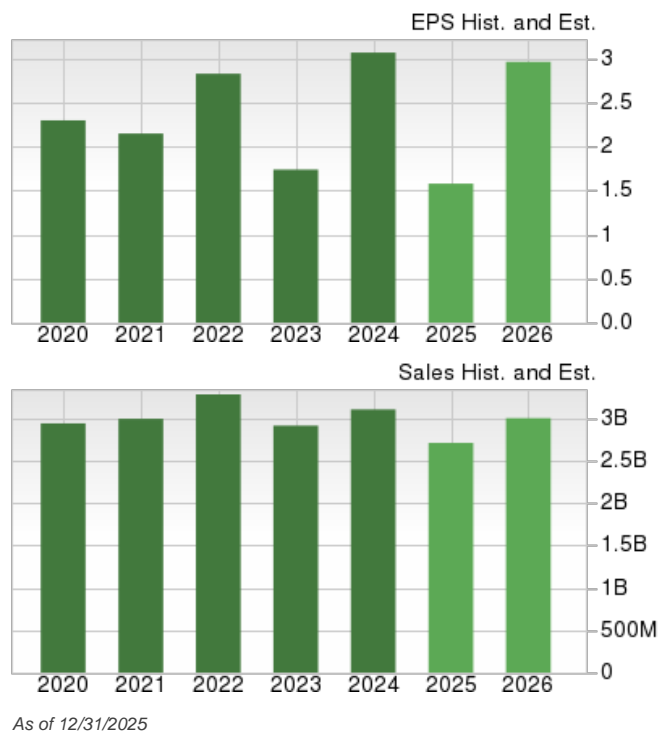
Subscription contributed 47% of total revenues in 2024. Revenues are generated from retransmission agreements with multichannel video programming distributors (cable and satellite providers) and virtual multichannel video programming distributors that deliver a package of linear video content to consumers over the Internet. Beginning first quarter of 2025, TEGNA renamed this as distribution revenues and expanded it to include other distribution revenues formerly reported in Other revenues and AMS revenues.

Advertising & Marketing Services (AMS) accounted for 39.5% of 2024 revenues. TEGNA's television stations produce local programming such as news, sports, weather, and entertainment. The company's portfolio of "Big 4" – NBC, CBS, ABC and FOX stations – operate under long-term network affiliation agreements. Generally, a network provides programming to its affiliated television stations and the network sells commercial advertising for certain of the available advertising spots within such programming, while TEGNA's television stations sell some of the available commercial advertising spots within the network programming as well as the other local programming that the station originates.

Political advertising accounted for 12% of total revenues in 2024. The segment revenues are driven by even-year election cycles at the local and national levels.

Other services (1.5% of total revenues) include revenues from the production of programming from third parties and the production of advertising material.

TEGNA faces significant competition in the advertisement space from cable companies like Comcast and Charter, as well as Internet platforms including Google, Facebook, and YouTube.



Reasons To Sell:

- ▼ The media and entertainment industry is undergoing rapid disruption as audiences shift toward gaming, streaming, social media and digital advertising, leaving traditional broadcast TV increasingly vulnerable. This shift continues to erode the traditional broadcast TV model, making it harder for legacy players like TEGNA to sustain long-term growth. Cord-cutting remains a significant structural headwind, reducing viewership and weakening advertising demand. The impact was visible in the third quarter of 2025, as ongoing customer loss distributions contributed to revenue declines, highlighting the increasing risks facing TEGNA's business.
- ▼ TEGNA's overreliance on political ad spending makes its financial results inherently cyclical, creating meaningful volatility in revenues and margins during non-election periods. This dependence limits the company's ability to deliver stable, predictable growth and amplifies earnings swings from year to year. The weakness was clear in the third quarter of 2025, when political advertising revenues fell 92.2% year over year to just \$9.9 million. Such reliance on a non-recurring revenue stream heightens long-term risk.
- ▼ The company is significantly dependent on advertising revenues. In 2024, 40% of TEGNA's revenues were derived from non-political television spot and digital advertising. As demand for advertising is highly correlated to the macroeconomic environment, we believe uncertainty created by U.S. President Donald Trump's tariffs and trade policies doesn't bode well for TEGNA. AMS revenues are expected to suffer from a challenging ad market spending environment. Ad group WPP Media now expects global advertising revenues to grow 6% in 2025 compared with its previous target of 7%. This pressure is already visible in the third quarter of 2025, as Advertising & Marketing Services revenues fell 11.7% year over year to \$273.4 million, underscoring mounting macro challenges.
- ▼ TEGNA's elevated leverage adds to its financial risk profile, with net leverage ending the third quarter at 2.9 times, a concerning level considering the company's soft earnings performance. The pressure is compounded by a significant decline in free cash flow, reducing flexibility to manage debt and invest in growth.

The shifting media landscape, subscriber losses, macroeconomic pressure, ad-market softness and elevated leverage collectively weaken long-term growth.

Risks⁽²⁾ (to the Underperform recommendation)

- TEGNA's focus on content creation rather than TV broadcasting lowers risk from the cord-cutting threat that is affecting the whole of the U.S. Pay-TV industry. Live event programming, which remains the most-watched content for viewers, can be sold either to TV channels, websites or streaming services. Moreover, locally-relevant content particularly local sports event is becoming far more important for over-the-top (OTT) providers. These trends strengthen TEGNA's long-term growth prospects.
 - TEGNA's consistent dividend payout makes it an attractive option for income-focused investors. Reflecting this consistency, the company returned \$20 million to its shareholders through dividends in the third quarter of 2025.
 - The pending merger with Nexstar Media Group serves as a meaningful near-term value catalyst. Under the agreement, shareholders will receive \$22 per share in an all-cash transaction valued at approximately \$6.2 billion, representing a premium of roughly 31% to the pre-announcement price.
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Last Earnings Report

TEGNA Misses Q3 Estimates as Earnings & Revenues Decline Y/Y

TEGNA reported third-quarter 2025 non-GAAP earnings of 33 cents per share, which missed the Zacks Consensus Estimate by 5.71% and decreased 64.9% on a year-over-year basis.

Revenues decreased 19.3% year over year to \$650.8 million, missing the Zacks Consensus Estimate by 1.35%. The decrease was primarily due to lower political advertising and reduced advertising and marketing services (AMS) revenue.

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Nov 10, 2025
Sales Surprise	-1.35%
EPS Surprise	-5.71%
Quarterly EPS	0.33
Annual EPS (TTM)	2.35

TEGNA's Q3 in Detail

AMS revenues decreased 11.7% year over year to \$273.4 million, pressured by weak macro conditions, the absence of the summer Olympic games and lower Premion revenues due to the loss of a major reseller partner. However, local sports and digital growth provided some offset.

Distribution revenues decreased 0.9% on a year-over-year basis to \$358.5 million due to subscriber declines, offset by contractual rate increases.

Political revenues were \$9.9 million, down 92.2% year over year. Other revenues were \$9.1 million, down 2% year over year.

Non-GAAP adjusted EBITDA fell 52% year over year to \$131 million, mainly due to lower political advertising and AMS revenues, partially offset by continued cost benefits from core operational cost-cutting initiatives.

Non-GAAP operating expenses decreased 4% year over year to \$544 million.

Non-GAAP operating income decreased 55.6% year over year to \$106.8 million.

Balance Sheet & Cash Flow

As of Sept. 30, 2025, total cash and cash equivalents were \$233 million, compared with \$757 million as of June 30, 2025.

Net leverage finished the third quarter at 2.9 times.

During the quarter, TEGNA redeemed the entire \$550 million of its 4.75% senior notes due March 15, 2026. TEGNA returned \$20 million to its shareholders through dividends during the third quarter.

Adjusted free cash flow in the third quarter was \$64 million compared with \$96 million reported in the previous quarter.

Additional Information

In view of the pending merger with Nexstar, TEGNA will refrain from issuing forward-looking financial guidance. The company also does not plan to update or reaffirm any previously issued outlooks while the transaction remains pending. The proposed transaction is expected to close by the second half of 2026.

Recent News

On Nov. 18, TEGNA announced that shareholders have approved its merger with Nexstar Media Group, paving the way for the acquisition to close pending regulatory approvals and making TEGNA a Nexstar subsidiary.

On Sept. 22, TEGNA renewed its partnership with Altitude Sports to air 20 Nuggets and 20 Avalanche games free over-the-air on Denver's 9NEWS and My20, reaching nearly 3.5 million viewers.

On Aug. 26, TEGNA announced a quarterly dividend of 12.5 cents per share, payable on October 1, 2025, to shareholders of record as of September 5, 2025.

On Aug. 19, TEGNA entered into a definitive agreement to be acquired by Nexstar Media Group in an all-cash deal worth approximately \$6.2 billion, valued at \$22 per share and representing a 31% premium over recent prices, subject to regulatory approval.

Valuation

TEGNA's shares are up 17.3% in the past six-month period and 6.8% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Consumer Discretionary sector are down 8.1% and 3.9% respectively, in the past six-month period. Over the past year, Zacks' sub-industry increased 14.8%, while the sector declined by 1.7%.

The S&P 500 index is up 15.7% in the past six-month period and up 14.4% in the past year.

The stock is currently trading at a trailing 12-month EV/EBITDA of 7.34X compared with 8.82X for the Zacks sub-industry, 10.37X for the Zacks sector and 18.58X for the S&P 500 index.

In the past five years, the stock has traded as high as 9.62X and as low as 5.22X, with the five-year median being 7.10X. Our Underperform recommendation indicates that the stock will perform worse than the market. Our \$17 price target reflects 6.24X forward 12-month earnings.

The table below shows summary valuation data for TGNA

Valuation Multiples - TGNA					
		Stock	Sub-Industry	Sector	S&P 500
EV/EBITDA TTM	Current	7.34	8.82	10.37	18.58
	5-Year High	9.62	15.63	17.39	22.41
	5-Year Low	5.22	4.74	8.09	13.87
	5-Year Median	7.10	8.49	10.33	17.96
P/E F12M	Current	6.78	26.25	18.58	23.35
	5-Year High	16.8	42.18	40.09	23.78
	5-Year Low	4.41	15.13	15.45	15.73
	5-Year Median	7.44	30.16	19.03	21.21
P/S TTM	Current	1.12	4.83	2.46	5.97
	5-Year High	1.71	8.62	4.30	6.17
	5-Year Low	0.79	2.27	1.76	4.00
	5-Year Median	1.13	3.71	2.53	5.36

As of 12/12/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 25% (182 out of 243)

Top Peers⁽¹⁾



Company (Ticker)	Rec	Rank
Amazon.com, Inc. (AMZN)	Outperform	2
Comcast Corporation (CMCSA)	Neutral	3
The Walt Disney Comp... (DIS)	Neutral	3
fuboTV Inc. (FUBO)	Neutral	3
Gray Media Inc. (GTN)	Neutral	3
Netflix, Inc. (NFLX)	Neutral	3
Nexstar Media Group,... (NXST)	Neutral	4
Cable One, Inc. (CABO)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Broadcast Radio And Television

Industry Peers

	TGNA	X Industry	S&P 500	CMCSA	DIS	TSQ
Zacks Recommendation (Long Term)	Underperform	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	5	-	-	3	3	3
VGM Score	D	-	-	B	A	B
Market Cap	3.13 B	233.48 M	39.67 B	109.21 B	204.93 B	82.96 M
# of Analysts	2	2	22	7	10	1
Dividend Yield	2.57%	0.00%	1.4%	4.40%	1.31%	15.87%
Value Score	B	-	-	A	B	A
Cash/Price	0.07	0.30	0.04	0.09	0.03	0.04
EV/EBITDA	5.11	5.68	14.72	5.13	12.03	9.50
PEG Ratio	-7.51	1.35	2.21	2.06	1.58	1.24
Price/Book (P/B)	1.01	0.89	3.34	1.12	1.82	NA
Price/Cash Flow (P/CF)	4.89	5.24	15.38	3.57	12.66	1.84
P/E (F1)	12.31	14.82	20.05	7.17	17.39	14.82
Price/Sales (P/S)	1.09	0.41	3.14	0.89	2.17	0.19
Earnings Yield	8.12%	2.35%	4.94%	13.95%	5.75%	6.75%
Debt/Equity	0.81	0.54	0.57	0.96	0.31	-12.54
Cash Flow (\$/share)	3.98	1.44	8.98	8.39	9.07	2.74
Growth Score	F	-	-	C	B	F
Hist. EPS Growth (3-5 yrs)	0.43%	-11.35%	8.21%	11.65%	38.69%	8.90%
Proj. EPS Growth (F1/F0)	-48.53%	-47.68%	8.58%	-3.46%	11.30%	-68.81%
Curr. Cash Flow Growth	32.36%	-29.31%	7.00%	2.95%	-6.71%	-9.92%
Hist. Cash Flow Growth (3-5 yrs)	8.67%	7.45%	7.48%	3.01%	3.33%	-10.20%
Current Ratio	2.22	1.59	1.18	0.88	0.71	0.88
Debt/Capital	44.81%	36.70%	38.15%	48.96%	23.56%	NA
Net Margin	11.97%	-3.84%	12.77%	18.33%	13.14%	4.27%
Return on Equity	12.50%	0.18%	17.03%	18.06%	9.37%	-47.95%
Sales/Assets	0.40	0.60	0.53	0.46	0.48	0.79
Proj. Sales Growth (F1/F0)	-12.70%	0.00%	5.85%	-0.10%	7.20%	-5.30%
Momentum Score	D	-	-	F	C	A
Daily Price Chg	0.62%	0.00%	-0.14%	0.33%	0.53%	0.20%
1 Week Price Chg	0.47%	0.00%	-0.20%	0.30%	2.09%	-2.83%
4 Week Price Chg	0.52%	-1.99%	0.98%	10.92%	9.50%	3.70%
12 Week Price Chg	-4.09%	-11.73%	2.71%	-2.06%	2.01%	-19.49%
52 Week Price Chg	6.34%	5.21%	17.25%	-20.14%	3.09%	-44.55%
20 Day Average Volume	1,100,911	260,959	2,628,137	37,932,620	10,480,045	66,505
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	-0.10%	0.41%	0.00%
(F1) EPS Est 12 week change	-2.17%	1.08%	0.69%	-2.58%	1.89%	21.43%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	-0.75%	-1.05%	29.41%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	B
Growth Score	F
Momentum Score	D
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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