

Capstar TX , LLC
Form S-4
November 29, 2013
Table of Contents

As filed with the Securities and Exchange Commission on November 27, 2013.

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CLEAR CHANNEL COMMUNICATIONS, INC.*

(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction of
incorporation or organization)

4832
(Primary Standard Industrial
Classification Number)
200 East Basse Road

74-1787539
(I.R.S. Employer
Identification No.)

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San Antonio, Texas 78209

Telephone: (210) 822-2828

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Robert H. Walls, Jr.

Executive Vice President, General Counsel and Secretary

Clear Channel Communications, Inc.

200 East Basse Road

San Antonio, Texas 78209

Telephone: (210) 822-2828

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

James S. Rowe

Brian D. Wolfe

Kirkland & Ellis LLP

300 North LaSalle

Chicago, Illinois 60654

Telephone: (312) 862-2000

* The co-registrants listed on the next page are also included in this Form S-4 Registration Statement as additional registrants.

Approximate date of commencement of proposed sale of the securities to the public: The exchange will occur as soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit(1)	Proposed maximum aggregate offering price(1)	Amount of registration fee
Senior Notes due 2021	\$1,203,660,519	100%	\$1,203,660,519	\$155,032(1)
Senior Notes due 2021(2)	\$193,751,984	100%	\$193,751,984	\$24,956(1)
Guarantees of Senior Notes due 2021(3)	N/A	N/A	N/A	N/A(4)

- (1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(f) under the Securities Act of 1933, as amended.
- (2) The registrant is registering an additional amount of Senior Notes due 2021 which will be issued as paid-in-kind interest on the Senior Notes due 2021.
- (3) See the following page for a table setting forth the guarantors, all of which are additional registrants.
- (4) No separate consideration will be received for the guarantees, and no separate fee is payable, pursuant to Rule 457(n) under the Securities Act.

The registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until

this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents**TABLE OF ADDITIONAL REGISTRANTS**

Exact Name of Additional Registrants*	Primary Standard Industrial Classification Number	Jurisdiction of Formation	I.R.S. Employer Identification No.
Clear Channel Capital I, LLC	4899	Delaware	27-0263715
AMFM Broadcasting, Inc.	4832	Delaware	95-4068583
AMFM Operating Inc.	4899	Delaware	13-3649750
Citicasters Licenses, Inc.	4832	Texas	90-0183894
Capstar Radio Operating Company	4832	Delaware	13-3922738
CC Broadcast Holdings, Inc.	4899	Nevada	20-2302507
Christal Radio Sales, Inc.	7311	Delaware	13-2618663
Cine Guarantors II, Inc.	4899	California	95-2960196
Citicasters Co.	4832	Ohio	31-1081002
Clear Channel Broadcasting Licenses, Inc.	4832	Nevada	88-0309517
Clear Channel Broadcasting, Inc.	4832	Nevada	74-2722883
Clear Channel Identity, Inc.	4899	Texas	27-1992018
Clear Channel Holdings, Inc.	4899	Nevada	88-0318078
Clear Channel Investments, Inc.	6799	Nevada	91-1883551
Clear Channel Management Services, Inc.	8741	Texas	02-0619566
Clear Channel Mexico Holdings, Inc.	4899	Nevada	20-2303205
Clear Channel Satellite Services, Inc.	4899	Delaware	31-1125479
Critical Mass Media, Inc.	4899	Ohio	31-1228174
Katz Communications, Inc.	7311	Delaware	13-0904500
Katz Media Group, Inc.	7311	Delaware	13-3779266
Katz Millennium Sales & Marketing Inc.	7311	Delaware	06-0963166
Katz Net Radio Sales, Inc.	7311	Delaware	74-3221051
M Street Corporation	2741	Washington	54-1526578
Premiere Radio Networks, Inc.	4832	Delaware	95-4083971
Terrestrial RF Licensing, Inc.	4832	Nevada	55-0858211
CC Licenses, LLC	4832	Delaware	20-3498527
Clear Channel Real Estate, LLC	4899	Delaware	74-2745435
AMFM Broadcasting Licenses, LLC	4832	Delaware	01-0824545
AMFM Radio Licenses, LLC	4832	Delaware	75-2779594
AMFM Texas, LLC	4832	Delaware	74-2939082
AMFM Texas Broadcasting, LP	4832	Delaware	75-2486577
AMFM Texas Licenses, LLC	4832	Texas	75-2486580
Capstar TX, LLC	4832	Texas	13-3933048
CC Finco Holdings, LLC	4899	Delaware	26-3757034

* The address and agent for service of process for each of the additional registrants are the same as for Clear Channel Communications, Inc.

Table of Contents

The information in this prospectus is not complete and may be changed. These notes may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell nor is it an offer to buy these notes in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 27, 2013

PROSPECTUS

CLEAR CHANNEL COMMUNICATIONS, INC.

Exchange Offer for

\$1,397,412,503 Senior Notes due 2021

We are offering (the exchange offer) to exchange up to \$1,203,660,519 aggregate principal amount of our new Senior Notes due 2021 (which we refer to, together with the PIK notes (as defined below), as the exchange notes), which will be registered under the Securities Act of 1933, as amended (the Securities Act), for up to \$1,203,660,519 aggregate principal amount of our outstanding Senior Notes due 2021 that we issued on June 21, 2013 (the outstanding notes). We refer to the exchange notes and the outstanding notes collectively as the notes. We are also registering as additional \$193,751,984 of exchange notes (PIK notes) that we will issue as paid-in-kind interest on outstanding exchange notes.

Material Terms of the Exchange Offer

The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2014, unless extended.

We will exchange all outstanding notes that are validly tendered and not withdrawn prior to the expiration or termination of the exchange offer. You may withdraw your tender of outstanding notes at any time before the expiration of the exchange offer.

The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the transfer restrictions and registration rights relating to the outstanding notes will not apply to the exchange notes.

The exchange of outstanding notes for exchange notes should not be a taxable event for U.S. federal income tax purposes, but you should see the discussion under the caption Certain United States Federal Income Tax Considerations for more information.

We will not receive any proceeds from the exchange offer.

We issued the outstanding notes in transactions not requiring registration under the Securities Act and, as a result, their transfer is restricted. We are making the exchange offer to satisfy your registration rights as a holder of outstanding notes.

We are not asking you for a proxy and you are not requested to send us a proxy.

For a discussion of certain factors that you should consider before participating in the exchange offer, see Risk Factors beginning on page 17 of this prospectus.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange offer, nor have any of these organizations determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We have filed a registration statement on Form S-4 to register with the SEC the exchange notes to be issued in the exchange offer. This prospectus is part of that registration statement.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date (as defined herein) and ending on the close of business 180 days after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

THE DATE OF THIS PROSPECTUS IS .

Table of Contents

You should rely only on the information contained in this prospectus. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information contained in this prospectus is accurate as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since then. We are not making an offer to sell the exchange notes offered by this prospectus in any jurisdiction where the offer or sale is not permitted.

TABLE OF CONTENTS

<u>BASIS OF PRESENTATION</u>	ii
<u>FORWARD-LOOKING STATEMENTS</u>	iii
<u>INDUSTRY AND MARKET DATA</u>	v
<u>TRADEMARKS AND TRADE NAMES</u>	v
<u>SUMMARY</u>	1
<u>RISK FACTORS</u>	17
<u>EXCHANGE OFFER</u>	32
<u>USE OF PROCEEDS</u>	39
<u>CAPITALIZATION</u>	40
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA</u>	41
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	44
<u>BUSINESS</u>	98
<u>MANAGEMENT</u>	118
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	124
<u>EXECUTIVE COMPENSATION</u>	136
<u>RELATIONSHIP OF COMPENSATION POLICIES AND PROGRAMS TO RISK</u>	
<u>MANAGEMENT</u>	167
<u>DIRECTOR COMPENSATION</u>	167
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	171
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u>	175
<u>DESCRIPTION OF CERTAIN OTHER INDEBTEDNESS</u>	180
<u>DESCRIPTION OF THE EXCHANGE NOTES</u>	193
<u>BOOK ENTRY, DELIVERY AND FORM</u>	260
<u>CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS</u>	262
<u>PLAN OF DISTRIBUTION</u>	263
<u>CERTAIN CONSIDERATIONS APPLICABLE TO U.S. RETIREMENT PLANS AND</u>	
<u>ARRANGEMENTS</u>	264
<u>LEGAL MATTERS</u>	266
<u>EXPERTS</u>	266
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	267
<u>INDEX TO CONSOLIDATED FINANCIAL STATEMENTS</u>	F-1

Table of Contents

BASIS OF PRESENTATION

The financial statements and related footnotes included in this prospectus are those of Clear Channel Capital I, LLC (Clear Channel Capital), the direct parent of Clear Channel Communications, Inc. (Clear Channel or the Company), which is a guarantor of the notes. The financial statements included in this prospectus contain certain footnote disclosures regarding the financial information of Clear Channel and Clear Channel's domestic wholly-owned subsidiaries that guarantee certain of Clear Channel's outstanding indebtedness. Clear Channel Capital does not have any operations of its own, and, as a result, the financial statements of Clear Channel Capital reflect the financial condition and results of Clear Channel. All other data and information in this prospectus are that of Clear Channel and its subsidiaries, unless otherwise indicated.

Clear Channel Capital and Clear Channel are indirect wholly-owned subsidiaries of CC Media Holdings, Inc. (CCMH or CC Media), which was formed in May 2007 by private equity funds managed by Bain Capital Partners, LLC (Bain Capital) and Thomas H. Lee Partners, L.P. (THL, and together with Bain Capital, the Sponsors) for the purpose of acquiring the business of Clear Channel. On November 16, 2006, Clear Channel entered into a merger agreement with BT Triple Crown Merger Co. Inc., an entity formed by private equity funds sponsored by the Sponsors (Merger Sub), to effect the acquisition of Clear Channel by CCMH (the Merger Agreement). Clear Channel held a special meeting of its shareholders on July 24, 2008, at which time the proposed merger of Merger Sub into Clear Channel (the Merger) was approved, and the Merger was completed on July 30, 2008.

CCMH accounted for its acquisition of Clear Channel as a purchase business combination in conformity with Statement of Financial Accounting Standards No. 141, Business Combinations, codified in ASC 805-10, and Emerging Issues Task Force Issue 88-16, Basis in Leveraged Buyout Transactions, codified in ASC 805-10.

Clear Channel Capital's consolidated statements of operations information presented in the Selected Historical Consolidated Financial Data section in this prospectus are presented for two periods: post-Merger and pre-Merger. The Merger resulted in a new basis of accounting beginning on July 31, 2008 and the financial reporting periods are presented as follows.

Each of the periods beginning on and after July 31, 2008 reflects our post-Merger period. Subsequent to the acquisition, Clear Channel became an indirect, wholly-owned subsidiary of CCMH, and Clear Channel Capital's business became that of Clear Channel and its subsidiaries.

The period from January 1 through July 30, 2008 reflects our pre-Merger period. As a result of the Merger and the associated purchase accounting, the consolidated financial statements of the post-Merger periods are not comparable to periods preceding the Merger. We have also presented in this prospectus our results from 2008 on a basis that combines the pre-Merger and post-Merger periods for 2008. We believe that the presentation of 2008 on a combined basis is more meaningful as it allows the results of operations to be compared to the full year period in 2009. This combined financial information is for informational purposes only, is not being presented on a pro forma basis and should not be considered indicative of actual results that would have been achieved had the Merger not been completed during 2008 or been completed at the beginning of 2008. In particular, it does not reflect the full year effect of depreciation and amortization expense associated with valuations of property, plant and equipment and definite-lived intangible assets that were adjusted in the Merger, interest expense related to debt issued in conjunction with the Merger, issuance costs with respect to this indebtedness, the fair value adjustment to Clear

Channel's existing indebtedness or the related tax effects of these items. The combined financial information should be read in conjunction with the information contained in Selected Historical Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statements of Clear Channel Capital and the accompanying notes appearing elsewhere in this prospectus.

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus contains certain statements that are, or may be deemed to be, forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from those expressed in, or implied by, our forward-looking statements. Words such as expects, anticipates, believes, estimates and other similar expressions of future or conditional verbs such as will, should, would and could are intended to identify such forward-looking statements. Readers should not rely solely on the forward-looking statements and should consider all uncertainties and risks throughout this prospectus, including those set forth under Risk Factors. The statements are representative only as of the date they are made, and we undertake no obligation to update any forward-looking statement.

All forward-looking statements, by their nature, are subject to risks and uncertainties. Our actual future results may differ materially from those set forth in our forward-looking statements. We face risks that are inherent in the businesses and the market places in which we operate. While management believes these forward-looking statements are accurate and reasonable, uncertainties, risks and factors, including those described below and under Risk Factors, could cause actual results to differ materially from those reflected in the forward-looking statements.

Factors that may cause the actual outcome and results to differ materially from those expressed in, or implied by, these forward-looking statements include, but are not necessarily limited to:

the impact of our substantial indebtedness, including the effect of our leverage on our financial position and earnings;

our ability to generate sufficient cash from operations or other liquidity-generating transactions and our need to allocate significant amounts of our cash to make payments on our indebtedness, which in turn could reduce our financial flexibility and ability to fund other activities;

risks associated with weak or uncertain global economic conditions and their impact on the capital markets;

other general economic and political conditions in the United States and in other countries in which we currently do business, including those resulting from recessions, political events and acts or threats of terrorism or military conflicts;

industry conditions, including competition;

the level of expenditures on advertising;

legislative or regulatory requirements;

fluctuations in operating costs;

technological changes and innovations;

changes in labor conditions, including on-air talent, program hosts and management;

capital expenditure requirements;

risks of doing business in foreign countries;

fluctuations in exchange rates and currency values;

the outcome of pending and future litigation;

taxes and tax disputes;

changes in interest rates;

Table of Contents

shifts in population and other demographics;

access to capital markets and borrowed indebtedness;

our ability to implement our business strategies;

the risk that we may not be able to integrate the operations of acquired businesses successfully;

the risk that our cost savings initiatives may not be entirely successful or that any cost savings achieved from those initiatives may not persist; and

the other factors described in this prospectus under the heading Risk Factors.

Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations and also could cause actual results to differ materially from those included, contemplated or implied by the forward-looking statements made in this prospectus, and the reader should not consider the above list of factors to be a complete set of all potential risks or uncertainties.

Table of Contents

INDUSTRY AND MARKET DATA

Market and industry data throughout this prospectus was obtained from a combination of our own internal company surveys, the good faith estimates of management, various trade associations and publications, Arbitron Inc. (Arbitron) and Nielsen Media Research, Inc. (Nielsen) rankings, comScore, Inc., the Veronis Suhler Stevenson Industry Forecast, SNL Kagan, the Radio Advertising Bureau, Media Dynamics, Ando Media, Omniture, BIA Financial Network Inc., eMarketer, the Outdoor Advertising Association of America and Universal McCann. While we believe our internal surveys, third-party information, estimates of management and data from trade associations are reliable, we have not verified this data with any independent sources. Accordingly, we do not make any representations as to the accuracy or completeness of that data.

TRADEMARKS AND TRADE NAMES

This prospectus includes trademarks, such as Clear Channel, which are protected under applicable intellectual property laws and are the property of Clear Channel. This prospectus also contains trademarks, service marks, trade names and copyrights, of other companies, which are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the® or symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks and trade names.

Table of Contents

SUMMARY

This summary highlights key information contained elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before deciding whether or not to participate in the exchange offer. You should read this entire prospectus, including the information set forth under Risk Factors and the financial statements and related notes, before making any investment decision.

Unless otherwise indicated or required by the context, as used in this prospectus, the terms the Company, we, our and us refer to Clear Channel Communications, Inc. and all of its subsidiaries that are consolidated under GAAP, and the term Clear Channel refers to Clear Channel Communications, Inc. and not to any of its subsidiaries. Clear Channel Communications, Inc., the issuer of the notes, is a direct, wholly-owned subsidiary of Clear Channel Capital I, LLC, one of the guarantors of the notes. All references in this prospectus to Clear Channel Capital refer to Clear Channel Capital I, LLC and not to any of its subsidiaries.

Overview

We are a diversified media and entertainment company with leading market positions in each of our operating segments: Media and Entertainment (CCME), Americas Outdoor Advertising and International Outdoor Advertising.

CCME. Our CCME operations include radio broadcasting, online and mobile services and products, program syndication, entertainment, traffic distribution and music research services. As of September 30, 2013, we owned 840 domestic radio stations servicing more than 150 U.S. markets, including 45 of the top 50 markets and 86 of the top 100 markets. CCME includes radio stations for which we are the licensee and one station for which we provide programming and sell air time under a local marketing agreement (LMA). We are also the beneficiary of Aloha Station Trust, LLC, which owns and operates 20 radio stations which we were required to divest in order to comply with FCC media ownership rules, and which are being marketed for sale. Our portfolio of stations offers a broad assortment of programming formats, including adult contemporary, country, contemporary hit radio, rock, news/talk, sports, urban, oldies and others. In addition to our local radio programming, we operate Premiere Networks (Premiere), a national radio network that produces, distributes or represents approximately 90 syndicated radio programs and serves more than 5,000 radio station affiliates. We also deliver real-time traffic information via navigation systems, radio and television broadcast media and wireless and Internet-based services through our traffic business, Total Traffic Network. For the year ended December 31, 2012 and the nine months ended September 30, 2013, our CCME segment represented approximately 49% and 50%, respectively, of our revenue and 69% and 70%, respectively, of our operating income without the effect of corporate and other reconciling items.

Americas Outdoor Advertising. We are the largest outdoor advertising company in North America (based on revenue), which includes the United States and Canada. Approximately 96% of our revenue for the nine months ended September 30, 2013 in our Americas Outdoor Advertising segment was derived from the United States. We own or operate approximately 106,000 display structures in our Americas segment with operations in 49 of the 50 largest markets in the United States, including all of the 20 largest markets. Our Americas outdoor assets consist of traditional and digital billboards, street furniture and transit displays, airport displays, mall displays, and wallscapes and other spectacles, which we own or operate under lease management agreements. Our Americas outdoor advertising business is focused on

metropolitan areas with dense populations. For the year ended December 31, 2012 and the nine months ended September 30, 2013, our Americas Outdoor Advertising segment represented approximately 20% and 21%, respectively, of our revenue and 21% and 24%, respectively, of our operating income without the effect of corporate and other reconciling items.

International Outdoor Advertising. Our International Outdoor Advertising business segment includes our operations in Asia, Australia, Europe and Latin America, with approximately 32% of our revenue for the nine months ended September 30, 2013 in this segment derived from France and the United Kingdom. As of September 30, 2013, we owned or operated approximately 569,000 displays across 28 countries. Our International outdoor assets consist of street furniture and transit displays, billboards, mall displays, Smartbike programs, wallscapes and other spectacles, which we own or operate under

Table of Contents

lease agreements. Our International business is focused on metropolitan areas with dense populations. For the year ended December 31, 2012 and the nine months ended September 30, 2013, our International Outdoor Advertising segment represented approximately 27% and 26%, respectively, of our revenue and 5% and 4%, respectively, of our operating income without the effect of corporate and other reconciling items.

Other. Our other (Other) category includes our 100%-owned full-service media representation firm, Katz Media Group, Inc. (Katz Media), as well as other general support services and initiatives, which are ancillary to our other businesses. Katz Media, a leading media representation firm in the U.S. for radio and television stations, sells national spot advertising time for clients in the radio and television industries throughout the United States. As of September 30, 2013, Katz Media represented more than 4,000 radio stations, approximately one-fifth of which were owned by us. Katz Media also represents approximately 550 television and digital multicast stations. Katz Media generates revenue primarily through contractual commissions realized from the sale of national spot and online advertising. National spot advertising is commercial airtime sold to advertisers on behalf of radio and television stations. Katz Media represents its media clients pursuant to media representation contracts, which typically have terms of up to ten years in length. For the year ended December 31, 2012 and the nine months ended September 30, 2013, our Other category represented approximately 4% and 3%, respectively, of our revenue and 5% and 2%, respectively, of our operating income without the effect of corporate and other reconciling items.

For the year ended December 31, 2012 and the nine months ended September 30, 2013, we generated consolidated revenues of \$6,247 million and \$4,549 million, respectively, operating income of \$1,070 million and \$668 million, respectively, and consolidated net loss of \$411 million and \$281 million, respectively.

Our Strengths

Leading Positions in the U.S. Media and Entertainment and Global Outdoor Market. We are a leading global media and entertainment company.

We own the number one or number two ranked radio station clusters in eight of the top 10 and in 20 of the top 25 markets in the United States as of October 2013. With a total weekly listening base of almost 123 million individuals based on Arbitron figures for the Spring 2013 ratings period, our portfolio of 840 stations generated twice the revenue as our next largest radio broadcasting competitor in 2012.

In the United States outdoor market, we believe we hold the number one market share in seven of the top 10 markets and are either number one or number two in 16 of the top 20 markets. Internationally, we believe we hold one of the leading positions in France, the United Kingdom, Australia, Finland, Ireland, Switzerland, Sweden, Belgium and Norway. In addition, we hold positions in several countries where we have experienced strong growth, including Latin America, China, Singapore and Turkey.

Global Scale in Media and Entertainment and Outdoor Advertising. As of September 30, 2013, we owned 840 domestic radio stations servicing approximately 150 U.S. markets, including 45 of the top 50 markets and 86 of the top 100 markets. We also operated more than 675,000 outdoor advertising displays worldwide in metropolitan and densely populated locations, providing advertisers with both a global and a local reach. We believe that our scale provides us with the flexibility and resources to introduce new products and solutions in a cost effective manner.

Our scale has enabled cost-effective investment in new technologies, such as digital billboards and streaming technology, which we believe will continue to support future growth. Digital billboards, for example, enable us to transition from selling space on a display to a single advertiser to selling time on that display to multiple advertisers, creating new revenue opportunities from both new and existing clients.

Table of Contents

Our large distribution platform in our CCME segment allows us to attract top talent and more effectively utilize programming, sharing the best and most compelling talent and programming across many stations throughout the United States.

We have more than 5,600 sales people in local markets across the globe. Our scale has facilitated cost-effective investment in systems that allow us to maximize yield management and systems that improve the ability of our local salespeople to increase revenue. Additionally, our scale has allowed us to implement initiatives that we believe differentiate us from the rest of the media industry and position us to outperform our competitors across our markets.

Diversification Across Business Lines, Geographies, Markets and Format. Approximately half of our revenue is generated by our CCME segment, with the remaining half generated by our Americas Outdoor Advertising and International Outdoor Advertising segments, as well as other support services and initiatives. We offer advertisers a diverse platform of media assets across geographies, outdoor products and programming formats. Due to our multiple business units, we are not dependent upon any single source of revenue.

Strong Collection of Unique Assets. Through acquisitions and organic growth, we have aggregated a unique portfolio of assets. We believe the combination of our assets cannot be replicated.

Ownership and operation of radio broadcast stations is governed by the Federal Communications Commission's (FCC) licensing process, which limits the number of radio licenses available in any market. Any party seeking to acquire or transfer radio licenses must go through a detailed review process with the FCC. Over several decades, we have aggregated multiple licenses in local market clusters across the United States. A cluster of multiple radio stations in a market allows us to provide listeners with more diverse programming and advertisers with a more efficient means to reach those listeners. In addition, we are able to increase our efficiency by operating in clusters, which allows us to eliminate duplicative operating expenses and realize economies of scale.

The domestic outdoor industry is regulated by the federal government as well as state and municipal governments. Statutes and regulations govern the construction, repair, maintenance, lighting, height, size, spacing and placement and permitting of outdoor advertising structures. Due to these regulations, it has become increasingly difficult to develop new outdoor advertising locations. Further, for many of our existing billboards, a competitor or landlord could not obtain a permit for replacement under existing laws and regulations due to their non-conforming status.

Attractive Businesses with High Margins and Low Capital Expenditure Requirements. Our global scale has enabled us to make productive and cost effective investments across our portfolio. As a result of our strong margins and low capital expenditure requirements, we have been able to convert a significant portion of our operating income into cash flow that can be utilized for debt service.

We have strong operating margins, driven by our significant scale and leading market share in both radio broadcasting and outdoor advertising. For the year ended December 31, 2012 and nine months ended September 30, 2013, our consolidated operating margin was 17% and 15%, respectively, with strong operating margins in our CCME (31% and 29%, respectively) and Americas Outdoor Advertising (22%

and 23%, respectively) segments.

In addition, both our media and entertainment and our outdoor businesses are low capital intensity businesses. For the year ended December 31, 2012 and nine months ended September 30, 2013, our total capital expenditures were 6% and 4%, respectively, of total revenue.

Highly Effective Advertising Medium. We believe both our media and entertainment and our outdoor advertising businesses offer compelling value propositions to advertisers and valuable access to consumers when they are out of the home and therefore closer to purchase decisions. We also believe both industries are well positioned to benefit from the fragmentation of audiences of other media as they are able to reach mass audiences on a local market basis.

Table of Contents

Radio broadcasting and outdoor media offer compelling value propositions to advertisers by providing cost effective media advertising outlets.

Our media and entertainment and our outdoor businesses reach potential consumers outside of the home, a valuable position as it is closer to the purchase decision. Today, consumers spend a significant portion of their day out-of-home, while out-of-home media (radio and outdoor) currently garner a disproportionately smaller share of media spending than in-home media. We believe this discrepancy represents an opportunity for growth.

Additionally, radio programming reaches 92% of all consumers in the United States in a given week, with the average consumer listening for approximately two hours per day. On a weekly basis, this represents approximately 243 million unique listeners.

According to Arbitron, consumers in the United States listen to a significant amount of radio per day. In 2013, broadcast radio captured 124 minutes of user consumption per day as compared to the Internet at 144 minutes and newspapers at 18 minutes.

According to Arbitron, in 2009, 98% of U.S. residents traveled in a car each month, with an average of 224 miles traveled per week. The captive in-car audience is protected from media fragmentation and is subject to increasing out-of-home advertiser exposure as time and distance of commutes increase.

Significant Operating Leverage with Flexibility to Manage Cost Base As Necessary. We benefit from significant operating leverage, which leads to operating margin increases in a growth environment. Conversely, we have demonstrated our flexibility to effectively manage our cost base in a low growth or recessionary environment.

Our Strategy

Our goal is to strengthen our position as a leading global media and entertainment company specializing in radio, digital, out-of-home, mobile and on-demand entertainment and information services for national audiences and local communities and providing premiere opportunities for advertisers. We plan to achieve this objective by capitalizing on our competitive strengths and pursuing the following strategies.

CCME

Our CCME strategy centers on delivering entertaining and informative content across multiple platforms, including broadcast, mobile and digital. We strive to serve our listeners by providing the content they desire on the platform they prefer, while supporting advertisers, strategic partners, music labels and artists with a diverse platform of creative marketing opportunities designed to effectively reach and engage target audiences. Our CCME strategy also focuses on continuing to improve the operations of our stations by providing valuable programming and promotions, as well as sharing best practices across our stations in marketing, distribution, sales and cost management.

Promote Local and National Advertising. We intend to grow our CCME businesses by continuing to develop effective programming, creating new solutions for our advertisers and agencies, fostering key relationships with advertisers and improving our national sales team. We intend to leverage our diverse collection of assets combined with our programming and creative strengths and our consumer relationships, to create special events such as

one-of-a-kind local and national promotions for our listeners, and develop new, innovative technologies and products with which we can promote our advertisers. We seek to maximize revenue by closely managing our advertising opportunities and pricing to compete effectively in local markets. We operate price and yield information systems, which provide detailed inventory information. These systems enable our station managers and sales directors to adjust commercial inventory and pricing based on local market demand, as well as to manage and monitor different commercial durations (60 second, 30 second, 15 second and five second) in order to provide more effective advertising for our customers at what we believe are optimal prices given market conditions.

Continue to Enhance the Listener Experience. We intend to continue enhancing the listener experience by offering a wide variety of compelling content and methods of delivery. We will continue to provide the content our listeners desire on their preferred platforms. Our investments have created a collection of leading on-air talent.

Table of Contents

For example, Premiere offers more than 90 syndicated radio programs and services for more than 5,000 radio station affiliates across the United States, including popular programs such as Rush Limbaugh, Sean Hannity, Glenn Beck, Ryan Seacrest, Steve Harvey, Elvis Duran and Delilah. Our distribution capabilities allow us to attract top talent and more effectively utilize programming, sharing our best and most compelling content across many stations.

Deliver Content via Multiple Distribution Technologies. We continue to expand the choices for our listeners. We deliver music, news, talk, sports, traffic and other content using an array of distribution technologies, including broadcast radio and HD radio channels, satellite radio, iHeartRadio.com and our stations' websites, our iHeartRadio mobile application on smart phones and tablets as well as in-vehicle entertainment and navigation systems. Some examples of our recent initiatives are as follows:

Streaming. We provide streaming content via the Internet, mobile and other digital platforms. We rank among the top streaming networks in the U.S. with regards to Average Active Sessions (AAS), Session Starts (SS) and Average Time Spent Listening (ATSL). AAS and SS measure the level of activity while ATSL measures the ability to keep the audience engaged.

Websites and Mobile Applications. We have developed mobile and Internet applications such as the iHeartRadio smart phone application and website. These mobile and Internet applications allow listeners to use their smart phones or other digital devices to interact directly with stations, find titles/artists, request songs and create custom stations while providing an additional method for advertisers to reach consumers. To date, our iHeartRadio mobile application has been downloaded more than 276 million times. iHeartRadio provides a unique digital music experience by offering access to more than 1,800 live broadcast and digital-only radio stations, plus user-created custom stations with broad social media integration and our on demand content from our premium talk partnerships and user generated talk shows. Through our digital platforms, we estimate that we had more than 68 million unique digital visitors for the month of October 2013. In addition, through October 2013, iHeartRadio streamed, on average, 142 million total listening hours monthly via our website and mobile application.

Outdoor

We seek to capitalize on our Americas outdoor network and diversified product mix to maximize revenue. In addition, by sharing best practices among our business segments, we believe we can quickly and effectively replicate our successes in our other markets. Our outdoor strategy focuses on leveraging our diversified product mix and long-standing presence in many of our existing markets, which provides us with the ability to launch new products and test new initiatives in a reliable and cost-effective manner.

Promote Overall Outdoor Media Spending. Given the attractive industry fundamentals of outdoor media and our depth and breadth of relationships with both local and national advertisers, we believe we can drive outdoor advertising's share of total media spending by using our dedicated national sales team to highlight the value of outdoor advertising relative to other media. Outdoor advertising only represented 4% of total dollars spent on advertising in the United States in 2012. We have made and continue to make significant investments in research tools that enable our clients to better understand how our displays can successfully reach their target audiences and promote their advertising campaigns. Also, we are working closely with clients, advertising agencies and other diversified media companies to develop more sophisticated systems that will provide improved audience metrics for outdoor advertising. For example, we have implemented the TAB Out of Home Ratings audience measurement system which: (1) separately reports audiences for billboards, posters, junior posters, transit shelters and phone kiosks, (2) reports for

geographically sensitive reach and frequency, (3) provides granular detail, reporting individual out of home units in over 200 designated market areas, (4) provides detailed demographic data comparable to other media, and (5) provides true commercial ratings based on people who see the advertising.

Continue to Deploy Digital Displays. Digital outdoor advertising provides significant advantages over traditional outdoor media. Our electronic displays are linked through centralized computer systems to instantaneously and simultaneously change advertising copy on a large number of displays, allowing us to sell more advertising opportunities to advertisers. The ability to change copy by time of day and quickly change messaging based on advertisers' needs creates additional flexibility for our customers. Although digital displays require more capital to construct compared to traditional bulletins, the advantages of digital allow us to penetrate new accounts

Table of Contents

and categories of advertisers, as well as serve a broader set of needs for existing advertisers. Digital displays allow for high-frequency, 24-hour advertising changes in high-traffic locations and allow us to offer our clients optimal flexibility, distribution, circulation and visibility. We expect this trend to continue as we increase our quantity of digital inventory. As of September 30, 2013, we had deployed over 1,000 digital billboards in 38 markets in the United States and more than 6,700 digital displays in 11 countries across Europe, Asia and Latin America.

Capitalize on Product and Geographic Opportunities. We are also focused on growing our business internationally by working closely with our advertising customers and agencies in meeting their needs, and through new product offerings, optimization of our current display portfolio and selective investments targeting promising growth markets. We have continued to innovate and introduce new products in international markets based on local demands. Our core business is our street furniture business and that is where we plan to focus much of our investment. We plan to continue to evaluate municipal contracts that may come up for bid and will make prudent investments where we believe we can receive attractive returns. We will also continue to invest in markets such as China and Latin America where we believe there is high growth potential.

Table of Contents

Corporate Structure

The following chart summarizes our corporate structure and principal indebtedness as of September 30, 2013.

- (1) Clear Channel's senior secured credit facilities and receivables based credit facility are guaranteed on a senior secured basis by Clear Channel Capital and by Clear Channel's material wholly-owned domestic restricted subsidiaries. Clear Channel's foreign subsidiaries and Clear Channel Outdoor Holdings, Inc. (CCOH) and its subsidiaries have not guaranteed any of Clear Channel's obligations under the senior

Table of Contents

secured credit facilities or receivables based credit facility. As of September 30, 2013, Clear Channel's senior secured credit facilities consisted of a \$3,030.3 million term loan B facility which matures in January 2016, a \$197.2 million term loan C asset sale facility which matures in January 2016 and a \$5,000.0 million term loan D facility that matures in January 2019. Clear Channel's receivables based credit facility provides for revolving capital commitments of \$535.0 million, subject to a borrowing base. As of September 30, 2013, Clear Channel had \$247.0 million of borrowings outstanding under its receivables based credit facility.

- (2) Clear Channel's 9.0% priority guarantee notes due 2021, 9.0% priority guarantee notes due 2019 and 11.25% priority guarantee notes due 2021 are each guaranteed on a senior basis by Clear Channel Capital and by Clear Channel's wholly-owned domestic restricted subsidiaries that guarantee its senior secured credit facilities. Clear Channel's foreign subsidiaries and CCOH and its subsidiaries have not guaranteed any of Clear Channel's obligations under the 9.0% priority guarantee notes due 2021, 9.0% priority guarantee notes due 2019 or 11.25% priority guarantee notes due 2021. At September 30, 2013, Clear Channel had \$1,711.1 million aggregate principal amount of 9.0% priority guarantee notes due 2021, net of discounts of \$38.9 million, \$1,999.8 million aggregate principal amount of 9.0% priority guarantee notes due 2019 and \$575.0 million aggregate principal amount of 11.25% priority guarantee notes due 2021 outstanding.
- (3) Clear Channel's senior cash pay notes due 2016 and senior toggle notes due 2016 are guaranteed on a senior basis by Clear Channel Capital and by Clear Channel's wholly-owned domestic restricted subsidiaries that guarantee its senior secured credit facilities, except to the extent that those guarantees by Clear Channel's subsidiaries are subordinated to each such guarantor's guarantee of the senior credit facilities and the priority guarantee notes.
- (4) As of September 30, 2013, Clear Channel had \$1,136.9 million aggregate principal amount of senior notes (the legacy notes) outstanding, net of discounts of \$299.6 million. Clear Channel's legacy notes bear interest at fixed rates ranging from 4.9% to 7.25%, have maturities through 2027 and contain provisions, including limitations on certain liens and sale and leaseback transactions, customary for investment grade debt securities. The legacy notes are not guaranteed by Clear Channel Capital or any of Clear Channel's subsidiaries.
- (5) As part of the day-to-day cash management services we provide to CCOH, we maintain accounts that represent amounts payable to or due from CCOH, and the net amount is recorded as Due from/to Clear Channel Communications on CCOH's consolidated balance sheet. In accordance with the terms of the Stipulation of Settlement, dated July 8, 2013, among CCOH, a special litigation committee consisting of certain independent directors of CCOH, Clear Channel and the other parties thereto, on November 8, 2013, CCOH demanded repayment of, and Clear Channel repaid, \$200 million outstanding under the balance due from Clear Channel.
- (6) Clear Channel Worldwide Holdings, Inc.'s (CCWH) Series A senior notes due 2022 and Series B senior notes due 2022 are guaranteed by CCOH, Clear Channel Outdoor, Inc. (CCOI) and certain subsidiaries of CCOH. As of September 30, 2013, CCWH had outstanding \$728.9 million aggregate

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principal amount of Series A senior notes due 2022, net of discounts of \$6.9 million, and \$1,989.3 million of Series B senior notes due 2022.

- (7) CCWH Series A senior subordinated notes due 2020 and Series B senior subordinated notes due 2020 are guaranteed by CCOH, CCOI and certain subsidiaries of CCOH.

Table of Contents

Equity Sponsors

Bain Capital, LLC

Bain Capital is a global private investment firm that manages several pools of capital including private equity, venture capital, public equity, credit products and absolute return with approximately \$70 billion in assets under management. Bain Capital has a team of over 400 professionals dedicated to investing and to supporting its portfolio companies. Since its inception in 1984, Bain Capital has made private equity, growth, and venture capital investments in approximately 400 companies around the world. The firm has offices in Boston, New York, Chicago, Palo Alto, London, Munich, Tokyo, Shanghai, Melbourne, Hong Kong and Mumbai.

Thomas H. Lee Partners, L.P.

THL is a leading private equity firm based in Boston, Massachusetts. The firm focuses on identifying and obtaining substantial ownership positions in growth-oriented companies, headquartered primarily in North America, where it implements operational and strategic improvements to accelerate sustainable revenue and profit growth. As one of the oldest and most experienced private equity firms, THL has raised approximately \$20 billion of equity capital and invested in more than 100 businesses with an aggregate purchase price of more than \$150 billion. THL strives to build great companies of lasting value and to generate superior investment returns.

Corporate Information

Clear Channel is a Texas corporation. Clear Channel was incorporated in 1974 and its principal executive offices are located at 200 East Basse Road, San Antonio, Texas 78209 (telephone: 210-822-2828). Our website is <http://www.clearchannel.com>. The information on our website is not deemed to be part of this prospectus, and you should not rely on it in connection with your decision whether to participate in the exchange offer.

Table of Contents

Exchange Offer

On June 21, 2013, we issued \$1,200,991,648 aggregate principal amount of senior notes due 2021 in an exchange offer. In connection therewith, we entered into a registration rights agreement with Goldman, Sachs & Co., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC., as dealer managers (the Dealer Managers) and for the benefit of the holders of such notes, in which we agreed, among other things, to file the registration statement of which this prospectus is a part.

The following is a summary of the exchange offer. For more information, please see Exchange Offer.

The Initial Offering of Outstanding Notes	On June 21, 2013, we issued (i) \$347,971,000 aggregate principal of outstanding notes in exchange for \$348,122,000 aggregate principal amount of our 10.75% Senior Cash Pay Notes due 2016 and (ii) \$853,020,648 aggregate principal amount of outstanding notes (together with approximately \$64.2 million of cash) in exchange for \$917,226,511 aggregate principal amount of our 11.00%/11.75% Senior Toggle Notes due 2016, in a private offer to exchange available only to eligible holders of such notes. The outstanding notes were offered only in reliance on exemptions from registration under the Securities Act.
Registration Rights Agreement	Simultaneously with the issuance of the outstanding notes, we entered into a registration rights agreement with the Dealer Managers, pursuant to which we have agreed, among other things, to use commercially reasonable efforts to file with the SEC and cause to become effective a registration statement relating to an offer to exchange the outstanding notes for an issue of SEC-registered notes with terms identical to the outstanding notes. The exchange offer for the outstanding notes is intended to satisfy your rights under the registration rights agreement. After the exchange offer for the outstanding notes is completed, you will no longer be entitled to any exchange or registration rights with respect to your outstanding notes.
The Exchange Offer	We are offering to exchange the exchange notes, which have been registered under the Securities Act, for your outstanding notes, which were issued in the private offering. In order to be exchanged, outstanding notes must be properly tendered and accepted. All outstanding notes that are validly tendered and not validly withdrawn will be exchanged. We will issue the exchange notes promptly after the expiration of the exchange offer.
Resales	Based on interpretations by the staff of the SEC set forth in no-action letters issued to unrelated parties, we believe that the exchange notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act provided

that:

the exchange notes are being acquired in the ordinary course of your business;

you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the exchange notes issued to you in the exchange offer; and

you are not an affiliate of ours.

Table of Contents

If any of these conditions are not satisfied and you transfer any exchange notes issued to you in the exchange offer without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration of your exchange notes from these requirements, you may incur liability under the Securities Act. We will not assume, nor will we indemnify you against, any such liability.

Each broker-dealer that is issued exchange notes in the exchange offer for its own account in exchange for outstanding notes that were acquired by that broker-dealer as a result of market-making or other trading activities, must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the exchange notes. A broker-dealer may use this prospectus for an offer to resell, resale or other retransfer of the exchange notes issued to it in the exchange offer.

Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on , 2014 unless we decide to extend it.
Conditions to the Exchange Offer	The exchange offer is not subject to any condition, other than that the exchange offer does not violate applicable law or any applicable interpretation of the staff of the SEC.
Special Procedures for Beneficial Owners	If you are the beneficial owner of book-entry interests and your name does not appear on a security position listing of DTC as the holder of the book-entry interests or if you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender the book-entry interest or outstanding notes in the exchange offer, you should contact the person in whose name your book-entry interests or outstanding notes are registered promptly and instruct that person to tender on your behalf.
Withdrawal Rights	You may withdraw the tender of your outstanding notes from the exchange offer at any time prior to the expiration date.
U.S. Federal Income Tax Consequences	We believe that the exchange of outstanding notes should not be a taxable event for United States federal income tax purposes.
Use of Proceeds; Fees and Expenses	We will not receive any proceeds from the issuance of exchange notes pursuant to the exchange offer. We will pay all of our expenses incident to the exchange offer.
Exchange Agent	Deutsche Bank Trust Company Americas is serving as the exchange agent in connection with the exchange offer.

Table of Contents

Summary of the Terms of the Exchange Notes

The form and terms of the exchange notes are the same as the form and terms of the outstanding notes, except that the exchange notes will be registered under the Securities Act. As a result, the exchange notes will not bear legends restricting their transfer and will not contain the registration rights and liquidated damage provisions contained in the outstanding notes.

Issuer	Clear Channel Communications, Inc., a Texas corporation.
Notes Offered	\$1,397,412,503 aggregate principal amount of senior notes due 2021, with \$1,203,660,519 to be issued in exchange for and in replacement of \$1,203,660,519 in aggregate principal amount of outstanding notes, together with an additional \$193,751,984 of PIK notes that we will issue as paid-in-kind interest on outstanding exchange notes.
Maturity	February 1, 2021.
Interest	The exchange notes will bear interest at a rate of (i) 12.0% per annum in cash and (ii) 2.0% per annum through the issuance of PIK notes. Interest on the exchange notes will be payable by Clear Channel semi-annually in arrears on February 1 and August 1 of each year, beginning on February 1, 2014. See Description of the Exchange Notes Principal, Maturity and Interest.
Ranking	<p>The exchange notes will be our senior unsecured obligations and:</p> <ul style="list-style-type: none"> rank senior in right of payment to our debt and other obligations that are, by their terms, expressly subordinated in right of payment to the notes; rank equally in right with all of our existing and future unsecured senior debt and other obligations that are not, by their terms, expressly subordinated in right of payment to the notes; and; are effectively subordinated to all of our existing and future secured debt, to the extent of the value of the assets securing that debt, including our senior secured credit facilities, our receivables based credit facility and our priority guarantee notes, and are structurally subordinated to all obligations of each of our subsidiaries that is not a guarantor of the notes. <p>As of September 30, 2013, we had approximately \$20,411.2 million of total debt outstanding. As of September 30, 2013, our non-guarantor subsidiaries held approximately 53% of our consolidated assets and had \$4,939.9 million in outstanding indebtedness, excluding intercompany</p>

obligations. For the year ended December 31, 2012 and nine months ended September 30, 2013, our non-guarantor subsidiaries generated 48% and 47%, respectively, of our revenue and 25% and 27%, respectively, of our operating income.

Guarantees

The notes are fully and unconditionally guaranteed on a senior basis by Clear Channel Capital and each of the issuer's existing and future wholly-owned domestic restricted subsidiaries. CCOH, which is not a wholly-owned subsidiary of the issuer, and its subsidiaries do not

Table of Contents

guarantee the notes. Other than as set forth below, the guarantee of the notes by Clear Channel Capital ranks equally in right of payment to all existing and future indebtedness of Clear Channel Capital that is not expressly subordinated in right of payment to such guarantee. Each subsidiary guarantee:

ranks senior in right of payment to all of the applicable subsidiary guarantor's future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the notes;

rank equally in right of payment with all of the applicable subsidiary guarantor's existing and future unsecured senior debt and other obligations that are not, by their terms, expressly subordinated in right of payment to the notes;

is subordinated in right of payment to the applicable subsidiary guarantor's guarantee of our senior secured credit facilities and our priority guarantees notes; and

is effectively subordinated to all of the applicable subsidiary guarantor's existing and future secured debt, to the extent of the value of the assets securing such debt.

Each guarantee is structurally subordinated to all existing and future indebtedness and other liabilities of any subsidiary of the applicable subsidiary guarantor that is not also a guarantor of the notes.

Optional Redemption

The notes are redeemable, in whole or in part, at any time on or after August 1, 2015, at the redemption prices specified under Description of the Exchange Notes Optional Redemption. At any time prior to August 1, 2015, we may redeem up to 60% of the aggregate principal amount of the notes with the net cash proceeds from certain junior capital offerings at a price equal to (x) with respect to the first 30% of the aggregate principal amount of the notes so redeemed, 109% of the aggregate principal amount thereof and (y) with respect to the next 30% of the aggregate principal amount of the notes so redeemed, 112% of the aggregate principal amount thereof, in each case, together with accrued and unpaid interest, if any, to the redemption date. In addition, prior to August 1, 2015, the notes are redeemable, in whole or in part, at a price equal to 100% of the principal amount of notes plus a make-whole premium, together with accrued and unpaid interest, if any, to the redemption date.

Mandatory Repurchase Offers

If we or our restricted subsidiaries engage in asset sales or sales of collateral under certain circumstances and do not use the proceeds for certain specified purposes, we must use all or a portion of such proceeds

to offer to repurchase the notes at 100% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase.

Additionally, upon the occurrence of a change of control, we must offer to purchase the notes at 101% of their principal amount, plus accrued and unpaid interest, if any, thereon. For more details, you should read

Description of the Exchange Notes Repurchase at the Option of Holders Change of Control.

AHYDO Catch-Up Payments

On the first interest payment date following the fifth anniversary of the issue date (as defined in Treasury Regulation Section 1.1273-2) of the

Table of Contents

outstanding notes and on each interest payment date thereafter, we will redeem a portion of the principal amount of each then outstanding note in an amount equal to the AHYDO Catch-Up Payment for such interest payment date with respect to such note. The AHYDO Catch-Up Payment for a particular interest payment date with respect to the notes means the minimum principal prepayment sufficient to ensure that as of the close of such interest payment date, the aggregate amount which would be includible in gross income with respect to such note before the close of such interest payment date (as described in Section 163(i)(2)(A) of the Internal Revenue Code of 1986, as amended (the Code)) does not exceed the sum (described in Section 163(i)(2)(B) of the Code) of (i) the aggregate amount of interest to be paid on the notes (including for this purpose any AHYDO Catch-Up Payments) before the close of such interest payment date plus (ii) the product of the issue price of such note as defined in Section 1273(b) of the Code and its yield to maturity (within the meaning of Section 163(i)(2)(B) of the Code), with the result that the exchange notes are not treated as having significant original issue discount within the meaning of Section 163(i)(1)(C) of the Code. It is intended that no note will be an applicable high yield discount obligation (an AHYDO) within the meaning of Section 163(i)(1) of the Code. The computations and determinations required in connection with any AHYDO Catch-Up Payment will be made by us in our good faith reasonable discretion and will be binding upon the holders absent manifest error.

Certain Covenants

The indenture governing the notes contains covenants that limit, among other things, the ability of the issuer and its restricted subsidiaries to:

- incur additional indebtedness or issue certain preferred stock;
- pay dividends on, or make distributions in respect of, their capital stock or repurchase their capital stock;
- make certain investments or other restricted payments;
- sell certain assets;
- create liens or use assets as security in other transactions;
- merge, consolidate or transfer or dispose of substantially all of their assets;
- engage in transactions with affiliates; and
- designate their subsidiaries as unrestricted subsidiaries.

The covenants are subject to a number of important limitations and

exceptions. See Description of the Exchange Notes.

Risk Factors

In evaluating whether to participate in the exchange offer, you should carefully consider, along with the other information set forth in this prospectus, the specific factors set forth under Risk Factors.

Table of Contents**Summary Historical Consolidated Financial Data**

The following table sets forth summary historical consolidated financial data as of the dates and for the periods indicated. The summary historical consolidated financial data for the years ended December 31, 2012, 2011 and 2010, and as of December 31, 2012 and 2011, is derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary historical consolidated financial data for the nine months ended September 30, 2013 and 2012 and as of September 30, 2013 and 2012 is derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The summary historical consolidated financial data as of December 31, 2010 is derived from our audited consolidated financial statements and related notes not included herein. In the opinion of management, the interim financial data reflects all adjustments (consisting only of normal and recurring adjustments) necessary for a fair presentation of the results for the interim periods. Historical results are not necessarily indicative of the results to be expected for future periods and the interim results are not necessarily indicative of the results that may be expected for the full year.

The summary historical consolidated financial data should be read in conjunction with Risk Factors, Selected Historical Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes thereto appearing elsewhere in this prospectus. The amounts in the tables may not add due to rounding.

<i>(Dollars in millions)</i>	Year Ended December 31,			Nine Months Ended	
	2012	2011	2010	September 30, 2013	2012
Results of Operations Data:					
Revenue	\$ 6,247	\$ 6,161	\$ 5,866	\$ 4,549	\$ 4,551
Operating expenses:					
Direct operating expenses	2,471	2,482	2,362	1,840	1,827
Selling, general and administrative expenses	1,690	1,627	1,574	1,257	1,253
Corporate expenses(1)	297	239	300	254	219
Depreciation and amortization	729	763	733	539	540
Impairment charges(2)	38	8	15	-	-
Other operating income (expense) net	48	13	(17)	9	47
	1,070	1,055	865	668	759

Operating income					
Interest expense	1,549	1,466	1,533	1,231	1,148
Gain (loss) on marketable securities	(5)	(5)	(7)	131	-
Equity in earnings of nonconsolidated affiliates	19	27	6	13	12
Gain (loss) on extinguishment of debt	(255)	(1)	60	(4)	(15)
Other income (expense) net	1	(4)	(14)	(17)	(2)
Loss before income taxes	(719)	(394)	(623)	(440)	(394)
Income tax benefit	308	126	160	159	180
Consolidated net loss	(411)	(268)	(463)	(281)	(214)
Amount attributable to noncontrolling interest	13	34	16	17	19
Net loss attributable to the Company	\$ (424)	\$ (302)	\$ (479)	\$ (298)	\$ (233)
Cash Flow Data:					
Capital expenditures(3)	390	362	241	197	260
Net cash flows provided by (used for) operating activities	489	374	582	(1)	155
Net cash flows used for investing activities	(397)	(368)	(240)	(28)	(245)
Net cash flows provided by (used for) financing	(95)	(698)	(305)	(483)	157

activities

**Balance Sheet
Data (at end of
period):**

Current assets	\$	2,988	\$	2,985	\$	3,603	\$	2,480	\$	3,067
Property, plant and equipment net		3,037		3,063		3,146		2,881		3,006
Total assets		16,293		16,542		17,460		15,231		16,402
Current liabilities		1,782		1,429		2,099		1,693		1,618
Long-term debt, net of current maturities		20,365		19,939		19,740		19,978		20,318
Member s deficit		(7,995)		(7,472)		(7,205)		(8,371)		(7,847)

Table of Contents

- (1) Includes non-cash compensation expense.
- (2) We recorded impairment charges of \$38 million in the fourth quarter of 2012, \$8 million in the fourth quarter of 2011 and \$15 million in the fourth quarter of 2010.
- (3) Capital expenditures include additions to our property, plant and equipment and do not include any proceeds from disposal of assets, nor any expenditures for business combinations.

Table of Contents

RISK FACTORS

You should carefully consider the following risk factors as well as the other information and data included in this prospectus before participating in the exchange offer. Any of the following risks related to our business could materially and adversely affect our business, cash flows, financial condition or results of operations. In such a case, you may lose all or part of your original investment in your notes.

Risk Factors Related to the Exchange Offer

Because there is no public market for the exchange notes, you may not be able to resell your exchange notes

The exchange notes will be registered under the Securities Act, but will constitute a new issue of securities with no established trading market, and there can be no assurance as to:

the liquidity of any trading market that may develop;

the ability of holders to sell their exchange notes; or

the price at which the holders would be able to sell their exchange notes.

If a trading market were to develop, the exchange notes might trade at higher or lower prices than their principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar securities and our financial performance.

Your outstanding notes will not be accepted for exchange if you fail to follow the exchange offer procedures

We will not accept your outstanding notes for exchange in the exchange offer if you do not follow the exchange offer procedures. We will issue exchange notes as part of the exchange offer only after a timely receipt of your outstanding notes and all other required documents. Therefore, if you want to tender your outstanding notes, please allow sufficient time to ensure timely delivery. If we do not receive your outstanding notes and other required documents by the expiration date of the exchange offer, we will not accept your outstanding notes for exchange. We are under no duty to give notification of defects or irregularities with respect to the tenders of outstanding notes for exchange. If there are defects or irregularities with respect to your tender of outstanding notes, we may not accept your outstanding notes for exchange. For more information, see Exchange Offer.

In addition, any holder of outstanding notes who tenders in the exchange offer for the purpose of participating in a distribution of the exchange notes may be deemed to have received restricted securities, and if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. For a description of these requirements, see Exchange Offer.

If you do not exchange your outstanding notes, your outstanding notes will continue to be subject to the existing transfer restrictions and you may not be able to sell your outstanding notes

We did not register the outstanding notes, nor do we intend to do so following the exchange offer. Outstanding notes that are not tendered will therefore continue to be subject to the existing transfer restrictions and may be transferred

only in limited circumstances under the securities laws. If you do not exchange your outstanding notes, you will lose your right to have your outstanding notes registered under the federal securities laws. As a result, if you hold outstanding notes after the exchange offer, you may not be able to sell your outstanding notes.

Risks Related to Our Business

Our results have been in the past, and could be in the future, adversely affected by economic uncertainty or deteriorations in economic conditions

Expenditures by advertisers tend to be cyclical, reflecting economic conditions and budgeting and buying patterns. Periods of a slowing economy or recession, or periods of economic uncertainty, may be accompanied by a decrease in advertising. For example, the global economic downturn that began in 2008 resulted in a decline in advertising and marketing by our customers, which resulted in a decline in advertising revenues across our

Table of Contents

businesses. This reduction in advertising revenues had an adverse effect on our revenue, profit margins, cash flow and liquidity. Global economic conditions have been slow to recover and remain uncertain. If economic conditions do not continue to improve, economic uncertainty increases or economic conditions deteriorate again, global economic conditions may once again adversely impact our revenue, profit margins, cash flow and liquidity. Furthermore, because a significant portion of our revenue is derived from local advertisers, our ability to generate revenues in specific markets is directly affected by local and regional conditions, and unfavorable regional economic conditions also may adversely impact our results. In addition, even in the absence of a downturn in general economic conditions, an individual business sector or market may experience a downturn, causing it to reduce its advertising expenditures, which also may adversely impact our results.

We performed impairment tests on our goodwill and other intangible assets during the fourth quarter of 2012, 2011 and 2010 and recorded non-cash impairment charges of \$37.7 million, \$7.6 million and \$15.4 million, respectively. Although we believe we have made reasonable estimates and used appropriate assumptions to calculate the fair value of our licenses, billboard permits and reporting units, it is possible a material change could occur. If actual market conditions and operational performance for the respective reporting units underlying the intangible assets were to deteriorate, or if facts and circumstances change that would more likely than not reduce the estimated fair value of the indefinite-lived assets or goodwill for these reporting units below their adjusted carrying amounts, we may also be required to recognize additional impairment charges in future periods, which could have a material impact on our financial condition and results of operations.

To service our debt obligations and to fund capital expenditures, we will require a significant amount of cash to meet our needs, which depends on many factors beyond our control

Our ability to service our debt obligations and to fund capital expenditures will require a significant amount of cash. Our primary source of liquidity is cash on hand, cash flow from operations and borrowing capacity under our receivables based credit facility, subject to certain limitations contained in our material financing agreements. Based on our current and anticipated levels of operations and conditions in our markets, we believe that cash on hand, cash flow from operations and borrowing capacity under our receivables based credit facility will enable us to meet our working capital, capital expenditure, debt service and other funding requirements for at least the next twelve months. However, our ability to fund our working capital, capital expenditures, debt service and other obligations, and to comply with the financial covenant under our financing agreements, depends on our future operating performance and cash from operations and other liquidity-generating transactions, which are in turn subject to prevailing economic conditions and other factors, many of which are beyond our control. If our future operating performance does not meet our expectation or our plans materially change in an adverse manner or prove to be materially inaccurate, we may need additional financing. In addition, the purchase price of possible acquisitions, capital expenditures for deployment of digital billboards and/or other strategic initiatives could require additional indebtedness or equity financing on our part. Adverse securities and credit market conditions could significantly affect the availability of equity or debt financing. In connection with our financing transactions completed in the second quarter of 2013, the average interest rate on our outstanding debt has increased. We anticipate paying cash interest of approximately \$325 million during the fourth quarter of 2013. Future financing transactions may further increase interest expense, which could in turn reduce our financial flexibility and our ability to fund other activities and make us more vulnerable to changes in operating performance or economic downturns generally. There can be no assurance that additional financing, if permitted under the terms of our financing agreements, will be available on terms acceptable to us or at all. The inability to generate sufficient cash or obtain additional financing could have a material adverse effect on our financial condition and on our ability to meet our obligations or pursue strategic initiatives.

Our financial performance may be adversely affected by many factors beyond our control

Certain factors that could adversely affect our financial performance by, among other things, decreasing overall revenues, the numbers of advertising customers, advertising fees or profit margins include:

unfavorable economic conditions, which may cause companies to reduce their expenditures on advertising;

Table of Contents

an increased level of competition for advertising dollars, which may lead to lower advertising rates as we attempt to retain customers or which may cause us to lose customers to our competitors who offer lower rates that we are unable or unwilling to match;

unfavorable fluctuations in operating costs, which we may be unwilling or unable to pass through to our customers;

technological changes and innovations that we are unable to successfully adopt or are late in adopting that offer more attractive advertising or listening alternatives than what we offer, which may lead to a loss of advertising customers or to lower advertising rates;

the impact of potential new royalties charged for terrestrial radio broadcasting, which could materially increase our expenses;

other changes in governmental regulations and policies and actions of regulatory bodies, which could increase our taxes or other costs, restrict the advertising media that we employ or restrict some or all of our customers that operate in regulated areas from using certain advertising media or from advertising at all;

unfavorable shifts in population and other demographics, which may cause us to lose advertising customers as people migrate to markets where we have a smaller presence or which may cause advertisers to be willing to pay less in advertising fees if the general population shifts into a less desirable age or geographical demographic from an advertising perspective; and

unfavorable changes in labor conditions, which may impair our ability to operate or require us to spend more to retain and attract key employees.

We face intense competition in our media and entertainment and our outdoor advertising businesses

We operate in a highly competitive industry, and we may not be able to maintain or increase our current audience ratings and advertising and sales revenues. Our media and entertainment and our outdoor advertising businesses compete for audiences and advertising revenues with other media and entertainment businesses and outdoor advertising businesses, as well as with other media, such as newspapers, magazines, television, direct mail, portable digital audio players, mobile devices, satellite radio, Internet-based services and live entertainment, within their respective markets. Audience ratings and market shares are subject to change, which could have the effect of reducing our revenues in that market. Our competitors may develop services or advertising media that are equal or superior to those we provide or that achieve greater market acceptance and brand recognition than we achieve. It also is possible that new competitors may emerge and rapidly acquire significant market share in any of our business segments. An increased level of competition for advertising dollars may lead to lower advertising rates as we attempt to retain customers or may cause us to lose customers to our competitors who offer lower rates that we are unable or unwilling to match.

Alternative media platforms and technologies may continue to increase competition with our broadcasting operations

Our terrestrial radio broadcasting operations face increasing competition from alternative media platforms and technologies, such as broadband wireless, satellite radio, audio broadcasting by cable television systems and Internet-based audio music services, as well as consumer products, such as portable digital audio players and other mobile devices. These technologies and alternative media platforms, including those used by us, compete with our radio stations for audience share and advertising revenues. We are unable to predict the effect that such technologies and related services and products will have on our broadcasting operations. The capital expenditures necessary to implement these or other technologies could be substantial and we cannot assure you that we will continue to have the resources to acquire new technologies or to introduce new services to compete with other new technologies or services, or that our investments in new technologies or services will provide the desired returns. Other companies employing new technologies or services could more successfully implement such new technologies or services or otherwise increase competition with our businesses.

Table of Contents

Our Media and Entertainment business is dependent upon the performance of on-air talent and program hosts

We employ or independently contract with many on-air personalities and hosts of syndicated radio programs with significant loyal audiences in their respective markets. Although we have entered into long-term agreements with some of our key on-air talent and program hosts to protect our interests in those relationships, we can give no assurance that all or any of these persons will remain with us or will retain their audiences. Competition for these individuals is intense and many of these individuals are under no legal obligation to remain with us. Our competitors may choose to extend offers to any of these individuals on terms which we may be unwilling to meet. Furthermore, the popularity and audience loyalty of our key on-air talent and program hosts is highly sensitive to rapidly changing public tastes. A loss of such popularity or audience loyalty is beyond our control and could have a material adverse effect on our ability to attract local and/or national advertisers and on our revenue and/or ratings, and could result in increased expenses.

Our business is dependent on our management team and other key individuals

Our business is dependent upon the performance of our management team and other key individuals. A number of key individuals have joined us or assumed increased responsibilities over the past several years, including Robert W. Pittman, who became our Chief Executive Officer on October 2, 2011, C. William Eccleshare, who was promoted to be our Chief Executive Officer Outdoor in January 2012, and Richard J. Bressler, who became our President and Chief Financial Officer on July 29, 2013. Although we have entered into agreements with some members of our management team and certain other key individuals, we can give no assurance that all or any of our management team and other key individuals will remain with us. Competition for these individuals is intense and many of our key employees are at-will employees who are under no legal obligation to remain with us, and may decide to leave for a variety of personal or other reasons beyond our control. If members of our management or key individuals decide to leave us in the future, or if we are not successful in attracting, motivating and retaining other key employees, our business could be adversely affected.

Extensive current government regulation, and future regulation, may limit our radio broadcasting and other media and entertainment operations or adversely affect our business and financial results

Congress and several federal agencies, including the FCC, extensively regulate the domestic radio industry. For example, the FCC could impact our profitability by imposing large fines on us if, in response to pending complaints, it finds that we broadcast indecent programming. Additionally, we cannot be sure that the FCC will approve renewal of the licenses we must have in order to operate our stations. Nor can we be assured that our licenses will be renewed without conditions and for a full term. The non-renewal, or conditioned renewal, of a substantial number of our FCC licenses, could have a materially adverse impact on our operations. Furthermore, possible changes in interference protections, spectrum allocations and other technical rules may negatively affect the operation of our stations. For example, in January 2011, a law that eliminates certain minimum distance separation requirements between full-power and low-power FM radio stations was enacted, which could lead to increased interference between our stations and low-power FM stations. In March 2011, the FCC adopted policies which, in certain circumstances, could make it more difficult for radio stations to relocate to increase their population coverage. In addition, Congress, the FCC and other regulatory agencies have considered, and may in the future consider and adopt, new laws, regulations and policies that could, directly or indirectly, have an adverse effect on our business operations and financial performance. In particular, Congress may consider and adopt legislation that would impose an obligation upon all U.S. broadcasters to pay performing artists a royalty for the on-air broadcast of their sound recordings (this would be in addition to payments already made by broadcasters to owners of musical work rights, such as songwriters, composers and publishers). We cannot predict whether this or other legislation affecting our media and entertainment business will be adopted. Such legislation could have a material impact on our operations and financial results.

Finally, various regulatory matters relating to our media and entertainment business are now, or may become, the subject of court litigation, and we cannot predict the outcome of any such litigation or its impact on our business.

Regulations and consumer concerns regarding privacy and data protection, or any failure to comply with these regulations, could hinder our operations

We collect and utilize demographic and other information, including personally identifiable information, from and about our listeners, consumers, business partners and advertisers as they interact with us. For example:

Table of Contents

(1) our broadcast radio station websites and our iHeartRadio digital platform collect personal information as users register for our services, fill out their listener profiles, post comments, use our social networking features, participate in polls and contests and sign-up to receive email newsletters; (2) we use tracking technologies, such as cookies, to manage and track our listeners' interactions with us so that we can deliver relevant music content and advertising; and (3) we collect credit card or debit card information from consumers, business partners and advertisers who use our services.

We are subject to numerous federal, state and foreign laws and regulations relating to consumer protection, information security, data protection and privacy, among other things. Many of these laws are still evolving, new laws may be enacted and any of these laws could be amended or interpreted in ways that could harm our business. In addition, changes in consumer expectations and demands regarding privacy and data protection could restrict our ability to collect, use, disclose and derive economic value from demographic and other information related to our listeners, consumers, business partners and advertisers. Such restrictions could limit our ability to provide customized music content to our listeners, interact directly with our listeners and consumers and offer targeted advertising opportunities to our business partners and advertisers. Although we have implemented policies and procedures designed to comply with these laws and regulations, any failure or perceived failure by us to comply with our policies or applicable regulatory requirements related to consumer protection, information security, data protection and privacy could result in a loss of confidence in us, damage to our brands, the loss of listeners, consumers, business partners and advertisers, as well as proceedings against us by governmental authorities or others, which could hinder our operations and adversely affect our business.

If our security measures are breached, we may face liability and public perception of our services could be diminished, which would negatively impact our ability to attract listeners, business partners and advertisers

Although we have implemented physical and electronic security measures to protect against the loss, misuse and alteration of our websites, digital assets and proprietary business information as well as listener, consumer, business partner and advertiser personally identifiable information, no security measures are perfect and impenetrable and we may be unable to anticipate or prevent unauthorized access. A security breach could occur due to the actions of outside parties, employee error, malfeasance or a combination of these or other actions. If an actual or perceived breach of our security occurs, we could lose competitively sensitive business information or suffer disruptions to our business operations. In addition, the public perception of the effectiveness of our security measures or services could be harmed, we could lose listeners, consumers, business partners and advertisers and we could suffer financial exposure in connection with remediation efforts, investigations and legal proceedings and changes in our security and system protection measures.

Government regulation of outdoor advertising may restrict our outdoor advertising operations

U.S. federal, state and local regulations have a significant impact on the outdoor advertising industry and our business. One of the seminal laws is the Highway Beautification Act (HBA), which regulates outdoor advertising on Federal-Aid Primary, Interstate and National Highway Systems roads in the United States. The HBA regulates the size and location of billboards, mandates a state compliance program, requires the development of state standards, promotes the expeditious removal of illegal signs and requires just compensation for takings. Construction, repair, maintenance, lighting, upgrading, height, size, spacing, the location and permitting of billboards and the use of new technologies for changing displays, such as digital displays, are regulated by federal, state and local governments. From time to time, states and municipalities have prohibited or significantly limited the construction of new outdoor advertising structures. Changes in laws and regulations affecting outdoor advertising, or changes in the interpretation of those laws and regulations, at any level of government, including the foreign jurisdictions in which we operate, could have a significant financial impact on us by requiring us to make significant expenditures or otherwise limiting

or restricting some of our operations. Due to such regulations, it has become increasingly difficult to develop new outdoor advertising locations.

From time to time, certain state and local governments and third parties have attempted to force the removal of our displays under various state and local laws, including zoning ordinances, permit enforcement, condemnation and amortization. Similar risks also arise in certain of our international jurisdictions. Amortization is the attempted forced removal of legal non-conforming billboards (billboards which conformed with applicable laws and regulations when built, but which do not conform to current laws and regulations) or the commercial advertising placed on such billboards after a period of years. Pursuant to this concept, the governmental body asserts that just

Table of Contents

compensation is earned by continued operation of the billboard over time. Although amortization is prohibited along all controlled roads and generally prohibited along non-controlled roads, amortization has been upheld along non-controlled roads in limited instances where provided by state and local law. Other regulations limit our ability to rebuild, replace, repair, maintain and upgrade non-conforming displays. In addition, from time to time third parties or local governments assert that we own or operate displays that either are not properly permitted or otherwise are not in strict compliance with applicable law. For example, courts in New York City upheld local municipal enforcement efforts to restrict advertising on arterial roadways and require registration of billboard structures, requiring us to remove certain existing advertising displays. In addition, a California court ruled in favor of a competitor who challenged the validity of our digital display permits in the City of Los Angeles, invalidating certain of our permits and requiring that we turn off the electrical power to the affected digital displays. If we are increasingly unable to resolve such allegations or obtain acceptable arrangements in circumstances in which our displays are subject to removal, modification or amortization, or if there occurs an increase in such regulations or their enforcement, our operating results could suffer.

A number of state and local governments have implemented or initiated taxes, fees and registration requirements in an effort to decrease or restrict the number of outdoor signs and/or to raise revenue. From time to time, legislation also has been introduced in international jurisdictions attempting to impose taxes on revenue from outdoor advertising or for the right to use outdoor advertising assets. In addition, a number of jurisdictions, including the City of Los Angeles, have implemented legislation or interpreted existing legislation to restrict or prohibit the installation of new digital billboards, and we expect these efforts to continue. The increased imposition of these measures, and our inability to overcome any such measures, could reduce our operating income if those outcomes require removal or restrictions on the use of preexisting displays. In addition, if we are unable to pass on the cost of these items to our clients, our operating income could be adversely affected.

International regulation of the outdoor advertising industry can vary by municipality, region and country, but generally limits the size, placement, nature and density of out-of-home displays. Other regulations limit the subject matter and language of out-of-home displays. Our failure to comply with these or any future international regulations could have an adverse impact on the effectiveness of our displays or their attractiveness to clients as an advertising medium and may require us to make significant expenditures to ensure compliance. As a result, we may experience a significant impact on our operations, revenue, international client base and overall financial condition.

Additional restrictions on outdoor advertising of tobacco, alcohol and other products may further restrict the categories of clients that can advertise using our products

Out-of-court settlements between the major U.S. tobacco companies and all 50 states, the District of Columbia, the Commonwealth of Puerto Rico and four other U.S. territories include a ban on the outdoor advertising of tobacco products. Other products and services may be targeted in the U.S. in the future, including alcohol products. Most European Union countries, among other nations, also have banned outdoor advertisements for tobacco products and regulate alcohol advertising. Regulations vary across the countries in which we conduct business. Any significant reduction in alcohol-related advertising or advertising of other products due to content-related restrictions could cause a reduction in our direct revenues from such advertisements and an increase in the available space on the existing inventory of billboards in the outdoor advertising industry.

Environmental, health, safety and land use laws and regulations may limit or restrict some of our operations

As the owner or operator of various real properties and facilities, especially in our outdoor advertising operations, we must comply with various foreign, federal, state and local environmental, health, safety and land use laws and regulations. We and our properties are subject to such laws and regulations relating to the use, storage, disposal,

emission and release of hazardous and non-hazardous substances and employee health and safety as well as zoning restrictions. Historically, we have not incurred significant expenditures to comply with these laws. However, additional laws which may be passed in the future, or a finding of a violation of or liability under existing laws, could require us to make significant expenditures and otherwise limit or restrict some of our operations.

Table of Contents

Doing business in foreign countries exposes us to certain risks not found when doing business in the United States

Doing business in foreign countries carries with it certain risks that are not found when doing business in the United States. These risks could result in losses against which we are not insured. Examples of these risks include:

- potential adverse changes in the diplomatic relations of foreign countries with the United States;
- hostility from local populations;
- the adverse effect of foreign exchange controls;
- government policies against businesses owned by foreigners;
- investment restrictions or requirements;
- expropriations of property without adequate compensation;
- the potential instability of foreign governments;
- the risk of insurrections;
- risks of renegotiation or modification of existing agreements with governmental authorities;
- difficulties collecting receivables and otherwise enforcing contracts with governmental agencies and others in some foreign legal systems;
- withholding and other taxes on remittances and other payments by subsidiaries;
- changes in tax structure and level; and
- changes in laws or regulations or the interpretation or application of laws or regulations.

In addition, because we own assets in foreign countries and derive revenues from our International operations, we may incur currency translation losses due to changes in the values of foreign currencies and in the value of the U.S. dollar. We cannot predict the effect of exchange rate fluctuations upon future operating results.

Our International operations involve contracts with, and regulation by, foreign governments. We operate in many parts of the world that experience corruption to some degree. Although we have policies and procedures in place that are designed to promote legal and regulatory compliance (including with respect to the U.S. Foreign Corrupt Practices Act and the United Kingdom Bribery Act), our employees, subcontractors and agents could take actions that violate applicable anticorruption laws or regulations. Violations of these laws, or allegations of such violations, could have a material adverse effect on our business, financial position and results of operations.

The success of our street furniture and transit products businesses is dependent on our obtaining key municipal concessions, which we may not be able to obtain on favorable terms

Our street furniture and transit products businesses require us to obtain and renew contracts with municipalities and other governmental entities. Many of these contracts, which require us to participate in competitive bidding processes at each renewal, typically have terms ranging from 3 to 20 years and have revenue share and/or fixed payment components. Our inability to successfully negotiate, renew or complete these contracts due to governmental demands and delay and the highly competitive bidding processes for these contracts could affect our ability to offer these products to our clients, or to offer them to our clients at rates that are competitive to other forms of advertising, without adversely affecting our financial results.

Future acquisitions and other strategic transactions could pose risks

We frequently evaluate strategic opportunities both within and outside our existing lines of business. We expect from time to time to pursue additional acquisitions and may decide to dispose of certain businesses. These acquisitions or dispositions could be material. Our acquisition strategy involves numerous risks, including:

our acquisitions may prove unprofitable and fail to generate anticipated cash flows;
to successfully manage our large portfolio of media and entertainment, outdoor advertising and other
businesses, we may need to:

recruit additional senior management as we cannot be assured that senior management of acquired
businesses will continue to work for us and we cannot be certain that our recruiting efforts will
succeed, and

Table of Contents

expand corporate infrastructure to facilitate the integration of our operations with those of acquired businesses, because failure to do so may cause us to lose the benefits of any expansion that we decide to undertake by leading to disruptions in our ongoing businesses or by distracting our management; we may enter into markets and geographic areas where we have limited or no experience; we may encounter difficulties in the integration of operations and systems; and our management's attention may be diverted from other business concerns.

Additional acquisitions by us of media and entertainment businesses and outdoor advertising businesses may require antitrust review by U.S. federal antitrust agencies and may require review by foreign antitrust agencies under the antitrust laws of foreign jurisdictions. We can give no assurances that the U.S. Department of Justice (DOJ), the U.S. Federal Trade Commission (FTC) or foreign antitrust agencies will not seek to bar us from acquiring additional media and entertainment businesses or outdoor advertising businesses in any market where we already have a significant position. Further, radio acquisitions by us are subject to FCC approval. Such acquisitions must comply with the Communications Act and FCC regulatory requirements and policies, including with respect to the number of broadcast facilities in which a person or entity may have an ownership or attributable interest in a given local market and the level of interest that may be held by a foreign individual or entity. The FCC's media ownership rules remain subject to ongoing agency and court proceedings. Future changes could restrict our ability to acquire new radio assets or businesses.

Significant equity investors control us and may have conflicts of interest with us in the future

Private equity funds sponsored by or co-investors with Bain Capital and THL indirectly own a majority of our outstanding capital stock and will exercise control over matters requiring approval of our shareholder and board of directors. The directors elected by Bain Capital and THL will have significant authority to make decisions affecting us, including change of control transactions and the incurrence of additional indebtedness.

In addition, affiliates of Bain Capital and THL are lenders under our term loan credit facilities and holders of our outstanding 9.0% priority guarantee notes due 2019. It is possible that their interests in some circumstances may conflict with our interests.

Additionally, Bain Capital and THL are in the business of making investments in companies and may acquire and hold interests in businesses that compete directly or indirectly with us. One or more of the entities advised by or affiliated with Bain Capital and/or THL may also pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us. So long as entities advised by or affiliated with Bain Capital and THL directly or indirectly own a significant amount of the voting power of our capital stock, even if such amount is less than 50%, Bain Capital and THL will continue to be able to strongly influence or effectively control our decisions.

Risks Related to the Notes

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful

We have a substantial amount of indebtedness. At September 30, 2013, we had \$20,411.2 million of total indebtedness outstanding, including: (1) \$3,227.5 million aggregate principal amount outstanding under our term loan credit facilities, which mature at various dates in 2016, and \$5,000.0 million aggregate principal amount outstanding under our term loan credit facilities, which mature in January 2019; (2) \$247.0 million aggregate principal amount outstanding under our receivables based facility, which will be available through 2017, at which time all outstanding principal amounts under the receivables based credit facility will be due and payable; (3) \$1,711.1 million aggregate

principal amount outstanding of our 9.0% priority guarantee notes due 2021, net of \$38.9 million of unamortized discounts, which mature in March 2021; (4) \$575.0 million aggregate principal amount of our outstanding 11.25% priority guarantee notes due 2021, which mature in March 2021; (5) \$1,999.8 million aggregate principal amount outstanding of our 9.0% priority guarantee notes due 2019, which mature in December 2019; (6) \$22.3 million aggregate principal amount of other secured debt; (7) \$448.1 million and \$340.0 million outstanding of senior cash pay notes and senior toggle notes, respectively, which mature in August 2016; (8) \$781.7 million aggregate principal amount outstanding of the outstanding notes, which mature in February 2021; (9)

Table of Contents

\$1,136.9 million aggregate principal amount outstanding of our legacy notes, net of unamortized purchase accounting discounts of \$299.6 million, which mature at various dates from 2014 through 2027; (10) \$2,718.1 million aggregate principal amount outstanding of subsidiary senior notes, net of unamortized discount of \$6.9 million, which mature in November 2022; (11) \$2,200.0 million aggregate principal amount outstanding of subsidiary senior subordinated notes, which mature in March 2020; and (12) other obligations of \$3.5 million. This large amount of indebtedness could have negative consequences for us, including, without limitation:

requiring us to dedicate a substantial portion of our cash flow to the payment of principal and interest on indebtedness, thereby reducing cash available for other purposes, including to fund operations and capital expenditures, invest in new technology and pursue other business opportunities;

limiting our liquidity and operational flexibility and limiting our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes;

limiting our ability to adjust to changing economic, business and competitive conditions;

requiring us to defer planned capital expenditures, reduce discretionary spending, sell assets, restructure existing indebtedness or defer acquisitions or other strategic opportunities;

limiting our ability to refinance any of our indebtedness or increasing the cost of any such financing;

making us more vulnerable to an increase in interest rates, a downturn in our operating performance, a decline in general economic or industry conditions or a disruption in the credit markets; and

making us more susceptible to negative changes in credit ratings, which could impact our ability to obtain financing in the future and increase the cost of such financing.

If compliance with the debt obligations materially hinders our ability to operate our business and adapt to changing industry conditions, we may lose market share, our revenue may decline and our operating results may suffer. The terms of our credit facilities and the other indebtedness allow us, under certain conditions, to incur further indebtedness, including secured indebtedness, which heightens the foregoing risks.

Our and our subsidiaries' ability to make scheduled payments on our respective debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. In addition, because we derive a substantial portion of our operating income from our subsidiaries, our ability to repay our debt depends upon the performance of our subsidiaries, their ability to dividend or distribute funds to us and our receipt of funds under our cash management arrangement with our subsidiary, CCOH. We and our subsidiaries may not be able to maintain a level of cash flows sufficient to permit us and our subsidiaries to pay the principal, premium, if any, and interest on our respective indebtedness.

If our and our subsidiaries' cash flows and capital resources are insufficient to fund our respective debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We may not be able to take any of these actions, and these actions may not be successful or permit us to meet the scheduled debt service obligations. Furthermore, these actions may not be permitted under the terms of existing or future debt agreements.

The ability to restructure or refinance the debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and increase debt service obligations and may require us and our subsidiaries to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. These alternative measures may not be successful and may not permit us or our subsidiaries to meet scheduled debt service obligations. If we and our subsidiaries cannot make scheduled payments on indebtedness, we or our subsidiaries, as applicable, will be in default under one or more of the debt agreements and, as a result we could be forced into bankruptcy or liquidation.

Table of Contents

Our substantial debt service obligations have increased as a result of the June 2013 refinancing transactions, and could adversely affect our liquidity and prevent us from fulfilling our obligations under the notes

In 2013, we have substantially increased our debt service obligations. In June 2013, we extended \$5.0 billion aggregate principal amount of term loans under our senior secured credit facilities through the creation of a new term loan D facility, which increased the interest rate on \$5.0 billion aggregate principal amount of indebtedness from 3.83% to 6.93% (based on LIBOR as of September 30, 2013). Assuming constant outstanding balances and interest rates, the June 2013 exchange offer and the creation of the new term loan D facility in June 2013 increased our annual interest expense over a 12-month period by \$155.0 million.

The increase in our debt service obligations could adversely affect our liquidity and could have important consequences to you, including the following:

it may make it more difficult for us to satisfy our obligations under the notes and our other indebtedness and our contractual and commercial commitments;

it may otherwise further limit us in the ways summarized above under We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful, including by reducing our cash available for operations, debt service obligations, future business opportunities, acquisitions and capital expenditures.

Our ability to make payments with respect to the notes and to satisfy our other debt obligations will depend on our future operating performance and our ability to continue to refinance our indebtedness, which will be affected by prevailing economic and credit market conditions and financial, business and other factors, many of which are beyond our control.

Because we derive a substantial portion of operating income from our subsidiaries, our ability to repay our debt depends upon the performance of our subsidiaries and their ability to dividend or distribute funds to us

We derive a substantial portion of operating income from our subsidiaries. As a result, our cash flow and the ability to service our indebtedness depend on the performance of our subsidiaries and the ability of those entities to distribute funds to us. We cannot assure you that our subsidiaries will be able to, or be permitted to, pay to us the amounts necessary to service our debt.

Accordingly, repayment of our indebtedness, including the notes, depends on the generation of cash flow by our subsidiaries and (if they are not guarantors of the notes) their ability to make such cash available to us, by dividend, debt repayment or otherwise. For the year ended December 31, 2012 and nine months ended September 30, 2013, approximately 47% and 47% of our consolidated net revenue, respectively, and 26% and 28% of our operating income, respectively, was generated collectively by our Americas Outdoor Advertising and our International Outdoor Advertising business segments, which are part of CCOH, which is not a guarantor of the notes. CCOH is subject to limitations on its ability to pay dividends or otherwise make distributions to us. Those limitations are set forth in the indenture governing one series of its outstanding senior notes and the indenture governing one series of its outstanding senior subordinated notes, respectively. In addition, the consolidated EBITDA of CCOH is included in the calculation of the consolidated EBITDA of Clear Channel for purposes of calculating Clear Channel's consolidated leverage ratio under the notes. The financial performance of CCOH may be taken into account to enable us to incur additional debt,

pay dividends or make other restricted payments that we could not otherwise incur, pay or make without such results, even though CCOH's ability to pay us dividends or make distributions to us is subject to limitations. Accordingly, investors should not place undue reliance on our outdoor advertising business as a means for repayment of the notes. Unless they are guarantors of the notes, our subsidiaries do not have any obligation to pay amounts due on the notes or to make funds available for that purpose. Our subsidiaries may not be able to make distributions to enable us to make payments in respect of our indebtedness, including the notes. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While the indenture governing the notes limits the ability of our subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions. In the event that we do not receive distributions from our non-guarantor subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the notes.

Table of Contents

In addition, any payment of interest, dividends, distributions, loans or advances by our subsidiaries to us could be subject to restrictions on dividends or repatriation of distributions under applicable local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdictions in which the subsidiaries operate or under arrangements with local partners.

If we default on our obligations to pay our other indebtedness, holders of such indebtedness may declare all the funds borrowed thereunder immediately due and payable, which may cause us to be unable to make payments on the notes

Any default under the agreements governing our indebtedness, including a default under our senior secured credit facilities that is not waived by the required lenders thereunder, and the remedies sought by the holders of such indebtedness, could substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness (including our senior secured credit facilities), we could be in default under the terms of the agreements governing such indebtedness. In the event of any such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest. More specifically, the lenders under our receivables based credit facility could elect to terminate their commitments, cease making further loans, require us to cash collateralize amounts outstanding under the existing letter of credit obligations and the lenders under our senior secured credit facilities and receivables based credit facility could institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to seek waivers from the required lenders under our senior secured credit facilities and our receivables based credit facility to avoid being in default. If we breach our covenants under our senior secured credit facilities or our receivables based credit facility and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under our senior secured credit facilities or our receivables based credit facility, the lenders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. See Description of the Exchange Notes.

The guarantees of the notes are subordinated to the guarantees of our senior secured credit facilities, our receivables based credit facility and our priority guarantee notes

The guarantees of the notes are subordinated to the guarantees of the guarantors of the senior secured credit facilities, the receivables based credit facility and our priority guarantee notes. As of September 30, 2013, the guarantees thereof were subordinated to guarantees of approximately \$12,760.4 million of debt outstanding under our senior secured credit facilities, our receivables based credit facility and our priority guarantees notes. We will also have the ability to incur additional indebtedness under our receivables based credit facility, subject to certain limitations contained in our material financing agreements.

As a result of such subordination, upon any distribution to our creditors or the creditors of any guarantor of the notes in a bankruptcy, liquidation, reorganization, or similar proceeding, the holders of our debt under the senior secured credit facilities, our receivables based credit facility and our priority guarantee notes will be entitled to be paid in full before any payment will be made on that guarantor's guarantee.

The notes are structurally subordinated to all of the debt and liabilities of our non-guarantor subsidiaries

Some of our wholly owned subsidiaries do not guarantee the notes and none of our non-wholly owned subsidiaries, including CCOH and its subsidiaries, guarantee the notes. As of September 30, 2013, our non-guarantor subsidiaries

held approximately 53% of our consolidated assets and had \$4.9 billion in outstanding indebtedness, excluding intercompany obligations. For the year ended December 31, 2012 and nine months ended September 30, 2013, our non-guarantor subsidiaries generated 48% and 47% of our revenue, respectively, and 25% and 27% of our operating income, respectively. As of September 30, 2013, CCOH and its subsidiaries, which do not guarantee the notes, had \$6.9 billion of total assets, respectively, and \$6.6 billion in total liabilities.

Table of Contents

Generally, claims of creditors (both secured and unsecured) of a non-guarantor subsidiary, including trade creditors and claims of preference shareholders (if any) of the non-guarantor subsidiary (or the equivalent of any of the foregoing under local law), will have priority with respect to the assets and cash flow of the non-guarantor subsidiary over the claims of creditors of its parent entity. Accordingly, those claims, including those related to the CCWH senior notes and CCWH senior subordinated notes, will have priority with respect to the assets and cash flow of CCOH and its subsidiaries. As of September 30, 2013, there was \$2.7 billion aggregate principal amount of CCWH senior notes and \$2.2 billion of CCWH senior subordinated notes outstanding. In the event of a bankruptcy, liquidation or reorganization or other bankruptcy or insolvency proceeding of any of these nonguarantor subsidiaries (or the equivalent of any of the foregoing under local law), holders of the notes will participate with all other holders of our indebtedness in the assets remaining and divided or otherwise paid to the issuer after the non-guarantor subsidiaries involved in such proceedings have paid all of their debts and liabilities. In any of these cases, the relevant subsidiaries may not have sufficient funds to make payments to us, and holders of the notes may receive less, ratably, than the holders of debt of such non-guarantor subsidiaries, including CCOH and its subsidiaries.

The documents governing our indebtedness contain restrictions that limit our flexibility in operating our business

Our material financing agreements, including our credit agreements and indentures, contain various covenants restricting, among other things, our ability to:

- make acquisitions or investments;
- make loans or otherwise extend credit to others;
- incur indebtedness or issue shares or guarantees;
- create liens;
- enter into transactions with affiliates;
- sell, lease, transfer or dispose of assets;
- merge or consolidate with other companies; and
- make a substantial change to the general nature of our business.

In addition, under our senior secured credit facilities, we are required to comply with certain affirmative covenants and certain specified financial covenants and ratios. For instance, our senior secured credit facilities require us to comply on a quarterly basis with a financial covenant limiting the ratio of our consolidated secured debt, net of cash and cash equivalents, to our consolidated EBITDA (as defined under the terms of our senior secured credit facilities) for the preceding four quarters. The ratio under this financial covenant for the four quarters ended September 30, 2013 is set at 9.25 to 1 and reduces to 9.00 to 1 and 8.75 to 1 for the four quarters ended December 31, 2013 and December 31, 2014, respectively.

The restrictions contained in our credit agreements and indentures could affect our ability to operate our business and may limit our ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect our ability to finance our operations, make strategic acquisitions, investments or alliances, restructure our organization or finance our capital needs. Additionally, our ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If we breach any of these covenants or restrictions, we could be in default under the agreements governing our indebtedness, and as a result we would be forced into bankruptcy or liquidation.

U.S. federal and state fraudulent transfer laws permit a court to void the notes and the guarantees, and, if that occurs, you may not receive any payments on the notes or may be required to return payments made on the notes

The issuance of the notes and the guarantees may be subject to review under U.S. federal and state fraudulent transfer and conveyance statutes if a bankruptcy, liquidation or reorganization case or a lawsuit, including under circumstances in which bankruptcy is not involved, were commenced at some future date by us, by the guarantors or on behalf of our unpaid creditors or the unpaid creditors of a guarantor.

While the relevant laws may vary from state to state, under such laws the payment of consideration in certain transactions could be considered a fraudulent conveyance if (1) the consideration was paid with the intent of hindering, delaying or defrauding creditors or (2) we or any of our guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing notes, a guarantee or a security interest and, in the case of (2) only, one of the following is also true:

we or any of our guarantors were or was insolvent or rendered insolvent by reason of issuing notes or the guarantees;

Table of Contents

payment of the consideration left us or any of our guarantors with an unreasonably small amount of capital to carry on our or its business; or

we or any of our guarantors intended to, or believed that we or it would, incur debts beyond our or its ability to pay as they mature.

If a court were to find that the issuance of the notes or a guarantee was a fraudulent conveyance, the court could void the payment obligations under the notes or the guarantees, further subordinate the notes or the payment obligations under such guarantee to existing and future indebtedness of ours or such guarantor or require the holders of the notes to repay any amounts received with respect to the notes or such guarantee. In the event of a finding that a fraudulent conveyance occurred, you may not receive any repayment on the notes. Further, the voidance of the notes could result in an event of default with respect to our other debt and that of our guarantors that could result in acceleration of such debt. The measures of insolvency for purposes of fraudulent conveyance laws vary depending upon the laws of the jurisdiction that is being applied. Generally, an entity would be considered insolvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts and liabilities, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

We cannot be certain as to the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time, or regardless of the standard that a court uses, that the issuance of the notes and the guarantees would not be subordinated to our or any guarantors' other debt.

If the guarantees were legally challenged, any guarantee could be subject to the finding of a court that, since the guarantee was incurred for our benefit, and only indirectly for the benefit of the guarantor, the obligations of the applicable guarantor were incurred for less than fair consideration or reasonably equivalent value. A court could thus void the obligations under the guarantees, subordinate them to the applicable guarantor's other debt or take other action detrimental to the holders of the notes.

The notes will mature after a substantial portion of our other indebtedness

The notes will mature in 2021. Substantially all of our existing indebtedness other than our 9.0% priority guarantee notes due 2021 and CCWH's senior notes due 2022 (including our senior secured credit facilities, our receivables based credit facility, our priority guarantee notes due 2019, certain series of our legacy notes and CCWH's senior subordinated notes) will mature prior to the maturity of the notes. Therefore, we will be required to repay many of our other creditors, including holders of unsecured and unguaranteed indebtedness, before we are required to repay a portion of the interest due on, and the principal of, the notes. As a result, we may not have sufficient cash to repay all amounts owing on the notes at maturity. There can be no assurance that we will have the ability to borrow or otherwise raise the amounts necessary to repay such amounts.

Because each guarantor's liability under its guarantee may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from some or all of the guarantors

Noteholders have the benefit of the guarantees of certain of our subsidiaries. However, the guarantees are limited to the maximum amount that the guarantors are permitted to guarantee under applicable law. As a result, a guarantor's liability under its guarantee could be reduced to zero, depending on the amount of other obligations of

Table of Contents

such guarantor. This provision may not be effective to protect the guarantees from being avoided under fraudulent transfer law, or may eliminate a guarantor's obligations or reduce a guarantor's obligations to an amount that effectively make the guarantee worthless. In a Florida bankruptcy case (which was recently reinstated by the United States Court of Appeals for the Eleventh Circuit on other grounds), this type of provision was found to be ineffective to protect guarantors. Furthermore, under the circumstances discussed more fully above, a court under applicable fraudulent conveyance and transfer statutes could void the obligations under a guarantee or further subordinate it to all other obligations of the guarantor.

As a result, a guarantor's liability under its guarantee could be materially reduced or eliminated depending upon the amounts of its other obligations and upon applicable laws. In particular, in certain jurisdictions, a guarantee issued by a company that is not in the company's corporate interests, the burden of which exceeds the benefit to the company or which is entered into within a certain period prior to insolvency or bankruptcy, may not be valid and enforceable. It is possible that a guarantor, a creditor of a guarantor or the insolvency administrator in the case of an insolvency of a guarantor may contest the validity and enforceability of the guarantee and that the applicable court may determine the guarantee should be limited or voided. In the event that any guarantees are deemed invalid or unenforceable, in whole or in part, or to the extent that agreed limitations on the guarantee obligation apply, the notes would be effectively subordinated to all liabilities of the applicable guarantor, including trade payables of such guarantor. See U.S. federal and state fraudulent transfer laws permit a court to void the notes and the guarantees, and, if that occurs, you may not receive any payments on the notes or may be required to return payments made on the notes.

We may not be able to repurchase the notes upon a change of control and holders of the notes may not be able to determine when a change of control giving rise to their right to have the notes repurchased has occurred following a sale of substantially all of our assets

Upon the occurrence of specific kinds of change of control events, we will be required to offer to repurchase all outstanding notes at 101% of their principal amount plus accrued and unpaid interest. The change of control provisions may not protect you if we undergo a highly leveraged transaction, reorganization, restructuring, acquisition or similar transaction that may adversely affect you unless the transaction is included within the definition of a change of control.

Our senior secured credit facilities provide that the occurrence of certain events that would constitute a change of control for the purposes of the indenture governing the notes would constitute a default under our senior secured credit facilities and our receivables based credit facility. If an event of default occurs, the lenders under our senior secured credit facilities and our receivables based credit facility will be entitled to take various actions, including the acceleration of all amounts due under our senior secured credit facilities and our receivables based credit facility and all actions permitted to be taken by a secured creditor. Much of our other debt, including our priority guarantee notes and senior notes due 2016, also requires us to repurchase such debt upon an event that would constitute a change of control for the purposes of the notes. Any of our future debt agreements may contain prohibitions of events that would constitute a change of control or would require such debt to be repurchased upon a change of control. The source of funds for any purchase of the notes will be our available cash or cash generated from our and our subsidiaries operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the notes upon a change of control because we may not have sufficient financial resources to purchase all of the notes that are tendered upon a change of control. Further, we are contractually restricted under the terms of our senior secured credit facilities from repurchasing the notes tendered by holders upon a change of control. Accordingly, we may not be able to satisfy our obligations to purchase the notes unless we are able to refinance or obtain waivers under our senior secured credit facilities. Our failure to repurchase the notes upon a change of control would cause a default under the indenture governing the notes. Such a default would, in turn, constitute a default under our senior secured credit facilities.

The definition of change of control in the indenture governing the notes includes a phrase relating to the sale of all or substantially all of our assets. There is no precise established definition of the phrase substantially all under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase its notes as a result of a sale of less than all our assets to another person is uncertain.

Table of Contents

Your ability to transfer the notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the notes and you may not be able to sell them quickly or at the price you paid

The exchange notes are a new issue of securities for which there is no established public market. We do not intend to apply for the exchange notes to be listed on any securities exchange or to arrange for their quotation on any automated dealer quotation system. An active market for the exchange notes may not develop or, if developed, it may not continue. Historically, the markets for non-investment grade debt have been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes. The market, if any, for the notes may experience similar disruptions and any such disruptions may adversely affect the prices at which you may sell your notes. In addition, subsequent to their initial issuances, the notes may trade at discounts, depending upon prevailing interest rates, the market for similar notes, our financial and operating performance and other factors.

Table of Contents

EXCHANGE OFFER

Purpose and Effect of the Exchange Offer

Simultaneously with the issuance of the outstanding notes, we entered into a registration rights agreement with the Dealer Managers, pursuant to which we have agreed that we will use commercially reasonable efforts to take the following actions, at our expense, for the benefit of the holders of such notes:

no later than 210 days after the closing date of the offering of the outstanding notes, file an exchange offer registration statement with the SEC with respect to a registered offer to exchange the outstanding notes for exchange notes, which will have terms identical in all material respects to the outstanding notes, except that additional interest will not be payable in respect of the exchange notes and the exchange notes will not be entitled to registration rights under the registration rights agreement and will not be subject to the transfer restrictions,

cause the exchange offer registration statement to be declared effective by the SEC no later than 270 days after the closing date of the issuance of the outstanding notes,

commence the exchange offer promptly (but no later than 10 business days) after the registration statement is declared effective, and

keep the exchange offer open for at least 20 business days after the date we mail notice of such exchange offer to such notes.

For each outstanding note surrendered to us pursuant to the exchange offer, the holder of such outstanding note will receive an exchange note having a principal amount at maturity equal to that of the surrendered note.

Under existing SEC interpretations set forth in no-action letters to third parties, the exchange notes will in general be freely transferable after the exchange offer without further registration under the Securities Act; provided that, in the case of broker-dealers, a prospectus meeting the requirements of the Securities Act is delivered as required. We have agreed for a period of 180 days after consummation of the exchange offer to make available a prospectus meeting the requirements of the Securities Act to any broker-dealer for use in connection with any resale of any such exchange notes acquired as described below. A broker-dealer which delivers such a prospectus to purchasers in connection with such resales will be subject to certain of the civil liability provisions under the Securities Act, and will be bound by the provisions of the applicable exchange and registration rights agreement, including certain indemnification rights and obligations.

If you wish to participate in the exchange offer, you will be required to represent to us, among other things, that, at the time of the consummation of the exchange offer:

any exchange notes received by you will be acquired in the ordinary course of business,

you have no arrangement or understanding with any person to participate in the distribution of the exchange notes within the meaning of the Securities Act,

you are not our affiliate, as defined in Rule 405 of the Securities Act,

if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, the distribution of the exchange notes within the meaning of the Securities Act, and

if you are a broker-dealer, you will receive exchange notes in exchange for outstanding notes that were acquired for your own account as a result of market-making activities or other trading activities and that you will be required to acknowledge that you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such exchange notes.

Any holder that is not able to make these representations or certain similar representations will not be entitled to participate in the exchange offer or to exchange their outstanding notes for exchange notes.

Table of Contents

If (i) applicable law or the interpretations of the staff of the SEC do not permit us to effect an exchange offer, (ii) an exchange offer for any other reason is not completed within the time frame described above or (iii) any holder notifies us within 20 business days following the exchange offer that, for certain reasons, it was unable to participate in the exchange offer, we will, no later than 30 days after such event (but in no event earlier than 210 days after the closing date), file a shelf registration statement relating to resales of the applicable outstanding notes and use commercially reasonable efforts to cause it to become effective within 90 days after filing (but in no event earlier than 270 days after the closing date) and keep that shelf registration statement effective until the expiration of two years from the closing date of the issuance of the outstanding notes, or such shorter time period that will terminate when all notes covered by the shelf registration statement have been sold pursuant to the shelf registration statement. We will, in the event of such a shelf registration, provide to each holder of the notes copies of a prospectus, notify each such holder of notes when the shelf registration statement has become effective and take certain other actions to permit resales of the notes. A holder of notes that sells notes under a shelf registration statement generally will be required to be named as a selling securityholder in the related prospectus and to deliver a prospectus to purchasers, will be subject to certain of the civil liability provisions under the Securities Act in connection with those sales and will be bound by the provisions of the applicable exchange and registration rights agreement that are applicable to such a holder (including certain indemnification obligations).

If we fail to comply in a timely fashion with the requirements outlined above regarding the completion of the exchange offer (or, if required, a shelf registration statement), and in certain other limited circumstances, the annual interest rate borne by the relevant notes will be increased by 0.25% per annum and an additional 0.25% per annum every 90 days thereafter, up to a maximum additional cash interest of 0.50% per annum, until the exchange offer is completed, the shelf registration statement is declared effective or, with respect to any particular note, such note ceases to be outstanding or is actually sold by the holder thereof pursuant to Rule 144 under circumstances in which any legend borne by such note relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by us or pursuant to the indenture.

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, we will accept any and all outstanding notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer. You may tender all or any portion of your outstanding notes; however, exchange notes will only be issued in denominations of \$2,000 and integral multiples of \$1 in excess thereof.

The form and terms of the exchange notes are the same as the form and terms of the outstanding notes, except that:

- (1) the exchange notes each bear a different CUSIP Number from the outstanding notes;
- (2) the exchange notes have been registered under the Securities Act and hence will not bear legends restricting the transfer thereof; and
- (3) the holders of the exchange notes will not be entitled to certain rights under the registration rights agreement, including the provisions providing for an increase in the interest rate on the outstanding notes in certain circumstances relating to the timing of the exchange offer, all of which rights will terminate when the exchange offer is terminated.

We will be deemed to have accepted validly tendered outstanding notes when, as and if we have given oral or written notice (if oral, to be promptly confirmed in writing) thereof to the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving the exchange notes from us.

If any tendered outstanding notes are not accepted for exchange because of an invalid tender, the occurrence of specified other events set forth in this prospectus or otherwise, the certificates for any unaccepted outstanding notes will be returned, without expense, to the tendering holder thereof as promptly as practicable after the expiration date of the exchange offer.

Table of Contents

Holders who tender outstanding notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of outstanding notes pursuant to the exchange offer. We will pay all charges and expenses, other than transfer taxes in certain circumstances, in connection with the exchange offer. See Fees and Expenses.

Expiration Date; Extensions; Amendments

The term expiration date means 5:00 p.m., New York City time, on _____, 2014, unless we, in our sole discretion, extend the exchange offer, in which case the term expiration date will mean the latest date and time to which the exchange offer is extended.

In order to extend the exchange offer we will promptly make a press release or other public announcement and notify the exchange agent of any extension by oral or written notice (if oral, to be promptly confirmed in writing), prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

We reserve the right, in our sole discretion, (1) to delay accepting any outstanding notes, to extend the exchange offer or to terminate the exchange offer if any of the conditions set forth below under Conditions have not been satisfied, by giving oral or written notice (if oral, to be promptly confirmed in writing) of any delay, extension or termination to the exchange agent or (2) to amend the terms of the exchange offer in any manner. Such decision will also be communicated in a press release or other public announcement prior to 9:00 a.m., New York City time, on the next business day following such decision. Any announcement of delay in acceptance, extension, termination or amendment will be followed promptly by oral or written notice (if oral, to be promptly confirmed in writing) thereof to the registered holders.

Interest on the Exchange Notes

The exchange notes will bear interest from its issuance date. The holders of outstanding notes that are accepted for exchange will receive accrued interest on those outstanding notes through, but not including, the issuance date of the exchange notes. This interest will be paid with the first interest payment on the exchange notes. Interest on the outstanding notes accepted for exchange will cease to accrue upon issuance of the exchange notes.

Interest on the exchange notes is payable semi-annually in arrears on February 1 and August 1 of each year, commencing on February 1, 2014.

Procedures for Tendering

Only a holder of outstanding notes may tender outstanding notes in the exchange offer. To tender in the exchange offer, a holder must complete, sign and date the letter of transmittal, or a facsimile thereof, have the signatures thereon guaranteed if required by the letter of transmittal or transmit an agent's message in connection with a book-entry transfer, and, unless transmitting an agent's message in connection with a book-entry transfer, mail or otherwise deliver the letter of transmittal or the facsimile, together with the outstanding notes and any other required documents, to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date. To be tendered effectively, the outstanding notes, letter of transmittal or an agent's message and other required documents must be completed and received by the exchange agent at the address set forth below under Exchange Agent prior to 5:00 p.m., New York City time, on the expiration date. Delivery of the outstanding notes may be made by book-entry transfer in accordance with the procedures described below. Confirmation of the book-entry transfer must be received by the exchange agent prior to the expiration date.

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The term "agent's message" means a message, transmitted by a book-entry transfer facility to, and received by, the exchange agent forming a part of a confirmation of a book-entry, which states that the book-entry transfer facility has received an express acknowledgement from the participant in the book-entry transfer facility tendering the outstanding notes that the participant has received and agrees: (1) to participate in ATOP; (2) to be bound by the terms of the letter of transmittal; and (3) that we may enforce the agreement against the participant.

By executing the letter of transmittal, each holder will make to us the representations set forth above in the fifth paragraph under the heading "Purpose and Effect of the Exchange Offer."

Table of Contents

The tender by a holder and our acceptance thereof will constitute agreement between the holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal or agent's message.

The method of delivery of outstanding notes and the letter of transmittal or agent's message and all other required documents to the exchange agent is at the election and sole risk of the holder. As an alternative to delivery by mail, holders may wish to consider overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the exchange agent before the expiration date. No letter of transmittal or outstanding notes should be sent to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or nominees to effect the above transactions for them.

Any beneficial owner whose outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct the registered holder to tender on the beneficial owner's behalf. See Instructions to Letter of Transmittal included with the letter of transmittal.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by a member of the Medallion System unless the outstanding notes tendered pursuant to the letter of transmittal are tendered (1) by a registered holder who has not completed the box entitled Special Issuance Instructions on the letter of transmittal or (2) for the account of a member firm of the Medallion System. In the event that signatures on a letter of transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, the guarantee must be by a member firm of the Medallion System.

If the letter of transmittal is signed by a person other than the registered holder of any outstanding notes listed in this prospectus, the outstanding notes must be endorsed or accompanied by a properly completed bond power, signed by the registered holder as the registered holder's name appears on the outstanding notes with the signature thereon guaranteed by a member firm of the Medallion System.

If the letter of transmittal or any outstanding notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, the person signing should so indicate when signing, and evidence satisfactory to us of its authority to so act must be submitted with the letter of transmittal.

We understand that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the outstanding notes at DTC for the purpose of facilitating the exchange offer, and subject to the establishment thereof, any financial institution that is a participant in DTC's system may make book-entry delivery of outstanding notes by causing DTC to transfer the outstanding notes into the exchange agent's account with respect to the outstanding notes in accordance with DTC's procedures for the transfer. Although delivery of the outstanding notes may be effected through book-entry transfer into the exchange agent's account at DTC, unless an agent's message is received by the exchange agent in compliance with ATOP, an appropriate letter of transmittal properly completed and duly executed with any required signature guarantee and all other required documents must in each case be transmitted to and received or confirmed by the exchange agent at its address set forth below on or prior to the expiration date. Delivery of documents to DTC does not constitute delivery to the exchange agent.

All questions as to the validity, form and eligibility, including time of receipt, of the acceptance of tendered outstanding notes and the withdrawal of tendered outstanding notes will be determined by us in our sole discretion, which determination will be final and binding on all parties. We reserve the absolute right to reject any and all outstanding notes not properly tendered or any outstanding notes our acceptance of which would, in the opinion of our

counsel, be unlawful. We also reserve the right in our sole discretion to waive any defects, irregularities or conditions of tender as to particular outstanding notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of outstanding notes must be cured within the time we determine. Although we intend to notify holders of defects or irregularities with respect to tenders of outstanding notes, neither we, the exchange agent nor any other person will incur any liability for failure to give the notification. Tenders of outstanding notes will not be deemed to have been made until the defects or irregularities have been

Table of Contents

cured or waived. Any outstanding notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

No Guaranteed Delivery Procedures

There are no guaranteed delivery procedures provided by us in connection with the exchange offer. As only registered holders are authorized to tender outstanding notes through DTC, beneficial owners of outstanding notes that are held in the name of a custodial entity must contact such entity sufficiently in advance of the expiration date if they wish to tender outstanding notes and be eligible to receive the exchange notes.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, tenders of outstanding notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of outstanding notes in the exchange offer, a letter or facsimile transmission notice of withdrawal must be received by the exchange agent at its address set forth in this prospectus prior to 5:00 p.m., New York City time, on the expiration date. Any notice of withdrawal must:

- (1) specify the name of the person having deposited the outstanding notes to be withdrawn;
- (2) identify the outstanding notes to be withdrawn, including the certificate number(s) and principal amount of the outstanding notes, or, in the case of outstanding notes transferred by book-entry transfer, the name and number of the account at DTC to be credited;
- (3) be signed by the holder in the same manner as the original signature on the letter of transmittal by which the outstanding notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee with respect to the outstanding notes register the transfer of the outstanding notes into the name of the person withdrawing the tender; and
- (4) specify the name in which any outstanding notes are to be registered, if different from that of the person depositing the outstanding notes to be withdrawn.

All questions as to the validity, form and eligibility, including time of receipt, of the notices will be determined by us in our sole discretion, which determination will be final and binding on all parties. Any outstanding notes so withdrawn will be deemed not to have been validly tendered for purposes of the applicable exchange offer and no exchange notes will be issued with respect thereto unless the outstanding notes so withdrawn are validly retendered. Any outstanding notes which have been tendered but which are not accepted for exchange will be returned to the holder thereof without cost to the holder as soon as practicable after withdrawal, rejection of tender or termination of the applicable exchange offer. Properly withdrawn outstanding notes may be retendered by following one of the procedures described above under Procedures for Tendering at any time prior to the expiration date.

Conditions

We intend to conduct the exchange offer in accordance with the applicable requirements of the Exchange Act and the rules and regulations of the SEC thereunder. Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or exchange notes for, any outstanding notes, and may, prior to the expiration of the exchange offer, terminate or amend the exchange offer as provided in this prospectus before the acceptance of the outstanding notes, if:

- (1) any action or proceeding is instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer which we reasonably believe might materially impair our ability to proceed with the exchange offer or any material adverse development has occurred in any existing action or proceeding with respect to us or any of our subsidiaries; or

Table of Contents

- (2) any law, statute, rule, regulation or interpretation by the staff of the SEC is proposed, adopted or enacted, which we reasonably believe might materially impair our ability to proceed with the exchange offer or materially impair the contemplated benefits of the exchange offer to us; or
- (3) any governmental approval has not been obtained, which approval we reasonably believe to be necessary for the consummation of the exchange offer as contemplated by this prospectus.

If we determine in our sole discretion that any of the conditions are not satisfied, we may (1) refuse to accept any outstanding notes and return all tendered outstanding notes to the tendering holders, (2) extend the exchange offer and retain all outstanding notes tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders to withdraw the outstanding notes (see Withdrawal of Tenders), or (3) waive the unsatisfied conditions with respect to the exchange offer and accept all properly tendered outstanding notes which have not been withdrawn.

Exchange Agent

Deutsche Bank Trust Company Americas has been appointed as exchange agent for the exchange offer. Requests for additional copies of this prospectus or the letter of transmittal should be directed to the exchange agent addressed as follows:

By Mail, Hand or Overnight Delivery:

DB Services Americas, Inc.

MS JCK01-D218
5022 Gate Parkway, Suite 200

Jacksonville, FL 32256

Attn: Reorganization Unit

Delivery to an address other than set forth above will not constitute a valid delivery.

Facsimile Transmission:

1-615-866-3889

For Information or to Confirm Receipt of

Facsimile by Telephone:

1-800-735-7777, Option 1

Fees and Expenses

We will bear the expenses of soliciting tenders. The principal solicitation is being made through DTC by Deutsche Bank Trust Company Americas; however, additional solicitation may be made by electronic mail, facsimile, telephone or in person by our and our affiliates' officers and regular employees.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses incurred in connection with these services.

We will pay the cash expenses to be incurred in connection with the exchange offer. Such expenses include fees and expenses of the exchange agent and trustee, accounting and legal fees and printing costs, among others.

Accounting Treatment

The exchange notes will be recorded at the same carrying value as the outstanding notes, which is face value, as reflected in our accounting records on the date of exchange. Accordingly, we will not recognize any gain or loss for accounting purposes as a result of the exchange offer. The expenses of the exchange offer will be expensed as incurred.

Consequences of Failure to Exchange

The outstanding notes that are not exchanged for exchange notes pursuant to the exchange offer will remain restricted securities. Accordingly, the outstanding notes may be resold only:

- (1) to us upon redemption thereof or otherwise;

Table of Contents

- (2) so long as the outstanding notes are eligible for resale pursuant to Rule 144A, to a person inside the United States whom the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act in a transaction meeting the requirements of Rule 144A, in accordance with Rule 144 under the Securities Act, or pursuant to another exemption from the registration requirements of the Securities Act, which other exemption is based upon an opinion of counsel reasonably acceptable to us if we so request;
- (3) outside the United States to a foreign person in a transaction meeting the requirements of Rule 904 under the Securities Act; or
- (4) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States.

Resale of the Exchange Notes

With respect to resales of exchange notes, based on interpretations by the staff of the SEC set forth in no-action letters issued to third parties, we believe that a holder or other person who receives exchange notes, whether or not the person is the holder, other than a person that is our affiliate within the meaning of Rule 405 under the Securities Act, in exchange for outstanding notes in the ordinary course of business and who is not participating, does not intend to participate, and has no arrangement or understanding with any person to participate, in the distribution of the exchange notes, will be allowed to resell the exchange notes to the public without further registration under the Securities Act and without delivering to the purchasers of the exchange notes a prospectus that satisfies the requirements of Section 10 of the Securities Act. However, if any holder acquires exchange notes in the exchange offer for the purpose of distributing or participating in a distribution of the exchange notes, the holder cannot rely on the position of the staff of the SEC expressed in the no-action letters or any similar interpretive letters, and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction, unless an exemption from registration is otherwise available. Further, each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes, where the outstanding notes were acquired by the broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. See Plan of Distribution for more information.

Table of Contents

USE OF PROCEEDS

The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any cash proceeds from the issuance of any exchange notes. The outstanding notes properly tendered and exchanged for the exchange notes will be retired and cancelled. Accordingly, no additional debt will result from the exchange offer. We have agreed to bear the expenses of the exchange offer.

Table of Contents**CAPITALIZATION**

The following table sets forth our consolidated cash and cash equivalents and capitalization as of September 30, 2013. You should read the following information in conjunction with the information contained in Selected Historical Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes included elsewhere in this prospectus.

	As of September 30, 2013 (in millions)
Cash and cash equivalents	\$ 711.1
Long-term debt (including current portion):	
Senior secured credit facilities:	
Term loan B facility due 2016	\$ 3,030.3
Term loan C facility asset sale facility due 2016	197.2
Term loan D facility due 2019	5,000.0
9.0% priority guarantee notes due 2019	1,999.8
9.0% priority guarantee notes due 2021, net of discount	1,711.1
11.25% priority guarantee notes due 2021	575.0
Receivables based credit facility	247.0
Other secured long-term debt	22.3
Total secured debt	12,782.7
Senior cash pay notes due 2016	448.1
Senior toggle notes due 2016	340.0
Senior notes due 2021, net of premium	781.9
Other long term debt	3.5
Total guaranteed debt of the issuer and the guarantors	14,356.2
Legacy notes, net of discounts	1,136.9
Total Clear Channel debt	15,493.1
CCWH Notes due 2022, net of discount	2,718.1
CCWH Subordinated Notes due 2020	2,200.0
CCOH revolving credit facility	
Total long-term debt	\$ 20,411.2
Total member's deficit	(8,370.8)
Total capitalization	\$ 12,040.4

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA**

The following table sets forth our selected historical consolidated financial data as of and for the years ended December 31, 2012, 2011, 2010, 2009 and 2008 and as of and for the nine-months ended September 30, 2013 and 2012. The selected historical consolidated financial data as of December 31, 2012 and 2011 and for the years ended December 31, 2012, 2011 and 2010 are derived from our audited consolidated financial statements and related notes included elsewhere in this prospectus. The selected historical consolidated financial data as of December 31, 2010 and as of and for the years ended December 31, 2009 and 2008 are derived from our audited consolidated financial statements and related notes not included herein. The selected historical consolidated financial data as of and for the nine month periods ended September 30, 2013 and 2012 are derived from our unaudited consolidated financial statements and related notes included elsewhere in this prospectus. The audited historical consolidated financial statements for the year ended December 31, 2008 are comprised of two periods: post-Merger and pre-Merger, which relate to the period succeeding and the period preceding the Merger, respectively. See Basis of Presentation.

In the opinion of management, the interim financial data reflects all adjustments (consisting only of normal and recurring adjustments) necessary for a fair presentation of the results for the interim periods. Historical results are not necessarily indicative of the results to be expected for future periods and operating results for the nine month period ended September 30, 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013.

The Merger and other acquisitions and dispositions significantly impact the comparability of the historical consolidated financial data reflected in this financial data.

This information is only a summary and you should read the information presented below in conjunction with our historical consolidated financial statements and related notes included elsewhere in this prospectus, as well as the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations.

<i>(Dollars in thousands, except per share data)</i>	Year Ended December 31,					Nine Months Ended September 30,	
	2012 Post-Merger	2011 Post-Merger	2010 Post-Merger	2009 Post-Merger	2008 (1) Combined	2013 Post-Merger	2012 Post-Merger (unaudited)
Results of Operations Data:							
Revenue	\$ 6,246,884	\$ 6,161,352	\$ 5,865,685	\$ 5,551,909	\$ 6,688,683	\$ 4,548,677	\$ 4,550,548
Operating expenses:							
Direct operating expenses	2,470,936	2,482,345	2,362,016	2,510,868	2,817,059	1,840,121	1,826,917
Selling, general and administrative expenses	1,689,723	1,626,646	1,573,507	1,520,323	1,866,645	1,257,224	1,253,290

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Corporate expenses	297,366	239,399	300,378	272,629	277,931	253,524	218,621
Depreciation and amortization	729,285	763,306	732,869	765,474	696,830	539,246	539,555
Merger expenses					155,769		
Impairment charges (2)	37,651	7,614	15,364	4,118,924	5,268,858		
Other operating income (expense) net	48,127	12,682	(16,710)	(50,837)	28,032	9,694	47,159
Operating income (loss)	1,070,050	1,054,724	864,841	(3,687,146)	(4,366,377)	668,256	759,324
Interest expense	1,549,023	1,466,246	1,533,341	1,500,866	928,978	1,231,437	1,148,093
Gain (loss) on marketable securities	(4,580)	(4,827)	(6,490)	(13,371)	(82,290)	130,929	
Equity in earnings (loss) of nonconsolidated affiliates	18,557	26,958	5,702	(20,689)	100,019	13,595	11,914
Gain (loss) on extinguishment of debt	(254,723)	(1,447)	60,289	713,034	103,193	(3,888)	(15,167)
Other income (expense) net	250	(3,169)	(13,834)	(33,318)	23,200	(17,389)	(1,679)
Loss before income taxes and discontinued operations	(719,469)	(394,007)	(622,833)	(4,542,356)	(5,151,233)	(439,934)	(393,701)
Income tax benefit	308,279	125,978	159,980	493,320	524,040	158,650	179,293
Loss before discontinued operations	(411,190)	(268,029)	(462,853)	(4,049,036)	(4,627,193)	(281,284)	(214,408)
Income from discontinued operations, net (3)					638,391		
Consolidated net loss	(411,190)	(268,029)	(462,853)	(4,049,036)	(3,988,802)	(281,284)	(214,408)

Table of Contents

	Year Ended December 31,					Nine Months Ended September 30,	
	2012 Post- Merger	2011 Post- Merger	2010 Post- Merger	2009 Post- Merger	2008 (1) Combined	2013 Post- Merger	2012 Post- Merger
rs in nds, per ata)							
nt table to ontrolling t	13,289	34,065	16,236	(14,950)	16,671	16,372	18,000
ss table to mpany	\$ (424,479)	\$ (302,094)	\$ (479,089)	\$ (4,034,086)	\$ (4,005,473)	\$ (297,656)	\$ (233,000)
ce Sheet at end iod):							
nt assets	\$ 2,987,753	\$ 2,985,285	\$ 3,603,173	\$ 3,658,845	\$ 2,066,555	\$ 2,479,745	\$ 3,060,000
ty, plant							
ment net	3,036,854	3,063,327	3,145,554	3,332,393	3,548,159	2,881,270	3,000,000
assets	16,292,713	16,542,039	17,460,382	18,047,101	21,125,463	15,231,181	16,400,000
nt ies	1,782,142	1,428,962	2,098,579	1,544,136	1,845,946	1,692,800	1,610,000
erm et of t ties	20,365,369	19,938,531	19,739,617	20,303,126	18,940,697	19,977,777	20,310,000
er s	(7,995,191)	(7,471,941)	(7,204,686)	(6,844,738)	(2,916,231)	(8,370,752)	(7,840,000)
cial							
of gs to harges							
ency of gs to harges	717,904	402,438	617,451	4,500,766	5,208,174	436,087	380,000

Table of Contents

	Period from January 1 through July 30, 2008 Pre-Merger
Net income per common share (5):	
Basic:	
Income attributable to the Company before discontinued operations	\$ 0.80
Discontinued operations	1.29
Net income attributable to the Company	\$ 2.09
Diluted:	
Income attributable to the Company before discontinued operations	\$ 0.80
Discontinued operations	1.29
Net income attributable to the Company	\$ 2.09

- (1) The 2008 financial data consists of two periods: post-Merger and pre-Merger. The 2008 post-Merger and pre-Merger financial data is presented as follows:

<i>(Dollars in thousands)</i>	Post-Merger	Pre-Merger	Combined (unaudited)
	Period from July 31 through December 31, 2008	Period from January 1 through July 30, 2008	Year ended December 31, 2008
Revenue	\$ 2,736,941	\$ 3,951,742	\$ 6,688,683
Operating expenses:			
Direct operating expenses	1,164,891	1,652,168	2,817,059
Selling, general and administrative expenses	832,923	1,033,722	1,866,645
Corporate expenses	109,594	168,337	277,931
Depreciation and amortization	348,041	348,789	696,830
Merger expenses	68,085	87,684	155,769
Impairment charges	5,268,858		5,268,858
Other operating income (expense) net	13,205	14,827	28,032
Operating income (loss)	(5,042,246)	675,869	(4,366,377)
Interest expense	715,768	213,210	928,978
Gain (loss) on marketable securities	(116,552)	34,262	(82,290)
Equity in earnings (loss) of nonconsolidated affiliates	5,804	94,215	100,019

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Gain (loss) on extinguishment of debt	116,677	(13,484)	103,193
Other income (expense) net	14,828	(8,372)	23,200
Income (loss) before income taxes and discontinued operations	(5,737,257)	586,024	(5,151,233)
Income tax benefit (expense)	696,623	(172,583)	524,040
Income (loss) before discontinued operations	(5,040,634)	413,441	(4,627,193)
Income (loss) from discontinued operations, net	(1,845)	640,236	638,391
Consolidated net income (loss)	(5,042,479)	1,053,677	(3,988,802)
Amount attributable to noncontrolling interest	(481)	17,152	16,671
Net income (loss) attributable to the Company	\$ (5,041,998)	\$ 1,036,525	\$ (4,005,473)

- (2) We recorded non-cash impairment charges of \$37.7 million during 2012, \$7.6 million during 2011 and \$15.4 million during 2010. We also recorded non-cash impairment charges of \$4.1 billion in 2009 and \$5.3 billion in 2008 as a result of the global economic downturn which adversely affected advertising revenues across our businesses.
- (3) Includes the results of operations of our television business, which we sold on March 14, 2008, and certain of our non-core radio stations.
- (4) Ratio of earnings to fixed charges represents the ratio of earnings (defined as pre-tax income (loss) from continuing operations before equity in earnings (loss) of nonconsolidated affiliates) to fixed charges (defined as interest expense plus the interest portion of rental expense). Our earnings, which included impairment charges of \$37.7 million, \$7.6 million, \$15.4 million, \$4.1 billion and \$5.3 billion for the years ended December 31, 2012, 2011, 2010, 2009 and 2008, respectively, were not sufficient to cover our fixed charges by \$717.9 million, \$402.4 million, \$617.5 million, \$4.5 billion and \$5.2 billion, respectively. Our earnings for the nine months ended September 30, 2013 and 2012 were not sufficient to cover our fixed charges by \$436.1 million and \$388.4 million, respectively.
- (5) Net loss per share information is not presented for the post-Merger period as this information is not meaningful. During the post-Merger periods, Clear Channel Capital II, LLC is the sole member of Clear Channel Capital and owns 100% of the limited liability company interests. Clear Channel Capital does not have any publicly traded common stock.

Table of Contents

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our results of operations and financial condition together with the information included under "Selected Historical Consolidated Financial Data" and our consolidated financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described under "Forward-Looking Statements and Risk Factors." Actual results may differ materially from those contained in any forward-looking statements.

OVERVIEW

Format of Presentation

Management's discussion and analysis of our financial condition and results of operations ("MD&A") should be read in conjunction with the consolidated financial statements and related footnotes. Our discussion is presented on both a consolidated and segment basis. Our reportable operating segments are Media and Entertainment ("CCME"), Americas outdoor advertising ("Americas outdoor" or "Americas outdoor advertising"), and International outdoor advertising ("International outdoor" or "International outdoor advertising"). Our CCME segment provides media and entertainment services via broadcast and digital delivery and also includes our national syndication business. Our Americas outdoor and International outdoor segments provide outdoor advertising services in their respective geographic regions using various digital and traditional display types. Included in the "Other" category are our media representation business, Katz Media Group, as well as other general support services and initiatives, which are ancillary to our other businesses.

We manage our operating segments primarily focusing on their operating income, while Corporate expenses, Impairment charges, Other operating income (expense) net, Interest expense, Gain (loss) on marketable securities, Equity in earnings (loss) of nonconsolidated affiliates, Loss on extinguishment of debt, Other income (expense) net and Income tax benefit are managed on a total company basis and are, therefore, included only in our discussion of consolidated results.

Certain prior period amounts have been reclassified to conform to the 2013 presentation.

During the first quarter of 2012, and in connection with the appointment of the new chief executive officer of our indirect subsidiary, Clear Channel Outdoor Holdings, Inc. ("CCOH"), we reevaluated our segment reporting and determined that our Latin American operations were more appropriately aligned within the operations of our International outdoor advertising segment. As a result, the operations of Latin America are no longer reflected within our Americas outdoor advertising segment and are currently included in the results of our International outdoor advertising segment. Accordingly, we have recast the corresponding segment disclosures for prior periods.

Executive Summary

The key developments in our business for the nine months ended September 30, 2013 are summarized below:

Consolidated revenue decreased \$1.9 million including an increase of \$1.3 million from movements in foreign exchange during the first nine months of 2013 compared to the same periods of 2012. Excluding

foreign exchange impacts and the \$2.9 million and \$20.4 million impact of our divestiture of our international neon business for the nine month periods of 2012, consolidated revenue increased \$17.2 million over the comparable nine-month period of 2012.

CCME revenue increased \$22.7 million during the nine months ended September 30, 2013 compared to the same period of 2012 driven by increased digital and national sales partially offset by lower traffic revenues.

Table of Contents

Americas outdoor revenue increased \$17.0 million during the nine months ended September 30, 2013 compared to the same period of 2012 due primarily to increases in occupancy, capacity and rates in our digital and traditional product lines.

International outdoor revenue decreased \$20.6 million including an increase of \$2.1 million from movements in foreign exchange during the nine months ended September 30, 2013, compared to the same period of 2012. Excluding foreign exchange impact and the \$20.4 million impact of our divestiture of our international neon business for the nine month period of 2012, revenue decreased \$2.3 million over the comparable nine-month period of 2012. Continued weakened macro-economic conditions in Europe were partially offset by growth in other markets.

Revenues in our Other category declined \$24.1 million during the nine months ended September 30, 2013 compared to the same period of 2012 primarily due to reduced political advertising revenue in our media representation business.

For the nine months ended September 30, 2013, we spent \$40.4 million on strategic revenue and cost-saving initiatives a decrease of \$8.0 million compared to the same period of 2012.

During the first quarter of 2013, we issued \$575.0 million aggregate principal amount of 11.25% priority guarantee notes due 2021 (the 11.25% Priority Guarantee Notes). Using the proceeds from the 11.25% Priority Guarantee Notes issuance along with borrowings under our receivables based credit facility of \$269.5 million and cash on hand, we prepaid all \$846.9 million outstanding under our Term Loan A under our senior secured credit facility.

During the first quarter of 2013, we repaid our 5.75% senior notes at maturity for \$312.1 million (net of \$187.9 million principal amount repaid to one of our subsidiaries with respect to notes repurchased and held by such entity), plus accrued interest, using cash on hand.

During the second quarter of 2013, we amended our senior secured credit facility by extending \$5.0 billion aggregate principal amount of Term Loan B loans and Term Loan C loans under our senior secured credit facility through the creation of a new Term Loan D due January 30, 2019.

During the second quarter of 2013, we completed an exchange offer (the Note Exchange) with certain holders of our 10.75% Senior Cash Pay Notes due 2016 (the Outstanding Cash Pay Notes) and 11.00%/11.75% Senior Toggle Notes due 2016 (the Outstanding Toggle Notes and collectively with the Outstanding Cash Pay Notes, the Outstanding 2016 Notes) pursuant to which \$348.1 million aggregate principal amount of Outstanding Cash Pay Notes was exchanged for \$348.0 million aggregate principal amount of 14.00% Senior Notes due 2021 (the Senior Notes due 2021), and \$917.2 million aggregate principal amount of Outstanding Toggle Notes (including \$452.7 million aggregate principal amount held by one of our subsidiaries) was exchanged for \$853.0 million aggregate principal amount of Senior Notes due 2021 (including \$421.0 million aggregate principal amount issued to one of our subsidiaries) and

\$64.2 million of cash (including \$31.7 million of cash paid to one of our subsidiaries), plus, in each case, cash in an amount equal to accrued and unpaid interest from the last interest payment date applicable on the Outstanding 2016 Notes to, but not including, the closing date of the Note Exchange.

During the second quarter of 2013, we sold our shares of Sirius XM Radio, Inc. for \$135.5 million, recognizing a gain on the sale of securities of \$130.9 million.

The key developments in our business for the year ended December 31, 2012 are summarized below:

Consolidated revenue for 2012 increased \$85.5 million including the impact of negative foreign exchange movements of \$79.3 million compared to 2011. Excluding foreign exchange impacts, consolidated revenue increased \$164.8 million over the prior year.

Table of Contents

CCME revenue for 2012 increased \$98.0 million compared to 2011 primarily due to increased political advertising both nationally and locally. Our iHeartRadio platform continues to drive higher digital revenues with listening hours increasing by 100%.

Americas outdoor revenue for 2012 increased \$26.5 million compared to 2011 due to continued deployment of digital bulletins. During 2012, we deployed 178 digital displays in the United States bringing the total number of digital bulletins in the United States above 1,000.

International outdoor revenue for 2012 decreased \$83.5 million including the impact of negative foreign exchange movements of \$78.9 million compared to 2011. Excluding foreign exchange impacts, revenue decreased \$4.6 million over the prior year. The strengthening of the dollar significantly contributed to the revenue decline in our International outdoor advertising business. Growth in Asia and Latin America was offset by the weakened macroeconomic conditions in Europe, which had a negative impact on our operations.

Revenues in our Other segment for 2012 grew \$47.3 million primarily due to increased political advertising through our media representation business.

During 2012, we spent \$76.2 million on strategic revenue and cost-saving initiatives to realign and improve our on-going business operations. This represented an increase of \$39.8 million over 2011.

During 2012, our indirect subsidiary, Clear Channel Worldwide Holdings, Inc. (CCWH), issued \$275.0 million aggregate principal amount of 7.625% Series A Senior Subordinated Notes due 2020 (the Series A CCWH Subordinated Notes) and \$1,925.0 million aggregate principal amount of 7.625% Series B Senior Subordinated Notes due 2020 (the Series B CCWH Subordinated Notes) and, together with the Series A CCWH Subordinated Notes, the CCWH Subordinated Notes) and in connection therewith, CCOH declared a special cash dividend (the CCOH Dividend) equal to \$6.0832 per share to its stockholders of record. Using CCOH Dividend proceeds distributed to our wholly-owned subsidiaries, together with cash on hand, we repaid \$2,096.2 million of indebtedness under our senior secured credit facilities. Please refer to the CCWH Senior Subordinated Notes section within this MD&A for further discussion of the CCWH Subordinated Notes offering, including the use of the proceeds.

During 2012, we repaid our 5.0% senior notes at maturity for \$249.9 million (net of \$50.1 million principal amount repaid to one of our subsidiaries with respect to notes repurchased and held by such entity), plus accrued interest, using a portion of the proceeds from our 2011 issuance of 9.0% priority guarantee notes due 2021 discussed elsewhere in this MD&A, along with cash on hand.

During 2012, we exchanged \$2.0 billion aggregate principal amount of term loans under our senior secured credit facilities for a like principal amount of newly issued 9.0% priority guarantee notes due 2019 as discussed elsewhere in this MD&A.

During 2012, CCWH issued \$735.75 million aggregate principal amount of 6.50% Series A Senior Notes due 2022 (the Series A CCWH Senior Notes), which were issued at an issue price of 99.0% of par, and \$1,989.25 million aggregate principal amount of 6.50% Series B Senior Notes due 2022, which were issued at par (the Series B CCWH Senior Notes and, together with the Series A CCWH Senior Notes, the CCWH Senior Notes). CCWH used the net proceeds from the offering of the CCWH Senior Notes, together with cash on hand, to fund the tender offer for and redemption of CCWH s existing 9.25% Series A Senior Notes due 2017 and its existing 9.25% Series B Senior Notes due 2017 (together, the Existing CCWH Senior Notes). A tender premium of \$128.3 million and a call premium of \$53.8 million were recognized as expense in the fourth quarter of 2012 resulting from the repurchase of the Existing CCWH Senior Notes.

The key developments in our business for the year ended December 31, 2011 are summarized below:

Consolidated revenue increased \$295.7 million during 2011 including positive foreign exchange movements of \$87.1 million compared to 2010.

Table of Contents

CCME revenue increased \$117.3 million during 2011 compared to 2010, due primarily to increased revenue resulting from our April 2011 addition of a complementary traffic operation (the traffic acquisition) to our existing traffic business, Total Traffic Network. We also purchased a cloud-based music technology business in the first quarter of 2011 that has enabled us to accelerate the development and growth of our iHeartRadio digital products.

Americas outdoor revenue increased \$35.8 million during 2011 compared to 2010, driven by revenue growth across our bulletin, airport and shelter displays, particularly digital displays. During 2011, we deployed 242 digital displays in the United States, compared to 158 during 2010.

International outdoor revenue increased \$170.1 million during 2011 compared to 2010, primarily as a result of increased street furniture revenues and the effects of movements in foreign exchange. The weakening of the U.S. Dollar throughout 2011 significantly contributed to revenue growth in our International outdoor advertising business. The revenue increase attributable to movements in foreign exchange was \$84.5 million for 2011.

We issued \$1.75 billion aggregate principal amount of 9.0% priority guarantee notes due 2021 during 2011, consisting of \$1.0 billion aggregate principal amount issued in February (the February 2011 Offering) and an additional \$750.0 million aggregate principal amount issued in June (the June 2011 Offering). Proceeds of the February 2011 Offering, along with available cash on hand, were used to repay \$500.0 million of our senior secured credit facilities and \$692.7 million of our 6.25% senior notes at maturity in March 2011.

During 2011, CC Finco, LLC (CC Finco), our indirect subsidiary, repurchased \$80.0 million aggregate principal amount of our outstanding 5.5% senior notes due 2014 for \$57.1 million, including accrued interest, through open market purchases.

During 2011, CC Finco purchased 1,553,971 shares of CCOH's Class A common stock through open market purchases for approximately \$16.4 million.

During 2011, we repaid our 4.4% senior notes at maturity for \$140.2 million (net of \$109.8 million principal amount held by and repaid to one of our subsidiaries with respect to notes repurchased and held by such entity), plus accrued interest.

Description of Our Business

CCME

Our revenue is derived primarily from selling advertising time, or spots, on our radio stations, with advertising contracts typically less than one year in duration. The programming formats of our radio stations are designed to reach audiences with targeted demographic characteristics that appeal to our advertisers. We also provide streaming content via the Internet, mobile and other digital platforms which reach national, regional and local audiences and derive revenues primarily from selling advertising time with advertising contracts similar to those used by our radio stations.

CCME management monitors average advertising rates, which are principally based on the length of the spot and how many people in a targeted audience listen to our stations, as measured by an independent ratings service. Also, our advertising rates are influenced by the time of day the advertisement airs, with morning and evening drive-time hours typically priced the highest. Management monitors yield per available minute in addition to average rates because yield allows management to track revenue performance across our inventory. Yield is measured by management in a variety of ways, including revenue earned divided by minutes of advertising sold.

Management monitors macro-level indicators to assess our CCME operations performance. Due to the geographic diversity and autonomy of our markets, we have a multitude of market-specific advertising rates and audience demographics. Therefore, management reviews average unit rates across each of our stations.

Table of Contents

Management looks at our CCME operations' overall revenue as well as the revenue from each type of advertising, including local advertising, which is sold predominately in a station's local market, and national advertising, which is sold across multiple markets. Local advertising is sold by each radio station's sales staff while national advertising is sold by our national sales team and through our national representation firm. Local advertising, which is our largest source of advertising revenue, and national advertising revenues are tracked separately because these revenue streams have different sales forces and respond differently to changes in the economic environment. We periodically review and refine our selling structures in all markets in an effort to maximize the value of our offering to advertisers and, therefore, our revenue.

Management also looks at CCME revenue by market size. Typically, larger markets can reach larger audiences with wider demographics than smaller markets. Additionally, management reviews our share of CCME advertising revenues in markets where such information is available, as well as our share of target demographics listening to the radio in an average quarter hour. This metric gauges how well our formats are attracting and retaining listeners.

A portion of our CCME segment's expenses vary in connection with changes in revenue. These variable expenses primarily relate to costs in our sales department, such as commissions, and bad debt. Our programming and general and administrative departments incur most of our fixed costs, such as utilities and office salaries. We incur discretionary costs in our marketing and promotions, which we primarily use in an effort to maintain and/or increase our audience share. Lastly, we have incentive systems in each of our departments which provide for bonus payments based on specific performance metrics, including ratings, sales levels, pricing and overall profitability.

Outdoor Advertising

Our outdoor advertising revenue is derived from selling advertising space on the displays we own or operate in key markets worldwide, consisting primarily of billboards, street furniture and transit displays. Part of our long-term strategy for our outdoor advertising businesses is to pursue the technology of digital displays, including flat screens, LCDs and LEDs, as alternatives to traditional methods of displaying our clients' advertisements. We are currently installing these technologies in certain markets, both domestically and internationally.

Management typically monitors our business by reviewing the average rates, average revenue per display, occupancy, and inventory levels of each of our display types by market.

We own the majority of our advertising displays, which typically are located on sites that we either lease or own or for which we have acquired permanent easements. Our advertising contracts with clients typically outline the number of displays reserved, the duration of the advertising campaign and the unit price per display.

The significant expenses associated with our operations include (i) direct production, maintenance and installation expenses, (ii) site lease expenses for land under our displays and (iii) revenue-sharing or minimum guaranteed amounts payable under our billboard, street furniture and transit display contracts. Our direct production, maintenance and installation expenses include costs for printing, transporting and changing the advertising copy on our displays, the related labor costs, the vinyl and paper costs, electricity costs and the costs for cleaning and maintaining our displays. Vinyl and paper costs vary according to the complexity of the advertising copy and the quantity of displays. Our site lease expenses include lease payments for use of the land under our displays, as well as any revenue-sharing arrangements or minimum guaranteed amounts payable that we may have with the landlords. The terms of our site leases and revenue-sharing or minimum guaranteed contracts generally range from one to 20 years.

Americas Outdoor Advertising

Our advertising rates are based on a number of different factors including location, competition, type and size of display, illumination, market and gross ratings points. Gross ratings points are the total number of impressions delivered by a display or group of displays, expressed as a percentage of a market population. The number of impressions delivered by a display is measured by the number of people passing the site during a defined period of time. For all of our billboards in the United States, we use independent, third-party auditing companies to verify the number of impressions delivered by a display.

Table of Contents

Client contract terms typically range from four weeks to one year for the majority of our display inventory in the United States. Generally, we own the street furniture structures and are responsible for their construction and maintenance. Contracts for the right to place our street furniture and transit displays and sell advertising space on them are awarded by municipal and transit authorities in competitive bidding processes governed by local law or are negotiated with private transit operators. Generally, these contracts have terms ranging from 10 to 20 years.

International Outdoor Advertising

Similar to our Americas outdoor business, advertising rates generally are based on the gross ratings points of a display or group of displays. The number of impressions delivered by a display, in some countries, is weighted to account for such factors as illumination, proximity to other displays and the speed and viewing angle of approaching traffic. In addition, because our International outdoor advertising operations are conducted in foreign markets, including Europe, Asia and Latin America, management reviews the operating results from our foreign operations on a constant dollar basis. A constant dollar basis allows for comparison of operations independent of foreign exchange movements.

Our International display inventory is typically sold to clients through network packages, with client contract terms typically ranging from one to two weeks with terms of up to one year available as well. Internationally, contracts with municipal and transit authorities for the right to place our street furniture and transit displays typically provide for terms ranging from three to 15 years. The major difference between our International and Americas street furniture businesses is in the nature of the municipal contracts. In our International outdoor business, these contracts typically require us to provide the municipality with a broader range of metropolitan amenities in exchange for which we are authorized to sell advertising space on certain sections of the structures we erect in the public domain. A different regulatory environment for billboards and competitive bidding for street furniture and transit display contracts, which constitute a larger portion of our business internationally, may result in higher site lease costs in our International business. As a result, our margins are typically lower in our International business than in our Americas outdoor business.

Macroeconomic Indicators

Our advertising revenue for all of our segments is highly correlated to changes in gross domestic product (GDP) as advertising spending has historically trended in line with GDP, both domestically and internationally. According to the U.S. Department of Commerce, estimated U.S. GDP growth for the third quarter of 2013 was 2.8%. Internationally, our results are impacted by fluctuations in foreign currency exchange rates as well as the economic conditions in the foreign markets in which we have operations.

RESULTS OF OPERATIONS*Nine Months Ended September 30, 2013 as Compared to Nine Months Ended September 30, 2012***Consolidated Results of Operations**

The comparison of our historical results of operations for the nine months ended September 30, 2013 to the nine months ended September 30, 2012 is as follows:

(In thousands)

Nine Months Ended

%

	September 30,		
	2013	2012	Change
Revenue	\$ 4,548,677	\$ 4,550,548	(0.0%)
Operating expenses:			
Direct operating expenses (excludes depreciation and amortization)	1,840,121	1,826,917	0.7%
Selling, general and administrative expenses (excludes depreciation and amortization)	1,257,224	1,253,290	0.3%
Corporate expenses (excludes depreciation and amortization)	253,524	218,621	16.0%
Depreciation and amortization	539,246	539,555	(0.1%)
Other operating income, net	9,694	47,159	(79.4%)
Operating income	668,256	759,324	(12.0%)
Interest expense	1,231,437	1,148,093	
Gain on marketable securities	130,929	-	
Equity in earnings of nonconsolidated affiliates	13,595	11,914	
Loss on extinguishment of debt	(3,888)	(15,167)	
Other income (expense), net	(17,389)	(1,679)	
Loss before income taxes	(439,934)	(393,701)	
Income tax benefit	158,650	179,293	
Consolidated net loss	(281,284)	(214,408)	
Less amount attributable to noncontrolling Interest	16,372	18,807	
Net loss attributable to the Company	\$ (297,656)	\$ (233,215)	

Table of Contents***Consolidated Revenue***

Our consolidated revenue decreased \$1.9 million including an increase of \$1.3 million from movements in foreign exchange during the first nine months of 2013 compared to the same period of 2012. Excluding the impact of foreign exchange movements and excluding the \$20.4 million impact of our divestiture of our international neon business during the third quarter of 2012, consolidated revenue increased \$17.2 million. Our CCME revenue increased \$22.7 million, driven by increased digital and national sales partially offset by declining traffic revenues. Americas outdoor revenue increased \$17.0 million, driven primarily by increased capacity and occupancy of our digital displays and increased occupancy and rates of our traditional displays. Our International outdoor revenue decreased \$20.6 million including positive movements in foreign exchange of \$2.1 million compared to the same period of 2012. Excluding the impact of foreign exchange movements and excluding the \$20.4 million impact of our divestiture of our international neon business during the third quarter of 2012, revenue decreased \$2.3 million. Declines in certain countries in Europe as a result of weakened macroeconomic conditions were partially offset by growth in street furniture and transit revenue in other countries. Other revenues declined by \$24.1 million primarily as a result of reduced political advertising through our media representation business.

Consolidated Direct Operating Expenses

Direct operating expenses increased \$13.2 million including an increase of \$2.5 million from movements in foreign exchange during the first nine months of 2013 compared to the same period of 2012. Excluding the impact of foreign exchange movements and excluding the \$13.0 million impact of our divestiture of our international neon business in 2012, consolidated direct operating expenses increased \$23.7 million. Our CCME direct operating expenses increased \$16.1 million, primarily resulting from a \$20.7 million credit received during the first nine months of 2012 from one of our performance rights organizations reducing our 2012 music licensing fees as well as increases during the first nine months of 2013 in digital expenses related to our iHeartRadio digital platform including higher digital streaming fees. These increases were partially offset by declining expenses during 2013 in our traffic business resulting from the impact of lower sales and our strategic cost initiatives. Americas outdoor direct operating expenses decreased \$10.3 million, primarily due to the benefits resulting from our previous strategic cost initiatives and mix of higher margin products. Direct operating expenses in our International outdoor segment increased \$4.5 million including an increase of \$3.1 million from movements in foreign exchange compared to the same period of 2012. Excluding the impact of foreign exchange movements and excluding the \$13.0 million impact of our divestiture of our international neon business during 2012, direct operating expenses increased \$14.4 million primarily driven by higher site lease and other expenses as a result of increased sales in certain countries, partially offset by lower variable costs in other countries where revenues have declined.

Consolidated Selling, General and Administrative (SG&A) Expenses

SG&A expenses increased \$3.9 million including an increase of \$1.1 million from movements in foreign exchange during the first nine months of 2013 compared to the same period of 2012. Excluding the impact of

Table of Contents

foreign exchange movements and excluding the \$4.2 million impact of our divestiture of our international neon business during 2012, consolidated SG&A expenses increased \$7.0 million. Our CCME SG&A expenses increased \$28.6 million, primarily due to compensation expenses and amounts related to our variable compensation plans including commissions, which were higher for the 2013 period in connection with increasing our digital and national revenues, as well as higher promotional and sponsorship costs for special events such as the iHeart Radio Music Festival, iHeartRadio Ultimate Pool Party, Coca Cola 600, and the Target Justin Timberlake 20/20 Experience. SG&A expenses increased \$14.6 million in our Americas outdoor segment primarily due to the 2012 period being impacted by a favorable court ruling that resulted in a \$7.8 million decrease in expenses, with other 2013 increases being driven by legal costs related to the Los Angeles litigation discussed further under Business Legal Proceedings in this prospectus as well as compensation expenses including commissions and amounts related to our variable compensation plans, which were higher for the 2013 period in connection with increasing our revenues. Our International outdoor SG&A expenses decreased \$31.2 million including a \$1.2 million increase due to the effects of movements in foreign exchange compared to the same period of 2012. Excluding the impact of foreign exchange movements and excluding the \$4.2 million impact of our divestiture of our international neon business during 2012, SG&A expenses decreased \$28.2 million primarily due to certain expenses during the 2012 period related to legal and other costs in Brazil that did not recur during the first nine months of 2013.

Corporate Expenses

Corporate expenses increased \$34.9 million during the nine months ended September 30, 2013 compared to the same period of 2012, driven by increases in compensation expenses including amounts related to our variable compensation plans as well as \$7.8 million in executive transition costs and legal costs related to the stockholder litigation discussed further in the Business section of this prospectus.

Revenue and Cost Initiatives

Included in the amounts for direct operating expenses, SG&A and corporate expenses discussed above are expenses of \$40.4 million incurred in connection with our strategic revenue and cost initiatives during the nine months ended September 30, 2013. The costs were incurred to improve revenue growth, enhance yield, reduce costs, and organize each business to maximize performance and profitability. These costs consist primarily of consolidation of locations and positions, severance related to workforce initiatives, consulting expenses, and other costs incurred in connection with streamlining our businesses. These costs are expected to provide benefits in future periods as the initiative results are realized. Of these costs during the nine months ended September 30, 2013, \$11.1 million are reported within direct operating expenses, \$14.3 million are reported within SG&A and \$15.0 million are reported within corporate expense compared to \$8.0 million, \$31.2 million, and \$9.2 million, respectively, in the same period of 2012.

Depreciation and Amortization

Depreciation and amortization decreased \$0.3 million during the nine months ended September 30, 2013, compared to the same period of 2012.

Other Operating Income - Net

Other operating income of \$9.7 million for the nine months ended September 30, 2013 primarily related to proceeds from the disposal of operating and fixed assets. Other operating income of \$47.2 million for the nine months ended September 30, 2012 primarily related to the gain on the sale of our international neon business during the third quarter of 2012.

Interest Expense

Interest expense increased \$83.3 million during the nine months ended September 30, 2013 compared to the same period of 2012, primarily due to the weighted average cost of debt increasing as a result of debt refinancings that occurred during the first nine months of 2013, as described under **Sources of Capital** below.

Table of Contents***Gain on Marketable Securities***

The gain on marketable securities of \$130.9 million for the nine months ended September 30, 2013 resulted from the sale of the shares we held in Sirius XM Radio, Inc. during the second quarter of 2013.

Loss on Extinguishment of Debt

In connection with the prepayment of Term Loan A of our senior secured credit facilities during the nine months ended September 30, 2013, we recognized a loss of \$3.9 million due to the write-off of deferred loan costs. For the nine months ended September 30, 2012, we recognized a loss related to the accelerated expensing of \$15.2 million of loan fees upon the prepayment of \$2,096.2 million of our senior secured credit facilities in connection with CCWH's issuance of Senior Subordinated Notes due 2020.

Other Income (Expense) - Net

In connection with the Note Exchange of a portion of the 10.75% Senior Cash Notes and 11.00%/11.75% Senior Toggle Notes for newly-issued Senior Notes due 2021 and in connection with the senior secured credit facility amendment, both of which were accounted for as modifications of existing debt, we incurred expenses of \$17.9 million.

Income Tax Benefit

Our effective tax rate for the nine months ended September 30, 2013 was 36.1%. Our effective tax rate for the nine months ended September 30, 2012 was primarily impacted by the settlement of tax examinations mentioned above as well as the cancellation of indebtedness income recognized during the period.

CCME Results of Operations

Our CCME operating results were as follows:

(In thousands)

Nine Months Ended

	September 30,		%
	2013	2012	Change
Revenue	\$ 2,286,040	\$ 2,263,308	1%
Direct operating expenses	646,111	630,043	3%
SG&A expenses	786,517	757,920	4%
Depreciation and amortization	200,615	202,935	(1%)
Operating income	\$ 652,797	\$ 672,410	(3%)

CCME revenue increased \$22.7 million during the first nine months of 2013 compared to the same period of 2012, primarily due to national advertising revenue increases across various markets and advertising categories, including telecommunications, retail, and entertainment, as well as growth in digital advertising revenue as a result of increased

listenership on our iHeartRadio platform, with total listening hours increasing 33%. Partially offsetting those increases were declines in our traffic business as a result of certain contract losses and lower sales resulting from integration activities.

Direct operating expenses increased \$16.1 million during the first nine months of 2013, primarily resulting from a \$20.7 million credit received during the first nine months of 2012 from one of our performance rights organizations reducing our 2012 music licensing fees, as well as higher streaming expenses during the first nine months of 2013 due to increased listenership partially offset by reductions in costs related to our traffic business as a result of lower revenues, the benefit of our previous strategic cost initiatives and reductions in spending on strategic revenue and cost initiatives. SG&A expenses increased \$28.6 million primarily due to compensation expenses and amounts related to our variable compensation plans including commissions, which were higher for the 2013 period in connection with our increased digital and national revenues as well as promotional and sponsorship costs for special events such as the iHeart Radio Music Festival, iHeartRadio Ultimate Pool Party, Coca Cola 600, and the Target Justin Timberlake 20/20 Experience.

Table of Contents**Americas Outdoor Advertising Results of Operations**

Our Americas outdoor operating results were as follows:

(In thousands)

Nine Months Ended

	September 30,		%
	2013	2012	Change
Revenue	\$ 952,832	\$ 935,850	2%
Direct operating expenses	419,676	429,989	(2%)
SG&A expenses	165,232	150,658	10%
Depreciation and amortization	144,256	141,702	2%
Operating income	\$ 223,668	\$ 213,501	5%

Our Americas outdoor revenue increased \$17.0 million during the nine months ended September 30, 2013 compared to the same period of 2012, driven primarily by increases in bulletins and posters. Traditional bulletins and posters had increases in occupancy and rates, while digital displays increased in occupancy. Partially offsetting these increases were declines in specialty business revenues due primarily to a significant contract during 2012 that did not recur during 2013.

Direct operating expenses decreased \$10.3 million, primarily due to the benefits resulting from our previous strategic cost initiatives as well as reduced variable costs associated with the favorable mix of higher margin products. SG&A expenses increased \$14.6 million primarily due to the 2012 period being impacted by a favorable court ruling that resulted in a \$7.8 million decrease in expenses, with other 2013 increases being driven by legal costs related to the Los Angeles litigation discussed further under **Business Legal Proceedings** in this prospectus as well as compensations expenses including commissions and amounts related to our variable compensation plans, which were higher for the 2013 period in connection with increasing our revenues.

International Outdoor Advertising Results of Operations

Our International outdoor operating results were as follows:

(In thousands)

Nine Months Ended

	September 30,		%
	2013	2012	Change
Revenue	\$ 1,187,262	\$ 1,207,900	(2%)
Direct operating expenses	762,167	757,682	1%
SG&A expenses	238,786	270,019	(12%)

Depreciation and amortization	150,013	149,485	0%
Operating income	\$ 36,296	\$ 30,714	18%

International outdoor revenue decreased \$20.6 million during the nine months ended September 30, 2013 compared to the same period of 2012, including an increase of \$2.1 million from movements in foreign exchange and the divestiture of our international neon business during the third quarter of 2012, which had \$20.4 million in revenues for the nine months ended September 30, 2012. Excluding the impact of foreign exchange and the divestiture, revenues decreased \$2.3 million. Lower revenues in certain countries in Europe as a result of weakened macroeconomic conditions were partially offset by increases in revenue resulting from revenue growth in other countries including China, Latin America, Australia and the UK primarily in street furniture advertising revenue, as well as higher transit advertising sales resulting from new contracts in Norway.

Table of Contents

Direct operating expenses increased \$4.5 million including an increase of \$3.1 million from movements in foreign exchange and the divestiture of our international neon business during the third quarter of 2012, which had \$13.0 million in direct operating expenses for the nine months ended September 30, 2012. Excluding the impact of movements in foreign exchange and the divestiture, direct operating expenses increased \$14.4 million driven by increases in variable costs in certain markets such as China, Norway and Latin America resulting from increased revenues partially offset by declines in expenses in response to declining revenues in other countries in Europe. SG&A expenses decreased \$31.2 million including an increase of \$1.2 million from movements in foreign exchange and the divestiture of our international neon business during the third quarter of 2012, which had \$4.2 million in SG&A expenses for the nine months ended September 30, 2012. Excluding the impact of movements in foreign exchange and the divestiture, SG&A expenses decreased \$28.2 million primarily due to the absence in 2013 of \$22.7 million in expenses incurred during the first nine months of 2012 in connection with legal and other costs in Brazil as well as decreases in 2013 in strategic revenue and cost initiative expenses.

Reconciliation of Segment Operating Income to Consolidated Operating Income

<i>(In thousands)</i>	Nine Months Ended September 30,	
	2013	2012
CCME	\$ 652,797	\$ 672,410
Americas outdoor advertising	223,668	213,501
International outdoor advertising	36,296	30,714
Other	13,890	24,723
Other operating income, net	9,694	47,159
Corporate expenses ⁽¹⁾	(268,089)	(229,183)
Consolidated operating income	\$ 668,256	\$ 759,324

- (1) Corporate expenses include infrastructure support expenses related to CCME, Americas outdoor, International outdoor and our Other category, as well as overall executive, administrative and support functions and share-based compensation expense.

Share-Based Compensation Expense

We do not have any compensation plans under which we grant stock awards to employees. Our employees receive equity awards from CC Media Holdings, Inc. s (CCMH) and Clear Channel Outdoor Holdings, Inc. s (CCOH) equity incentive plans.

Share-based compensation payments are recorded in corporate expenses and were \$14.1 million and \$20.1 million for the nine months ended September 30, 2013 and 2012, respectively.

As of September 30, 2013, there was \$25.1 million of unrecognized compensation cost, net of estimated forfeitures, related to unvested share-based compensation arrangements that will vest based on service conditions. Based on the terms of the award agreements, this cost is expected to be recognized over a weighted average period of approximately three years. In addition, as of September 30, 2013, there was \$19.8 million of unrecognized compensation cost, net of estimated forfeitures, related to unvested share-based compensation arrangements that will vest based on market, performance and service conditions. This cost will be recognized when it becomes probable that

the performance condition will be satisfied.

Table of Contents**Year Ended December 31, 2012 as Compared to Year Ended December 31, 2011****Consolidated Results of Operations**

The comparison of our historical results of operations for the year ended December 31, 2012 to the year ended December 31, 2011 is as follows:

<i>(In thousands)</i>	Years Ended December 31,		%
	2012	2011	Change
Revenue	\$ 6,246,884	\$ 6,161,352	1%
Operating expenses:			
Direct operating expenses (excludes depreciation and amortization)	2,470,936	2,482,345	(0%)
Selling, general and administrative expenses (excludes depreciation and amortization)	1,689,723	1,626,646	4%
Corporate expenses (excludes depreciation and amortization)	297,366	239,399	24%
Depreciation and amortization	729,285	763,306	(4%)
Impairment charges	37,651	7,614	394%
Other operating income net	48,127	12,682	279%
Operating income	1,070,050	1,054,724	1%
Interest expense	1,549,023	1,466,246	
Loss on marketable securities	(4,580)	(4,827)	
Equity in earnings of nonconsolidated affiliates	18,557	26,958	
Loss on extinguishment of debt	(254,723)	(1,447)	
Other income (expense) net	250	(3,169)	
Loss before income taxes	(719,469)	(394,007)	
Income tax benefit	308,279	125,978	
Consolidated net loss	(411,190)	(268,029)	
Less amount attributable to noncontrolling interest	13,289	34,065	
Net loss attributable to the Company	\$(424,479)	\$(302,094)	

Consolidated Revenue

Our consolidated revenue increased \$85.5 million including the impact of negative movements in foreign exchange of \$79.3 million compared to 2011. Excluding the impact of foreign exchange movements, revenue increased \$164.8 million. CCME revenue increased \$98.0 million, driven by growth of \$79.0 million from national and local advertising including political, telecommunications and auto, and higher advertising revenues from our digital services primarily as a result of higher listening hours and event sponsorship. Americas outdoor revenue increased \$26.5 million, driven primarily by bulletin revenue growth as a result of our continued deployment of new digital displays during 2012 and 2011 and revenue growth from our airports business. International outdoor revenue decreased \$83.5 million including the impact of negative movements in foreign exchange of \$78.9 million compared to 2011. Excluding the impact of foreign exchange movements, International outdoor revenue decreased \$4.6 million. Declines

in certain countries as a result of weakened macroeconomic conditions and our divestiture of our international neon business during the third quarter of 2012 were partially offset by growth in street furniture and billboard revenue in other countries. Our Other segment revenue grew by \$47.3 million as a result of increased political advertising through our media representation business during the election year in the United States.

Consolidated Direct Operating Expenses

Direct operating expenses decreased \$11.4 million including a \$49.7 million decline due to the effects of movements in foreign exchange compared to 2011. CCME direct operating expenses increased \$19.8 million, primarily due to an increase in digital expenses related to our iHeartRadio digital platform including higher digital streaming fees due to increased listening hours and rates and personnel costs. In addition, an increase of \$29.6 million related to our traffic acquisition was partially offset by a decline in music license fees of \$23.2 million. Americas outdoor direct operating expenses increased \$16.0 million, primarily due to increased site lease expense associated with our continued development of digital displays and growth from our airports business. Direct operating expenses in our International outdoor segment decreased \$43.4 million including a \$49.4 million decline due to the effects of movements in foreign exchange. The increase in expense excluding the impact of movements in foreign exchange was primarily driven by higher site lease and other expenses as a result of new contracts. These increases were partially offset by lower variable costs in countries where revenues have declined and the impact of the divestiture of our international neon business.

Table of Contents***Consolidated Selling, General and Administrative (SG&A) Expenses***

SG&A expenses increased \$63.1 million including a decline of \$21.7 million due to the effects of movements in foreign exchange compared to 2011. CCME SG&A expenses increased \$23.2 million, primarily due to expenses incurred in connection with strategic revenue and cost initiatives. SG&A expenses in our Americas outdoor segment increased \$12.3 million primarily due to increased personnel costs resulting from increased revenue in addition to increases in costs associated with strategic revenue and cost initiatives. International outdoor SG&A expenses increased \$24.4 million including a \$21.6 million decline due to the effects of movements in foreign exchange. The increase was primarily due to \$22.7 million of expense related to the negative impact of litigation in Latin America discussed in the Business section located elsewhere in this prospectus. Also contributing to the increase was a \$1.2 million increase in expenses related to strategic revenue and cost initiatives.

Corporate Expenses

Corporate expenses increased \$58.0 million during 2012 compared to 2011. This increase was driven by higher personnel costs resulting from amounts recorded under our variable compensation plans, higher expenses under our benefit plans, and increases in corporate infrastructure. In addition, we incurred \$14.2 million more in corporate strategic revenue and cost initiatives compared to the prior year as well as \$9.0 million in expenses related to the stockholder litigation discussed further in the Business section located elsewhere in this prospectus. Also impacting the increase during 2012 compared to 2011 is the reversal of \$6.6 million of share-based compensation expense included in 2011 related to the cancellation of a portion of an executive's stock options.

Revenue and Cost Initiatives

Included in the amounts for direct operating expenses, SG&A and corporate expenses discussed above are expenses of \$76.2 million incurred in connection with our strategic revenue and cost initiatives. The costs were incurred to improve revenue growth, enhance yield, reduce costs, and organize each business to maximize performance and profitability. These costs consist primarily of consulting expenses, consolidation of locations and positions, severance related to workforce initiatives and other costs incurred in connection with streamlining our businesses. These costs are expected to provide benefits in future periods as the initiative results are realized. Of these costs, \$13.8 million are reported within direct operating expenses, \$47.2 million are reported within SG&A and \$15.2 million are reported within corporate expense. In 2011, such costs totaled \$8.8 million, \$26.6 million, and \$1.0 million, respectively.

Depreciation and Amortization

Depreciation and amortization decreased \$34.0 million during 2012 compared to 2011, primarily due to various assets becoming fully depreciated in 2011. In addition, movements in foreign exchange contributed a decrease of \$9.3 million during 2012.

Impairment Charges

We performed our annual impairment tests as of October 1, 2012 and 2011 on our goodwill, FCC licenses, billboard permits, and other intangible assets and recorded impairment charges of \$37.7 million and \$7.6 million, respectively. During 2012, we recognized a \$35.9 million impairment charge in our Americas outdoor segment related to declines in estimated fair values of certain markets' billboard permits. Please see Note 2 to the consolidated financial statements included elsewhere in this prospectus for a further description of the impairment charges.

Other Operating Income - Net

Other operating income of \$48.1 million in 2012 primarily related to the gain on the sale of our international neon business in the third quarter of 2012. Other operating income of \$12.7 million in 2011 primarily related to a gain on the sale of a tower and proceeds received from condemnations of bulletins.

Table of Contents***Interest Expense***

Interest expense increased \$82.7 million during 2012 compared to 2011 primarily as a result of interest expense associated with CCWH's issuance of the CCWH Subordinated Notes during the first quarter of 2012, partially offset by the impact of other refinancing actions and repayments of senior notes. Please refer to Sources of Capital for additional discussion of debt issuances and exchanges. Our weighted average cost of debt during 2012 and 2011 was 6.7% and 6.2%, respectively.

Loss on Marketable Securities

The loss on marketable securities of \$4.6 million and \$4.8 million during 2012 and 2011, respectively, primarily related to the impairment of our investment in Independent News & Media PLC (INM) during 2012 and 2011 and the impairment of a cost-basis investment during 2012. The fair value of INM was below cost for an extended period of time. As a result, we considered the guidance in ASC 320-10-S99 and reviewed the length of the time and the extent to which the market value was less than cost, the financial condition and the near-term prospects of the issuer. After this assessment, we concluded that the impairment at each date was other than temporary and recorded non-cash impairment charges to our investment in INM, as noted above. We obtained the financial information for our cost-basis investment and noted continued doubt of the investment's ability to continue as a going concern. After evaluating the financial condition of the investment, we concluded that the investment was other than temporarily impaired and recorded a non-cash impairment charge to that investment.

Equity in Earnings of Nonconsolidated Affiliates

Equity in earnings of nonconsolidated affiliates of \$18.6 million for 2012 included earnings from our investments in Australia Radio Network and New Zealand Radio Network. Equity in earnings of nonconsolidated affiliates of \$27.0 million for 2011 included earnings from our investments primarily in Australia Radio Network and New Zealand Radio Network.

Loss on Extinguishment of Debt

In connection with the refinancing of the Existing CCWH Senior Notes with an interest rate of 9.25% with the CCWH Senior Notes with a stated interest rate of 6.5% during the fourth quarter of 2012, CCWH paid existing note holders a tender premium of 7.4% of face value on the \$1,724.7 million of Existing CCWH Senior Notes that were tendered in the tender offer and a call premium of 6.9% on the \$775.3 million of Existing CCWH Senior Notes that were redeemed following the tender offer. The tender premium of \$128.3 million and the call premium of \$53.8 million are included in the loss on extinguishment of debt. In addition, we recognized a loss of \$39.0 million due to the write-off of deferred loan costs in connection with the call of the Existing CCWH Senior Notes, and recognized losses of \$33.7 million in connection with a prepayment during the first quarter of 2012 and a debt exchange during the fourth quarter of 2012 related to our senior secured credit facilities as discussed elsewhere in this MD&A.

Loss on extinguishment of debt of \$1.4 million for 2011 primarily related to the accelerated expensing of \$5.7 million of loan fees upon the prepayment of \$500.0 million of our senior secured credit facilities in connection with the February 2011 Offering, partially offset by an aggregate gain of \$4.3 million on the repurchase of our 5.5% senior notes due 2014.

Other Income (Expense) - Net

Other income of \$0.3 million for 2012 primarily related to miscellaneous dividend and other income of \$3.2 million offset by \$3.0 million in foreign exchange losses on short-term intercompany accounts.

Other expense of \$3.2 million for 2011 primarily related to miscellaneous bank fees and foreign exchange losses on short-term intercompany accounts.

Income Tax Benefit

The effective tax rate for the year ended December 31, 2012 was 42.8% as compared to 32.0% for the year ended December 31, 2011. The effective tax rate for 2012 was favorably impacted by our settlement of U.S. Federal

Table of Contents

and foreign tax examinations during the year. Pursuant to the settlements, we recorded a reduction to income tax expense of approximately \$60.6 million to reflect the net tax benefits of the settlements. This benefit was partially offset by additional tax recorded during 2012 related to the write-off of deferred tax assets associated with the vesting of certain equity awards.

The effective tax rate for the year ended December 31, 2011 was 32.0% as compared to 25.7% for the year ended December 31, 2010. The effective tax rate for 2011 was favorably impacted by our settlement of U.S. Federal and state tax examinations during the year. Pursuant to the settlements, we recorded a reduction to income tax expense of approximately \$16.3 million to reflect the net tax benefits of the settlements. This benefit was partially offset by additional tax recorded during 2011 related to the write-off of deferred tax assets associated with the vesting of certain equity awards and our inability to benefit from certain tax loss carryforwards in foreign jurisdictions.

CCME Results of Operations

Our CCME operating results were as follows:

<i>(In thousands)</i>	Years Ended December 31,		%
	2012	2011	Change
Revenue	\$ 3,084,780	\$ 2,986,828	3%
Direct operating expenses	855,321	835,500	2%
SG&A expenses	1,016,421	993,188	2%
Depreciation and amortization	271,399	268,245	1%
Operating income	\$		