Clear Channel Outdoor Holdings, Inc.
Form DEF 14A
April 30, 2009
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No.   )

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement	¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
x Definitive Proxy Statement	
¨ Definitive Additional Materials	
¨ Soliciting Material Pursuant to §240.14a-12	

Clear Channel Outdoor Holdings, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

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(1) Title of each class of securities to which transaction applies:

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¨ Fee paid previously with preliminary materials.

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(4) Date Filed:

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Clear Channel Outdoor Holdings, Inc.

P.O. Box 659512

San Antonio, Texas 78265-9512

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 27, 2009

As a stockholder of Clear Channel Outdoor Holdings, Inc., you are hereby given notice of and invited to attend, in person or by proxy, the Annual Meeting of Stockholders of Clear Channel Outdoor Holdings, Inc. to be held at the corporate offices of Clear Channel Outdoor Holdings, Inc., located at 200 E. Basse Road, San Antonio, Texas 78209, on May 27, 2009, at 9:00 a.m. local time, for the following purposes:

1. to elect Margaret W. Covell, Mark P. Mays and Dale W. Tremblay to serve for a three year term;

2. to transact any other business which may properly come before the meeting or any adjournment thereof.

Only stockholders of record at the close of business on April 29, 2009 are entitled to notice of and to vote at the meeting.

Two cut-out admission tickets are included on the back cover of this document and are required for admission to the meeting. Please contact Clear Channel Outdoor s Secretary at Clear Channel Outdoor s corporate headquarters if you need additional tickets. If you plan to attend the annual meeting, please note that space limitations make it necessary to limit attendance to stockholders and one guest. Admission to the annual meeting will be on a first-come, first-served basis. Registration and seating will begin at 8:30 a.m. Each stockholder may be asked to present valid picture identification, such as a driver s license or passport. Stockholders holding stock in brokerage accounts (street name holders) will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Cameras (including cellular telephones with photographic capabilities), recording devices and other electronic devices will not be permitted at the annual meeting. The annual meeting will begin promptly at 9:00 a.m. local time.

Your attention is directed to the accompanying proxy statement. In addition, although mere attendance at the meeting will not revoke your proxy, if you attend the meeting you may revoke your proxy and vote in person. To assure that your shares are represented at the meeting, please complete, date, sign and mail the enclosed proxy card in the return envelope provided for that purpose.

By Order of the Board of Directors

Andrew W. Levin
Executive Vice President, Chief Legal Officer
and Secretary

San Antonio, Texas

April 30, 2009

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 27, 2009

The Proxy Statement and our 2008 Annual Report are available at

http://bnymellon.mobular.net/bnymellon/cco

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2009 ANNUAL MEETING OF STOCKHOLDERS

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

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PROXY STATEMENT

This proxy statement contains information related to the annual meeting of stockholders of Clear Channel Outdoor Holdings, Inc. (referred to herein as Clear Channel Outdoor, Company, we, our or us) to be held on Wednesday, May 27, 2009, beginning at 9:00 a.m. local time, at the corporate offices of Clear Channel Outdoor Holdings, Inc., located at 200 E. Basse Road, San Antonio, Texas 78209, and at any postponements or adjournments thereof. This proxy statement is being mailed to stockholders on or about April 29, 2009.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING

Q: Why am I receiving these materials?

A: Clear Channel Outdoor s Board of Directors (the Board) is providing these proxy materials to you in connection with Clear Channel Outdoor s annual meeting of stockholders (the annual meeting), which will take place on May 27, 2009. The Board is soliciting proxies to be used at the annual meeting. You are also invited to attend the annual meeting and are requested to vote on the proposals described in this proxy statement.

Q: What information is contained in these materials?

A: The information included in this proxy statement relates to the proposals to be voted on at the annual meeting, the voting process, the compensation of our directors and our most highly paid executive officers, and certain other required information. Following this proxy statement are excerpts from Clear Channel Outdoor s 2008 Annual Report on Form 10-K including Consolidated Financial Statements, Notes to the Consolidated Financial Statements, and Management s Discussion and Analysis. A proxy card and a return envelope are also enclosed.

Q: What proposals will be voted on at the annual meeting?

A: There is one proposal scheduled to be voted on at the annual meeting which is the election of directors.

Q: Which of my shares may I vote?

A: All shares of Class A common stock owned by you as of the close of business on April 29, 2009 (the Record Date) may be voted by you. These shares include shares that are: (1) held directly in your name as the stockholder of record, and (2) held for you as the beneficial owner through a stockbroker, bank or other nominee. Each share of Class A common stock is entitled to one vote at the annual meeting and each share of Class B common stock is entitled to twenty votes at the annual meeting. As of April, 29, 2009, there were 40,676,720 shares of Class A common stock outstanding and 315,000,000 shares of Class B common stock outstanding. All shares of our Class B common stock are held by Clear Channel Holdings, Inc., a wholly owned subsidiary of CC Media Holdings, Inc. (CC Media).

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: Most stockholders of Clear Channel Outdoor hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

STOCKHOLDERS OF RECORD: If your shares are registered directly in your name with Clear Channel Outdoor s transfer agent, The Bank of New York, you are considered, with respect to those shares, the stockholder of record, and these proxy materials are being sent directly to you by The Bank of New York on behalf of Clear Channel Outdoor. As the stockholder of record, you have the right to grant your voting proxy directly to Clear Channel Outdoor or to vote in person at the annual meeting. Clear Channel Outdoor has enclosed a proxy card for you to use.

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BENEFICIAL OWNER: If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your broker or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker on how to vote and are also invited to attend the annual meeting. However, since you are not the stockholder of record, you may not vote these shares in person at the annual meeting, unless you obtain a signed proxy from the record holder giving you the right to vote the shares. Your broker or nominee has enclosed a voting instruction card for you to use in directing the broker or nominee regarding how to vote your shares.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: Under New York Stock Exchange (NYSE) rules, brokers will have discretion to vote the shares of customers who fail to provide voting instructions on routine matters, but brokers may not vote such shares on non-routine matters without voting instructions. When a broker is not permitted to vote the shares of a customer who does not provide voting instructions, it is called a broker non-vote. The election of directors is a routine matter. Your broker will send you directions on how you can instruct your broker to vote.

If you do not provide instructions to your broker on how to vote your shares on routine matters, they may either vote your shares on these matters in their discretion or leave your shares unvoted.

Q: How can I vote my shares in person at the annual meeting?

A: Shares held directly in your name as the stockholder of record may be voted by you in person at the annual meeting. If you choose to do so, please bring the enclosed proxy card and proof of identification. Even if you plan to attend the annual meeting, Clear Channel Outdoor recommends that you also submit your proxy as described below so that your vote will be counted if you later decide not to attend the annual meeting. You may request that your previously submitted proxy card not be used if you desire to vote in person when you attend the annual meeting. Shares held in street name may be voted in person by you at the annual meeting only if you obtain a signed proxy from the record holder giving you the right to vote the shares. **Your vote is important. Accordingly, you are urged to sign and return the accompanying proxy card whether or not you plan to attend the annual meeting.**

If you plan to attend the annual meeting, please note that space limitations make it necessary to limit attendance to stockholders and one guest. Admission to the annual meeting will be on a first-come, first-served basis. Registration and seating will begin at 8:30 a.m. local time. Each stockholder may be asked to present valid picture identification, such as a driver s license or passport. Stockholders holding stock in brokerage accounts (street name holders) will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Cameras (including cellular telephones with photographic capabilities), recording devices and other electronic devices will not be permitted at the annual meeting.

Q: How can I vote my shares without attending the annual meeting?

A: Whether you hold shares directly as the stockholder of record or beneficially in street name, when you return your proxy card or voting instructions accompanying this proxy statement, properly signed, the shares represented will be voted in accordance with your directions. You can specify your choices by marking the appropriate boxes on the enclosed proxy card.

Q: May I change my vote?

A:

If you are a stockholder of record, you may change your vote or revoke your proxy at any time before your shares are voted at the annual meeting by sending the Secretary of Clear Channel Outdoor a proxy card dated later than your last submitted proxy card, notifying the Secretary of Clear Channel Outdoor in writing, or voting at the annual meeting. If your shares are held beneficially in street name you should follow the instructions provided by your broker or other nominee to change your vote.

Q What if I return my proxy card without specifying my voting choices?

A: If your proxy card is signed and returned without specifying choices, the shares will be voted as recommended by the Board.

Q: What does it mean if I receive more than one proxy or voting instruction card?

A: It means your shares are registered differently or are in more than one account. Please provide voting instructions for all proxy and voting instruction cards you receive.

Q: What constitutes a quorum?

A: The holders of a majority of the total voting power of the Company s Class A and Class B common stock entitled to vote and represented in person or by proxy will constitute a quorum at the annual meeting. Broker non-votes (as described above) and abstentions are both counted toward a quorum.

Under NYSE rules, the proposal to elect directors is considered a routine matter. This means that brokerage firms may vote in their discretion on these matters on behalf of clients who have not timely furnished voting instructions.

Q: What are Clear Channel Outdoor s voting recommendations?

A: The Board recommends that you vote your shares FOR each of the nominees to the Board.

Q: Where can I find the voting results of the annual meeting?

A: Clear Channel Outdoor will announce preliminary voting results at the annual meeting and publish final results in Clear Channel Outdoor s quarterly report on Form 10-Q for the second quarter of 2009, which we anticipate will be filed with the Securities and Exchange Commission (the SEC) by August 10, 2009.

THE BOARD OF DIRECTORS

The Board is responsible for the management and direction of Clear Channel Outdoor and for establishing broad corporate policies. However, in accordance with corporate legal principles, it is not involved in day-to-day operating details. Members of the Board are kept informed of Clear Channel Outdoor s business through discussions with the Chief Executive Officer, Chief Financial Officer, President and Chief Executive Officer Americas and Asia/Pacific and other executive officers, by reviewing analyses and reports sent to them, and by participating in Board and committee meetings.

COMPOSITION OF THE BOARD OF DIRECTORS

Our directors are divided into three classes serving staggered three-year terms. At each annual meeting of our stockholders, directors will be elected to succeed the class of directors whose terms have expired. For so long as CC Media is the owner of such number of shares representing more than 50% of the total voting power of our common stock, it will have the ability to direct the election of all the members of our Board, the composition of our Board Committees and the size of the Board.

Because more than fifty percent (50%) of the voting power of Clear Channel Outdoor is controlled by CC Media, Clear Channel Outdoor has elected to be treated as a controlled company under the Corporate Governance Listing Standards of the New York Stock Exchange. Accordingly, Clear Channel Outdoor is exempt from the provisions of the Corporate Governance Listing Standards requiring: (i) that the majority of our Board consists of independent directors, (ii) that we have a Nominating and Governance Committee, that the Nominating and Governance Committee be composed entirely of independent directors with a written charter addressing the Committee s purpose and responsibilities, and that we conduct an annual performance evaluation of the Nominating and Governance Committee, and (iii) that we have a Compensation Committee composed entirely of independent

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directors with a written charter addressing the Committee s purpose and responsibilities and that we conduct an annual performance evaluation of the Compensation Committee. However, notwithstanding this exemption, as described more fully below, we have a Compensation Committee composed entirely of independent directors with a written charter addressing the Committee s purpose and responsibilities.

BOARD MEETINGS

The Board held six meetings during 2008. For the 2008 fiscal year, except for Mr. W. Douglas Parker, each Board member attended at least 75% of the total number of meetings of the Board (held during the period for which such person served) and at least 75% of the total number of meetings of all Board Committees on which such person served (during the period for which such person served). Mr. W. Douglas Parker resigned from the Board on July 16, 2008. Prior to his resignation, Mr. W. Douglas Parker attended 33% of Board meetings and 100% of the Board Committee meetings on which he served.

STOCKHOLDER MEETING ATTENDANCE

Clear Channel Outdoor encourages, but does not require, directors to attend the annual meetings of stockholders. Except for Mr. W. Douglas Parker, all of our directors attended the annual meeting of stockholders in 2008.

INDEPENDENCE OF DIRECTORS

The Board has adopted a set of Governance Guidelines, addressing, among other things, standards for evaluating the independence of Clear Channel Outdoor s directors. The full text of the Governance Guidelines can be found on the investor relations section of Clear Channel Outdoor s website at *www.clearchanneloutdoor.com*. A copy of the Governance Guidelines may also be obtained upon request from the Secretary of Clear Channel Outdoor at Clear Channel Outdoor Holdings, Inc., P.O. Box 659512, San Antonio, Texas 78265-9512.

The Board has adopted the following standards for determining the independence of its members:

1. A director must not be, or have been within the last three years, an employee of Clear Channel Outdoor. In addition, a director s immediate family member (immediate family member is defined to include a person s spouse, parents, children, siblings, mother and father-in-law, sons and daughters-in-law and anyone (other than domestic employees) who shares such person s home) must not be, or have been within the last three years, an executive officer of Clear Channel Outdoor.

2. A director or immediate family member must not have received, during any twelve month period within the last three years, more than $100,000 per year in direct compensation from Clear Channel Outdoor, other than as director or committee fees and pension or other forms of deferred compensation for prior service (and no such compensation may be contingent in any way on continued service).

3. A director must not be a current partner of a firm that is Clear Channel Outdoor s internal or external auditor or a current employee of such a firm. In addition, a director must not have an immediate family member who is a current employee of such a firm and who participates in the firm s audit, assurance or tax compliance (but not tax planning) practice. Finally, a director or immediate family member must not have been, within the last three years, a partner or employee of such a firm and personally worked on Clear Channel Outdoor s audit within that time.

4. A director or an immediate family member must not be, or have been within the last three years, employed as an executive officer of another company where any of Clear Channel Outdoor s present executive officers at the same time serve or served on that company s compensation committee.

5. A director must not (a) be a current employee, and no director s immediate family member may be a current executive officer, of any company that has made payments to, or received payments from, Clear Channel Outdoor (together with its consolidated subsidiaries)

for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues.

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6. A director must not own, together with ownership interests of his or her family, ten percent (10%) or more of any company that has made payments to, or received payments from, Clear Channel Outdoor (together with its consolidated subsidiaries) for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues.

7. A director or immediate family member must not be or have been during the last three years, a director, trustee or officer of a charitable organization (or hold a similar position), to which Clear Channel Outdoor (together with its consolidated subsidiaries) makes contributions in an amount which, in any of the last three fiscal years, exceeds the greater of $50,000, or 5% of such organization s consolidated gross revenues.

8. A director must be independent as that term is defined from time to time by the rules and regulations promulgated by the SEC, by the listing standards of the NYSE and, with respect to members of the Compensation Committee, by the applicable provisions of, and rules promulgated under, the Internal Revenue Code.

The above independence standards conform to, or are more exacting than, the director independence requirements of the NYSE. The above independence standards are set forth on Appendix A of the Governance Guidelines.

Our Board currently consists of ten directors, one of whom is our Chief Executive Officer and one of whom is our Chief Financial Officer. Pursuant to the Governance Guidelines, the Board undertook its annual review of director independence in February 2009. For a director to be independent, the Board must determine the director does not have any direct or indirect material relationship with Clear Channel Outdoor or any of its subsidiaries. As a result of this review, the Board affirmatively determined that James M. Raines, Marsha M. Shields and Dale W. Tremblay are independent under the listing standards of the NYSE, as well as Clear Channel Outdoor s independence standards set forth above. The Board determined that W. Douglas Parker, who served as a member of the Board and the Compensation Committee until July 2008 was also independent pursuant to the NYSE requirements and our independence standards. In addition, the Board has determined that every member of the Audit Committee and the Compensation Committee is independent.

During this review with respect to Marsha M. Shields, the Board considered the transactions and relationships reported in the Transactions with Related Persons Marsha M. Shields section of this proxy statement and concluded none of these transactions or relationships impaired Marsha M. Shields independence.

The rules of the NYSE require that non-management directors of a listed company meet periodically in executive sessions. In addition, the rules of the NYSE require listed companies to schedule an executive session including only independent directors at least once a year. Clear Channel Outdoor s non-management directors have met separately in executive sessions without management present. Clear Channel Outdoor s independent directors met alone following each regular meeting of the Board in 2008.

The Board has created the office of Presiding Director to serve as the lead non-management director of the Board. The Board has established that the office of the Presiding Director shall at all times be held by an independent director, as that term is defined from time to time by the listing standards of the NYSE and as determined by the Board in accordance with the Board s Governance Guidelines. The Presiding Director has the power and authority to do the following:

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- to preside at all meetings of non-management directors when they meet in executive session without management participation;
- to set agendas, priorities and procedures for meetings of non-management directors meeting in executive session without management participation;
- to generally assist the Chairman of the Board;
- to add agenda items to the established agenda for meetings of the Board;
- to request access to Clear Channel Outdoor s management, employees and its independent advisers for purposes of discharging his or her duties and responsibilities as a director; and
- to retain independent outside financial, legal or other advisors at any time, at the expense of Clear Channel Outdoor, on behalf of any committee or subcommittee of the Board.

The independent directors shall each take turns serving as the Presiding Director on a rotating basis, each such rotation to take place effective the first day of each calendar quarter. Currently, Marsha M. Shields is serving as the Presiding Director. As part of the standard rotation established by the Board, Dale W. Tremblay will begin serving as the Presiding Director on July 1, 2009.

COMMITTEES OF THE BOARD

The Board has two standing committees: the Compensation Committee and the Audit Committee. Each committee has a written charter which guides its operations. The written charters are all available on Clear Channel Outdoor s website at *www.clearchanneloutdoor.com*, or a copy may be obtained upon request from the Secretary of Clear Channel Outdoor. The table below sets forth members of each committee.

BOARD COMMITTEE MEMBERSHIP

Name	Compensation Committee	Audit Committee
James M. Raines	X	X*
Marsha M. Shields		X
Dale W. Tremblay	X*	X

X = Committee member; * = Chairperson

The Compensation Committee

The Compensation Committee administers Clear Channel Outdoor s incentive-compensation plans and equity-based plans, determines compensation arrangements for all executive officers, other than our CEO and CFO, and makes recommendations to the Board concerning compensation for directors of Clear Channel Outdoor and its subsidiaries. The Compensation Discussion and Analysis section of this document provides additional details regarding the basis on which the Compensation Committee determines executive compensation. The Compensation Committee met three times during 2008. All members of the Compensation Committee are independent as defined by the listing standards of the NYSE and Clear Channel Outdoor s independence standards.

The Compensation Committee has the ability, under its charter, to select and retain, at the expense of the Clear Channel Outdoor, independent legal and financial counsel and other consultants necessary to assist the Compensation Committee as the Compensation Committee may deem appropriate, in its sole discretion. The Compensation Committee also has the authority to select and retain any compensation consultant to be used to survey the compensation practices in Clear Channel Outdoor s industry and to provide advice so that Clear Channel Outdoor can maintain its competitive ability to recruit and retain highly qualified personnel. The Compensation Committee has the sole authority to approve related fees and retention terms for any of its counsel and consultants. Hewitt Associates serves as the Compensation Committee s independent compensation consultant, and works directly for the Compensation Committee. Hewitt Associates does not perform any other services for Clear Channel Outdoor.

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The Compensation Committee s primary responsibilities, which are discussed in detail within its charter, are to:

- assist the Board in ensuring that a proper system of long-term and short-term compensation is in place to provide performance-oriented incentives to management, and that compensation plans are appropriate and competitive and properly reflect the objectives and performance of management and Clear Channel Outdoor;

- review and approve corporate goals and objectives relevant to the compensation of Clear Channel Outdoor s Chief Operating Officer and to evaluate the Chief Operating Officer s performance in light of those goals and objectives, and to determine and approve the Chief Operating Officer s compensation level based on this evaluation; and

- make recommendations to the Board with respect to non-CEO compensation, incentive-compensation plans and equity-based plans.

The compensation of our CEO and CFO are set by the Compensation Committee of CC Media. See the discussion of CEO and CFO compensation in the Compensation Discussion and Analysis section of this proxy statement. The Compensation Committee has the authority to delegate its responsibilities to subcommittees of the Compensation Committee if the Compensation Committee determines such delegation would be in the best interest of Clear Channel Outdoor.

The Audit Committee

The Audit Committee is responsible for reviewing Clear Channel s accounting practices and audit procedures. James M. Raines has been designated by our Board as the Audit Committee financial expert (as defined in the applicable regulations of the SEC). See the Audit Committee Report later in this document, which details the duties and performance of the Audit Committee. The Audit Committee met nine times during 2008. All members of the Audit Committee are independent as defined by the listing standards of the NYSE and Clear Channel Outdoor s independence standards and satisfy the other requirements for audit committee membership of the NYSE and SEC. The Audit Committee operates under a written charter adopted by our Board which reflects standards set forth in SEC regulations and NYSE rules. The composition and responsibilities of the Audit Committee and the attributes of its members, as reflected in the charter, are intended to be in accordance with applicable requirements for corporate Audit Committees. The charter is reviewed, and amended if necessary, on an annual basis. The full text of the Audit Committee s charter can be found on our website at *www.clearchanneloutdoor.com* or may be obtained upon request from our Secretary.

DIRECTOR NOMINATING PROCEDURES

The Board oversees the identification and consideration of candidates for membership on the Board, and each member of the Board participates in this process. It is the view of the Board that this function has been performed effectively by the Board, and that it is appropriate for Clear Channel Outdoor not to have a separate nominating committee or charter for this purpose.

The Board is responsible for developing and reviewing background information for candidates for the Board, including those recommended by stockholders. Our directors play a critical role in guiding Clear Channel Outdoor s strategic direction and overseeing the management of Clear Channel Outdoor. While we have not established specific minimum qualifications that nominees must possess, the Board seeks candidates with diverse professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. Director candidates should have experience in positions with a high degree of responsibility, be leaders in the organizations with which they are affiliated and have the time, energy, interest and willingness to serve as a member of the Board. Recent developments in corporate governance and financial reporting have resulted in an increased demand for such highly qualified and productive public company directors.

The Board evaluates director candidates suggested by stockholders in the same manner as other candidates. Any stockholder wishing to propose a nominee should submit a recommendation in writing to the Presiding Director of Clear Channel Outdoor at least 90 days in advance of the annual meeting, indicating the nominee s qualifications and other relevant biographical information and providing confirmation of the nominee s consent to serve as a director. Stockholders should direct such proposals to: Board of Directors Presiding Director, P.O. Box 659512 San Antonio, Texas 75265-9512.

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STOCKHOLDER AND INTERESTED PARTY COMMUNICATION WITH DIRECTORS

Stockholders and other interested parties may contact an individual director, the Presiding Director, the Board as a group, or a specified Board committee or group, including the non-management directors as a group, by sending regular mail to the following address:

Board of Directors

Clear Channel Outdoor Holdings

P.O. Box 659512

San Antonio, Texas 75265-9512

Each communication should specify the applicable addressee or addressees to be contacted, as well as the general topic of the communication. We will initially receive and process communications before forwarding them to the addressee. We may also refer communications to other departments at the Company. We generally will not forward to the directors a communication that is primarily commercial in nature, relates to an improper or irrelevant topic, or requests general information regarding the Company.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board intends to nominate, at the annual meeting of stockholders, the three persons listed as nominees below. Each of the directors elected at the annual meeting will serve a three year term or until his or her successor shall have been elected and qualified, subject to earlier resignation and removal. The directors are to be elected by a plurality of the votes cast at the annual meeting. Accordingly, broker non-votes and abstentions will have no effect on the election of directors. Unless authority to vote for directors is withheld in the proxy, the persons named therein intend to vote FOR the election of the three nominees listed. Each of the nominees listed below is currently a director and is standing for re-election. Each nominee has agreed to be named in this proxy statement and to serve as director if elected. Should any nominee become unavailable for election, discretionary authority is conferred to vote for a substitute. Management has no reason to believe that any of the nominees will be unable or unwilling to serve if elected.

NOMINEES FOR DIRECTOR FOR TERMS EXPIRING 2012

The nominees for director are Margaret W. Covell, Mark P. Mays and Dale W. Tremblay.

Margaret W. Covell, age 43 has served as a Managing Director at Thomas H. Lee Partners, L.P. (THL) since 2006. Ms. Covell leads THL s Strategic Resource Group, which works in collaboration with senior management and THL investment professionals to drive value at portfolio companies. Prior to joining THL, Ms. Covell was a Partner at the Monitor Group, a global strategic advisory firm, where she led the firm s Operations Strategy business unit for the remainder of the relevant five year period. Ms. Covell has been a member of our Board since August 2008.

Mark P. Mays, age 45, has served as our Chief Executive Officer since August 2005 and has been a member of our Board since April 1997. Mr. M. Mays has also served as Chief Executive Officer of Clear Channel Communications, Inc., our indirect parent company, since October 2004. Prior thereto, he served as President and Chief Operating Officer of Clear Channel Communications, Inc. from February 1997 to October 2004 and as President and Chief Executive Officer from October 2004 to February 2006, when he relinquished his duties as President. On July 30, 2008, Clear Channel Communications, Inc. completed its merger (the Merger) with a subsidiary of CC Media. Upon the closing of the Merger, Mr. M. Mays became a director and the Chief Executive Officer of CC Media. Mr. M. Mays has served on the Board of Clear Channel Communications, Inc. since May 1998. Mr. M. Mays is the son of L. Lowry Mays, CC Media s Chairman Emeritus and one of our Board members, and is the brother of Randall T. Mays, our Chief Financial Officer and one of our Board members.

Dale W. Tremblay, age 50, has served as President and Chief Executive Officer of C.H. Guenther & Son, Inc., a food marketing and manufacturing company, since July 2001. Prior to joining C.H. Guenther & Son, Inc., Mr. Tremblay was an officer at the Quaker Oats Company, where he was responsible for all Worldwide Foodservice

Businesses. Mr. Tremblay has been a member of our Board since November 2005. He currently serves on the Advisory Board for the Michigan State University Financial Analysis Lab.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE DIRECTOR NOMINEES NAMED ABOVE.

DIRECTORS WHOSE TERMS WILL EXPIRE IN 2010

Blair E. Hendrix, age 44, has served as Operating Partner at Bain Capital Partners, LLC (Bain Capital), since 2000. Mr. Hendrix has been a member of our Board since August 2008. Mr. Hendrix also serves as a director of Keystone Automotive Operations, Inc. and has previously served as a director of Innophos Holdings, Inc. (IPHS) and SMTC Corporation (SMTX).

Daniel G. Jones, age 34, has served as a Vice President at THL since 2008 and is part of the firm s Strategic Resource Group, which works in collaboration with senior management and THL investment professionals to drive value at portfolio companies. Prior to joining THL, Mr. Jones was a management consultant at the Monitor Group, a global strategic advisory firm from 2004 to 2008. Before Monitor, Mr. Jones worked in a variety of corporate finance roles, lastly as Financial Project Manager and Deputy to the Chief Financial Officer at LAN Airlines, the leading Latin American passenger and cargo airline. Mr. Jones has been a member of our Board since August 2008.

L. Lowry Mays, age 73, has served as a member of our Board since April 1997 and has been our Chairman of the Board since October 2005. Mr. L. Mays is Chairman Emeritus of the Board of Directors of CC Media, and prior to October 2004 he was Clear Channel Communications, Inc. s Chief Executive Officer. Mr. L. Mays has been the Chairman Emeritus of CC Media s Board of Directors since the closing of the Merger. Mr. L. Mays is the father of Mark P. Mays and Randall T. Mays, both of whom are members of our Board and executive officers of the Company. Mr. L. Mays has served as a director of Live Nation, Inc. (LYV) since December 2005.

James M. Raines, age 69, has served as the President of James M. Raines & Co., an investment banking company, since 1988. Mr. Raines has been a member of our Board since November 2005. Since 1998, Mr. Raines has served on the Board of Directors of Waddell & Reed Financial, Inc., a financial services corporation.

Scott R. Wells, age 40, has served as an Executive Vice President at Bain Capital since 2007. Prior to joining Bain Capital, he held several executive roles at Dell, Inc. from 2004 to 2007 most recently as Vice President of Public Marketing and On-line in the Americas. Prior to joining Dell, Mr. Wells was a Partner at Bain & Company, where he focused primarily on technology and consumer-oriented companies. Mr. Wells has been a member of our Board since August 2008.

DIRECTORS WHOSE TERMS WILL EXPIRE IN 2011

Randall T. Mays, age 43, has served as our Chief Financial Officer since August 2005 and has been a member of our Board since April 1997. Mr. R. Mays has served as Chairman of the Board of Directors of Live Nation, Inc. since August 2005. Mr. R. Mays was also appointed Executive Vice President and Chief Financial Officer of Clear Channel Communications, Inc. in February 1997 and was appointed Secretary in April 2003. Mr. R. Mays relinquished his duties as Secretary in May 2006. He was appointed President of Clear Channel Communications, Inc. in February 2006. Upon the closing of the Merger, Mr. R. Mays became a director and the President and Chief Financial Officer of CC Media. Mr. R. Mays is the son of L. Lowry Mays, CC Media s Chairman Emeritus and one of our Board members, and is the brother of Mark P. Mays, our Chief Executive Officer and one of our Board members.

Marsha M. Shields, age 54, has served as a director of Primera Insurance since March 1989. Since June 2002, Mrs. Shields has served as the President of the McCombs Foundation and as Dealer Principal for McCombs Automotive. She has served as Manager of McCombs Family Ltd. since January 2000. Mrs. Shields has been a member of our Board since November 2005.

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CODE OF BUSINESS CONDUCT AND ETHICS

Clear Channel Outdoor adopted a Code of Business Conduct and Ethics applicable to all its directors and employees, including its Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer, which is a code of ethics as defined by applicable rules of the SEC. This code is publicly available on Clear Channel Outdoor s website at *www.clearchanneloutdoor.com.* A copy may also be obtained upon request from the Secretary of Clear Channel Outdoor. If Clear Channel Outdoor makes any amendments to this code other than technical, administrative, or other non-substantive amendments, or grants any waivers, including implicit waivers, from a provision of this code that applies to Clear Channel Outdoor s Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer and relates to an element of the SEC s code of ethics definition, Clear Channel Outdoor will disclose the nature of the amendment or waiver, its effective date and to whom it applies on its website.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL

OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The table below sets forth information concerning the beneficial ownership of Clear Channel Outdoor common stock as of April 29, 2009, for each director currently serving on the Board and each of the nominees for director; each of the named executive officers not listed as a director, the directors and executive officers as a group and each person known to Clear Channel Outdoor to own beneficially more than 5% of Clear Channel Outdoor common stock outstanding. At the close of business on April 29, 2009, there were 40,676,720 shares of Clear Channel Outdoor Class A common stock outstanding and 315,000,000 shares of Clear Channel Outdoor Class B common stock outstanding. Except as otherwise noted, each stockholder has sole voting and investment power with respect to the shares beneficially owned.

Name	Amount and Nature of Beneficial Ownership	Percent of Class A Common Stock	Percent of Class B Common Stock
Margaret W. Covell			
Blair E. Hendrix			
Daniel G. Jones			
L. Lowry Mays			
Mark P. Mays	29,167(1)	*	
Randall T. Mays	29,167(2)	*	
James M. Raines	10,374(3)	*	
Marsha M. Shields	14,500(4)	*	
Dale W. Tremblay	14,500(5)	*	
Scott R. Wells			
Paul J. Meyer	204,150(6)	*	
Jonathan D. Bevan	45,495(7)	*	
Franklin G. Sisson, Jr.	164,887(8)	*	
Clear Channel Holdings, Inc	315,000,000	(9)	100.0%(9)
Arnhold & S Bleichroeder Advisers, LLC (10)	10,397,583	25.6%	
T. Rowe Price Associates, Inc. (11)	9,675,300	23.8%	
Frank Russell Company. (12)	3,121,497	7.7%	
GAMCO Investors, Inc. (13)	2,253,400	5.5%	
All Directors and Executive Officers as a Group (16 persons)	621,148(14)	1.5%	

* Percentage of shares beneficially owned by such person does not exceed one percent of the class so owned.

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(1) Includes 12,500 shares subject to options held by Mr. M. Mays.

(2) Includes 12,500 shares subject to options held by Mr. R. Mays.

(3) Includes 8,250 shares subject to options held by Mr. Raines.

(4) Includes 8,250 shares subject to options held by Mrs. Shields.

(5) Includes 8,250 shares subject to options held by Mr. Tremblay.

(6) Includes 164,150 shares subject to options held by Mr. Meyer.

(7) Includes 45,495 shares subject to options held by Mr. Bevan.

(8) Includes 152,230 shares subject to options held by Mr. Sisson.

(9) CC Media does not own any of our Class A common stock. The 315.0 million shares owned by CC Media represent 100% of the shares of our Class B common stock. Shares of Class B common stock are convertible on a one for one basis into shares of Class A common stock and entitle the holder to twenty votes per share upon all matters on which stockholders are entitled to vote.

(10) Address: 1345 Avenue of the Americas, New York, NY 10105. The reporting stockholder has sole voting power with regard to 7,152,998 of the shares indicated and sole dispositive / investment power with regard to 10,115,956 of the shares indicated. These amounts include approximately 508,527 shares owned by clients of GoodHope Advisers, LLC, an affiliate of the reporting stockholder. Information related to this reporting stockholder is based on the stockholder s Schedule 13G/A filed with the SEC on February 12, 2009.

(11) Address: 100 E. Pratt Street, Baltimore, MD 21202. These shares are owned by T. Rowe Price Associates, Inc., together with T. Rowe Price Mid-Cap Growth Fund, Inc. T. Rowe Price Associates, Inc. has sole voting power with regard to 1,530,200 of the shares indicated and sole dispositive / investment power with regard to 9,595,100 of the shares indicated: T. Rowe Price Mid-Cap Growth Fund, Inc. has sole voting power with regard to 4,500,000 of the shares indicated. Information related to these reporting stockholders is based on the stockholders Schedule 13G/A filed with the SEC on February 11, 2009.

(12) Address: 909 A. Street, Tacoma, WA 98402. The reporting stockholder has sole voting and shared dispositive / investment power with regard to the shares indicated. Information related to this reporting stockholder is based on the stockholder s Schedule 13G filed with the SEC on February 17, 2009.

(13) Address: One Corporate Center, Rye NY 10580. Information related to this reporting stockholder is based on the stockholder s Schedule 13D filed with the SEC on April 16, 2009.

(14) Includes 471,238 shares subject to options held by such persons.

On July 30, 2008, Clear Channel Communications, Inc. completed its merger with a subsidiary of CC Media Holdings, Inc., a company formed by a group of private equity funds sponsored by Bain Capital Partners, LLC and Thomas H. Lee Partners, L.P. Clear Channel Communications, Inc. is now owned indirectly by CC Media Holdings, Inc.

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EQUITY COMPENSATION PLANS

The following table summarizes information as of December 31, 2008, relating to Clear Channel Outdoor s equity compensation plan pursuant to which grants of options, restricted stock or other rights to acquire shares may be granted from time to time.

Plan category	Number of securities to be issued upon exercise price of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (1)	8,063,192	$ 21.0753	33,023,098 (2)
Equity compensation plans not approved by security holders			
Total	8,063,192	$ 21.0753	33,023,098 (2)

(1) The plan is the Clear Channel Outdoor Holdings, Inc. 2005 Stock Incentive Plan.

(2) All 33,023,098 shares may be issued in the form of director shares, restricted stock, performance awards and other stock-based awards (i.e., bonus shares and other forms of equity-based awards).

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board has reviewed and discussed the Compensation Discussion and Analysis included in this proxy statement with management. Based on such review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Respectfully submitted,

THE COMPENSATION COMMITTEE

Dale W. Tremblay Chairman,

James M. Raines

COMPENSATION DISCUSSION AND ANALYSIS

The following compensation discussion and analysis contains statements regarding Clear Channel Outdoor and individual performance measures and other goals. These goals are disclosed in the limited context of Clear Channel Outdoor s executive compensation program and should not be understood to be statements of management s expectations or estimates of results or other guidance. Clear Channel Outdoor specifically cautions investors not to apply these statements to other contexts.

Overview and Objectives of our Compensation Program

Clear Channel Outdoor believes that compensation of its named executive officers should be directly and materially linked to operating performance. The fundamental objective of Clear Channel Outdoor s compensation program is to attract, retain, and motivate top quality executives through compensation and incentives which are competitive with the various labor markets and industries in which we compete for talent and which align the interests of Clear Channel Outdoor s named executive officers with the interests of Clear Channel Outdoor s stockholders.

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Overall, Clear Channel Outdoor has designed its compensation program to:

- Support its business strategy and business plan by clearly communicating what is expected of executives with respect to goals and results and by rewarding achievement;
- Recruit, motivate, and retain executive talent; and
- Create a strong performance alignment with stockholders.

Clear Channel Outdoor seeks to achieve these objectives through a variety of compensation elements:

- Annual base salary;
- An annual incentive bonus, the amount of which is dependent on the performance of Clear Channel Outdoor and, for one or more executives, individual performance during the prior fiscal year;
- Long-term incentive compensation, delivered in the form of equity awards that are awarded based on competitive pay practices and other factors described below, and that are designed to align the executives interests with those of stockholders by rewarding outstanding performance and providing long-term incentives; and
- Other executive benefits and perquisites.

Chief Executive Officer and Chief Financial Officer Compensation

Our Chief Executive Officer, Mr. Mark Mays, simultaneously serves as the Chief Executive Officer of our indirect parent, CC Media Holdings, Inc., sometimes referred to herein as CCMH. Our Chief Financial Officer, Mr. Randall Mays, simultaneously serves as the President and Chief Financial Officer of CCMH. Messrs. Mark and Randall Mays are compensated by CCMH, and we reimburse CCMH for their services pursuant to a Corporate Services Agreement between us and Clear Channel Management Services, L.P. The compensation for Messrs. Mark and Randall Mays is set by the Compensation Committee of the Board of Directors of CCMH. Clear Channel Outdoor s Compensation Committee (the Committee) has no involvement in recommending or approving Messrs. Mark and Randall Mays compensation.

Pursuant to the Corporate Services Agreement referenced above, a portion of Messrs. Mark and Randall Mays base salary and annual incentive bonus in 2008 was allocated to us, as reflected in the 2008 Summary Compensation Table set forth below. These allocations were made based on Clear Channel Outdoor s 2007 OIBDAN (as defined below) as a percentage of Clear Channel Communications Inc. s 2007 OIBDAN. Accordingly, 41% of Messrs. Mark and Randall Mays base salary and annual incentive bonus in 2008 were allocated to us. Clear Channel Outdoor and CCMH considered these allocations to be a reflection of the utilization of services provided.

All references in this Compensation Discussion and Analysis to compensation policies and practices for Clear Channel Outdoor s executive officers should be read to exclude the compensation policies and practices applicable to our Chief Executive Officer and Chief Financial Officer. Accordingly, references in this Compensation Discussion and Analysis to our named executive officers are intended to include, collectively, Paul J. Meyer, our President and Chief Executive Officer Americas and Asia/Pacific; Jonathan D. Bevan, our Chief Financial Officer International; and Franklin G. Sisson, Jr., our Global Director Sales and Marketing.

Compensation Practices

The Committee determines total compensation, as well as the individual components of such compensation, of Clear Channel Outdoor s named executive officers on an annual basis. All compensation decisions are made within the scope of any employment agreement.

In making decisions with respect to each element of executive compensation, the Committee considers total compensation that may be awarded to the executive, including salary, annual incentive bonus, and long-term incentive compensation. Multiple factors are considered in determining the amount of total compensation (the sum

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of base salary, annual incentive bonus, and long-term incentive compensation delivered through equity awards) to award the named executive officers. These factors may include, among others:

- The terms of any employment agreement;
- Mr. Meyer s and Mr. Mark Mays recommendations (other than for themselves);
- In the case of Mr. Meyer, how proposed amounts of his total compensation compare to amounts paid to similarly situated executives of the Media Peers (as defined below) both for the prior year and over a multi-year period;
- The value of equity awards granted in prior years;
- Internal pay equity considerations; and
- Broad trends in executive compensation generally.

The Committee s goal is to award compensation that is reasonable when all elements of potential compensation are considered.

In 2008, the Committee engaged Hewitt Associates, an independent leading national executive compensation consulting firm, to develop and provide market pay data (including base salary, bonus, total cash compensation, long-term incentive compensation, and total compensation data) to better evaluate the appropriateness and competitiveness of overall compensation paid to Mr. Meyer. Compensation objectives for Mr. Meyer were developed based on market pay data from proxy statements and other sources, when available, of leading media companies identified as key competitors for business and/or executive talent (the Media Peers). Mr. Meyer s individual pay components and total compensation were benchmarked against similarly situated executives of the Media Peers.

The Media Peers included Belo Corp., Dow Jones & Co. Inc., Interpublic Group of companies, Inc., JC Decaux, Lamar Advertising Company, New York Times Co., Reader s Digest Association Inc., Scholastic Corp., Tribune Company, Washington Post Co., and Yahoo! Inc. The Media Peers were selected by Hewitt, with consultation of the Committee, based on business industry sector, selected financial criteria, and pay data availability for top executive positions.

Set forth below is a table showing the compensation of executives of the Media Peers similarly situated to Mr. Meyer:

Company	Revenue ($M)	Executive (1)	Salary	Bonus Total (2)	Total Cash Compensation	Total Long-Term (Black-Scholes)	Total Compensation
BELO CORP	$ 1,588	SANDER, JOHN L. (JACK)	$ 700,000	$ 685,000	$ 1,385,000	$ 1,034,388	$ 2,419,388
DOW JONES & CO INC	$ 1,784	CROVITZ, L. GORDON	$ 588,099	$ 360,000	$ 948,099	$ 1,138,780	$ 2,086,879
INTERPUBLIC GROUP OF COMPANIES, INC.	$ 6,191	DOONER, JR., JOHN J.	$ 1,250,000	$ 1,662,500	$ 2,912,500	$ 2,509,665	$ 5,422,165
JC DECAUX	$ 1,946	DECAUX, JEAN-CHARLES	$ 1,408,013	$ 1,369,745	$ 2,777,758	N/A	$ 2,777,758
LAMAR ADVERTISING CO	$ 1,120	REILLY, SEAN E.	$ 500,000	$ 250,000	$ 750,000	$ 2,178,000	$ 2,928,000
	$ 3,290	HEEKIN-CANEDY, SCOTT H.	$ 522,500	$ 365,750	$ 888,250	$ 729,170	$ 1,617,420

NEW YORK TIMES CO							
READERS DIGEST ASSOCIATION INC.	$ 2,386	GARDNER, THOMAS D.	$ 517,170	$ 312,000	$ 829,170	$ 834,690	$ 1,663,860
SCHOLASTIC CORP	$ 2,179	MAYER, MARGERY W.	$ 611,769	$ 309,000	$ 920,769	$ 345,510	$ 1,266,279
TRIBUNE CO	$ 5,518	SMITH, SCOTT C.	$ 578,365	$ 460,000	$ 1,038,365	$ 1,496,601	$ 2,534,966
WASHINGTON POST CO	$ 3,905	MORSE, JR., JOHN B.	$ 585,000	$ 292,500	$ 877,500	$ 149,120	$ 1,026,620
YAHOO INC	$ 6,426	ROSENSWEIG, DANIEL	$ 500,000	$ 1,000,000	$ 1,500,000	$ 27,556,500	$ 29,056,500
25^{th} %ile	$ 1,865		$ 519,835	$ 310,500	$ 882,875	$ 755,550	$ 1,640,640
50^{th} %ile	$ 2,386		$ 585,000	$ 365,750	$ 948,099	$ 1,086,584	$ 2,419,388
75^{th} %ile	$ 4,711		$ 655,885	$ 842,500	$ 1,442,500	$ 2,007,650	$ 2,852,879

(1) Peer executive make-up includes six Group Presidents, two Chief Operating Officers, two Chief Executive Officers/Vice Chairmen, and one Chief Financial Officer.

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(2) Bonus total for Belo Corp, JC Decaux and Readers Digest Association Inc. reflects actual bonus values, and bonus total for all other listed peers reflects target bonuses.

The Committee aims to set each of Mr. Meyer s (a) total cash compensation (base salary and annual incentive bonus), (b) long-term incentive compensation, and (c) total compensation between the 50^{th} and 75^{th} percentile of the Media Peers. Notwithstanding, such elements of pay may from time to time be above or below these percentiles as the Committee deems appropriate due to performance or prevailing market conditions for executive talent. The Committee does not benchmark the other named executive officers compensation.

Hewitt did not perform an assessment of Messrs. Bevan s or Sisson s compensation, and the Committee relied instead on Messrs. M. Mays and Meyer s recommendations regarding the appropriateness and competitiveness of their base salaries, bonus opportunities, and long-term incentive compensation.

Elements of Compensation

The Committee believe that a combination of various elements of compensation best serves the interests of Clear Channel Outdoor and its stockholders. Having a variety of compensation elements enables Clear Channel Outdoor to meet the requirements of the highly competitive environment in which Clear Channel Outdoor operates while ensuring that its named executive officers are compensated in a way that advances the interests of all stockholders. Under this approach, executive compensation generally involves a significant portion of pay that is at risk, namely, the annual incentive bonus. The annual incentive bonus is based entirely on Clear Channel Outdoor s financial performance, individual performance, or a combination of both. Equity awards constitute a significant portion of long-term remuneration that is tied directly to stock price appreciation that benefits all of Clear Channel Outdoor s stockholders.

Clear Channel Outdoor s practices with respect to each of the elements of executive compensation are set forth below, followed by a discussion of the specific factors considered in determining the amounts for each of the key elements.

Base Salary

Purpose. The objective of base salary is to compensate an executive for job responsibilities, value to Clear Channel Outdoor, and individual performance with respect to market competitiveness.

Administration. Base salaries for the named executive officers are reviewed on an annual basis and at the time of promotion or other change in responsibilities. In general, any increases in salary are based on the subjective evaluation of such factors as the level of responsibility, individual performance, level of pay of the executive in question and other similarly situated executives of the Media Peers, and general competitive pay practices.

We have entered into employment agreements with Messrs. Meyer and Bevan pursuant to which their initial base salaries were set. Accordingly, we are required to compensate Messrs. Meyer and Bevan in accordance with their respective employment agreements. Clear Channel Outdoor believes that the employment agreements with Mr. Meyer and Mr. Bevan are in the best interests of Clear Channel Outdoor to assure continuity of management. Clear Channel Outdoor has not entered into employment agreements with any of the other named executive officers.

In reviewing base salaries, the Committee considers the importance of linking a significant proportion of the named executive officer s compensation to performance in the form of the annual incentive bonus, which is tied to our financial performance measures, individual performance, or a combination of both, as well as long-term incentive compensation.

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Analysis. In 2008, the named executive officers received the following base salary increase:

Named Executive Officer	2007 Rate of Base Salary		2008 Rate of Base Salary		Percentage Increase
Paul J. Meyer	$	650,000	$	675,000	3.9%
Jonathan D. Bevan (1)	£	193,500	£	205,500	6.2%
Franklin G. Sisson, Jr.	$	360,000	$	380,000	5.6%

(1) Compensation values for Mr. Bevan are shown in British Pounds. Converting Mr. Bevan s compensation from British Pounds into US dollars at the average exchange rates of £1 = $2.0018 and £1 = $1.8525 for the years ended December 31, 2007 and 2008, respectively, results in a rate of base salary for 2007 and 2008 of $387,348 and $380,689, respectively.

The rate of base salary for Messrs. Meyer, Bevan and Sisson were each increased in 2008 based on a subjective evaluation of their general performance and expected competitive pay practices for the 2008 fiscal year.

Annual Incentive Bonus

Purpose. Clear Channel Outdoor s executive compensation program provides for an annual incentive bonus that is performance-linked. The objective of the annual incentive bonus is to compensate an executive based on the achievement of specific goals that are intended to correlate closely with long-term growth of stockholder value.

Administration. Each of our named executive officers, other than Messrs. Mark and Randall Mays, participates in the Clear Channel Outdoor 2006 Annual Incentive Plan (the Annual Incentive Plan). The Annual Incentive Plan is administered by the Committee and is intended to provide an incentive to the named executive officers and other selected key executives to contribute to the growth, profitability, and value of Clear Channel Outdoor and to retain such executives. Under the Annual Incentive Plan, participants are eligible for performance-based awards, which represent the conditional right to receive cash or other property based upon the achievement of pre-established performance goals within a specified performance period. Awards granted under the Annual Incentive Plan are intended to qualify for the performance-based compensation exception under Section 162(m) of the Internal Revenue Code.

Performance goals are set pursuant to an extensive annual operating plan developed by Mr. Meyer in consultation with other senior executive officers of Clear Channel Outdoor. Mr. Meyer makes recommendations as to the compensation levels and performance goals of the other named executive officers to the Committee for its review, consideration, and approval. The Committee has complete discretion to accept, reject, or modify the recommendations of Mr. Meyer.

In 2008, (a) Mr. Meyer s performance goals were based on year-over-year growth in OIBDAN (as defined below), on a company-wide basis, and other performance measures that best reflect his position and responsibilities, (b) Mr. Sisson s performance goals were based on year-over-year growth in EBITDA (as defined below) of the Americas Division, year-over-year growth in EBITDA of the International Division and other performance measures that best reflect his position and responsibilities, and (c) Mr. Bevan s performance goal was based on year-over-year growth in OIBAN (as defined below) of the International Division, which best reflects his position and responsibilities.

The annual incentive bonus was paid in cash in 2008. The total annual incentive bonus is determined according to the level of achievement of the objective performance goals and any individual performance goals, as applicable. Below a minimum threshold level of performance, no award may be granted pursuant to the objective performance goal, and the Committee may, in its discretion, reduce the award pursuant to either objective or individual performance goals, as applicable.

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The annual incentive bonus process for each of the named executive officers involves four basic steps:

At the outset of the fiscal year:

Set performance goals for the year for Clear Channel Outdoor and each participant; and

Set target bonus for each participant, if applicable.

After the end of the fiscal year:

Measure actual performance (individual and company-wide) against the predetermined Clear Channel Outdoor goals and any individual performance goals to determine the preliminary bonus; and

Make adjustments to the preliminary bonus calculation to reflect Clear Channel Outdoor s performance relative to the performance of the Media Peers, as applicable.

Analysis. For 2008, the performance-based goals applicable to the named executive officers are set forth below:

Paul J. Meyer

Mr. Meyer s 2008 performance-based goals consisted of (a) year-over-year growth in OIBDAN on a company-wide basis (weighted at 80%), (b) development of management team (weighted at 5%), (c) implementation of digital signs (weighted at 5%), (d) implementation of strategic initiatives set by the Board of Directors (weighted at 5%), and (e) enhancement of understanding of confluence of CCOH and CCMH strategic goals among management team (weighted at 5%).

OIBDAN is defined as operating income before depreciation, amortization, non-cash compensation expense, and gain or loss on disposition of assets. Clear Channel Outdoor calculates OIBDAN by adjusting net income to exclude non-cash compensation and the following line items presented in its statement of operations: (a) minority interest income (expense), (b) income tax (expense) benefit, (c) other income (expense) net, (d) equity in earnings of nonconsolidated affiliates, (e) gain (loss) on marketable securities, (f) interest expense, (g) gain (loss) on disposition of assets net, and (h) depreciation and amortization.

It is believed that OIBDAN is one of the best quantifiable indicators of operating performance for this position; therefore, 80% of Mr. Meyer s bonus opportunity was based on OIBDAN growth. This measure is an important indicator of Clear Channel Outdoor s operational strength and performance of its business because it provides a link between profitability and cash flows from operating activities. OIBDAN is among the primary measures used by management for (a) planning and forecasting of future periods, and (b) evaluating companies as potential acquisition targets. In addition, this measure is among the primary measures used externally by Clear Channel Outdoor s investors, analysts, and peers in its industry for purposes of valuing and comparing the operating performance of Clear Channel Outdoor to other companies in its industry.
Mr. Meyer was also charged with four qualitatively evaluated initiatives that were deemed by the Board of Directors to be critical to Clear Channel Outdoor s short and long term success and that will drive future stockholder value, each of which represented 5% of his bonus opportunity.

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Mr. Meyer s aggregate target bonus for 2008 was set at $750,000, which was the same amount as in 2007. Set forth below is a table showing the potential performance-based bonus opportunities for Mr. Meyer for 2008:

OIBDAN Growth (objective)		**Development of Management Team (subjective)**	**Implementation of Digital Signs (subjective)**	**Implementation of Strategic Initiatives (subjective)**	**Enhancement of Understanding of Confluence of CCOH and CCMH (subjective)**	**Total Potential Performance Based Bonus**	
Growth Rate	**Bonus Amount ($)**	**Bonus Amount ($) (1)**	**Bonus Amount ($) (1)**	**Bonus Amount ($) (1)**	**Bonus Amount ($)**	**Total Bonus ($)**	**% of $750,000 Targeted Bonus Opportunity**
0$							
1.0%	60,000	3,750	3,750	3,750	3,750	75,000	10.0%
1.8%	120,000	7,500	7,500	7,500	7,500	150,000	20.0%
2.2%	180,000	11,250	11,250	11,250	11,250	225,000	30.0%
2.8%	240,000	15,000	15,000	15,000	15,000	300,000	40.0%
3.4%	300,000	18,750	18,750	18,750	18,750	375,000	50.0%
4.0%	360,000	22,500	22,500	22,500	22,500	450,000	60.0%
4.5%	420,000	26,250	26,250	26,250	26,250	525,000	70.0%
5.0%	480,000	30,000	30,000	30,000	30,000	600,000	80.0%
5.5%	540,000	33,750	33,750	33,750	33,750	675,000	90.0%
6.0%	**600,000***	**37,500***	**37,500***	**37,500***	**37,500***	**750,000***	**100.0%**
6.6%	690,000	43,125	43,125	43,125	43,125	862,500	115.0%
7.2%	780,000	48,750	48,750	48,750	48,750	975,000	130.0%
7.8%	870,000	54,375	54,375	54,375	54,375	1,087,500	145.0%
8.4%	960,000	60,000	60,000	60,000	60,000	1,200,000	160.0%
9.0%	1,050,000	65,625	65,625	65,625	65,625	1,312,500	175.0%
9.6%	1,140,000	71,250	71,250	71,250	71,250	1,425,000	190.0%
10.2%	1,230,000	76,875	76,875	76,875	76,875	1,537,500	205.0%
10.8%	1,320,000	82,500	82,500	82,500	82,500	1,650,000	220.0%
11.4%	1,410,000	88,125	88,125	88,125	88,125	1,762,500	235.0%
12.0%	1,500,000	93,750	93,750	93,750	93,750	1,875,000	250.0%

* Target Bonus

(1) Amounts reflect a range of the values for the respective qualitatively evaluated initiatives. The actual award for any qualitatively evaluated initiative may be for an amount between $0 and $93,750.

Mr. Meyer s total annual incentive bonus for 2008 was $175,000, as further described below.

Clear Channel Outdoor s OIBDAN growth for 2008 was negative, resulting in no award for the OIBDAN growth component of Mr. Meyer s performance-based bonus. Mr. Meyer was awarded $37,500, $50,000, $37,500, and $50,000 for his performance pertaining to the four subjective qualitative components, respectively, of his performance-based bonus.

As discussed above, the Committee aims to set Mr. Meyer s total cash compensation (base salary and annual incentive bonus) between the 50th and 75th percentile of the Media Peers. Taking into account Mr. Meyer s 2008 base salary and annual incentive bonus, Mr. Meyer s total cash compensation in 2008 was $847,115, which fell slightly below the 25th percentile of the Media Peers. The Committee deems Mr. Meyer s 2008 total cash compensation appropriate in light of the negative year-over-year growth in 2008 OIBDAN on a company-wide basis.

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Franklin G. Sisson, Jr.

Mr. Sisson s 2008 performance-based goals consisted of (a) year-over-year growth in EBITDA of the Americas Division (weighted at 80%), and (b) year-over-year growth in EBITDA of the International Division (weighted at 20%).

EBITDA is defined as operating income before interest, taxes, depreciation, and amortization. Clear Channel Outdoor calculates EBITDA by adjusting net income of the applicable division to exclude the following: (a) interest expense, (b) income tax (expense) benefit, (c) depreciation expense, and (d) amortization expense.

It is believed that EBITDA is one of the best quantifiable indicators of operating performance for this position; therefore, Mr. Sisson s bonus opportunity was based on EBITDA growth in the Americas Division and International Division. This measure is an important indicator of Clear Channel Outdoor s operational strength and performance of its business because it provides a link between profitability and cash flows from operating activities.

Set forth below is a table showing the potential performance-based bonus opportunity for Mr. Sisson for 2008:

EBITDA Growth	Americas Bonus Amount ($)	International Bonus Amount	Total Potential Performance Based Bonus
0%			
1%	27,360	6,840	34,200
2%	54,720	13,680	68,400
3%	82,080	20,520	102,600
4%	109,440	27,360	136,800
5%	136,800	34,200	171,000
6%	167,200	41,800	209,000
7%	197,600	49,400	247,000
8%	228,000	57,000	285,000
9%	258,400	64,600	323,000
10%	288,800	72,200	361,000
11% *	322,240	80,560	402,800

* For each 1% growth in EBITDA over 10%, additional bonus amount is equal to 11% of Mr. Sisson s 2008 rate of base salary with no maximum aggregate bonus opportunity.

Mr. Sisson did not earn an annual incentive bonus for 2008, as Clear Channel Outdoor s EBITDA growth in the Americas Division and International Division for 2008 were both negative.

In addition to the above objective performance-based bonus, Mr. Sisson was eligible to earn an annual incentive bonus based upon his leadership in the blueprinting process, the amount of which was $50,000 for threshold performance, $100,000 for target performance and $150,000 for maximum performance. Based upon the Committee s subjective determination, Mr. Sisson earned a bonus of $150,000 for his leadership in the blueprinting process.

Jonathan D. Bevan

Mr. Bevan s 2008 performance-based goal consisted of year-over-year growth in OIBAN of the International Division. OIBAN is defined as operating income before amortization, non-cash compensation expense, and gain or loss on disposition of assets. OIBAN is calculated by adjusting net income to exclude non-cash compensation and the following line items presented in the statement of operations: (a) minority interest income (expense), (b) income tax (expense) benefit, (c) other income (expense) net, (d) equity in earnings of nonconsolidated affiliates, (e) gain (loss) on marketable securities, (f) interest expense, (g) gain (loss) on disposition of assets net, and (h) amortization.

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It is believed that OIBAN is one of the best quantifiable indicators of operating performance for this position; therefore, Mr. Bevan s bonus opportunity was based on OIBAN growth for the International Division, which best reflects his respective contribution to outstanding divisional performance. This measure is an important indicator of Clear Channel Outdoor s operational strength and performance of its business because it provides a link between profitability and cash flows from operating activities.

Mr. Bevan s performance-based bonus opportunity was capped at 150% of his 2008 rate of base salary. Set forth below is a table showing the potential performance-based bonus opportunity for Mr. Bevan for 2008:

OIBAN Growth	Bonus Amount ($)
0%	
1%	11,421
2%	22,841
3%	34,262
4%	45,683
5%	57,103
6%	68,524
7%	79,945
8%	91,365
9%	102,786
10%	114,207
11%	129,434
12%	144,662
13%	159,889
14%	175,117
15%	190,345
16%	209,379
17%	228,413
18%	247,448
19%	266,482
20%	285,517
21%	308,358
22%	331,199
23%	354,041
24%	376,882
25%	399,723
26%	422,565
27%	445,406
28%	468,247
29%	491,089
30%	513,930
31%	536,771
32%	559,613
≥33%	571,034

Mr. Bevan did not earn an annual incentive bonus for 2008, as Clear Channel Outdoor s OIBAN growth in the International Division in 2008 was negative.

The Committee believes that OIBDAN, EBITDA and OIBAN are all comparable measures, as they are each reflective of (a) Clear Channel Outdoor s financial performance, including any operational improvements, (b) Clear Channel Outdoor s ability to generate cash flow from operations, and (c) Clear Channel Outdoor s growth and return to stockholders. Each of these measures excludes certain expenses (as further described above) that the Committee believes have little or no bearing on Clear Channel Outdoor s day-to-day operating performance. Currently, the Committee intends to use the same performance-based financial measure for each of the named executive officers in the future.

Long-Term Incentive Compensation

Purpose. The long-term incentive compensation element provides an award that is performance-based. The objective of the program is to align compensation of the named executive officers over a multi-year period directly with the interests of stockholders of Clear Channel Outdoor by motivating and rewarding creation and preservation of long-term stockholder value. In general, the level of long-term incentive compensation is determined based on an evaluation of competitive factors in conjunction with total compensation provided to the named executive officers and the overall goals of the compensation program described above. Long-term incentive compensation may be paid in cash, stock options, and restricted stock.

Clear Channel Outdoor s 2005 Stock Incentive Plan (the Stock Incentive Plan) is moderately broad-based, with 569 employees at all levels holding outstanding stock incentive awards as of December 31, 2008. Equity ownership for all executive officers and the broad-based employee population is important for purposes of incentive, retention, and alignment with stockholders.

In prior years, including 2007, the Committee has granted the named executive officers long-term incentive compensation in the form of stock options and restricted stock awards. These two vehicles reward stockholder value creation in slightly different ways. Stock options (which have an exercise price equal to our common stock price at the date of grant) reward executives only if such stock price increases over the stock options exercise price. However, with respect to restricted stock awards, the named executive officers generally receive compensation immediately upon vesting of such awards whether such common stock price has or has not increased from the grant date of such awards. To help ensure our named executive officers are focused on creating stockholder value through appreciation of Clear Channel Outdoor s common stock price, the named executive officers long-term incentive compensation was paid solely in the form of stock options in 2008.

Stock Options. The long-term incentive compensation element calls for stock options to be granted with respect to shares of Class A common stock with exercise prices of not less than fair market value of Clear Channel Outdoor s common stock on the date of grant and to vest in 25% increments annually beginning on the first anniversary of the grant date, with a 10-year term. All vesting is contingent on continued employment, with rare exceptions made by the Committee. Clear Channel Outdoor defines fair market value as the closing price on the date of grant. All decisions to award the named executive officers stock options are in the sole discretion of the Committee.

Analysis

In 2008, Messrs. Meyer, Sisson, and Bevan received stock options for 151,069, 81,107, and 55,000 shares of common stock, respectively, under the Stock Incentive Plan.

The amount of Mr. Meyer s stock option award was primarily based upon (a) the market pay data of the Media Peers, (b) Mr. Meyer s general performance, including his performance relative to the previously cited four qualitatively evaluated initiatives, (c) internal pay equity relative to other key employees of Clear Channel Outdoor, and (d) the value of equity awards granted in prior years.

As discussed above, the Committee aims to set Mr. Meyer s long-term incentive compensation between the 50th and 75th percentile of the Media Peers. Mr. Meyer s long-term incentive compensation in 2008 fell between the 50th and 75th percentile of the Media Peers. Mr. Meyer s 2008 total compensation (the sum of base salary, annual incentive bonus, and long-term incentive compensation) fell between the 25th and 50th percentile of the Media Peers. The Committee deems Mr. Meyer s 2008 total cash compensation appropriate in light of the negative year-over-year growth in 2008 OIBDAN.

The amount of Messrs. Sisson s and Bevan s stock option award was primarily based upon internal pay equity relative to other key employees of Clear Channel Outdoor (including the share amount and value of equity awards granted in prior years).

As described above, the Committee considered internal pay equity when determining the amount of stock options to grant to Messrs. Meyer, Sisson, and Bevan. However, the Committee did so broadly and does not have a specific policy, or seek to follow established guidelines or formulas, to maintain a particular ratio of long-term incentive compensation among the named executive officers or other executives of Clear Channel Outdoor.

Equity Award Grant Timing Practices

Regular Annual Equity Award Grant Dates. The grant date for regular annual stock options and other equity awards, as applicable, for employees, including the named executive officers, is typically in February and for non-employee directors is typically in April.

Employee New Hires/Promotions Grant Dates. Grants of stock options and other equity awards, as applicable, to newly-hired or newly-promoted employees are made at the regularly scheduled meeting of the Board of Directors following his or her hire or promotion.

Initial Equity Award Grant Dates for Newly-Elected Non-Employee Directors. Grants of stock options and other equity awards, as applicable, to newly-elected non-employee directors are generally made at the regularly scheduled meeting of the Board of Directors following their election. If a non-employee director is appointed between regularly scheduled Board meetings, then grants of stock options and other equity awards, as applicable, are made at the first meeting in attendance after such appointment, and the first meeting after election thereafter.

Timing of Equity Awards. Clear Channel Outdoor does not have a formal policy on timing equity awards in connection with the release of material non-public information to affect the value of compensation. In the event that material non-public information becomes known to the Committee prior to granting equity awards, the Committee will take the existence of such information under advisement and make an assessment in its business judgment whether to delay the grant of the equity award in order to avoid any potential impropriety.

Executive Benefits and Perquisites

Clear Channel Outdoor provides the following personal benefits to one or more of the named executive officers: (a) reimbursement for claims and administrative expenses under the Clear Channel Outdoor Medical Executive Reimbursement Plan, (b) certain pension benefits, (c) personal club membership, (d) company matching 401(k) contributions, and (e) car allowance.

Clear Channel Outdoor has a Medical Executive Reimbursement Plan (MERP) in place for Paul Meyer that reimburses Mr. Meyer for out-of-pocket medical, dental, and vision expenses that are not paid by the health plan that is available to all full-time employees. After claims are paid through the general health plan, co-payments, coinsurance, and ineligible expenses are reimbursed to Mr. Meyer through the MERP. In 2008, we paid $7,595 in claims and administrative expenses. Clear Channel Outdoor seeks to provide competitive benefits to promote the health and well-being of Mr. Meyer, which the Committee believes is in the long-term interests of stockholders.

Mr. Bevan participates in the Clear Channel UK Defined Benefit Pension Scheme, which is a pension plan that we sponsor for certain employees in the United Kingdom. The pension scheme provides pension income at retirement based on service and salary at retirement. Participation is elective, and participants are required to contribute to the pension scheme if they participate. The pension scheme is closed to new entrants, but approximately one-third of UK employees participate in the pension scheme. See the discussion of the pension scheme with respect to Mr. Bevan under the heading Clear Channel UK Defined Benefit Pension Scheme set forth below in this proxy statement.

The Committee believes that the above benefits provide a more tangible incentive than an equivalent amount of cash compensation. In determining the named executive officers total compensation, the Committee reviews these benefits and perquisites. However, as these benefits and perquisites represent a relatively insignificant portion of the named executive officers total compensation, they do not materially influence the Committee s decision in setting such officers total compensation. For further discussion of these benefits and perquisites, please refer to the 2008 Summary Compensation Table set forth below in this proxy statement.

Change-in-Control and Severance Arrangements

Pursuant to Messrs. Meyer s and Bevan s employment agreements, they are entitled to certain severance payments upon their termination with Clear Channel Outdoor. Additionally, under the terms of the Stock Incentive Plan, and related forms of stock option agreement and restricted stock award agreement, the named executive officers are entitled to certain other benefits upon their termination and a change in control of Clear Channel Outdoor. For further discussion of these severance payments and benefits, see the heading Potential Post-Employment Payment, set forth below in this proxy statement.

The Committee does not view the potential benefits conferred upon a change in control of Clear Channel Outdoor as additional elements of compensation due to the fact that a change in control may never occur. The Committee believes that these arrangements allow the named executive officers to focus their attention and energy on Clear Channel Outdoor s business without any distractions regarding the effects of a change in control, and assists us in maximizing stockholder value by allowing the named executive officers to participate in an objective review of any proposed transaction and whether such transaction is in the best interest of the stockholders.

Roles and Responsibilities

Role of the Committee. The Committee is primarily responsible for conducting reviews of Clear Channel Outdoor s executive compensation policies and strategies and overseeing and evaluating Clear Channel Outdoor s overall compensation structure and programs. Direct responsibilities include, but are not limited to:

- Evaluating and approving goals and objectives relevant to the compensation of the named executive officers, and evaluating the performance of the executives in light of those goals and objectives;
- Determining and approving the compensation level of the named executive officers;
- Evaluating and approving all grants of equity-based compensation to the named executive officers;
- Recommending to the Board of Directors compensation policies for outside directors; and
- Reviewing performance-based and equity-based incentive plans for the named executive officers and reviewing other benefit programs presented to the Committee by Messrs. M. Mays and Meyer.

Role of Executive Officers. As set forth below, Messrs. M. Mays and Meyer are both involved in recommending the form and amount of executive compensation. They jointly provide reviews and recommendations for the Committee s consideration, and manage Clear Channel Outdoor s executive compensation programs, policies, and governance. Their direct, joint responsibilities include, but are not limited to:

- Providing an ongoing review of the effectiveness of the compensation programs, including competitiveness and alignment with Clear Channel Outdoor s objectives;
- Recommending changes and new programs, if necessary, to ensure achievement of all program objectives; and

Recommending pay levels, payout, and awards for the named executive officers (except that Mr. Meyer does not make such recommendations for himself).

The Committee has the responsibility for administrating performance awards under the Annual Incentive Plan in accordance with Section 162(m) of the Internal Revenue Code. These duties included, among other things, setting the performance period, setting the performance goals, and certifying the achievement of the predetermined performance goals by each named executive officer.

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Tax and Accounting Treatment

Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code places a limit of $1,000,000 on the amount of compensation Clear Channel Outdoor may deduct for federal income tax purposes in any one year with respect to certain senior executives of Clear Channel Outdoor, which we referred to herein as the Covered Employees. However, performance-based compensation that meets certain requirements is excluded from this $1,000,000 limitation.

In reviewing the effectiveness of the executive compensation program, the Committee considers the anticipated tax treatment to Clear Channel Outdoor and to the Covered Employees of various payments and benefits. However, the deductibility of certain compensation payments depends upon the timing of a Covered Employee s vesting or exercise of previously granted equity awards, as well as interpretations and changes in the tax laws and other factors beyond the control of the Committee. For these and other reasons, including to maintain flexibility in compensating the named executive officers in a manner designed to promote varying corporate goals, the Committee will not necessarily, or in all circumstances, limit executive compensation to that which is deductible under Section 162(m) of the Internal Revenue Code and has not adopted a policy requiring all compensation to be deductible.

The Committee will consider various alternatives to preserving the deductibility of compensation payments and benefits to the extent reasonably practicable and to the extent consistent with its other compensation objectives. To this end, the Committee annually establishes performance criteria in an effort to ensure deductibility of annual incentive bonuses under the Annual Incentive Plan. Base salary does not qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code.

Accounting for Stock-Based Compensation

Clear Channel Outdoor accounts for stock-based payments, including awards under the Stock Incentive Plan, in accordance with the requirements of FAS 123R.

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SUMMARY COMPENSATION

The Summary Compensation table shows certain compensation information for the years ended December 31, 2008, 2007 and 2006 for the Principal Executive Officer, Principal Financial Officer and each of the three next most highly compensated executive officers for services rendered in all capacities (hereinafter referred to as the named executive officers).

2008 SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	Option Awards ($) (1)	Non Equity Incentive Plan Compensation ($) (2)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (3)	All Other Compensation ($)	Total ($)
Mark P. Mays Chief	2008	366,950(4)	1,845,000(4)	120,878	286,974				2,619,802
Executive Officer (PEO)*	2007	313,250(4)	2,318,750(4)	70,512	229,367				2,931,879
	2006	313,250(4)	2,318,750(4)		148,719				2,780,719
Randall T. Mays Chief	2008	358,750(5)	1,845,000(5)	120,878	286,974				2,611,602
Financial Officer (PFO)**	2007	306,250(5)	2,318,750(5)	70,512	229,367				2,924,879
	2006	303,917(5)	2,318,750(5)		148,719				2,771,386
Paul J. Meyer President and	2008	672,115		290,101	688,598	175,000		20,545(6)	1,846,359
Chief Operating Officer	2007	647,115		169,226	582,757	1,484,766		18,470	2,902,334
	2006	622,404	895,000		601,389			9,340	2,128,133
Franklin G. Sisson, Jr.	2008	374,583		84,615	388,465	150,000		5,750(7)	1,003,413
Executive Vice President	2007	353,538		49,359	279,380	157,320		5,625	845,222
Sales and Marketing	2006	325,000	194,125		230,332			6,259	755,716
Jonathan D. Bevan Chief	2008	377,217		110,590	160,916		0	111,028(9)	759,751
Financial Officer	2007	390,353		84,500	82,674	536,605	91,032	104,564	1,289,728
International (8)	2006	331,686	55,281	47,130	41,834		95,740	84,359	656,030

* PEO refers to principal executive officer.

** PFO refers to principal financial officer.

(1) Amounts reflect the compensation expense recognized for stock option and restricted stock awards, as applicable, by Clear Channel Outdoor for financial statement reporting purposes during 2008, 2007 and 2006 in accordance with FAS 123R, except no assumptions for forfeitures were included. There were no forfeitures of stock or option awards held by the named executive officers during 2008, 2007 and 2006. See Note K - Shareholders Equity in Appendix A page A-61 of this document for the complete disclosure of the assumptions made in the valuation of our stock and option awards.

(2) Amounts reflect cash payouts for the respective fiscal year under the Clear Channel Outdoor 2006 Annual Incentive Plan pursuant to certain pre-established performance goals. Only Messrs. Meyer, Sisson, and Bevan participate in the Clear Channel Outdoor 2006 Annual Incentive Plan. For further discussion of the 2008 pre-established performance goals, see the Compensation Discussion and Analysis Elements of Compensation Annual Incentive Bonus section of this proxy statement set forth above.

(3)

Amounts reflect the increase in Mr. Bevan s actuarial present value of accumulated pension benefits during 2007 and 2006 under the UK Clear Channel Retirement Benefit Scheme. Mr. Bevan s actuarial present value of accumulated pension benefit decreased $81,392 under the UK Clear Channel Retirement Benefit Scheme during 2008. The Clear Channel Communications, Inc. Nonqualified Deferred Compensation Plan does not provide for above-market or preferential earnings.

(4) Mr. M. Mays salary earned during each of the years ended December 31, 2008, 2007 and 2006 was $895,000 of which, 366,950, $313,250 and $313,250, respectively, was reimbursed by the Company to CC Media and its predecessor Clear Channel Communications, Inc., as applicable, pursuant to a Corporate Services Agreement between the Company and Clear Channel Management Services, LP (the Corporate Services Agreement). Mr. M. Mays bonus earned during the years ended December 31, 2008, 2007 and 2006 was and $4,500,000, $6,625,000 and $6,625,000, respectively, of which $1,845,000, $2,318,750, and $2,318,750 was reimbursed by the Company to CC Media and its predecessor Clear Channel Communications, Inc., as applicable, pursuant to the Corporate Services Agreement. See the Compensation Discussion and Analysis Chief
Executive Officer and

Chief Financial Officer Compensation section of this proxy statement set forth above for further discussion of the methodology used to allocate a portion of Mr. M. Mays 2008 base salary and bonus to Clear Channel Outdoor.

(5) Mr. R. Mays salary earned during the year ended December 31, 2008, 2007 and 2006 was $875,000 of which, $358,750, $306,250 and $303,917, respectively, was reimbursed by the Company to CC Media and its predecessor Clear Channel Communications, Inc., as applicable, pursuant to the Corporate Services Agreement. Mr. R. Mays bonus earned during the years ended December 31, 2008, 2007 and 2006 was $4,500,000, $6,625,000 and $6,625,000, respectively, of which $1,845,000, $2,318,750, and $2,318,750 was reimbursed by the Company to CC Media and its predecessor Clear Channel Communications, Inc., as applicable, pursuant to the Corporate Services Agreement. See the Compensation Discussion and Analysis Chief Executive Officer and Chief Financial Officer Compensation section of this proxy statement set forth above for further discussion of the methodology used to allocate a portion of Mr. R. Mays 2008 base salary and bonus to Clear Channel Outdoor.

(6) For 2008, represents personal club membership of $7,200, claims and administrative expenses associated with a Medical Executive Reimbursement Plan of $7,595 and company- matching contributions to the 401(k) Plan of $5,750.

(7) For 2008, represents company-matching contributions to the 401(k) Plan of $5,750.

(8) Mr. Bevan is a citizen of the United Kingdom. The compensation amounts reported in this table have been converted from British pounds to U.S. dollars using the average exchange rates of £1 = $1.8525, £1 = $2.0018 and £1 = $1.8427 for the years ended December 31, 2008, 2007 and 2006, respectively.

(9) For 2008, represents contracted payment of $31,435 for car allowance and $79,593 in payments to the UK Clear Channel Retirement Benefit Scheme.

On August 5, 2005, Clear Channel Outdoor entered into a new employment agreement with Paul J. Meyer. The initial term of the agreement ended on the third anniversary of the date of the agreement; however the term automatically extends one day at a time beginning on the second anniversary of the date of the agreement, unless either party gives the other one year s prior written notice of termination. The agreement set Mr. Meyer s initial base salary of $600,000 for the first year of the agreement; $625,000 for the second year of the agreement; and $650,000 for the third year of the agreement, subject to additional annual raises in accordance with company policies. Mr. Meyer is also eligible to receive a performance bonus as decided at the sole discretion of the Committee and is entitled to certain other employee benefits.

Mr. Meyer may terminate his employment at any time upon one year s written notice. Clear Channel Outdoor may terminate Mr. Meyer for any reason at any time upon one year s written notice. See the Potential Post-Employment Payments section of this proxy statement set forth above for further discussion of Mr. Meyer s severance arrangements. Mr. Meyer s employment agreement also contains a non-compete provision and non-solicitation provision, each with a one-year term, and a confidentiality provision with a perpetual term.

On December 3, 2007, Clear Channel Outdoor entered into an employment agreement with Jonathan D. Bevan. The agreement has no specified term, but can generally be terminated by either party without cause upon 12 months prior written notice. The agreement sets Mr. Bevan s initial base salary at £198,000; subject to additional annual raises at the sole discretion of Clear Channel Outdoor. Mr. Bevan also receives a car allowance, is eligible to receive a performance bonus as decided at the sole discretion of the Committee, and is entitled to certain other employee benefits.

Pursuant to his employment agreement, if Clear Channel Outdoor terminates Mr. Bevan s employment, Clear Channel Outdoor is obligated to pay Mr. Bevan a pro rata portion of his annual bonus for the fiscal year in which his employment was terminated. Such bonus payment will be calculated at fiscal yearend based on actual audited results and will be paid in lump sum as soon as possible at the commencement of the following fiscal year. Mr. Bevan s employment agreement also contains a non-compete provision and non-solicitation provision, each with a nine-month term, and a confidentiality provision with a perpetual term.

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GRANTS OF PLAN-BASED AWARDS

The following table sets forth certain information concerning plan-based awards granted to the named executive officers during the year ended December 31, 2008.

GRANTS OF PLAN-BASED AWARDS DURING 2008

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Awards Threshold ($)	Target ($)	Maximum ($)	All Other Option Awards; Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/sh)	Grant Date Fair Value of Option Awards ($)(8)
Mark P. Mays							
Randall T. Mays							
Paul J. Meyer							
Annual Incentive Bonus	2/5/08(1)	0	750,000	1,875,000			
Stock Option Award	2/5/08(2)				151,069	20.64	1,072,590
Franklin G. Sisson, Jr.							
Annual Incentive Bonus	2/5/08(3)	0	380,000				
Blueprinting Incentive Bonus	2/5/08(4)	50,000	100,000	150,000			
Stock Option Award	2/5/08(5)				81,107	20.64	575,860
Jonathan D. Bevan							
Annual Incentive Bonus	2/5/08(6)	0	380,689	571,034			
Stock Option Award	2/5/08(7)				55,000	20.64	390,500

(1) On 2/5/08, Mr. Meyer was granted a cash incentive award based upon achieving (a) various levels of year-over-year growth in OIBDAN on a company-wide basis, (b) development of management team, (c) implementation of digital signs, (d) implementation of strategic initiatives set by the Board, and (e) enhancement of understanding of confluence of CCOH and CCMH strategic goals among management team. For further discussion of Mr. Meyer s 2008 cash incentive award, including the cash payout levels for each of the five, separate performance measures, see the Compensation Discussion and Analysis Elements of Compensation Annual Incentive Bonus section of this proxy statement set forth above. This award was granted under the Clear Channel Outdoor 2006 Annual Incentive Plan.

(2) On 2/5/08, Mr. Meyer was granted stock options for 151,069 shares of common stock under the Clear Channel Outdoor 2005 Stock Incentive Plan, which vest in 25% increments annually beginning on the first anniversary of the grant date.

(3) On 2/5/08, Mr. Sisson was granted a cash incentive award based upon achieving (a) year-over-year growth in EBITDA of the Americas Division, and (b) year-over-year growth in EBITDA of the International Division. There is no maximum payout for this award. The target amount has been set at Mr. Sisson s 2008 rate of base salary, which was the general expectation of the Subcommittee when the award was approved. For further discussion of Mr. Sisson s 2008 cash incentive award, including the cash payout levels for each of the two, separate performance measures, see the Compensation Discussion and Analysis Elements of Compensation Annual Incentive Bonus section of this proxy statement set forth above. This award was granted under the Clear Channel Outdoor 2006 Annual Incentive Plan.

(4) On 2/5/08, Mr. Sisson was granted a cash incentive award based upon his leadership in the blueprinting process. For further discussion of this cash incentive award, see the Compensation Discussion and Analysis Elements of Compensation Annual Incentive Bonus section of this proxy statement set forth above. This award was granted under the Clear Channel Outdoor 2006 Annual Incentive Plan.

(5) On 2/5/08, Mr. Sisson was granted stock options for 81,107 shares of common stock under the Clear Channel Outdoor 2005 Stock Incentive Plan, which vest in 25% increments annually beginning on the first anniversary of the grant date.

(6) On 2/5/08, Mr. Bevan was granted a cash incentive award based upon achieving various levels of year-over-year growth in OIBAN of the International Division. The target amount has been set at Mr. Bevan s 2008 rate of base salary, which was the general expectation of the Subcommittee when the award was approved. For further discussion of Mr. Bevan s 2008 cash incentive award, including the cash payout levels for this performance measure, see the Compensation Discussion and Analysis Elements of Compensation Annual Incentive Bonus section of this proxy statement set forth above. This award was granted under the Clear Channel Outdoor 2006 Annual Incentive Plan.

(7) On 2/5/08, Mr. Bevan was granted stock options for 55,000 shares of common stock under the Clear Channel Outdoor 2005 Stock Incentive Plan, which vest in 25% increments annually beginning on the first anniversary of the grant date.

(8) Amounts reflect the aggregate grant date fair value of the respective stock option award, computed in accordance with FAS 123R, except no assumptions for forfeitures were included. See Note K Shareholders Equity in Appendix A page A-61 of this proxy statement for the complete disclosure of the assumptions made in the valuation of our stock option awards.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

The following table sets forth certain information concerning outstanding equity awards at fiscal year end of the named executive officers for the year ended December 31, 2008.

OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2008

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Mark P. Mays		100,000(1)	18.0000	11/11/15		
	12,500(2)	37,500(3)	29.0300	5/23/17		
					12,501(4)	76,881
Randall T. Mays		100,000(1)	18.0000	11/11/15		
	12,500(2)	37,500(3)	29.0300	5/23/17		
					12,501(4)	76,881
Paul J. Meyer	114,183(5)		25.3491	2/19/09		
	35,133(6)		20.8463	2/19/10		
	91,250(7)	273,750(8)	18.0000	11/11/12		
		151,069(9)	20.6400	5/16/18		
					30,000(4)	184,500
Franklin G. Sisson, Jr.	43,916(5)		29.6015	10/25/10		
	21,958(10)		26.3454	12/14/11		
	26,350(5)		25.3491	2/19/09		
	21,080(6)		20.8463	2/19/10		
		35,133(11)	17.8861	1/12/15		
	27,500(7)	82,500(8)	18.0000	11/11/12		
	8,750(2)	26,250(3)	29.0300	5/23/17		
		81,107(9)	20.6400	5/16/18		
					8,751(4)	53,819
Jonathan D. Bevan	8,783(5)		25.3491	2/19/09		
	8,783(6)		20.8463	2/19/10		
	3,293(12)	9,882(13)	17.8861	1/12/12		
		12,500(14)	19.8500	2/13/13		
	6,625(2)	19,875(3)	29.0300	5/23/17		
		55,000(9)	20.6400	5/16/18		
					15,376(15)	94,562

(1) Options will vest and become exercisable on November 11, 2010.

(2) Options became exercisable on May 23, 2008.

(3) One third of the options will vest and become exercisable on May 23, 2009, 2010 and 2011.

(4) The restriction lapse and shares become freely tradable with respect to one third of the restricted shares on May 23, 2009, 2010 and 2011.

(5) Option became exercisable on November 11, 2005.

(6) Twenty-five percent of the options became exercisable on February 19, 2006 and 2007 and the remaining fifty percent of the options became exercisable on February 19, 2008.

(7) Options became exercisable on November 11, 2008.

(8) One third of the options will vest and become exercisable on November 11, 2009 and remaining two thirds of the options will vest and become exercisable on November 11, 2010.

(9) Twenty-five percent of the options will vest and become exercisable on May 16, 2009, 2010, 2011 and 2012.

(10) Options became exercisable on December 14, 2006.

(11) Option will vest and become exercisable on January 12, 2010.

(12) Options became exercisable on January 12, 2008.

(13) One third of the options will vest and become exercisable on January 12, 2009 and the remaining two thirds of the options will vest and become exercisable on January 12, 2010.

(14) Twenty-five percent of the options will vest and become exercisable on February 13, 2009 and 2010 and remaining fifty percent of the options will vest and become exercisable on February 13, 2011.

(15) The restriction lapse and shares become freely tradable with respect to 781 shares on February 13, 2009, 2,208 shares on May 23, 2009, 1,876 shares on November 11, 2009, 781 shares on February 13, 2010, 2,208 shares on May 23, 2010, 3,750 shares on November 11, 2010, 1,563 shares on February 13, 2011, and 2,209 shares on May 23, 2011.

OPTION EXERCISES AND STOCK VESTED

The following table sets forth certain information concerning option exercises by and stock vesting for the named executive officers during the year ended December 31, 2008.

OPTION EXERCISES AND STOCK VESTED DURING 2008

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($) (1)**
Mark P. Mays			4,166	$ 86,153
Randall T. Mays			4,166	86,153
Paul J. Meyer			10,000	206,800
Franklin G. Sisson, Jr.			2,916	60,303
Jonathan D. Bevan			4,082	54,187

(1) Represents the amount realized based on the closing market price of Clear Channel Outdoor s common stock on the applicable vesting date.

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PENSION BENEFITS

The following table sets forth certain information concerning pension benefits for the named executive officers at December 31, 2008.

2008 PENSION BENEFITS

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($) (1)	Payments During Last Fiscal Year ($)
Mark P. Mays				
Randall T. Mays				
Paul J. Meyer				
Franklin G. Sisson, Jr.				
Jonathan D. Bevan (2)	Clear Channel Retirement Benefit Scheme	5	284,253	

(1) Amount reflects the actuarial present value of the accumulated benefit at December 31, 2008 based upon the following material assumptions: discount rate of 6.4% per annum; expected return on invested assets of 7.70% per annum; salary increases of 4.20% per annum; inflation of 3.20% per annum; post retirement pension increases of 3.20% per annum and post retirement mortality PA92 (Year of Birth) with medium cohort projections.

(2) Mr. Bevan is a citizen and resident of the United Kingdom. The present value of the accumulated benefit reported in this table for Mr. Bevan has been converted from British pounds to U.S. dollars using the exchange rate in effect at December 31, 2008 of £1 = $1.4378.

Clear Channel Outdoor operates a pension plan (with defined benefit and defined contribution sections) for eligible employees based in the UK called the Clear Channel Retirement Benefit Scheme (the Scheme). There are approximately 163 current employees paying into the defined benefit section. The defined benefit section is closed to employees who joined Clear Channel Outdoor after March 1, 2002 or who joined prior to that date but have now reached the age of 35. Mr. Bevan is the only named executive officer that is a participant of the Scheme and the Scheme is the only defined benefit pension plan operated by Clear Channel Outdoor.

Mr. Bevan, age 37, joined the Scheme on December 1, 2003 and has accrued a total of 5 years and 1 month of pensionable service. As a member of the Scheme, Mr. Bevan contributes 8% of his Pensionable Salary per month. Pensionable Salary is defined as base salary as of January 1 of each year, and does not include any bonuses, commissions or car allowance. Clear Channel Outdoor contributes 21.1% of Mr. Bevan s Pensionable Salary to the Scheme. As reported in the 2008 Summary Compensation Table, this amount equaled $79,593 in 2008.

Normal retirement age under the Scheme is 60. In general, the Scheme provides a pension on retirement of 1/45 of Final Pensionable Salary for each year and complete month of pensionable service to Clear Channel Outdoor. Final Pensionable Salary is defined as (a) the highest average Pensionable Salary in any three consecutive years prior to normal retirement or date of leaving, or (b) Pensionable Salary as of January 1 immediately before the normal retirement date or the date of leaving if higher. However, as Mr. Bevan s Pensionable Salary exceeds the current notional earnings cap of £117,600 per annum, his benefits under the Scheme would be restricted. Assuming he remained in service until age 60, the maximum pension would be based on two-thirds of his Final Pensionable Salary which is restricted to the earnings cap.

Under the Scheme, Mr. Bevan could elect early retirement at any age after 55 (or earlier if in ill health), subject to Clear Channel Outdoor s consent. In this case, Mr. Bevan would receive a pension on retirement of 1/45th of his Final Pensionable Salary, less an early retirement reduction factor of 3% per annum simple for each year (and pro-rata for each month) for each of the first 5 years that his retirement date precedes his normal retirement date, and by 6% per annum simple (and pro-rata for each month) thereafter. The actual level of pension would then be subject to a maximum of the amount calculated as actual service divided by potential service times two-thirds of the notional earnings cap.

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If Mr. Bevan s pensionable service is terminated prior to being eligible for early retirement, then the following options would be available:

To leave his accrued benefits within the Scheme until normal retirement date. His pension would increase broadly in line with increases in the UK Retail Prices Index (to a maximum of 5% per annum) during the period of deferment.

To leave his accrued benefits within the Scheme, and then to apply for early retirement once he has reached aged 55 or earlier if in ill-health. The Scheme trustees consent would be required, and his pension would be subject to an actuarial reduction for early payment. The reduction factor would be calculated by the actuary at the time of request and may be subject to further restriction by the Scheme s rules.

To transfer the value of his accrued benefits to an alternative pension arrangement.

Where any pension is put in to payment (from normal or early retirement) then the following would generally apply:

Mr. Bevan would be given the option of exchanging part of his annual pension for a one-off tax free cash sum. The amount available will depend on the circumstances at the time.

If Mr. Bevan predeceased any spouse, then a spouse s pension of two-thirds of his own pension (ignoring any amount exchanged for a lump sum) would continue for the remainder of her lifetime.

Any pension in payment would normally attract increases broadly in line with increases in the UK Retail Prices Index subject to a minimum of 3% and a maximum of 5% per annum.

NONQUALIFIED DEFERRED COMPENSATION PLANS

The named executive officers were eligible to participate in the Clear Channel Communications, Inc. Nonqualified Deferred Compensation Plan in 2008. Under this plan, the named executive officers were able to make an annual election to defer up to 50% of their annual salary and up to 80% of their bonus before taxes. Matching credits on amounts deferred could have been made in Clear Channel Communications, Inc. s sole discretion. Participants in the plan allocated their deferrals and any matching credits among different investment options, the performance of which was used to determine the amounts to be paid to participants under the plan**.**

In connection with Clear Channel Communications, Inc. s merger with a subsidiary of CCMH on July 30, 2008, the Nonqualified Deferred Compensation Plan was terminated and all account balances were distributed to the participants. Following the merger, CCMH adopted a new Nonqualified Deferred Compensation Plan in which the named executive officers are eligible to participate. None of the named executive officers have elected to participate in the new plan for the year ended December 31, 2008.

The following table reflects nonqualified deferred compensation paid to the named executive officers under the Clear Channel Communications, Inc. Nonqualified Deferred Compensation Plan.

2008 NONQUALIFIED DEFERRED COMPENSATION TABLE

Name	Executive contributions in last FY ($)	Registrant contributions in last FY ($)	Aggregate earnings in last FY ($)	Aggregate withdrawals / distributions ($)	Aggregate Balance at last FYE ($)
Mark P. Mays			(5,725)	446,381	

Randall T. Mays		
Paul J. Meyer	(73,961)	444,062
Franklin G. Sisson, Jr.		
Jonathan D. Bevan		

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DIRECTOR COMPENSATION

The following table sets forth certain information concerning director compensation granted to the named directors for the year ended December 31, 2008.

2008 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash (1) ($)	Stock Awards (2) ($)	Option Awards (3) ($)	Total ($)
Margaret W. Covell (4)				
Blair E. Hendrix (4)				
Daniel G. Jones (4)				
L. Lowry Mays (5)				
Mark P. Mays (5)				
Randall T. Mays (5)				
W. Douglas Parker (6)	22,500			22,500
James M. Raines	52,000	22,156	25,892	100,048
Marsha M. Shields	42,000	22,156	25,892	90,048
Dale W. Tremblay	56,000	22,156	25,892	104,048
Scott R. Wells (4)				

(1) In addition to the fees earned in 2008, amounts also include fees earned in 2007, but not paid until 2008, as follows: Mr. Parker $6,000; Mr. Raines $7,000; Ms. Shields $7,000; and Mr. Tremblay $15,000.

(2) Represents the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2008, in accordance with FAS 123R except no assumptions for forfeitures were included, and involves grants in 2007 and 2005. See Note K Shareholders Equity in Appendix A page A-61of this proxy statement for the complete disclosure of the assumptions made in the valuation of our stock awards. As of December 31, 2008, Mr. Raines, Ms. Shields, and Mr. Tremblay each held 4,250 shares of unvested restricted stock. Ms. Covell, Mr. Hendrix, Mr. Jones, Mr. L. Mays, Mr. M. Mays, Mr. R. Mays, Mr. Parker and Mr. Wells held no shares of unvested restricted stock at December 31, 2008.

(3) Represents the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2008, in accordance with FAS 123R except no assumptions for forfeitures were included, and involves grants in 2008, 2007 and 2005.

In 2008, Mr. Raines, Ms. Shields and Mr. Tremblay were each granted 7,500 stock options. The grant date fair value of the 2008 stock option awards to each of Mr. Raines, Ms. Shields and Mr. Tremblay was $53,282 as computed in accordance with FAS 123R. See Note K Shareholders Equity in Appendix A page A-61 of this document for the complete disclosure of the assumptions made in the valuation of our option awards. No restricted stock awards were granted to the non-employee directors in 2008. As of December 31, 2008, Mr. Raines, Ms. Shields, and Mr. Tremblay each held unexercised stock options for 15,750 shares of common stock. Ms. Covell, Mr. Hendrix, Mr. Jones, Mr. L. Mays, Mr. M. Mays, Mr. R. Mays, Mr. Parker and Mr. Wells held no stock options at December 31, 2008.

(4) Ms. Covell and Messrs. Hendrix, Jones, and Wells are each an employee of Thomas H. Lee Partners, L.P. or Bain Capital Partners, LLC (collectively, the Sponsors), and are not compensated for their service on the Board. As discussed above, Clear Channel Outdoor s indirect parent, CCMH, is owned by a group of private equity funds sponsored by the Sponsors.

(5) Messrs. L. Mays, M. Mays and R. Mays do not receive any additional compensation for their service on the Board. Information regarding compensation allocated to Messrs. M. Mays and R. Mays for their service as executive officers of Clear Channel Outdoor is presented above in the 2008 Summary Compensation Table.

Mr. Raines, Ms. Shields and Mr. Tremblay are each entitled to an annual cash retainer of $25,000, an additional $1,500 for each Board meeting attended and an additional $1,000 for each Committee meeting attended. We pay the chairperson of the Audit Committee and the chairperson of the Compensation Committee an additional annual cash retainer of $10,000 and $5,000, respectively. We may also grant stock options or other stock-based awards to Mr. Raines, Ms. Shields and Mr. Tremblay, and they may elect to receive their fees in the form of shares of our common stock. Mr. Raines, Ms. Shields and Mr. Tremblay did not make this election in 2008.

In 2008, Mr. Raines, Ms. Shields and Mr. Tremblay were each granted 7,500 stock options. Stock awards and option awards granted in 2005 vest in five equal installments annually. Stock awards and option awards granted in 2007 and option awards granted in 2008 vest in four equal installments annually.

POTENTIAL POST-EMPLOYMENT PAYMENTS

Paul Meyer

Pursuant to the terms of Mr. Meyer s employment agreement, if his employment with the Clear Channel Outdoor is terminated (a) by us for Cause (as defined below), Clear Channel Outdoor will pay Mr. Meyer a lump sum amount equal to his accrued and unpaid base salary and any payments to which he may be entitled under any applicable employee benefit plan, (b) by us without Cause, Clear Channel Outdoor will pay Mr. Meyer (i) a lump sum amount equal to his accrued and unpaid base salary, a prorated annual incentive bonus (if earned), and any payments to which he may be entitled under any applicable employee benefit plan, and (ii) $600,000, paid pro rata over a one year period in accordance with our standard payroll schedule and practices as consideration for Mr. Meyer s post-termination non-compete and non-solicitation covenants, (c) by reason of his death, Clear Channel Outdoor will pay to Mr. Meyer s designee or estate, as applicable, a lump sum amount equal to his accrued and unpaid base salary, a prorated annual incentive bonus (if earned), and any payments to which Mr. Meyer s spouse, beneficiaries, or estate may be entitled under any applicable employee benefit plan, or (d) due to Mr. Meyer s Disability (as defined below), Clear Channel Outdoor will pay Mr. Meyer a lump sum amount equal to his accrued and unpaid base salary, a prorated annual incentive bonus (if earned), and any payments to which he may be entitled under any applicable employee benefit plan.

Mr. Meyer s employment agreement contains non-competition and non-solicitation covenants, each with a one-year term. The non-competition covenant may be waived by Clear Channel Outdoor if its Board of Directors determines, in its sole discretion, that the proposed activities are immaterial to the operations of Clear Channel Outdoor, and any of its subsidiaries and affiliates, in the location in question. Mr. Meyer s employment agreement also contains a confidentiality provision with a perpetual term.

Termination for Cause means (i) conduct by Mr. Meyer constituting a material act of willful misconduct in connection with the performance of his duties, including, without limitation, violation of our policy on sexual harassment, misappropriation of funds or property of Clear Channel Outdoor, or other willful misconduct as determined in the sole discretion of Clear Channel Outdoor; (ii) continued, willful and deliberate non-performance by Mr. Meyer of his duties under his employment agreement (other than by reason of Mr. Meyer s physical or mental illness, incapacity or disability) where such non-performance has continued for more than 10 days following written notice of such non-performance; (iii) Mr. Meyer s refusal or failure to follow lawful directives where such refusal or failure has continued for more than 30 days following written notice of such refusal or failure; (iv) a criminal or civil conviction of Mr. Meyer, a plea of nolo contendere by Mr. Meyer, or other conduct by Mr. Meyer that, as determined in the sole discretion of the Board of Directors, has resulted in, or would result in if he were retained in his position with Clear Channel Outdoor, material injury to the reputation of Clear Channel Outdoor, including, without limitation, conviction of fraud, theft, embezzlement, or a crime involving moral turpitude; (v) a breach by Mr. Meyer of any of the provisions of his employment agreement; or (vi) a violation by Mr. Meyer of Clear Channel Outdoor s employment policies.

Disability means Mr. Meyer s incapacity due to physical or mental illness such that Mr. Meyer is unable to perform his duties under this employment agreement on a full-time basis for more than 90 days in any 12 month period, as determined by Clear Channel Outdoor

Under the terms of the Clear Channel Outdoor s 2005 Stock Incentive Plan and related forms of stock option agreement and restricted stock award agreement, (a) upon (i) Mr. Meyer s termination due to death, or (ii) a Change in Control (as defined below), any outstanding, unvested equity awards granted to Mr. Meyer under the 2005 Stock Incentive Plan immediately vest, and (b) upon Mr. Meyer s termination due to a Disability (as defined above) any outstanding, unvested equity awards granted to Mr. Meyer under the 2005 Stock Incentive Plan continue to vest, in general, in accordance with the respective award s vesting schedule. A Change in Control means any transaction or series of transactions which constitutes an Exchange Transaction (as defined below) or such other event involving a change in ownership or control of the business or assets of Clear Channel Outdoor as the Board, acting in its discretion, may determine. An Exchange Transaction means a merger (other than a merger of Clear Channel Outdoor in which the holders of common stock immediately prior to the merger have the same proportionate ownership of common stock in the surviving corporation immediately after the merger), consolidation, acquisition or disposition of property or stock, separation, reorganization (other than a mere reincorporation or the creation of a holding company), liquidation of Clear Channel Outdoor or any other similar transaction or event so designated by the Board in its sole discretion, as a result of which the stockholders of Clear Channel Outdoor receive cash, stock or other property in exchange for or in connection with their shares of common stock.

Jonathan Bevan

Pursuant to the terms of Mr. Bevan s employment agreement, if his employment with Clear Channel Outdoor is terminated for any reason, Clear Channel Outdoor will pay Mr. Bevan a lump sum prorated annual incentive bonus (if earned) for the fiscal year in which his employment was terminated. Such bonus payment will be calculated at fiscal yearend based on actual audited results and will be paid as soon as possible at the commencement of the following fiscal year.

Under the terms of the Clear Channel Outdoor s 2005 Stock Incentive Plan and related forms of stock option agreement and restricted stock award agreement, (a) upon (i) Mr. Bevan s termination due to death, or (ii) a Change in Control (as defined above), any outstanding, unvested equity awards granted to Mr. Bevan under the 2005 Stock Incentive Plan immediately vest, and (b) upon Mr. Bevan s termination due to a Disability (as defined below), any outstanding, unvested equity awards granted to Mr. Bevan under the 2005 Stock Incentive Plan continue to vest, in general, in accordance with the respective award s vesting schedule. In Mr. Bevan s case, Disability means a physical or mental infirmity that impairs his ability to perform substantially his duties for a period of one hundred eighty (180) consecutive days.

Franklin Sisson

Under the terms of the Clear Channel Outdoor s 2005 Stock Incentive Plan and related forms of stock option agreement and restricted stock award agreement, (a) upon (i) Mr. Sisson s termination due to death, or (ii) a Change in Control (as defined above), any outstanding, unvested equity awards granted to Mr. Sisson under the 2005 Stock Incentive Plan immediately vest, and (b) upon Mr. Mr. Sisson s termination due to a Disability (as defined below), any outstanding, unvested equity awards granted to Mr. Mr. Sisson under the 2005 Stock Incentive Plan continue to vest, in general, in accordance with the respective award s vesting schedule. In Mr. Sisson s case, Disability means a physical or mental infirmity that impairs his ability to perform substantially his duties for a period of one hundred eighty (180) consecutive days.

Under the terms of the 2006 Annual Incentive Plan, if a participant, including Mr. Sisson, dies before receiving payment of an amount earned under the plan, such payment will be made to the decreased participant s designated beneficiary or estate.

Mark Mays and Randall Mays

Under the terms of the Clear Channel Outdoor s 2005 Stock Incentive Plan and related forms of stock option agreement and restricted stock award agreement, (a) upon (i) Messrs. M. Mays or R. Mays termination due to death, or (ii) a Change in Control (as defined above), any outstanding, unvested equity awards granted to the respective officer under the 2005 Stock Incentive Plan immediately vest, and (b) upon Messrs. M. Mays or R. Mays termination due to a Disability (as defined below), any outstanding, unvested equity awards granted to the respective officer under the 2005 Stock Incentive Plan continue to vest, in general, in accordance with the respective award s vesting schedule. In Messrs. M. Mays or R. Mays case, Disability means a physical or mental infirmity that impairs his ability to perform substantially his duties for a period of one hundred eighty (180) consecutive days.

Additionally, under the terms of the Clear Channel Outdoor s 2005 Stock Incentive Plan and related forms of stock option agreement and restricted stock award agreement, upon the Retirement (as defined below) of any named executive officer, his outstanding, unvested equity awards will continue to vest, in general, in accordance with the respective award s vesting schedule. Retirement means the named executive officer s resignation from Clear Channel Outdoor on or after the date on which the sum of his (a) full years of age (measured as of his last birthday preceding the date of termination of employment or service) and (b) full years of service with Clear Channel Outdoor measured from his date of hire (or re-hire, if later), is equal at least seventy (70); provided, that, the named executive officer must have attained at least the age of sixty (60) and completed at least five (5) full years of service with Clear Channel Outdoor prior to the date of his resignation. Mr. Meyer is the only named executive officer that meets the retirement eligibility requirements under the Plan.

As briefly indicated above, the Clear Channel Outdoor s 2005 Stock Incentive Plan and related forms of stock option agreement and restricted stock award agreement contain a single trigger change in control provision pursuant to which all outstanding, unvested equity awards are subject to accelerated vesting upon a change in control of Clear Channel Outdoor. The Committee believes that a single trigger change in control provision (a) provides a powerful retention device during change in control discussions, and (b) ensures our key employees are not deprived of the benefits that they earned or reasonably should expect to receive if there was no change in control.

The table below quantifies the potential payments to the named executive officers upon (a) termination of their employment, and (b) a change of control of Clear Channel Outdoor.

2008 POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL (1)

Name	Benefit	Termination with Cause	Termination without Cause	Termination due to Disability	Termination due to Death	Retirement	Change in Control of Company
Mark P. Mays	Cash payment						
	Vesting of equity awards			76,881(2)	76,881(3)		76,881(3)
	TOTAL			**76,881**	**76,881**		**76,881**
Randall T. Mays	Cash payment						
	Vesting of equity awards			76,881(2)	76,881(3)		76,881(3)
	TOTAL			**76,881**	**76,881**		**76,881**
Paul J. Meyer	Cash payment		775,000(4)	175,000(5)	175,000(5)		
	Vesting of equity awards			184,500(2)	184,500(3)	184,500(6)	184,500(3)
	TOTAL		**775,000**	**359,500**	**359,500**	**184,500**	**184,500**
Franklin G. Sisson, Jr.	Cash payment				150,000(7)		
	Vesting of equity awards			53,819(2)	53,819(3)		53,819(3)
	TOTAL			**53,819**	**203,819**		**53,819**
Jonathan D. Bevan	Cash payment						
	Vesting of equity awards			94,562(2)	94,562(3)		94,562(3)
	TOTAL			**94,562**	**94,562**		**94,562**

(1) Amounts reflected in the table were calculated assuming a December 31, 2008 termination date, which was the last business day of the 2008 fiscal year. Each named executive officer is entitled to receive amounts earned during the term of his employment regardless of the manner in which he is terminated, including termination for Cause. These amounts include base salary, unused vacation pay and other benefits entitled to under applicable employee benefit plans, and are not reflected in the above table. The table reflects only the additional

compensation and benefits the named executive officers are estimated to receive upon termination or a change in control of Clear Channel Outdoor. The actual amounts to be paid to a named executive officer can only be determined at the time of his actual termination.

(2) Amount reflects the value of unvested equity awards held by the respective named executive officer on December 31, 2008 that would generally continue to vest upon Disability in accordance with their original vesting schedule. This value is based upon the closing sale price of Clear Channel Outdoor s common stock on December 31, 2008 of $6.15, but it excludes stock options where the exercise price exceeds the closing sale price of our common stock on December 31, 2008.

(3) Amount reflects the value of unvested equity awards held by the respective named executive officer on December 31, 2008 that would be subject to accelerated vesting. This value is based upon the closing sale price of Clear Channel Outdoor s common stock on December 31, 2008 of $6.15, but it excludes stock options where the exercise price exceeds the closing sale price of our common stock on December 31, 2008.

(4) Amount reflects Mr. Meyer s 2008 annual incentive award of $175,000, plus $600,000 as consideration for the post-termination non-compete and non-solicitation covenants contained in Mr. Meyer s employment agreement.

(5) Amount r