CUMULUS MEDIA INC
Form 10-K
March 18, 2013
Table of Contents

Index to Financial Statements

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2012

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 00-24525

Cumulus Media Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**36-4159663**
(State of Incorporation)	**(I.R.S. Employer Identification No.)**

3280 Peachtree Road, N.W.

Suite 2300

Atlanta, GA 30305

(404) 949-0700

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

Securities Registered Pursuant to Section 12(b) of the Act:

None

Securities Registered Pursuant to Section 12(g) of the Act:

Class A Common Stock, par value $.01 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ¨ No þ

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No þ

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes þ No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ¨

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

Large accelerated filer	¨	Accelerated filer	þ
Non-accelerated filer	¨ (Do not check if a smaller reporting company)	Smaller reporting company	¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No þ

The aggregate market value of the registrant s outstanding voting and non-voting common stock held by non-affiliates of the registrant (assuming, solely for the purposes hereof, that all officers, directors and 10% or greater stockholders of the registrant are affiliates of the registrant, some of whom may not be deemed to be affiliates upon judicial determination) as of June 29, 2012, the last business day of the registrant s most recently completed second fiscal quarter, was approximately $223.0 million.

As of March 11, 2013, the registrant had outstanding 175,557,824 shares of common stock consisting of (i) 159,488,009 shares of Class A common stock; (ii) 15,424,944 shares of Class B common stock; and (iii) 644,871 shares of Class C common stock.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant s definitive proxy statement relating to its 2013 annual meeting of stockholders (the 2013 Proxy Statement), to be filed with the Securities and Exchange Commission, are incorporated by reference in Part III, Items 10 to 14 of this Annual Report on Form 10-K (the Annual Report) as indicated herein.

Table of Contents

Index to Financial Statements

CUMULUS MEDIA INC.

ANNUAL REPORT ON FORM 10-K

For the Fiscal Year Ended December 31, 2012

Table of Contents

Index to Financial Statements

PART I

Item 1. *Business*

Description of Certain Definitions and Data

In this annual report on Form 10-K (this Form 10-K or this Report) the terms Company, Cumulus, we, us, and our refer to Cumulus M
and its consolidated subsidiaries.

We use the term local marketing agreement (LMA) in this Report. In a typical LMA, the licensee of a radio station makes available, for a fee and reimbursement of its expenses, airtime on its station to a party which supplies programming to be broadcast during that airtime, and collects revenues from advertising aired during such programming. In addition to entering into LMAs, we from time to time enter into management or consulting agreements that provide us with the ability, as contractually specified, to assist current owners in the management of radio station assets, subject to Federal Communications Commission (FCC) approval. In such arrangements, we generally receive a contractually specified management fee or consulting fee in exchange for the services provided.

Unless otherwise indicated, as disclosed herein:

- we obtained total radio industry listener and revenue levels from the Radio Advertising Bureau (the RAB);

- we derived historical market revenue statistics and market revenue share percentages from data published by Miller Kaplan, Arase & Co., LLP (Miller Kaplan), a public accounting firm that specializes in serving the broadcasting industry and BIA Financial Network, Inc. (BIA), a media and telecommunications advisory services firm; and

- we derived all audience share data and audience rankings, including ranking by population, except where otherwise stated to the contrary, from surveys of people ages 12 and over (Adults 12+), listening Monday through Sunday, 6 a.m. to 12 midnight, and based on the Arbitron Market Report (Arbitron s Market Report).

Company Overview

We own and operate commercial radio station clusters throughout the United States. We believe we are the largest pure-play radio broadcaster in the United States based on number of stations owned and operated. At December 31, 2012, we owned or operated approximately 517 radio stations (including under LMAs) in 108 United States media markets and operated nationwide radio networks serving over 5,000 affiliates. At December 31, 2012, under LMAs, we provided sales and marketing services for 14 radio stations in the United States.

We are a Delaware corporation, organized in 2002, and successor by merger to an Illinois corporation with the same name that had been organized in 1997.

Strategic Overview

Our operating strategy is primarily focused on generating internal growth through improving the performance of the portfolio of stations we own and operate, while enhancing our station portfolio and our business as a whole through the acquisition of individual stations or clusters that satisfy our acquisition criteria. We further seek to use our national platform to develop new media businesses that we believe are synergistic with radio broadcasting.

Our Company was formed in 1997 with an initial strategic focus on mid-sized markets throughout the United States. We historically focused on such markets because it was our belief that these markets, as compared

3

Table of Contents

Index to Financial Statements

to large markets, had been characterized by a higher ratio of local advertisers to national advertisers and a larger number of smaller-dollar customers, both of which have historically led to lower volatility in the face of changing macroeconomic conditions. We believed that the attractive operating characteristics of mid-sized markets, together with the relaxation of radio station ownership limits under the Telecommunications Act of 1996 (the Telecom Act) and FCC rules, created significant opportunities for growth from the formation of groups of radio stations within these markets. We focused on capitalizing on opportunities to acquire groups of stations in attractive markets at favorable purchase prices, taking advantage of the size and fragmented nature of ownership in those markets and the greater attention historically given to larger markets by radio station acquirers.

Although our historical focus was on mid-sized radio markets in the United States, we recognized that the large radio markets can provide an attractive combination of scale, stability and opportunity for future growth, particularly for emerging digital advertising initiatives. According to BIA, these markets typically have per capita and household income, and expected household after-tax effective buying income growth, in excess of the national average, which we believe makes radio broadcasters in these markets attractive to a broad base of advertisers, and allows a radio broadcaster to reduce its dependence on any one economic sector or specific advertiser. We also believe that having a national platform provides appropriate scale and additional opportunities to launch new digital media businesses and partner with other national media companies when appropriate. In furtherance of this strategy, in 2011, we completed the acquisition of the 75.0% of the equity interests of Cumulus Media Partners, LLC (CMP) that we did not already own (the CMP Acquisition) and the acquisition (the Citadel Merger) of Citadel Broadcasting Corporation (Citadel), each as described in more detail below.

Industry Overview

The primary source of revenues for radio stations is the sale of advertising time to local, regional and national spot advertisers, and national network advertisers. National network advertisers place advertisements on a national network show and such advertisements air in each market where the network has an affiliate. Over the past ten years, radio advertising revenue has represented 8.0% to 10.0% of the overall United States advertising market, and typically follows macroeconomic growth trends. In 2012, radio advertising revenues reached $16.5 billion.

Generally, radio is considered an efficient, cost-effective means of reaching specifically identified demographic groups. Stations are typically classified by their on-air format, such as country, rock, adult contemporary, oldies and news/talk. A station s format and style of presentation enables it to target specific segments of listeners sharing certain demographic features. By capturing a specific share of a market s radio listening audience with particular concentration in a targeted demographic, a station is able to market its broadcasting time to advertisers seeking to reach a specific audience. Advertisers and stations use data published by audience measuring services, such as Arbitron, to estimate how many people within particular geographical markets and demographics listen to specific stations.

The number of advertisements that can be broadcast by a station without jeopardizing listening levels and the resulting ratings is limited in part by the format of a particular station and the local competitive environment. Although the number of advertisements broadcast during a given time period may vary, the total number of advertisements broadcast on a particular station generally does not vary significantly from year to year.

A station s local sales staff generates the majority of its local and regional advertising sales through direct solicitations of local advertising agencies and businesses. To generate national advertising sales, a station usually will engage a firm that specializes in soliciting radio-advertising sales on a national level. National sales representatives obtain advertising principally from advertising agencies located outside the station s market and receive commissions based on the revenue from the advertising they obtain.

Our stations compete for advertising revenue with other broadcast radio stations in their particular market as well as other media, including newspapers, broadcast television, cable television, magazines, direct mail,

Table of Contents

Index to Financial Statements

coupons and outdoor advertising. In addition, the radio broadcasting industry is subject to competition from services that use new media technologies that are being developed or have already been introduced, such as the internet and satellite-based digital radio services. Such services may reach regional and nationwide audiences with multi-channel, multi-format, digital radio services.

We cannot predict how existing, new or any future generated sources of competition will affect our performance and results of operations. The radio broadcasting industry historically has grown over the long term despite the introduction of new technologies for the delivery of entertainment and information, such as television broadcasting, cable television, audio tapes, compact discs and iPods and other similar devices. We believe population growth and greater availability of radios, particularly car and portable radios when combined with increased travel and commuting time, have contributed to this growth. There can be no assurance, however, that the development or introduction in the future of any new media technology will not have a material adverse effect on the radio broadcasting industry in general or our stations in particular.

Advertising Sales

Virtually all of our revenue is generated from the sale of local, regional, and national advertising for broadcast on our radio stations. In 2012, 2011 and 2010, approximately 77.4%, 72.6% and 84.5%, respectively, of our net broadcasting revenue was generated from the sale of local and regional advertising. Additional broadcasting revenue is generated from the sale of national advertising. The major categories of our advertisers consist of:

Amusement and recreation	Banking and mortgage	Furniture and home furnishings
Arts and entertainment	Food and beverage services	Healthcare services
Automotive dealers	Food and beverage stores	Telecommunications

Each station s local sales staff solicits advertising either directly from a local advertiser or indirectly through an advertising agency. We employ a tiered commission structure to focus our sales staffs on new business development. Consistent with our operating strategy of dedicated sales forces for each of our stations, we have increased the number of salespeople per station. We believe that we can outperform the traditional growth rates of our markets by (1) expanding our base of advertisers, (2) training newly hired sales people and (3) providing a higher level of service to our existing customer base. We believe this will be effectively accomplished though a larger sales staff than most of the stations employed at the time we acquired them.

Our national sales are made by a firm specializing in radio advertising sales on the national level, in exchange for a commission that is based on the gross revenue from the advertising generated. Regional sales, which we define as sales in regions surrounding our markets to buyers that advertise in our markets, are generally made by our local sales staff and market managers. Whereas we seek to grow our local sales through larger and more customer-focused sales staffs, we seek to grow our national and regional sales by offering to key national and regional advertisers access to groups of stations within specific markets and regions that make us a more attractive platform. Many of these advertisers have previously been reluctant to advertise in certain smaller markets because of the logistics involved in buying advertising from individual stations. Certain of our stations had no national representation before we acquired them.

Each of our stations has a general target level of on-air inventory available for advertising. This target level of inventory for sale may vary at different times of the day but tends to remain stable over time. Our stations strive to maximize revenue by managing their on-air advertising inventory and adjusting prices up or down based on supply and demand. We seek to broaden our advertiser base in each market by providing a wide array of audience demographic segments across our cluster of stations, thereby providing potential advertisers with an effective means to reach a targeted demographic group. Our selling and pricing activity is based on demand for our radio stations on-air inventory and, in general, we respond to this demand by varying prices rather than by varying our target inventory level for a particular station. Most changes in revenue are explained by a

[Table of Contents](#)

[Index to Financial Statements](#)

combination of demand-driven pricing changes and changes in inventory utilization rather than by changes in available inventory. Advertising rates charged by radio stations, which are generally highest during morning and afternoon commuting hours, are based primarily on:

- a station s share of audiences and the demographic groups targeted by advertisers (as measured by ratings surveys);
- the supply and demand for radio advertising time and for time targeted at particular demographic groups; and
- certain additional qualitative factors.

A station s listenership is reflected in ratings surveys that estimate the number of listeners tuned in to the station, and the time they spend listening. Each station s ratings are used by its advertisers and advertising representatives to consider advertising with the station and are used by Cumulus to chart audience growth, set advertising rates and adjust programming.

Competition

The radio broadcasting industry is very competitive. Our stations compete for listeners and advertising revenues directly with other radio stations within their respective markets, as well as with other advertising media. Additionally, new online music and other entertainment services have begun selling advertising locally, creating additional competition for both listeners and advertisers.

Radio stations compete for listeners primarily on the basis of program content that appeals to a particular demographic group. Factors that affect a radio station s competitive position include station brand identity and loyalty, management experience, the station s local audience rank in its market, transmitter power and location, assigned frequency, audience characteristics, local program acceptance and the number and characteristics of other radio stations and other advertising media in the market area. We attempt to improve our competitive position in each market by extensively researching and seeking to improve our stations programming, by implementing targeted advertising campaigns aimed at the demographic groups for which our stations program and by managing our sales efforts to attract a larger share of advertising dollars for each station individually. We also seek to improve our competitive position by focusing on building a strong brand identity with a targeted listener base consisting of specific demographic groups in each of our markets, which we believe will allow us to better attract advertisers seeking to reach those listeners.

The success of each of our stations depends largely upon rates it can charge for its advertising, which in turn is affected by the number of local advertising competitors, and the overall demand for advertising within individual markets. These conditions may fluctuate and are highly susceptible to changes in both local markets and more general macroeconomic conditions. Specifically, a radio station s competitive position can be enhanced or negatively impacted by a variety of factors, including the changing of, or another station changing, its format to compete directly for a different demographic of listeners and advertisers or an upgrade of the station s authorized power through the relocation or upgrade of transmission equipment. Another station s decision to convert to a format similar to that of one of our radio stations in the same geographic area, to improve its signal reach through equipment changes or upgrades, or to launch an aggressive promotional campaign may result in lower ratings and advertising revenue. Any adverse change affecting advertising expenditures in a particular market or in the relative market share of our stations located in a particular market could have a material adverse effect on the results of the radio stations located in that market or, possibly, the Company as a whole. There can be no assurance that any one or all of our stations will be able to maintain or increase advertising revenue market share.

There are also regulations that impact competition within the radio industry. Under federal laws and FCC rules, a single party can own and operate multiple stations in a local market, subject to certain limitations described below. We believe that companies that form groups of commonly owned stations or joint arrangements, such as LMAs, in a particular market may, in certain circumstances, have lower operating costs

Table of Contents

Index to Financial Statements

and may be able to offer advertisers in those markets more attractive rates and services. Although we currently operate multiple stations in most of our markets and intend to pursue the creation of additional multiple station groups in particular markets, our competitors in certain markets include other parties that own and operate as many or more stations than we do.

However, the competitive position of existing radio stations is protected to some extent by certain regulatory barriers to new entrants. The operation of a radio broadcast station requires an FCC license, and the number of radio stations that an entity can operate in a given market is limited under certain FCC rules. The number of radio stations that a party can own in a particular market is dictated largely by whether the station is in a defined Arbitron Metro (a designation designed by a private party for use in advertising matters), and, if so, the number of stations included in that Arbitron Metro. In those markets that are not in an Arbitron Metro, the number of stations a party can own in the particular market is dictated by the number of AM and FM signals that together comprise that FCC-defined radio market. These FCC ownership rules may, in some instances, limit the number of stations one or more of our existing competitors can own or operate, or may limit potential new market entrants. However, FCC ownership rules may change in the future to limit any protections they provide. We also cannot predict what other matters might be considered in the future by the FCC or Congress, nor can we assess in advance what impact, if any, the implementation of any of these proposals or changes might have on our business. For a discussion of FCC regulation (including recent changes), see Federal Regulation of Radio Broadcasting.

Employees

At December 31, 2012, we employed 6,483 people, 4,432 of whom are employed full time. Of these employees, approximately, 216 employees are covered by collective bargaining agreements. We have not experienced any material work stoppages by our employees covered by collective bargaining agreements, and overall, we consider our relations with our employees to be satisfactory.

On occasion, we enter into contracts with various on-air personalities with large loyal audiences in their respective markets to protect our interests in those relationships that we believe to be valuable. The loss of one or more of these personalities could result in a short-term loss of audience share, but we do not believe that any such loss would have a material adverse effect on our financial condition or results of operations, taken as a whole.

Federal Regulation of Radio Broadcasting

General

The ownership, operation and sale of radio broadcast stations, including those licensed to us, is subject to the jurisdiction of the FCC, which acts under authority of the Communications Act of 1934, as amended (the Communications Act). The Telecommunications Act of 1996 (the Telecom Act) amended the Communications Act and directed the FCC to change certain of its broadcast rules. Among its other regulatory responsibilities, the FCC issues permits and licenses to construct and operate radio stations; assigns broadcast frequencies; determines whether to approve changes in ownership or control of station licenses; regulates transmission equipment, operating power, and other technical parameters of stations; adopts and implements regulations and policies that directly or indirectly affect the ownership, operation and employment practices of stations; regulates the content of some forms of radio broadcast programming; and has the authority under the Communications Act to impose penalties for violations of its rules.

The following is a brief summary of certain provisions of the Communications Act, the Telecom Act, and related FCC rules and policies (collectively, the Communications Laws). This description does not purport to be comprehensive, and reference should be made to the Communications Laws, public notices, and decisions issued by the FCC for further information concerning the nature and extent of federal regulation of radio broadcast stations. Failure to observe the provisions of the Communications Laws can result in the imposition of

Table of Contents

Index to Financial Statements

various sanctions, including monetary forfeitures and the grant of a short-term (less than the maximum term) license renewal. For particularly egregious violations, the FCC may deny a station s license renewal application, revoke a station s license, or deny applications in which an applicant seeks to acquire additional broadcast properties.

License Grant and Renewal

Radio broadcast licenses are generally granted and renewed for terms of up to eight years at a time. Licenses are renewed by filing an application with the FCC, which is subject to review and approval. The Communications Act expressly provides that a radio station is authorized to continue to operate after the expiration date of its existing license until the FCC acts on a pending renewal application. Petitions to deny license renewal applications may be filed by interested parties, including members of the public. While we are not currently aware of any facts that would prevent the renewal of our licenses to operate our radio stations, there can be no assurance that all of our licenses will be renewed in the future for a full term, or at all.

Service Areas

The area served by AM stations is determined by a combination of frequency, transmitter power, antenna orientation, and soil conductivity. To determine the effective service area of an AM station, the station s power, operating frequency, antenna patterns and its day/night operating modes are evaluated. The area served by an FM station is determined by a combination of effective radiated power (ERP), antenna height and terrain with stations divided into eight classes according to these technical parameters.

Each class of FM radio station has the right to broadcast with a certain amount of ERP from an antenna located at a certain height above average terrain. The most powerful FM radio stations, which are generally those with the largest geographic reach, are Class C FM stations, which operate with up to the equivalent of 100 kilowatts (kW) of ERP at an antenna height of 1,968 feet above average terrain. These stations typically provide service to a large area that covers one or more counties (which may or may not be in the same state). There are also Class C0, C1, C2 and C3 FM radio stations which operate with progressively less power and/or antenna height above average terrain and, thus, less geographic reach. In addition, Class B FM stations operate with the equivalent of up to 50 kW ERP at an antenna height of 492 feet above average terrain. Class B stations can serve large metropolitan areas and their outer suburban areas. Class B1 stations can operate with up to the equivalent of 25 kW ERP at an antenna height of 328 feet above average terrain. Class A FM stations operate with up to the equivalent of 6 kW ERP at an antenna height of 328 feet above average terrain, and often (but not always) serve smaller cities or suburbs of larger cities.

Table of Contents

Index to Financial Statements

The following table sets forth, as of March 8, 2013, the market, call letters, FCC license classification, antenna height above average terrain (for FM stations only), power frequency and license expiration date of all our owned and/or operated stations, including pending station acquisitions operated under an LMA, and all other announced pending station acquisitions. Stations with a license expiration date prior to March 8, 2013 represent stations for which a renewal application has been timely filed with the FCC and is currently pending before the FCC. The Communications Act expressly provides that a radio station is authorized to continue to operate after the expiration date of its existing license until the FCC acts on a pending renewal application.

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Abilene, TX	KBCY FM	Tye, TX	99.7	August 1, 2013	C1	745	100.0	100.0
	KCDD FM	Hamlin, TX	103.7	August 1, 2013	C0	984	100.0	100.0
	KHXS FM	Merkel, TX	102.7	August 1, 2013	C1	745	99.2	99.2
	KTLT FM	Anson, TX	98.1	August 1, 2013	C2	305	50.0	50.0
Albany, GA	WALG AM	Albany, GA	1590	April 1, 2020	B	N/A	5.0	1.0
	WEGC FM	Sasser, GA	107.7	April 1, 2020	C3	312	11.5	11.5
	WGPC AM	Albany, GA	1450	April 1, 2020	C	N/A	1.0	1.0
	WJAD FM	Leesburg, GA	103.5	April 1, 2020	C3	463	12.5	12.5
	WKAK FM	Albany, GA	104.5	April 1, 2020	C1	981	100.0	100.0
	WNUQ FM	Sylvester, GA	102.1	April 1, 2020	A	259	6.0	6.0
	WQVE FM	Albany, GA	101.7	April 1, 2020	A	299	6.0	6.0
Albuquerque, NM	KKOB AM	Albuquerque, NM	770	October 1, 2013	B	N/A	50.0	50.0
	KKOB FM	Albuquerque, NM	93.3	October 1, 2013	C	4150	21.5	21.5
	KMGA FM	Albuquerque, NM	99.5	October 1, 2013	C	4131	22.5	22.5
	KNML AM	Albuquerque, NM	610	October 1, 2013	B	N/A	5.0	5.0
	KRST FM	Albuquerque, NM	92.3	October 1, 2013	C	4160	22.0	22.0
	KTBL AM	Los Ranchos, NM	1050	October 1, 2013	B	N/A	1.0	1.0
	KDRF FM	Albuquerque, NM	103.3	October 1, 2013	C	4424	20.0	20.0
Allentown, PA	WCTO FM	Easton, PA	96.1	August 1, 2014	B	499	50.0	50.0
	WLEV FM	Allentown, PA	100.7	August 1, 2014	B	1073	11.0	11.0
Amarillo, TX	KARX FM	Claude, TX	95.7	August 1, 2013	C1	390	100.0	100.0
	KPUR AM	Amarillo, TX	1440	August 1, 2013	B	N/A	5.0	1.0
	KPUR FM	Canyon, TX	107.1	August 1, 2013	A	315	6.0	6.0
	KQIZ FM	Amarillo, TX	93.1	August 1, 2013	C1	699	100.0	100.0
	KZRK AM	Canyon, TX	1550	August 1, 2013	B	N/A	1.0	0.2
	KZRK FM	Canyon, TX	107.9	August 1, 2013	C1	476	100.0	100.0
Ann Arbor, MI	WLBY AM	Saline, MI	1290	October 1, 2020	D	N/A	0.5	0.0
	WQKL FM	Ann Arbor, MI	107.1	October 1, 2020	A	289	3.0	3.0
	WTKA AM	Ann Arbor, MI	1050	October 1, 2020	B	N/A	10.0	0.5
	WWWW FM	Ann Arbor, MI	102.9	October 1, 2020	B	440	50.0	50.0
Appleton, WI	WNAM AM	Neenah Menasha, WI	1280	December 1, 2020	B	N/A	5.0	5.0
	WOSH AM	Oshkosh, WI	1490	December 1, 2020	C	N/A	1.0	1.0
	WPKR FM	Omro, WI	99.5	December 1, 2020	C2	495	25.0	25.0
	WVBO FM	Winneconne, WI	103.9	December 1, 2020	C3	328	25.0	25.0
Atlanta, GA	WKHX FM	Marietta, GA	101.5	April 1, 2020	C0	1079	100.0	100.0
	WYAY FM	Gainesville, GA	106.7	April 1, 2020	C	1657	77.0	77.0
	WWWQ FM	Atlanta, GA	99.7	April 1, 2020	C0	116	96.6	96.6
	WNNX FM	College Park, GA	100.5	April 1, 2020	C2	978	12.5	12.5
Baton Rouge, LA	KQXL FM	New Roads, LA	106.5	June 1, 2020	C2	486	50.0	50.0
	WCDV FM	Hammond, LA	103.3	June 1, 2020	C	1004	100.0	100.0
	WEMX FM	Kentwood, LA	94.1	June 1, 2020	C1	981	100.0	100.0
	WIBR AM	Baton Rouge, LA	1300	June 1, 2020	B	N/A	5.0	1.0
	WXOK AM	Port Allen, LA	1460	June 1, 2020	B	N/A	4.7	0.3
Battle Creek, MI	WBCK FM	Battle Creek, MI	95.3	October 1, 2020	A	269	3.0	3.0
	WBXX FM	Marshall, MI	104.9	October 1, 2020	A	328	6.0	6.0

9

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Beaumont, TX	KAYD FM	Silsbee, TX	101.7	August 1, 2013	C3	503	10.5	10.5
	KBED AM	Nederland, TX	1510	August 1, 2013	D	N/A	5.0	0.0
	KIKR AM	Beaumont, TX	1450	August 1, 2013	C	N/A	1.0	1.0
	KQXY FM	Beaumont, TX	94.1	August 1, 2013	C1	600	100.0	100.0
	KSTB FM	Crystal Beach, TX	101.5	August 1, 2013	A	184	6.0	6.0
	KTCX FM	Beaumont, TX	102.5	August 1, 2013	C2	492	50.0	50.0
Birmingham, AL	WAPI AM	Birmingham, AL	1070	April 1, 2020	B	N/A	50.0	5.0
	WJOX AM	Birmingham, AL	690	April 1, 2020	B	N/A	50.0	0.5
	WAPI FM	Helena, AL	100.5	April 1, 2020	C1	1014	69.0	69.0
	WUHT FM	Birmingham, AL	107.7	April 1, 2020	C1	1345	42.0	42.0
	WJOX FM	Birmingham, AL	94.5	April 1, 2020	C0	1014	100.0	100.0
	WZRR FM	Birmingham, AL	99.5	April 1, 2020	C0	1014	100.0	100.0
Boise, ID	KBOI AM	Boise, ID	670	October 1, 2013	B	N/A	1.0	0.3
	KIZN FM	Boise, ID	92.3	October 1, 2013	C	2717	48.0	48.0
	KKGL FM	Nampa, ID	96.9	October 1, 2013	C	2717	48.0	48.0
	KQFC FM	Boise, ID	97.9	October 1, 2013	C	2717	48.0	48.0
	KTIK FM	New Plymouth, ID	93.1	October 1, 2013	C	2536	5.0	5.0
	KTIK AM	Nampa, ID	1350	October 1, 2013	B	N/A	50.0	50.0
Blacksburg, VA	WBRW FM	Blacksburg, VA	105.3	October 1, 2019	C3	479	12.0	12.0
	WFNR AM	Blacksburg, VA	710	October 1, 2019	D	N/A	10.0	0.0
	WNMX FM	Christiansburg, VA	100.7	October 1, 2019	A	886	0.8	0.8
	WPSK FM	Pulaski, VA	107.1	October 1, 2019	C3	1207	1.8	1.8
	WRAD AM	Radford, VA	1460	October 1, 2019	B	N/A	5.0	0.5
	WWBU FM	Radford, VA	101.7	October 1, 2019	A	66	5.8	5.8
Bloomington, IN	WBNQ FM	Bloomington, IN	101.5	December 1, 2020	B	465	50.0	50.0
	WBWN FM	Le Roy, IN	104.1	December 1, 2020	B1	413	0.8	0.8
	WJBC AM	Bloomington, IN	1230	December 1, 2020	C	N/A	1.0	1.0
	WJBC FM	Bloomington, IN	93.7	December 1, 2020	B1	472	12.0	12.0
Bridgeport, CT	WEBE FM	Westport, CT	107.9	April 1, 2014	B	384	50.0	50.0
	WICC AM	Bridgeport, CT	600	April 1, 2014	B	N/A	1.0	0.5
Buffalo, NY	WEDG FM	Buffalo, NY	103.3	June 1, 2014	B	348	49.0	49.0
	WGRF FM	Buffalo, NY	96.9	June 1, 2014	B	712	24.0	24.0
	WHLD AM	Niagra Falls, NY	1270	June 1, 2014	B	N/A	5.0	1.0
	WHTT FM	Buffalo, NY	104.1	June 1, 2014	B	387	50.0	50.0
	WBBF AM	Buffalo, NY	1120	June 1, 2014	D	N/A	1.0	0.0
Canton, OH	WRQK FM	Canton, OH	106.9	October 1, 2012	B	338	27.5	27.5
Cedar Rapids, IA	KDAT FM	Cedar Rapids, IA	104.5	February 1, 2021	C1	551	100.0	100.0
	KHAK FM	Cedar Rapids, IA	98.1	February 1, 2021	C1	459	100.0	100.0
	KRNA FM	Iowa City, IA	94.1	February 1, 2021	C1	981	100.0	100.0
	KRQN FM	Vinton, IA	107.1	February 1, 2021	A	371	4.7	4.7
Charleston, SC	WSSX FM	Charleston, SC	95.1	December 1, 2019	C0	1001	100.0	100.0
	WIWF FM	Charleston, SC	96.9	December 1, 2019	C	1768	100.0	100.0
	WTMA AM	Charleston, SC	1250	December 1, 2011	B	N/A	5.0	1.0
	WWWZ FM	Summerville, SC	93.3	December 1, 2019	C2	492	50.0	50.0
Chattanooga, TN	WGOW AM	Chattanooga, TN	1150	August 1, 2020	B	N/A	5.0	1.0
	WGOW FM	Soddy-Daisy, TN	102.3	August 1, 2020	A	285	6.0	6.0
	WOGT FM	East Ridge, TN	107.9	August 1, 2020	C3	328	25.0	25.0
	WSKZ FM	Chattanooga, TN	106.5	August 1, 2020	C	1079	100.0	100.0
Chicago, IL	WLS AM	Chicago, IL	890	December 1, 2012	A	N/A	50.0	50.0
	WLS FM	Chicago, IL	94.7	December 1, 2012	B	1535	4.4	4.4
	WJEZ FM	Dwight, IL	98.9	December 1, 2020	A	488	1.3	1.3
Cincinnati, OH	WNNF FM	Cincinnati, OH	94.1	October 1, 2020	B	866	16.0	16.0
	WOFX FM	Cincinnati, OH	92.5	October 1, 2020	B	866	16.0	16.0
	WRRM FM	Cincinnati, OH	98.5	October 1, 2020	B	807	18.0	18.0
	WGRR FM	Hamilton, OH	103.5	October 1, 2020	B	1037	11.0	11.0
	WFTK FM	Lebanon, OH	96.5	October 1, 2020	B	810	19.5	19.5

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Colorado Springs, CO	KKFM FM	Colorado Springs, CO	98.1	April 1, 2013	C	2290	71.0	71.0
	KKMG FM	Pueblo, CO	98.9	April 1, 2013	C	2280	72.0	72.0
	KKPK FM	Colorado Springs, CO	92.9	April 1, 2013	C	2198	60.0	60.0
	KCSF AM	Colorado Springs, CO	1300	April 1, 2013	B	N/A	5.0	1.0
	KVOR AM	Colorado Springs, CO	740	April 1, 2013	B	N/A	3.3	1.5
	KATC FM	Colorado Springs, CO	95.1	April 1, 2013	C	2280	58.0	58.0
Columbia, MO	KBBM FM	Jefferson City, MO	100.1	February 1, 2021	C2	600	33.0	33.0
	KBXR FM	Columbia, MO	102.3	February 1, 2021	C3	856	3.5	3.5
	KFRU AM	Columbia, MO	1400	February 1, 2021	C	N/A	1.0	1.0
	KJMO FM	Linn, Mo	97.5	February 1, 2021	A	328	6.0	6.0
	KLIK AM	Jefferson City, MO	1240	February 1, 2021	C	N/A	1.0	1.0
	KOQL FM	Ashland, MO	106.1	February 1, 2021	C1	958	69.0	69.0
	KPLA FM	Columbia, MO	101.5	February 1, 2021	C1	1063	42.0	42.0
	KZJF FM	Jefferson City, MO	104.1	April 1, 2021	A	348	5.3	5.3
Columbia, SC	WISW AM	Columbia, SC	1320	December 1, 2019	B	N/A	5.0	2.5
	WLXC FM	Columbia, SC	103.1	December 1, 2019	A	308	6.0	6.0
	WNKT FM	Eastover, SC	107.5	December 1, 2019	C2	548	40.0	40.0
	WOMG FM	Lexington, SC	98.5	December 1, 2019	A	325	6.0	6.0
	WTCB FM	Orangeburg, SC	106.7	December 1, 2019	C1	787	100.0	100.0
Columbus-Starkville, MS	WJWF AM	Columbus, MS	1400	June 1, 2020	C	N/A	1.0	1.0
	WKOR FM	Columbus, MS	94.9	June 1, 2020	C2	492	50.0	50.0
	WMXU FM	Starkville, MS	106.1	June 1, 2020	C2	502	40.0	40.0
	WNMQ FM	Columbus, MS	103.1	June 1, 2020	C2	755	22.0	22.0
	WSMS FM	Artesia, MS	99.9	June 1, 2020	C2	505	47.0	47.0
	WSSO AM	Starkville, MS	1230	June 1, 2020	C	N/A	1.0	1.0
Dallas, TX	WBAP AM	Fort Worth, TX	820	August 1, 2013	A	N/A	50.0	50.0
	WBAP FM	Flower Mound, TX	96.7	August 1, 2013	C	2038	90.0	90.0
	KSCS FM	Fort Worth, TX	96.3	August 1, 2013	C	1611	99.0	99.0
	KLIF AM	Dallas, TX	570	August 1, 2013	B	N/A	5.0	5.0
	KPLX FM	Fort Worth, TX	99.5	August 1, 2013	C	1677	100.0	100.0
	KLIF FM	Haltom, TX	93.9	August 1, 2013	C2	394	50.0	50.0
	KTCK AM	Dallas, TX	1310	August 1, 2013	B	N/A	25.0	5.0
	KTDK FM	Sanger, TX	104.1	August 1, 2013	C3	630	6.2	6.2
Danbury, CT	WDBY FM	Patterson, NY	105.5	June 1, 2014	A	610	0.9	0.9
	WINE AM	Brookfield, CT	940	April 1, 2014	D	N/A	0.7	0.0
	WPUT AM	Brewster, NY	1510	June 1, 2014	D	N/A	1.0	0.0
	WRKI FM	Brookfield, CT	95.1	April 1, 2014	B	636	29.5	29.5
Des Moines, IA	KBGG AM	Des Moines, IA	1700	February 1, 2021	B	N/A	10.0	1.0
	KHKI FM	Des Moines, IA	97.3	February 1, 2021	C1	469	105.0	105.0
	KGGO FM	Des Moines, IA	94.9	February 1, 2013	C0	1066	100.0	100.0
	KJJY FM	West Des Moines, IA	92.5	February 1, 2020	C2	541	41.0	41.0
	KWQW FM	Boone, IA	98.3	February 1, 2020	C2	541	41.0	41.0
Detroit, MI	WJR AM	Detroit, MI	760	October 1, 2012	A	N/A	50.0	50.0
	WDVD FM	Detroit, MI	96.3	October 1, 2020	B	787	20.0	20.0
	WDRQ FM	Detroit, MI	93.1	October 1, 2020	B	669	26.5	26.5
Dubuque, IA	KLYV FM	Dubuque, IA	105.3	February 1, 2021	C2	348	50.0	50.0
	KXGE FM	Dubuque, IA	102.3	February 1, 2021	A	308	2.0	2.0
	WDBQ AM	Dubuque, IA	1490	February 1, 2013	C	N/A	1.0	1.0
	WDBQ FM	Galena, IL	107.5	December 1, 2020	A	328	6.0	6.0
	WJOD FM	Asbury, IA	103.3	February 1, 2021	C3	643	6.6	6.6
Erie, PA	WXKC FM	Erie, PA	99.9	August 1, 2014	B	492	50.0	50.0
	WXTA FM	Edinboro, PA	97.9	August 1, 2014	B1	505	10.0	10.0
	WRIE AM	Erie, PA	1260	August 1, 2014	B	N/A	5.0	5.0
	WQHZ FM	Erie, PA	102.3	August 1, 2014	A	617	1.7	1.7

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Eugene, OR	KEHK FM	Brownsville, OR	102.3	February 1, 2014	C1	919	100.0	100.0
	KNRQ FM	Aloha, OR	97.9	February 1, 2014	C	1011	100.0	100.0
	KSCR AM	Eugene, OR	1320	February 1, 2014	D	N/A	1.0	0.0
	KUGN AM	Eugene, OR	590	February 1, 2014	B	N/A	5.0	5.0
	KUJZ FM	Creswell, OR	95.3	February 1, 2014	C3	1207	0.6	0.6
	KZEL FM	Eugene, OR	96.1	February 1, 2014	C	1093	100.0	100.0
Faribault-Owatonna, MN	KDHL AM	Faribault, MN	920	April 1, 2013	B	N/A	5.0	5.0
	KQCL FM	Faribault, MN	95.9	April 1, 2013	A	328	3.0	3.0
	KRFO AM	Owatonna, MN	1390	April 1, 2013	D	N/A	0.5	0.1
	KRFO FM	Owatonna, MN	104.9	April 1, 2013	A	174	4.7	4.7
Fayetteville, AR	KAMO FM	Rogers, AR	94.3	June 1, 2020	C2	692	25.0	25.0
	KFAY AM	Farmington, AR	1030	June 1, 2020	B	N/A	10.0	1.0
	KQSM FM	Fayetteville, AR	92.1	June 1, 2020	C3	532	7.6	7.6
	KMCK FM	Prairie Grove, AR	105.7	June 1, 2020	C1	476	100.0	100.0
	KKEG FM	Bentonville, AR	98.3	June 1, 2020	C1	617	100.0	100.0
	KYNG AM	Springdale, AR	1590	June 1, 2020	D	N/A	2.5	0.1
Fayetteville, NC	WFNC AM	Fayetteville, NC	640	December 1, 2019	B	N/A	10.0	1.0
	WFVL FM	Lumberton, NC	102.3	December 1, 2019	A	269	6.0	6.0
	WMGU FM	Southern Pines, NC	106.9	December 1, 2019	C2	469	50.0	50.0
	WQSM FM	Fayetteville, NC	98.1	December 1, 2019	C1	830	100.0	100.0
	WRCQ FM	Dunn, NC	103.5	December 1, 2019	C2	502	48.0	48.0
Flint, MI	WDZZ FM	Flint, MI	92.7	October 1, 2012	A	328	3.0	3.0
	WWCK AM	Flint, MI	1570	October 1, 2020	D	N/A	1.0	0.2
	WWCK FM	Flint, MI	105.5	October 1, 2020	B1	328	25.0	25.0
	WFBE FM	Flint, MI	95.1	October 1, 2020	B	318	34.0	34.0
	WTRX AM	Flint, MI	1330	October 1, 2020	B	N/A	5.0	1.0
Florence, SC	WBZF FM	Hartsville, SC	98.5	December 1, 2019	A	328	6.0	6.0
	WCMG FM	Latta, SC	94.3	December 1, 2019	C3	502	10.5	10.5
	WHLZ FM	Marion, SC	100.5	December 1, 2019	C3	328	25.0	25.0
	WMXT FM	Pamplico, SC	102.1	December 1, 2019	C2	479	50.0	49.4
	WWFN FM	Lake City, SC	100.1	December 1, 2019	A	433	3.3	3.3
	WYMB AM	Manning, SC	920	December 1, 2019	B	N/A	2.3	1.0
	WYNN AM	Florence, SC	540	December 1, 2019	D	N/A	0.3	0.2
	WYNN FM	Florence, SC	106.3	December 1, 2019	A	328	6.0	6.0
Fort Smith, AR	KBBQ FM	Van Buren, AR	102.7	June 1, 2020	C2	574	17.0	17.0
	KLSZ FM	Fort Smith, AR	100.7	June 1, 2020	C2	459	50.0	50.0
	KOAI AM	Van Buren, AR	1060	June 1, 2012	D	N/A	0.5	0.0
	KOMS FM	Poteau, OK	107.3	June 1, 2013	C	1893	100.0	100.0
Fort Walton Beach, FL	WFTW AM	Ft Walton Beach, FL	1260	February 1, 2020	D	N/A	2.5	0.1
	WKSM FM	Ft Walton Beach, FL	99.5	February 1, 2020	C2	438	50.0	50.0
	WNCV FM	Shalimar, FL	93.3	February 1, 2020	C2	469	50.0	50.0
	WYZB FM	Mary Esther, FL	105.5	February 1, 2020	C3	305	25.0	25.0
	WZNS FM	Ft Walton Beach, FL	96.5	February 1, 2020	C1	438	100.0	100.0
Grand Rapids, MI	WJRW AM	Grand Rapids, MI	1340	October 1, 2020	C	N/A	1.0	1.0
	WTNR FM	Holland, MI	94.5	October 1, 2020	B	499	50.0	50.0
	WLAV FM	Grand Rapids, MI	96.9	October 1, 2020	B	489	50.0	50.0
	WBBL FM	Greenville, MI	107.3	October 1, 2020	B	492	50.0	50.0
	WHTS FM	Coopersville, MI	105.3	October 1, 2020	B	794	20.0	20.0
Green Bay, WI	WDUZ AM	Green Bay, WI	1400	December 1, 2020	C	N/A	1.0	1.0
	WDUZ FM	Brillion, WI	107.5	December 1, 2020	C3	879	3.6	3.6
	WKRU FM	Allouez, WI	106.7	December 1, 2020	C3	328	25.0	25.0
	WOGB FM	Kaukauna, WI	103.1	December 1, 2020	C3	879	3.6	3.6
	WPCK FM	Denmark, WI	104.9	December 1, 2020	A	515	10.0	10.0
	WQLH FM	Green Bay, WI	98.5	December 1, 2020	C1	499	100.0	100.0

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Harrisburg, PA	WHGB AM	Harrisburg, PA	1400	August 1, 2014	C	N/A	1.0	1.0
	WNNK FM	Harrisburg, PA	104.1	August 1, 2014	B	725	22.5	22.5
	WWKL FM	Mechanicsburg, PA	93.5	August 1, 2014	A	719	1.3	1.3
	WDVY FM	Hershey, PA	106.7	August 1, 2014	B	929	14.0	14.0
	WQXA FM	York, PA	105.7	August 1, 2014	B	705	25.0	25.0
Houston, TX	KRBE FM	Houston, TX	104.1	August 1, 2013	C	1919	92.2	92.2
Huntsville, AL	WHRP FM	Gurley, AL	94.1	April 1, 2020	A	945	0.7	0.7
	WUMP AM	Madison, AL	730	April 1, 2020	D	N/A	1.0	0.1
	WVNN AM	Athens, AL	770	April 1, 2020	B	N/A	7.0	0.3
	WVNN FM	Trinity, AL	92.5	April 1, 2020	A	423	3.1	3.1
	WWFF FM	New Market, AL	93.3	April 1, 2020	C2	914	14.5	14.5
	WZYP FM	Athens, AL	104.3	April 1, 2020	C	1116	100.0	100.0
Indianapolis, IN	WJJK FM	Noblesville, IN	104.5	August 1, 2020	B	492	50.0	50.0
	WAYI FM	Sellersburg, IN	93.9	August 1, 2020	A	499	2.7	2.7
	WFMS FM	Fishers, IN	95.5	August 1, 2020	B	991	13.0	13.0
Johnson City, TN	WXSM AM	Blountville, TN	640	August 1, 2020	B	N/A	10.0	0.8
	WJCW AM	Johnson City, TN	910	August 1, 2020	B	N/A	5.0	0.1
	WGOC AM	Kingsport, TN	1320	August 1, 2020	B	N/A	5.0	0.5
	WKOS FM	Kingsport, TN	104.9	August 1, 2020	A	492	2.8	2.8
	WQUT FM	Johnson City, TN	101.5	August 1, 2020	C	1499	100.0	100.0
Kalamazoo, MI	WKFR FM	Battle Creek, MI	103.3	October 1, 2020	B	482	50.0	50.0
	WKMI AM	Kalamazoo, MI	1360	October 1, 2020	B	N/A	5.0	1.0
	WRKR FM	Portage, MI	107.7	October 1, 2020	B	486	50.0	50.0
Kansas City, MO	KCFX FM	Harrisonville, MO	101.1	February 1, 2021	C0	1099	100.0	100.0
	KCHZ FM	Ottowa, KS	95.7	June 1, 2013	C1	981	98.0	98.0
	KCJK FM	Garden City, MO	105.1	February 1, 2021	C1	1145	69.0	69.0
	KCMO AM	Kansas City, MO	710	February 1, 2021	B	N/A	10.0	5.0
	KMJK FM	North Kansas City, MO	107.3	February 1, 2021	C1	980	100.0	100.0
	KCMO FM	Shawnee, KS	94.9	June 1, 2013	C0	1119	100.0	100.0
Knoxville, TN	WIVK FM	Knoxville, TN	107.7	August 1, 2020	C	2077	91.0	91.0
	WNML AM	Knoxville, TN	990	August 1, 2020	B	N/A	10.0	10.0
	WNML FM	Friendsville, TN	99.1	August 1, 2020	A	328	6.0	6.0
	WOKI FM	Oliver Springs, TN	98.7	August 1, 2020	C3	571	8.0	8.0
	WNRX FM	Jefferson City, TN	99.3	August 1, 2020	A	653	0.9	0.9
Kokomo, IN	WWKI FM	Kokomo, IN	100.5	August 1, 2020	B	469	50.0	50.0
Lafayette, LA	KNEK AM	Washington, LA	1190	June 1, 2020	D	N/A	0.3	0.0
	KRRQ FM	Lafayette, LA	95.5	June 1, 2020	C2	443	50.0	50.0
	KSMB FM	Lafayette, LA	94.5	June 1, 2020	C	1079	100.0	100.0
	KXKC FM	New Iberia, LA	99.1	June 1, 2020	C0	984	100.0	100.0
	KNEK FM	Washington, LA	104.7	June 1, 2020	C3	328	25.0	25.0
Lake Charles, LA	KAOK AM	Lake Charles, LA	1400	June, 1 2020	C	N/A	1.0	1.0
	KBIU FM	Lake Charles, LA	103.3	June 1, 2020	C2	479	35.0	35.0
	KKGB FM	Sulphur, LA	101.3	June 1, 2020	C3	479	12.0	12.0
	KQLK FM	DeRidder, LA	97.9	June 1, 2012	C2	492	50.0	50.0
	KXZZ AM	Lake Charles, LA	1580	June 1, 2020	B	N/A	1.0	1.0
	KYKZ FM	Lake Charles, LA	96.1	June 1, 2020	C1	479	100.0	100.0
Lancaster, PA	WIOV FM	Ephrata, PA	105.1	August 1, 2014	B	702	25.0	25.0
	WIOV AM	Reading, PA	1240	August 1, 2014	C	N/A	1.0	1.0
Lansing, MI	WFMK FM	East Lansing, MI	99.1	October 1, 2020	B	600	28.0	28.0
	WITL FM	Lansing, MI	100.7	October 1, 2020	B	643	26.5	26.5
	WJIM AM	Lansing, MI	1240	October 1, 2020	C	N/A	0.9	0.9
	WJIM FM	Lansing, MI	97.5	October 1, 2020	B	512	45.0	45.0
	WMMQ FM	East Lansing, MI	94.9	October 1, 2020	B	492	50.0	50.0
	WVFN AM	East Lansing, MI	730	October 1, 2020	D	N/A	0.5	0.1

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Lexington, KY	WCYN-FM	Cynthiana, KY	102.3	August 1, 2020	A	400	3.4	3.4
	WLTO FM	Nicholasville, KY	102.5	August 1, 2020	A	373	4.6	4.6
	WLXX FM	Lexington, KY	92.9	August 1, 2020	C1	850	100.0	100.0
	WVLK AM	Lexington, KY	590	August 1, 2020	B	N/A	5.0	1.0
	WVLK FM	Richmond, KY	101.5	August 1, 2020	C3	541	9.0	9.0
	WXZZ FM	Georgetown, KY	103.3	August 1, 2020	A	328	6.0	6.0
Little Rock, AR	KAAY AM	Little Rock, AR	1090	June 1, 2020	A	N/A	50.0	50.0
	KARN AM	Little Rock, AR	920	June 1, 2012	B	N/A	5.0	5.0
	KIPR FM	Pine Bluff, AR	92.3	June 1, 2020	C1	938	100.0	100.0
	KLAL FM	Wrightsville, AR	107.7	June 1, 2020	C1	742	100.0	100.0
	KPZK AM	Little Rock, AR	1250	June 1, 2020	B	N/A	2.0	1.2
	KURB FM	Little Rock, AR	98.5	June 1, 2020	C0	1286	100.0	100.0
	KARN FM	Sheridan, AR	102.9	June 1, 2020	C2	492	50.0	50.0
Los Angeles, CA	KABC AM	Los Angeles, CA	790	December 1, 2013	B	N/A	5.0	5.0
	KLOS FM	Los Angeles, CA	95.5	December 1, 2013	B	3130	63.0	63.0
Macon, GA	WAYS AM	Macon, GA	1500	April 1, 2020	D	N/A	1.0	0.0
	WDDO AM	Macon, GA	1240	April 1, 2020	C	N/A	1.0	1.0
	WDEN FM	Macon, GA	99.1	April 1, 2020	C1	581	100.0	100.0
	WROK FM	Macon, GA	105.5	April 1, 2020	C3	659	6.1	6.1
	WLZN FM	Macon, GA	92.3	April 1, 2020	A	328	3.0	3.0
	WMAC AM	Macon, GA	940	April 1, 2020	B	N/A	50.0	10.0
	WMGB FM	Montezuma, GA	95.1	April 1, 2020	C2	390	46.0	46.0
	WPEZ FM	Jeffersonville, GA	93.7	April 1, 2020	C1	679	100.0	100.0
Melbourne, FL	WAOA FM	Melbourne, FL	107.1	February 1, 2020	C1	486	100.0	100.0
	WHKR FM	Rockledge, FL	102.7	February 1, 2012	C2	433	50.0	50.0
	WINT AM	Melbourne, FL	1560	February 1, 2012	D	N/A	5.0	0.0
	WSJZ FM	Sebastian, FL	95.9	February 1, 2020	C3	289	25.0	25.0
Memphis, TN	WRBO FM	Como, MS	103.5	June 1, 2012	C1	587	100.0	100.0
	WGKX FM	Memphis, TN	105.9	August 1, 2012	C	993	100.0	100.0
	WXMX FM	Millington, TN	98.1	August 1, 2012	C1	869	100.0	100.0
	WKIM FM	Munford, TN	98.9	August 1, 2012	C1	614	100.0	100.0
Minneapolis, MN	KQRS FM	Golden Valley, MN	92.5	April 1, 2013	C	1034	100.0	100.0
	KXXR FM	Minneapolis, MN	93.7	April 1, 2013	C	1034	100.0	100.0
	WGVX FM	Lakeville, MN	105.1	April 1, 2013	A	499	2.6	2.6
	WGVY FM	Cambridge, MN	105.3	April 1, 2013	C3	299	25.0	25.0
	WGVZ FM	Eden Prarie, MN	105.7	April 1, 2013	A	833	1.0	1.0
Mobile, AL	WBLX FM	Mobile, AL	92.9	April 1, 2012	C	1708	98.0	98.0
	WDLT FM	Chickasaw, AL	98.3	April 1, 2020	C2	548	40.0	40.0
	WGOK AM	Mobile, AL	900	April 1, 2020	B	N/A	1.0	0.4
	WXQW AM	Fairhope, AL	660	April 1, 2020	B	N/A	10.0	0.9
	WABD FM	Atmore, AL	104.1	April 1, 2020	C	1708	98.0	98.0
Modesto, CA	KATM FM	Modesto, CA	103.3	December 1, 2013	B	499	50.0	50.0
	KDJK FM	Mariposa, CA	103.9	December 1, 2013	A	2047	0.1	0.1
	KESP AM	Modesto, CA	970	December 1, 2013	B	N/A	1.0	1.0
	KHKK FM	Modesto, CA	104.1	December 1, 2013	B	499	50.0	50.0
	KHOP FM	Oakdale, CA	95.1	December 1, 2013	B	633	29.5	29.5
	KWNN FM	Turlock, CA	98.3	December 1, 2013	A	390	2.0	2.0
Muncie, IN	WLTI AM	New Castle, IN	1550	August 1, 2020	B	N/A	0.3	0.3
	WMDH FM	New Castle, IN	102.5	August 1, 2020	B	499	50.0	50.0
Muskegon, MI	WLCS FM	North Muskegon, MI	98.3	October 1, 2020	A	456	1.6	1.6
	WKLQ AM	Whitehall, MI	1490	October 1, 2020	C	N/A	1.0	1.0
	WVIB FM	Holton, MI	100.1	October 1, 2020	A	472	2.9	2.9
	WLAW FM	Newaygo, MI	92.5	October 1, 2020	A	541	2.3	2.3
	WWSN FM	Whitehall, MI	97.5	October 1, 2020	A	427	1.7	1.7

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Montgomery, AL	WHHY FM	Montgomery, AL	101.9	April 1, 2020	C0	1096	100.0	100.0
	WLWI AM	Montgomery, AL	1440	April 1, 2020	B	N/A	5.0	1.0
	WLWI FM	Montgomery, AL	92.3	April 1, 2020	C0	1096	100.0	100.0
	WMSP AM	Montgomery, AL	740	April 1, 2020	B	N/A	10.0	0.2
	WMXS FM	Montgomery, AL	103.3	April 1, 2020	C	1096	100.0	100.0
	WXFX FM	Prattville, AL	95.1	April 1, 2020	C2	1095	5.4	5.4
Myrtle Beach, SC	WDAI FM	Pawley s Island, SC	98.5	December 1, 2011	C3	666	6.1	6.1
	WTOD AM	Hartsfield, SC	1450	December 1, 2011	C	N/A	1.0	1.0
	WLFF FM	Georgetown, SC	106.5	December 1, 2011	C2	492	50.0	50.0
	WSEA FM	Atlantic Beach, SC	100.3	December 1, 2011	C3	476	12.0	12.0
	WSYN FM	Surfside Beach, SC	103.1	December 1, 2011	C3	528	8.0	8.0
	WHSC AM	Conway, SC	1050	December 1, 2011	B	N/A	5.0	0.5
Nashville, TN	WQQK FM	Goodlettsville, TN	92.1	August 1, 2012	A	461	3.1	3.1
	WSM FM	Nashville, TN	95.5	August 1, 2020	C	1230	100.0	100.0
	WWTN FM	Hendersonville, TN	99.7	August 1, 2012	C0	1296	100.0	100.0
	WGFX FM	Gallatin, TX	104.5	August 1, 2012	C1	1207	58.0	58.0
	WKDF FM	Nashville, TN	103.3	August 1, 2012	C0	1234	100.0	100.0
	WLVU FM	Nashville, TN	97.1	August 1, 2020	C2	512	44.4	44.4
New London, CT	WQGN-FM	Groton, CT	105.5	April 1, 2014	A	276	3.0	3.0
	WXLM AM	Groton, CT	980	April 1, 2014	D	N/A	1.0	0.1
	WMOS FM	Stonington, CT	102.3	April 1, 2014	A	345	5.4	5.4
New Orleans, LA	KMEZ FM	Port Sulphur, LA	106.7	June 1, 2020	C1	981	100.0	100.0
	KKND FM	Belle Chasse, LA	102.9	June 1, 2020	C3	604	4.7	4.7
	WRKN FM	Laplace, LA	92.3	June 1, 2020	C	1946	100.0	100.0
	WMTI FM	Picayune, MS	106.1	June 1, 2020	C2	659	28.0	28.0
New York, NY	WABC AM	New York, NY	770	June 1, 2014	A	N/A	50.0	50.0
	WPLJ FM	New York, NY	95.5	June 1, 2014	B	1339	6.7	6.7
Oklahoma City, OK	KATT FM	Oklahoma City, OK	100.5	June 1, 2013	C1	1542	28.9	28.9
	KKWD FM	Bethany, OK	104.9	June 1, 2013	A	328	6.0	6.0
	WWLS FM	The Village, OK	98.1	June 1, 2013	C1	1542	28.9	28.9
	KQOB FM	Enid, OK	96.9	June 1, 2013	C	1480	98.0	98.0
	KYIS FM	Oklahoma City, OK	98.9	June 1, 2013	C	1542	100.0	100.0
	WWLS AM	Moore, OK	640	June 1, 2013	B	N/A	5.0	1.0
	WKY AM	Oklahoma City, OK	930	June 1, 2013	B	N/A	5.0	5.0
Oxnard-Ventura, CA	KBBY FM	Ventura, CA	95.1	December 1, 2013	B	876	12.5	12.5
	KHAY FM	Ventura, CA	100.7	December 1, 2013	B	1211	39.0	39.0
	KVEN AM	Ventura, CA	1450	December 1, 2013	C	N/A	1.0	1.0
	KVYB FM	Santa Barbara, CA	103.3	December 1, 2013	B	2969	105.0	105.0
Pensacola, FL	WCOA AM	Pensacola, FL	1370	February 1, 2020	B	N/A	5.0	5.0
	WJLQ FM	Pensacola, FL	100.7	February 1, 2020	C	1708	98.0	98.0
	WRRX FM	Gulf Breeze, FL	106.1	February 1, 2020	A	407	3.9	3.9
Portland, ME	WBLM FM	Portland, ME	102.9	April 1, 2014	C0	1427	100.0	100.0
	WCYY FM	Biddeford, ME	94.3	April 1, 2014	B1	482	11.5	11.5
	WHOM FM	Mount Washington, NH	94.9	April 1, 2014	C	3744	48.0	48.0
	WJBQ FM	Portland, ME	97.9	April 1, 2014	B	889	16.0	16.0
Portsmouth, NH	WOKQ FM	Dover, NH	97.5	April 1, 2014	B	492	50.0	50.0
	WPKQ FM	North Conway, NH	103.7	April 1, 2014	C	3803	21.5	21.5
	WSAK FM	Hampton, NH	102.1	April 1, 2014	A	328	3.0	3.0
	WSHK FM	Kittery, ME	105.3	April 1, 2014	A	371	2.2	2.2

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Poughkeepsie, NY	WALL AM	Middletown, NY	1340	June 1, 2014	C	N/A	1.0	1.0
	WCZX FM	Hyde Park, NY	97.7	June 1, 2014	A	1030	0.3	0.3
	WEOK AM	Poughkeepsie, NY	1390	June 1, 2014	D	N/A	5.0	0.1
	WKNY AM	Kingston, NY	1490	June 1, 2014	C	N/A	1.0	1.0
	WKXP FM	Kingston, NY	94.3	June 1, 2014	A	545	2.3	2.3
	WPDA FM	Jeffersonville, NY	106.1	June 1, 2014	A	627	1.6	1.6
	WPDH FM	Poughkeepsie, NY	101.5	June 1, 2014	B	1539	4.4	4.4
	WRRB FM	Arlington, NY	96.9	June 1, 2014	A	1007	0.3	0.3
	WRRV FM	Middletown, NY	92.7	June 1, 2014	A	269	6.0	6.0
	WZAD FM	Wurtsboro, NY	97.3	June 1, 2014	A	719	0.6	0.6
Providence, RI	WPRO AM	Providence, RI	630	April 1, 2014	B	N/A	5.0	5.0
	WPRO FM	Providence, RI	92.3	April 1, 2014	B	551	39.0	39.0
	WPRV AM	Providence, RI	790	April 1, 2014	B	N/A	5.0	5.0
	WEAN FM	Wakefield-Peacedale, RI	99.7	April 1, 2014	A	535	2.3	2.3
	WWLI FM	Providence, RI	105.1	April 1, 2014	B	499	50.0	50.0
	WWKX FM	Woonsocket, RI	106.3	April 1, 2014	A	518	1.2	1.2
Quad Cities, IA	KBEA FM	Muscatine, IA	99.7	February 1, 2021	C1	869	100.0	100.0
	KBOB FM	DeWitt, IA	104.9	February 1, 2021	C3	469	12.5	12.5
	KJOC AM	Davenport, IA	1170	February 1, 2021	B	N/A	1.0	1.0
	KQCS FM	Bettendorf, IA	93.5	February 1, 2021	A	318	6.0	6.0
	WXLP FM	Moline, IL	96.9	December 1, 2020	B	499	50.0	50.0
Reno, NV	KBUL FM	Carson City, NV	98.1	October 1, 2013	C	2293	74.0	74.0
	KKOH AM	Reno, NV	780	October 1, 2013	B	N/A	50.0	50.0
	KNEV FM	Reno, NV	95.5	October 1, 2013	C	2280	60.0	60.0
	KWYL FM	South Lake Tahoe, NV	102.9	December 1, 2013	C	2927	39.0	39.0
Rochester, MN	KDCZ FM	Eyota, MN	103.9	April 1, 2013	A	567	1.3	1.3
	KFIL AM	Preston, MN	1060	April 1, 2013	D	N/A	1.0	0.0
	KFIL FM	Chatfield, MN	103.1	April 1, 2013	C3	522	3.5	3.5
	KDZZ FM	Saint Charles, MN	107.7	April 1, 2013	A	571	2.0	2.0
	KOLM AM	Rochester, MN	1520	April 1, 2013	B	N/A	10.0	0.8
	KROC AM	Rochester, MN	1340	April 1, 2013	C	N/A	1.0	1.0
	KROC FM	Rochester, MN	106.9	April 1, 2013	C0	1109	100.0	100.0
	KVGO FM	Spring Valley, MN	104.3	April 1, 2013	C3	512	10.0	10.0
	KWWK FM	Rochester, MN	96.5	April 1, 2013	C2	528	43.0	43.0
	KYBA FM	Stewartville, MN	105.3	April 1, 2013	C2	492	50.0	50.0
Rockford, IL	WKGL FM	Loves Park, IL	96.7	December 1, 2020	A	551	2.2	2.2
	WROK AM	Rockford, IL	1440	December 1, 2020	B	N/A	5.0	0.3
	WXXQ FM	Freeport, IL	98.5	December 1, 2020	B1	492	11.0	11.0
	WZOK FM	Rockford, IL	97.5	December 1, 2020	B	452	50.0	50.0
Saginaw, MI	WHNN FM	Bay City, MI	96.1	October 1, 2012	C	1020	100.0	100.0
	WILZ FM	Saginaw, MI	104.5	October 1, 2012	A	413	2.9	2.9
	WIOG FM	Bay City, MI	102.5	October 1, 2012	B	801	86.0	86.0
	WKQZ FM	Midland, MI	93.3	October 1, 2012	C2	554	39.0	39.0
Salt Lake City, UT	KKAT AM	Salt Lake City, UT	860	October 1, 2013	D	N/A	10.0	0.2
	KBEE FM	Salt Lake City, UT	98.7	October 1, 2013	C	2933	34.5	34.5
	KBER FM	Ogden, UT	101.1	October 1, 2013	C	3740	25.0	25.0
	KENZ FM	Ogden, UT	101.9	October 1, 2013	C	3740	25.0	25.0
	KHTB FM	Provo, UT	94.9	October 1, 2013	C	2799	48.0	48.0
	KFNZ AM	Salt Lake City, UT	1320	October 1, 2013	B	N/A	5.0	5.0
	KJQS AM	Murray, UT	1230	October 1, 2013	C	N/A	1.0	1.0
	KUBL FM	Salt Lake City, UT	93.3	October 1, 2013	C	3740	25.0	25.0

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
San Francisco, CA	KGO AM	San Francisco, CA	810	December 1, 2013	A	N/A	50.0	50.0
	KSFO AM	San Francisco, CA	560	December 1, 2013	B	N/A	5.0	5.0
	KFFG FM	Los Gatos, CA	97.7	December 1, 2013	A	410	4.0	4.0
	KFOG FM	San Francisco, CA	104.5	December 1, 2013	B	1506	7.1	7.1
	KNBR AM	San Francisco, CA	680	December 1, 2013	A	N/A	50.0	50.0
	KSAN FM	San Mateo, CA	107.7	December 1, 2013	B	1161	8.9	8.9
	KTCT AM	San Mateo, CA	1050	December 1, 2013	B	N/A	50.0	10.0
Santa Barbara, CA	KRUZ FM	Goleta, CA	97.5	December 1, 2013	B	2920	17.5	17.5
	KRRF FM	Oak View, CA	106.3	December 1, 2013	A	827	0.9	0.9
Savannah, GA	WBMQ AM	Savannah, GA	630	April 1, 2020	D	N/A	4.8	0.0
	WEAS FM	Springfield, GA	93.1	April 1, 2020	C1	981	96.6	96.6
	WIXV FM	Savannah, GA	95.5	April 1, 2020	C1	988	98.0	98.0
	WJCL FM	Savannah, GA	96.5	April 1, 2020	C	1161	100.0	100.0
	WJLG AM	Savannah, GA	900	April 1, 2020	D	N/A	4.4	0.2
	WZAT FM	Savannah, GA	102.1	April 1, 2020	C0	1328	98.0	98.0
Shreveport, LA	KMJJ FM	Shreveport, LA	99.7	June 1, 2020	C2	533	23.5	23.5
	KQHN FM	Waskom, TX	97.3	August 1, 2013	C2	533	42.0	42.0
	KRMD AM	Shreveport, LA	1340	June 1, 2012	C	N/A	1.0	1.0
	KRMD FM	Oil City, LA	101.1	June 1, 2020	C0	1134	97.7	97.7
	KVMA FM	Shreveport, LA	102.9	June 1, 2020	C2	535	42.0	42.0
Springfield, MA	WHLL AM	Springfield, MA	1450	April 1, 2014	C	N/A	1.0	1.0
	WMAS FM	Enfield, CT	94.7	April 1, 2014	B	180	50.0	50.0
Stockton, CA	KJOY FM	Stockton, CA	99.3	December 1, 2013	A	322	4.0	4.0
	KWIN FM	Lodi, CA	97.7	December 1, 2013	A	328	6.0	6.0
Syracuse, NY	WAQX FM	Manlius, NY	95.7	June 1, 2014	B1	299	25.0	25.0
	WXTL FM	Syracuse, NY	105.9	June 1, 2014	A	200	4.0	4.0
	WSKO AM	Syracuse, NY	1260	June 1, 2014	B	N/A	5.0	5.0
	WNTQ FM	Syracuse, NY	93.1	June 1, 2014	B	659	97.0	97.0
Tallahassee, FL	WBZE FM	Tallahassee, FL	98.9	February 1, 2020	C1	604	99.2	99.2
	WGLF FM	Tallahassee, FL	104.1	February 1, 2020	C0	1411	92.2	92.2
	WHBT AM	Tallahassee, FL	1410	February 1, 2020	D	N/A	5.0	0.0
	WHBX FM	Tallahassee, FL	96.1	February 1, 2020	C2	479	37.0	37.0
	WWLD FM	Cairo, GA	102.3	April 1, 2012	C2	604	27.0	27.0
Toledo, OH	WKKO FM	Toledo, OH	99.9	October 1, 2020	B	500	50.0	50.0
	WLQR AM	Toledo, OH	1470	October 1, 2020	B	N/A	1.0	1.0
	WRQN FM	Bowling Green, OH	93.5	October 1, 2020	B1	397	7.0	7.0
	WLQR FM	Delta, OH	106.5	October 1, 2020	A	367	4.8	4.8
	WWWM FM	Sylvania, OH	105.5	October 1, 2020	A	389	4.3	4.3
	WXKR FM	Port Clinton, OH	94.5	October 1, 2020	B	617	30.0	30.0
	WMIM FM	Luna Pier, MI	98.3	October 1, 2020	A	443	3.4	3.4
Topeka, KS	KDVB FM	Effingham, KS	96.9	June 1, 2013	A	227	0.1	0.1
	KDVV FM	Topeka, KS	100.3	June 1, 2013	C0	984	100.0	100.0
	KMAJ AM	Topeka, KS	1440	June 1, 2013	B	N/A	5.0	1.0
	KMAJ FM	Carbondale, KS	107.7	June 1, 2013	C1	772	53.0	53.0
	KTOP FM	St. Marys, KS	102.9	June 1, 2013	C2	598	30.0	30.0
	KRWP FM	Stockton, MO	107.7	February 1, 2021	C3	479	11.7	11.7
	KTOP AM	Topeka, KS	1490	June 1, 2013	C	N/A	1.0	1.0
	KWIC FM	Topeka, KS	99.3	June 1, 2013	C3	538	6.8	6.8
Tucson, AZ	KCUB AM	Tucson, AZ	1290	October 1, 2013	B	N/A	1.0	1.0
	KHYT FM	Tucson, AZ	107.5	October 1, 2013	C	2034	92.0	92.0
	KIIM FM	Tucson, AZ	99.5	October 1, 2013	C	2038	93.0	93.0
	KSZR FM	Oro Valley, AZ	97.5	October 1, 2013	A	305	6.0	6.0
	KTUC AM	Tucson, AZ	1400	October 1, 2013	C	N/A	1.0	1.0

Table of Contents

Index to Financial Statements

Market	Stations	City of License	Frequency	Expiration Date of License	FCC Class	Height Above Average Terrain (in feet)	Power (in Kilowatts) Day	Night
Washington, DC	WMAL AM	Washington, DC	630	October 1, 2019	B	N/A	10.0	5.0
	WRQX FM	Washington, DC	107.3	October 1, 2019	B	807	19.5	19.5
	WMAL FM	Woodbridge, VA	105.9	October 1, 2019	B	650	28.0	28.0
Waterloo, IA	KCRR FM	Grundy Center, IA	97.7	February 1, 2021	C3	407	16.0	16.0
	KKHQ FM	Oelwein, IA	92.3	February 1, 2021	C	991	100.0	100.0
	KOEL AM	Oelwein, IA	950	February 1, 2021	B	N/A	5.0	0.5
	KOEL FM	Cedar Falls, IA	98.5	February 1, 2021	C3	423	15.0	15.0
Westchester, NY	WDVY FM	Mount Kisco, NY	106.3	June 1, 2014	A	443	1.0	1.0
	WFAS AM	White Plains, NY	1230	June 1, 2014	C	N/A	1.0	1.0
	WFAS FM	Bronxville, NY	103.9	June 1, 2014	A	667	0.6	0.6
Wichita Falls, TX	KLUR FM	Wichita Falls, TX	99.9	August 1, 2013	C1	808	100.0	100.0
	KOLI FM	Electra, TX	94.9	August 1, 2013	C2	492	50.0	50.0
	KQXC FM	Wichita Falls, TX	103.9	August 1, 2013	C2	807	19.0	19.0
	KYYI FM	Burkburnett, TX	104.7	August 1, 2013	C1	1017	92.0	92.0
Wilkes-Barre, PA	WARM AM	Scranton, PA	590	August 1, 2014	B	N/A	5.0	5.0
	WBHT FM	Mountain Top, PA	97.1	August 1, 2014	A	1102	0.5	0.5
	WBSX FM	Hazleton, PA	97.9	August 1, 2014	B	1335	6.3	6.3
	WSJR FM	Dallas, PA	93.7	August 1, 2014	A	679	1.5	1.5
	WBHD FM	Olyphant, PA	95.7	August 1, 2014	A	1011	0.6	0.6
	WMGS FM	Wilkes-Barre, PA	92.9	August 1, 2014	B	1385	5.3	5.3
Wilmington, NC	WAAV AM	Leland, NC	980	December 1, 2019	B	N/A	5.0	5.0
	WGNI FM	Wilmington, NC	102.7	December 1, 2019	C1	981	100.0	100.0
	WKXS FM	Leland, NC	94.5	December 1, 2019	A	416	3.8	3.8
	WMNX FM	Wilmington, NC	97.3	December 1, 2019	C1	884	100.0	100.0
	WWQQ FM	Wilmington, NC	101.3	December 1, 2019	C2	545	40.0	40.0
Worcester, MA	WORC FM	Webster, MA	98.9	April 1, 2014	A	410	1.9	1.9
	WWFX FM	Southbridge, MA	100.1	April 1, 2014	A	479	4.9	4.9
	WXLO FM	Fitchburg, MA	104.5	April 1, 2014	B	564	37.0	37.0
Youngstown, OH	WBBW AM	Youngstown, OH	1240	October 1, 2012	C	N/A	1.0	1.0
	WHOT FM	Youngstown, OH	101.1	October 1, 2020	B	705	24.5	24.5
	WLLF FM	Mercer, PA	96.7	August 1, 2014	A	486	1.4	1.4
	WPIC AM	Sharon, PA	790	August 1, 2014	D	N/A	1.3	0.1
	WQXK FM	Salem, OH	105.1	October 1, 2020	B	446	88.0	88.0
	WSOM AM	Salem, OH	600	October 1, 2020	D	N/A	1.0	0.0
	WWIZ FM	West Middlesex, PA	103.9	August 1, 2014	A	295	6.0	6.0
	WYFM FM	Sharon, PA	102.9	August 1, 2014	B	604	33.0	33.0
York, PA	WSOX FM	Red Lion, PA	96.1	August 1, 2014	B	951	13.5	13.5
	WSBA AM	York, PA	910	August 1, 2014	B	N/A	5.0	1.0
	WGLD AM	Manchester Township, PA	1440	August 1, 2014	D	N/A	0.7	0.1
	WARM FM	York, PA	103.3	August 1, 2014	B	1306	6.4	6.4

Regulatory Approvals

The Communications Laws prohibit the assignment or transfer of control of a broadcast license without the prior approval of the FCC. In determining whether to grant an application for assignment or transfer of control of a broadcast license, the Communications Act requires the FCC to find that the assignment or transfer would serve the public interest. The FCC considers a number of factors in making this determination, including (1) compliance with various rules limiting common ownership or control of media properties, (2) the financial and character qualifications of the assignee or transferee (including those parties holding an attributable interest in the assignee or transferee), (3) compliance with the Communications Act s foreign ownership restrictions, and (4) compliance with other Communications Laws, including those related to programming and filing requirements. As discussed in greater detail below, the FCC may also review the effect of proposed assignments and transfers of broadcast licenses on economic competition and diversity. See Antitrust and Market Concentration Considerations.

For example, in connection the Citadel Merger, we agreed to divest certain stations to comply with FCC ownership limits. These stations were assigned to a trustee under divestiture trusts that comply with FCC rules. The trust agreements stipulate that we must fund any operating shortfalls from the activities of the stations in the trusts, and any excess cash flow generated by such stations will be distributed to us until the stations are sold. For additional information see Note 2, Acquisitions and Dispositions.

Also as a component of the CMP Acquisition, we acquired CMP KC, LLC (KC LLC), an indirectly wholly-owned subsidiary of CMP. On February 2, 2011, the direct parent company of KC LLC entered into a restructuring support agreement (the Restructuring Agreement) regarding the restructuring of KC LLC s debt with the lenders under KC LLC s credit facilities (the Restructuring). As part of the Restructuring, KC LLC was renamed AR Broadcasting. The Restructuring was completed in February 2012. As a result of the completion of the Restructuring, we no longer have an ownership interest in AR Broadcasting. However, we entered into a management agreement, similar to an LMA, pursuant to which we provided corporate management and other services to AR Broadcasting and its subsidiaries, on a basis that was renewable annually by the owner.

On December 6, 2012 the Company completed the acquisition of KCHZ-FM, a radio station operated in the Kansas City market for a purchase price of $11.2 million. For additional information see Note 2, Acquisitions and Dispositions.

Ownership Matters

The Communications Act restricts us from having more than one-fourth of our capital stock owned or voted by non-U.S. persons, foreign governments or non-U.S. corporations. We are required to take steps to monitor the citizenship of our stockholders periodically through representative samplings of stockholder citizenship or other appropriate means to establish a reasonable basis for certifying compliance with the foreign ownership restrictions of the Communications Act.

The Communications Laws also generally restrict (1) the number of radio stations one person or entity may own, operate or control in a local market, (2) the common ownership, operation or control of radio broadcast stations and television broadcast stations serving the same local market, and (3) the common ownership, operation or control of a radio broadcast station and a daily newspaper serving the same local market.

To our knowledge, none of these multiple and cross ownership rules requires any change in our current ownership of radio broadcast stations or precludes consummation of our pending acquisitions. The Communications Laws limit the number of additional stations that we may acquire in the future in our existing markets as well as any new markets.

Because of these multiple and cross ownership rules, a purchaser of our voting stock who acquires an attributable interest in us (as discussed below) may violate the Communications Laws if such purchaser also has an attributable interest in other radio or television stations, or in daily newspapers, depending on the number and location of those radio or television stations or daily newspapers. Such a purchaser also may be restricted in the companies in which it may invest to the extent that those investments give rise to an attributable interest. If one of our stockholders with an attributable interest violates any of these ownership rules, we may be unable to obtain from the FCC one or more authorizations needed to conduct our radio station business and may be unable to obtain FCC consents for certain future acquisitions.

The FCC generally applies its television/radio/newspaper cross-ownership rules and its broadcast multiple ownership rules by considering the attributable interests held by a person or entity. With some exceptions, a person or entity will be deemed to hold an attributable interest in a radio station, television station or daily

Table of Contents

Index to Financial Statements

newspaper if the person or entity serves as an officer, director, partner, stockholder, member, or, in certain cases, a debt holder of a company that owns that station or newspaper. If an interest is attributable, the FCC treats the person or entity that holds that interest as the owner of the radio station, television station or daily newspaper in question, and that interest thus counts against the person in determining compliance with the FCC s ownership rules.

With respect to a corporation, officers, directors and persons or entities that directly or indirectly hold 5% or more of the corporation s voting stock (20% or more of such stock in the case of insurance companies, investment companies, bank trust departments and certain other passive investors that hold such stock for investment purposes only) generally are attributed with ownership of the radio stations, television stations and daily newspapers owned by the corporation. As discussed below, participation in an LMA or a joint sales agreement (JSA) also may result in an attributable interest. See Local Marketing Agreements.

With respect to a partnership (or limited liability company), the interest of a general partner (or managing member) is attributable. The following interests generally are not attributable: (1) debt instruments, non-voting stock, options and warrants for voting stock, partnership interests, or membership interests that have not yet been exercised; (2) limited partnership or limited liability company membership interests where (a) the limited partner or member is not materially involved in the media-related activities of the partnership or limited liability company, and (b) the limited partnership agreement or limited liability company agreement expressly insulates the limited partner or member from such material involvement by inclusion of provisions specified in FCC rules; and (3) holders of less than 5% of an entity s voting stock, non-voting equity and debt interests which, in the aggregate, constitute more than 33% of a station s enterprise value , which consists of the total equity and debt capitalization, are considered attributable in certain circumstances.

On December 22, 2011, the FCC issued a *Notice of Proposed Rulemaking* based on its 2010 quadrennial review of broadcast ownership rules (which is required by statute). The FCC tentatively concluded that (1) the existing limitations on the number of radio stations a party can own in a particular market remain necessary to serve the public interest, (2) it should retain the AM/FM subcaps which limit the number of radio stations a single party can own in a particular service (AM or FM) in an individual market, (3) it should reinstate a rule adopted in 2008 (and subsequently voided by a court on appeal) to relax the radio/television-newspaper cross-ownership rule in the top 20 DMAs under certain conditions, and (4) it should repeal the radio-television cross ownership rule which restricts a party s ability to own radio and television stations in the same market. In each case, the FCC requested comment on these tentative conclusions, and, more specifically, whether the change in the competitive landscape over the last fifteen years including the advent of satellite radio, the internet, and radio s use of digital technology warrants changes to its broadcast ownership rules. The FCC also requested comments concerning the impact of its local radio ownership rule on minority and female broadcast ownership. On February 23, 2013, the Minority Media & Telecommunications Council (MMTC) requested a brief delay in the FCC issuance of its report to allow MMTC to submit a study it had commissioned to assess the impact of the FCC s cross-ownership rules for radio and television as well as for newspapers on minority and female-owned radio and television stations. We cannot predict the timing or outcome of this proceeding or whether any new rules adopted by the FCC will have a material adverse effect on us.

Programming and Operation

The Communications Act requires broadcasters to serve the public interest. To satisfy that obligation broadcasters are required by FCC rules and policies to present programming that is responsive to community problems, needs and interests and to maintain certain records demonstrating such responsiveness. FCC rules require that each radio broadcaster place a list in its public inspection file at the end of each quarter which identifies important community issues and the programs the radio broadcaster used in the prior quarter to address those issues. The FCC adopted rules for television broadcasters in 2008 require that certain portions of that a television station s public inspection file be made available on the internet. That proposal is being challenged in court. On October 27, 2011, the FCC issued an *Order on Reconsideration and Further Notice of Proposed*

Table of Contents

Index to Financial Statements

Rulemaking in which it concluded that there were some radio-specific concerns that needed to be addressed prior to implementing the online public file requirements for radio stations. We cannot predict at this time to what extent, if any, the FCC s proposals will be adopted or the impact which adoption of any one or more of those proposals will have on the Company.

Complaints from listeners concerning a station s programming may be filed at any time and will be considered by the FCC both at the time they are filed and in connection with a licensee s renewal application. FCC rules also require broadcasters to provide equal employment opportunities (EEO) in the hiring of new personnel, to abide by certain procedures in advertising employment opportunities, to make information available on employment opportunities on their website (if they have one), and maintain certain records concerning their compliance with EEO rules. The FCC will entertain individual complaints concerning a broadcast licensee s failure to abide by the EEO rules but also conducts random audits on broadcast licensees compliance with EEO rules. We have been subject to numerous EEO audits. To date, none of those audits has disclosed any major violation that would have a material adverse effect on our operations. Stations also must follow provisions in the Communications Laws that regulate a variety of other activities, including political advertising, the broadcast of obscene or indecent programming, sponsorship identification, the broadcast of contests and lotteries, and technical operations (including limits on radio frequency radiation). We are and have been subject to listener complaints from time to time, and, while none of them has had a material adverse effect our operations as a whole to date, we cannot predict whether any future complaint might have a material adverse effect on our financial condition or results of operations.

Local Marketing Agreements

A number of radio stations, including certain of our stations, have entered into LMAs. In a typical LMA, the licensee of a station makes available, for a fee and reimbursement of its expenses, airtime on its station to a party which supplies programming to be broadcast during that airtime, and collects revenues from advertising aired during such programming. LMAs are subject to compliance with the antitrust laws and the Communications Laws, including the requirement that the licensee must maintain independent control over the station and, in particular, its personnel, programming, and finances.

A station that brokers more than 15% of the weekly programming hours on another station in its market will be considered to have an attributable ownership interest in the brokered station for purposes of the FCC s ownership rules. As a result, a radio station may not enter into an LMA that allows it to program more than 15% of the weekly programming hours of another station in the same market that it could not own under the FCC s multiple ownership rules.

Joint Sales Agreements

From time to time, radio stations enter into JSAs. A typical JSA authorizes one party or station to sell another station s advertising time and retain the revenue from the sale of that airtime in exchange for a periodic payment to the station whose airtime is being sold (which may include a share of the revenue collected from the sale of airtime). Like LMAs, JSAs are subject to compliance with antitrust laws and the Communications Laws, including the requirement that the licensee must maintain independent control over the station and, in particular, its personnel, programming, and finances.

Under the FCC s ownership rules, a radio station that sells more than 15% of the weekly advertising time of another radio station in the same market will be attributed with the ownership of that other station. For that reason, a radio station cannot have a JSA with another radio station in the same market if the FCC s ownership rules would otherwise prohibit that common ownership.

In January 2000, the FCC released a *Report and Order* adopting rules for a new Low Power FM (LPFM) LPFM service consisting of two classes of radio stations, one with a maximum power of 100 watts and the other with a maximum power of 10 watts. On December 11, 2007, the FCC released a *Report and Order*

Table of Contents

Index to Financial Statements

which made changes in the rules and provided further protection for LPFM radio stations and, in certain circumstances, required full power stations (like the ones we own) to provide assistance to LPFM stations in the event they are subject to interference or are required to relocate their facilities to accommodate the inauguration of new or modified service by a full power radio station. The FCC has limited ownership and operation of LPFM stations to persons and entities that do not currently have an attributable interest in any FM station and has required that LPFM stations be operated on a non-commercial educational basis. The FCC has granted numerous construction permits for LPFM stations and many LPFM stations are now operating around the country. To date, LPFM radio stations have not had a material adverse effect on our operations. On January 5, 2011, the President signed into law the Local Radio Community Act of 2010 (the LCRA) which, among other changes, requires the FCC to (1) modify its rules to authorize LPFM stations to operate on second-adjacent channels to full-power radio stations, and (2) waive second-adjacent channel separation requirements if the proposed operation of an LPFM station would not cause interference to any authorized full-power station. The new law required the FCC to complete a study within one year of enactment to assess the economic impact that LPFM stations have on full-power radio stations like the stations we own. In compliance with the new law, the FCC issued several reports in 2012 in which it found that LPFM stations generally serve areas that are substantially smaller in size and population than those served by full-service commercial radio stations, that LPFM stations have less of an tnternet presence than full-power stations, that LPFM stations offer program formats different than full-power stations, and that the average LPFM station located in an Arbitron market has negligible ratings and a significantly smaller audience than most full-power stations in the same market.

In its most recent report issued on December 4, 2012, the FCC restricted the number of applications an individual party could file for new LPFM stations (no more than 70 applications on a nationwide basis and no more than three applications in any particular market) to deter speculative applications by parties who were interested in selling authorizations rather than building and operating the LPFM stations.

The FCC s action under the LRCA could increase the number of LPFM stations in markets where we have stations, and that increase could produce interference from LPFM stations to our stations. We cannot predict at this time whether the LCRA in particular or the advent of LPFM service in general will have a material adverse impact on our operations in the future. Nor can we predict whether LPFM service could increase competition for listeners and revenues and have a material adverse effect on our operations.

In April 2009, the FCC issued a notice of proposed rulemaking that proposed a number of changes in the FCC s policies for allocating radio stations to particular markets and preferences that would be accorded to applicants to implement the command of Section 307(b) of the Communications Act that radio services be distributed fairly throughout the country.

On March 3, 2011, the FCC issued an order in that rulemaking proceeding which would limit the ability of a broadcaster to move a radio station from one community to another. The FCC created a rebuttal presumption that, would apply when a proposed community is located in an urbanized area or when the station could cover more than 50 percent of an urbanized area through the proposed community. In either of those circumstances, it would be presumed that the broadcaster intends to serve the entire urbanized area rather than the specified community and would not be allowed to change the station s community of license unless the broadcaster presented a compelling showing that (1) the proposed community is truly independent of the urbanized area, (2) the proposed community has a specific need for an outlet for local expression separate from the urbanized area, and (3) the station would be able to serve the community s need for a local outlet. The FCC further explained (1) that in no event would it approve any proposal that would create an area that had no access to radio services or access to only one radio service, and (2) that the FCC would strongly disfavor any community change that would result in the loss of third, fourth or fifth radio service to more than 15 percent of the population within a station s existing service area or that would deprive any community of substantial size (meaning a community with a population of 7,500 or greater) of its second local service. The FCC s adoption of these proposals, as well as other proposals in that rulemaking proceeding, could limit our options in relocating or acquiring ratio stations and, to that extent, may have an adverse impact on our operations.

[Table of Contents](#)

[Index to Financial Statements](#)

Antitrust and Market Concentration Considerations

In addition, from time to time Congress and the FCC have considered, and may in the future consider and adopt, new laws, regulations and policies regarding a wide variety of matters that could, directly or indirectly, affect the operation, ownership or profitability of our radio stations, result in the loss of audience share and advertising revenues for our radio stations, and affect our ability to acquire additional radio stations or finance such acquisitions.

Potential future acquisitions, to the extent they meet specified size thresholds, will be subject to applicable waiting periods and possible review under the Hart-Scott-Rodino Act (HSR Act), by the Department of Justice (the DOJ) or the Federal Trade Commission (the FTC), either of whom can be required to evaluate a transaction to determine whether that transaction should be challenged under the federal antitrust laws. Transactions are subject to the HSR Act only if the acquisition price or fair market value of the stations to be acquired is $70.9 million or more. Historically, most of our acquisitions have not met this threshold. Acquisitions that are not required to be reported under the HSR Act may still be investigated by the DOJ or the FTC under the antitrust laws before or after consummation. At any time before or after the consummation of a proposed acquisition, the DOJ or the FTC could take such action under the antitrust laws as it deems necessary, including seeking to enjoin the acquisition or seeking divestiture of the business acquired or certain of our other assets. The DOJ has reviewed numerous potential radio station acquisitions where an operator proposed to acquire additional stations in its existing markets or multiple stations in new markets, and has challenged a number of such transactions. Some of these challenges have resulted in consent decrees requiring the sale of certain stations, the termination of LMAs or other relief. In general, the DOJ has more closely scrutinized radio mergers and acquisitions resulting in local market shares in excess of 35% of local radio advertising revenues, depending on format, signal strength and other factors. There is no precise numerical rule, however, and certain transactions resulting in more than 35% revenue shares have not been challenged, while certain other transactions may be challenged based on other criteria such as audience shares in one or more demographic groups as well as the percentage of revenue share. We estimate that we have more than a 35% share of radio advertising revenues in many of our markets.

We are aware that the DOJ commenced, and subsequently discontinued, investigations of several of our prior acquisitions. The DOJ can be expected to continue to enforce the antitrust laws in this manner, and there can be no assurance that one or more of our pending or future acquisitions are not or will not be the subject of an investigation or enforcement action by the DOJ or the FTC. Similarly, there can be no assurance that the DOJ, the FTC or the FCC will not prohibit such acquisitions, require that they be restructured, or in appropriate cases, require that we divest stations we already own in a particular market. In addition, private parties may under certain circumstances bring legal action to challenge an acquisition under the antitrust laws.

As part of its review of certain radio station acquisitions, the DOJ has stated publicly that it believes that commencement of operations under LMAs, JSAs and other similar agreements customarily entered into in connection with radio station ownership assignments and transfers prior to the expiration of the waiting period under the HSR Act could violate the HSR Act. In connection with acquisitions subject to the waiting period under the HSR Act, we will not commence operation of any affected station to be acquired under an LMA, a JSA, or similar agreement until the waiting period has expired or been terminated.

No assurances can be provided that actual, threatened or possible future DOJ or FTC action in connection with potential transactions would not have a material adverse effect on our ability to enter into or consummate various transactions, or operate any acquired stations at any time in the future.

Table of Contents

Index to Financial Statements

Executive Officers of the Company

The following table sets forth certain information with respect to our executive officers as of February 28, 2013:

Name	Age	Position(s)
Lewis W. Dickey, Jr.	51	Chairman, President, and Chief Executive Officer
Joseph P. Hannan	41	Senior Vice President, Treasurer and Chief Financial Officer
John G. Pinch	64	Executive Vice President and Co-Chief Operating Officer
John W. Dickey	46	Executive Vice President and Co-Chief Operating Officer
Richard S. Denning	47	Senior Vice President, Secretary and General Counsel

Lewis W. Dickey, Jr. is our Chairman, President and Chief Executive Officer. Mr. L. Dickey has served as our Chairman, President and Chief Executive Officer since December 2000. Mr. Dickey was one of our founders and initial investors, and served as our Executive Vice Chairman from March 1998 to December 2000. Mr. L. Dickey is a nationally regarded consultant on radio strategy and the author of *The Franchise Building Radio Brands*, published by the National Association of Broadcasters, one of the industry s leading texts on competition and strategy. Mr. L. Dickey also serves as a member of the National Association of Broadcasters Radio Board of Directors. He holds Bachelor of Arts and Master of Arts degrees from Stanford University and a Master of Business Administration degree from Harvard University. Mr. L. Dickey is the brother of John W. Dickey.

Joseph P. Hannan is our Senior Vice President, Treasurer and Chief Financial Officer. He was appointed Interim Chief Financial Officer on July 1, 2009 and became our Chief Financial Officer in March 2010. Prior to that, he served as our Vice President and Controller since joining our Company in April 2008. From May 2006 to July 2007, he served as Vice President and Chief Financial Officer of the radio division of Lincoln National Corporation (NYSE: LNC) and from March 1995 to November 2005 he served in a number of executive positions including Chief Operating Officer and Chief Financial Officer of Lambert Television, Inc., a privately held television broadcasting, production and syndication company. Mr. Hannan has served on a number of private and public company boards, including Regent Communications, International Media Group, and iBlast, Inc. Mr. Hannan received his Bachelor of Science degree in Business Administration from the University of Southern California.

John G. Pinch is our Executive Vice President and Co-Chief Operating Officer. Mr. Pinch has served as our Executive Vice President and Co-Chief Operating Officer since May 2007, and prior to that served as our Chief Operating Officer since December 2000, after serving as the President of Clear Channel International Radio (CCU International). At CCU International, Mr. Pinch was responsible for the management of all CCU radio operations outside of the United States, which included over 300 properties in 9 countries. Mr. Pinch is a 30-year broadcast veteran and has previously served as Owner/President of WTVK-TV Ft. Myers-Naples, Florida, General Manager of WMTX-FM/WHBO-AM Tampa, Florida, General Manager/Owner of WKLH-FM Milwaukee, and General Manager of WXJY Milwaukee.

John W. Dickey is our Executive Vice President and Co-Chief Operating Officer. Mr. J. Dickey has served as Executive Vice President since January 2000 and as Co-Chief Operating Officer since May 2007. Mr. J. Dickey joined Cumulus in 1998 and, prior to that, served as the Director of Programming for Midwestern Broadcasting from 1990 to March 1998. Mr. J. Dickey holds a Bachelor of Arts degree from Stanford University. Mr. J. Dickey is the brother of Lewis W. Dickey, Jr.

Richard S. Denning is our Senior Vice President, Secretary and General Counsel. Prior to joining the Company, Mr. Denning was an attorney with Dow, Lohnes & Albertson, PLLC (DL&A) within DL&A s corporate practice group in Atlanta, advising a number of media and communications companies on a variety of corporate and transactional matters. Mr. Denning also spent four years in DL&A s Washington, D.C. office and has extensive experience in regulatory proceedings before the FCC. Mr. Denning has been a member of the Pennsylvania Bar since 1991, the District of Columbia Bar since 1993, and the Georgia Bar since 2000. He is a graduate of The National Law Center, George Washington University.

Table of Contents

Index to Financial Statements

Available Information

The Company is required to file annual, quarterly and current reports, proxy statements and other information with the SEC. The public may read and copy any materials that the Company files with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov. Our internet site address is *www.cumulus.com.* On our site, we make available, free of charge, our most recent annual report on Form 10-K and our proxy statement.

Item 1A. ***Risk Factors***

Many statements contained in this Report are forward-looking in nature. These statements are based on our current plans, intentions or expectations, and actual results could differ materially as we cannot guarantee that we will achieve these plans, intentions or expectations. See Cautionary Statement Regarding Forward-Looking Statements. Forward-looking statements are subject to numerous risks and uncertainties, including those specifically identified below. The Company cautions you not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Additional factors not presently known to the Company, or that the Company does not currently believe to be material, may also cause actual results to differ materially from expectations. Except as may be required by law, the Company undertakes no obligation to update or alter these forward-looking statements, whether as a result of new information, future events, or otherwise.

Risks Related to Our Business

Our results of operations have been, and could continue to be, adversely affected by the past recession experienced by the U.S. economy and in many of the local economies in which we operate.

Revenue generated by our radio stations depends primarily upon the sale of advertising. Advertising expenditures, which we believe to be largely a discretionary business expense, declined significantly during the 2008 economic recession, and have been muted since, partially in light of continued economic uncertainty. Furthermore, because a substantial portion of our revenue is derived from local advertisers, our ability to generate advertising revenue in specific markets is directly affected by local or regional economic conditions, many of which have not returned to pre-recessionary levels. Consequently, the continued uncertainty in the general economic environment, including the economies of several individual geographic markets in which we own or operate stations, continue to adversely affect our advertising revenue and, therefore, our results of operations.

In light of the limited and ongoing recovery from the recession, certain individual business sectors that may have historically spent more on advertising than other sectors might be forced to reduce their advertising expenditures or not return them to pre-recessionary levels if that sector fails to recover on pace with the overall economy. If that sector s spending would otherwise have represented a significant portion of our advertising revenues, any reduction in its expenditures may adversely affect our revenue.

We operate in a very competitive business environment and a decrease in our ratings or market share would adversely affect our revenues.

The radio broadcasting industry is very competitive. The success of each of our stations depends largely upon rates it can charge for its advertising which in turn depends on, among other things, the number of local advertising competitors and the overall demand for advertising within individual markets. These conditions are subject to change and highly susceptible to both micro and macroeconomic conditions.

Table of Contents

Index to Financial Statements

Audience ratings and market shares fluctuate, and any adverse change in a particular market could have a material adverse effect on the revenue of stations located in that market. While we already compete with other stations with comparable programming formats in many of our markets, any one of our stations could suffer a reduction in ratings or revenue and could require increased promotion and other expenses, and, consequently, could reduce operating results, if:

- another radio station in the market was to convert its programming format to a format similar to our station or launch aggressive promotional campaigns;
- a new station were to adopt a competitive format;
- we experience increased competition from non-radio sources;
- there is a shift in population, demographics, audience tastes or other factors beyond our control;
- an existing competitor was to strengthen its operations; or
- any one or all of our stations will be able to maintain or increase advertising revenue market share.

The Telecom Act may allow for the further consolidation of ownership of radio broadcasting stations in markets in which we operate or may operate in the future. Some competing owners may be larger and have substantially more financial and other resources than we do. There can be no assurance that any one or all of our stations will be able to maintain or increase advertising revenue market share.

The loss of affiliation agreements by our radio networks could materially adversely affect our financial condition and results of operations.

Our radio networks have approximately 5,000 station affiliates and 9,000 program affiliations. They receive advertising inventory from their affiliated stations, either in the form of stand-alone advertising time within a specified time period or commercials inserted by our radio networks into their programming. In addition, primarily with respect to satellite radio providers, we receive a fee for providing such programming. The loss of network affiliation agreements by our radio networks could adversely affect our results of operations by reducing the reach of our network programming and, therefore, their attractiveness to advertisers. Renewals of such agreements on less favorable terms may also adversely affect our results of operations through reduction of advertising revenue.

We must respond to the rapid changes in technology, services and standards that characterize our industry in order to remain competitive.

The radio broadcasting industry is subject to technological change, evolving industry standards and the emergence of new media technologies and services. In some cases, our ability to successfully compete will be dependent on our development and acquisition of new technologies and our provision of new services, and there can be no assurance that we will have the resources to develop or acquire those new technologies or provide those new services; in other cases, the introduction of new technologies and services, including online music and other entertainment services, could increase competition and have an adverse effect on our revenue. Recent new media technologies and services include the following:

- audio programming by cable television systems, direct broadcast satellite systems, internet content providers (both landline and wireless), internet-based audio radio services, smart phone and other mobile applications, satellite delivered digital audio radio service and other digital audio broadcast formats;

HD Radio™ digital radio, which could provide multi-channel, multi-format digital radio services in the same bandwidth currently occupied by traditional AM and FM radio services.

Table of Contents

Index to Financial Statements

In the future, there may be additional technologies or services developed that compete with radio broadcasting or for advertising revenue, and that could have a material adverse effect on our revenues and results of operations. We also cannot provide any assurances that we will continue to have the resources to develop or acquire any necessary new technologies or to introduce new services that could compete with any new technologies. We cannot predict the effect, if any, that competition arising from new technologies may have on the radio broadcasting industry or on our business.

We have written off, and could in the future be required to write off, a significant portion of the fair market value of our FCC broadcast licenses and goodwill, which may adversely affect our financial condition and results of operations.

As of December 31, 2012, our FCC licenses and goodwill comprised 74.7% of our assets. Each year, and more frequently on an interim basis if appropriate, we are required by Accounting Standards Codification Topic 350*, Intangibles Goodwill and Other* (ASC 350), to assess the fair market value of our FCC broadcast licenses and goodwill to determine whether the carrying value of those assets is impaired. For the year ended December 31, 2012, we recorded impairment charges of $104.0 million and $14.7 million related to goodwill and FCC broadcast licenses, respectively, and a definite-lived intangible asset impairment of $12.4 million related to the cancellation of a contract. There were no similar impairments in 2011. During the year ended December 31, 2010 we recorded an impairment charge of approximately $0.7 million in order to reduce the carrying value of certain broadcast licenses and goodwill to their respective fair market values. Future impairment reviews could result in additional impairment charges. Any such impairment charges would reduce our reported earnings for the periods in which they are recorded, which could materially reduce the value of our Company.

There are risks associated with our acquisition strategy.

We intend to continue to grow by selectively acquiring radio station clusters and individual radio stations in the future. We cannot predict whether we will be successful in pursuing any acquisitions or what the consequences of these acquisitions would be. In addition, there can be no assurances that we will continue to identify suitable acquisition candidates. Consummation of any acquisitions would likely be subject to various conditions, such as compliance with FCC and antitrust regulatory requirements. The FCC requirements include:

- approval of license assignments and transfers;
- limits on the number of stations a broadcaster may own in a given local market; and
- other rules or policies, such as the ownership attribution rules, that could limit our ability to acquire stations in certain markets where one or more of our stockholders, officers or directors has other media interests.

The antitrust regulatory requirements include:

- filings with the DOJ and the FTC under the HSR Act, where applicable;
- expiration or termination of any applicable waiting period under the HSR Act; and
- possible review by the DOJ or the FTC of antitrust issues under the HSR Act or otherwise.

We cannot be certain that any of these conditions will be satisfied, the timing thereof or the potential impact that any such conditions may have on us. In addition, the FCC has in the past asserted the authority to review levels of local radio market concentration as part of its acquisition approval process, even where proposed assignments would comply with the numerical limits on local radio station ownership in the FCC s rules and the Communications Act.

Our acquisition strategy involves numerous other risks, including risks associated with:

- identifying suitable acquisition candidates and negotiating definitive purchase agreements on satisfactory terms;

- integrating operations and systems and managing a large and geographically diverse group of stations;
- diverting our management s attention from other business concerns;
- potentially losing key employees at acquired stations; and
- potential changes in the regulatory approval process that may make it materially more expensive, or materially delay our ability, to consummate any proposed acquisitions.

We cannot be certain that we will be able to successfully integrate any acquisitions or manage the resulting business effectively, or that any acquisition will achieve the benefits that we anticipate. In addition, we are not certain that we will be able to acquire properties at valuations as favorable as those of previous acquisitions. Depending upon the nature, size and timing of potential future acquisitions, we may be required to raise additional financing in order to consummate additional acquisitions. We cannot assure you that our debt agreements, as may be in place at any time, will permit us to consummate an acquisition or access the necessary additional financing because of certain covenant restrictions or that additional financing will be available to us or, if available, that financing would be on terms acceptable to our management.

We are required to obtain prior Federal approval for any proposed radio station acquisition, which approvals may be subject to our compliance with certain conditions, possibly including asset divestitures, which may be material.

Acquisitions historically have been, a critical component of our overall strategy. The acquisition of a radio station requires the prior approval of the FCC and may require approvals by other governmental agencies, such as the DOJ or the FTC. To obtain that approval, a proposed acquirer is required to file a transfer of control or assignment application with the FCC. The Communications Act and FCC rules allow members of the public and other interested parties to file petitions seeking to deny, or other objections to the FCC with respect to, the grant of any transfer or assignment application. The FCC could rely on those objections or its own initiative to deny a transfer or assignment application or to require changes in the transaction, including the divestiture of radio stations and other assets that we already own or propose to acquire, as a condition to having the application granted. The FCC could also change its existing rules and policies to reduce the number of stations that we would be permitted to acquire in some markets. For these and other reasons, there can be no assurance that the FCC will approve potential future acquisitions that we deem material to our business. Any actions by the FCC or DOJ that have the effect of denying, delaying or affecting the terms of any potential acquisitions could have a material adverse effect on our financial condition or results of operations.

Disruptions in the capital and credit markets could restrict our ability to access further financing.

We may rely in significant part on the capital and credit markets to meet our financial commitments and short-term liquidity needs if internal funds from operations are not sufficient for these purposes. Disruptions in the capital and credit markets, such as have been experienced over the past several years, could adversely affect our ability to draw on our credit facilities or access capital. Access to funds under credit facilities is dependent on the ability of our lenders to meet their funding commitments. Those lenders may not be able or willing to meet their funding commitments if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests from their borrowers within a short period of time. Disruptions in the capital and credit markets have also resulted in increased costs associated with bank credit facilities. Continued disruptions could increase our interest expense and adversely affect our results of operations.

Longer term disruptions in the capital and credit markets as a result of uncertainty, changing or increased regulation, reduced alternatives or failures of significant financial institutions, could adversely affect our access to financing. Any such disruption could increase our costs, require us to take measures to conserve cash until the markets stabilize or until alternative credit arrangements or other funding could be arranged. Such measures could include seeking higher cost financings, deferring capital expenditures and reducing or eliminating future uses of cash, any of which could materially adversely affect our business and results of operations.

[Table of Contents](#)

[Index to Financial Statements](#)

We are exposed to credit risk on our accounts receivable. This risk is heightened during periods of worsened economic conditions.

Our outstanding trade receivables are not covered by collateral or credit insurance. While we have procedures to monitor and limit exposure to credit risk on our receivables, which risk is heightened during periods of worsened economic conditions, there can be no assurance such procedures will effectively limit our credit risk and enable us to avoid losses, which could have a material adverse effect on our financial condition and operating results.

Counterparties to derivative transactions we enter into may not be able to perform their obligations under such transactions.

Although we evaluate the credit quality of potential counterparties to derivative transactions and only enter into agreements from time to time with those deemed to have minimal credit risk at the time the agreements are executed, there can be no assurances that such counterparties will be able to perform their obligations under the relevant agreements. If our counterparties fail to perform their obligations, we may not be able to receive the expected benefits from such derivative transactions, which could adversely affect our financial condition and results of operations.

We are dependent on key personnel.

Our business is managed by a small number of key management and operating personnel, and our loss of one or more of these individuals could have a material adverse effect on our business. We believe that our future success will depend in large part on our ability to attract and retain highly skilled and qualified personnel and to expand, train and manage our employee base. Although we have entered into employment agreements with some of our key management personnel that include provisions restricting their ability to compete with us under specified circumstances, we cannot assure you that all of those restrictions would be enforced if challenged in court.

We also enter into agreements with several on-air personalities with large loyal audiences in their individual markets to protect our interests in those relationships that we believe to be valuable. The loss of one or more of these personalities could result in losses of audience share in that particular market which, in turn, could adversely affect revenues in that particular market.

The broadcasting industry is subject to extensive and changing Federal regulation.

The radio broadcasting industry is subject to extensive regulation by the FCC under the Communications Act. We are required to obtain licenses from the FCC to operate our stations. Licenses are normally granted for a term of eight years and are renewable. Although the vast majority of FCC radio station licenses are routinely renewed, we cannot assure you that the FCC will grant our existing or future renewal applications or that the renewals will not include conditions out of the ordinary course of our operations. The non-renewal, or renewal with conditions, of one or more of our licenses could have a material adverse effect on us.

We must also comply with the extensive FCC regulations and policies in the ownership and operation of our radio stations. FCC regulations limit the number of radio stations that a licensee can own in a market, which could restrict our ability to acquire radio stations that could be material to our overall financial performance or our financial performance in a particular market.

The FCC also requires radio stations to comply with certain technical requirements to limit interference between two or more radio stations. Despite those limitations, a dispute could arise whether another station is improperly interfering with the operation of one of our stations or another radio licensee could complain to the FCC that one our stations is improperly interfering with that licensee s station. There can be no assurance as to how the FCC might resolve that dispute. These FCC regulations and others may change over time, and we cannot assure you that those changes would not have a material adverse effect on us.

Table of Contents

Index to Financial Statements

The FCC has been vigorous in its enforcement of its indecency rules against the broadcast industry, a violation of which could have a material adverse effect on our business.

FCC regulations prohibit the broadcast of obscene material at any time, and indecent material between the hours of 6:00 a.m. and 10:00 p.m. The FCC regulatory oversight is augmented by statutory authority for the FCC to impose substantial penalties (up to $325,000 for each violation). The FCC also has the statutory authority to revoke a station license or to shorten or condition the renewal of a station license in the event that the station broadcasts indecent or obscene material. In June 2012, the United States Supreme Court issued a decision which held that the FCC had failed to give broadcasters adequate notice of a change in FCC policy in 2004 that exposed a station owner to penalties because of broadcasts which included fleeting expletives or momentary nudity (in a television broadcast). The FCC has not issued any pronouncement or other comment on the Supreme Court s decision, and it is therefore unclear whether the Supreme Court s decision will have any significance for programs aired on radio or television after the change in FCC policy was announced in 2004. In the meantime, for many years the FCC has refrained from processing and disposing of hundreds of thousands of indecency complaints because of the uncertainty concerning the validity of prior FCC rulings. It is impossible to predict what, if any, impact the Supreme Court s decision will have on any complaints that have been or may be filed against our stations. Whatever the impact, we may in the future become subject to new FCC inquiries or proceedings related to our stations broadcast of allegedly indecent or obscene material. To the extent that such an inquiry or proceeding results in the imposition of fines, a settlement with the FCC, revocation of any of our station licenses or denials of license renewal applications, our results of operation and business could be materially adversely affected.

Proposed legislation requires radio broadcasters to pay royalties to record labels and recording artists.

We currently pay royalties to song composers and publishers through Broadcast Music Inc., the American Society of Composers, Authors and Publishers and SESAC, Inc. but not to record labels or recording artists for exhibition or use of over the air broadcasts of music. Congress has been considering legislation which would change the copyright fees and the procedures by which the fees are determined. The legislation has been the subject of considerable debate and activity by the broadcast industry and other parties affected by the legislation. It cannot be predicted whether any proposed legislation will become law or what impact it would have on our results from operations, cash flows or financial position.

We are a holding company with no material independent assets or operations and we depend on our subsidiaries for cash.

We are a holding company with no material independent assets or operations, other than our investments in our subsidiaries. Because we are a holding company, we are dependent upon the payment of dividends, distributions, loans or advances to us by our subsidiaries to fund our obligations. These payments could be subject to restrictions on dividends or other payment restrictions under applicable laws in the jurisdictions in which our subsidiaries operate. Payments by our subsidiaries are also contingent upon the subsidiaries earnings. If we are unable to obtain sufficient funds from our subsidiaries to fund our obligations, our financial condition and ability to meet our obligations may be adversely affected.

Risks Related to Our Indebtedness

The level of our outstanding debt may make it more difficult to comply with the covenants in our debt instruments, including the financial covenants in our First Lien Facility (as defined below), which could cause a default or an event of default under such debt instruments and could result in the loss of our sources of liquidity, acceleration of our indebtedness and, in some instances, the foreclosure on some or all of our assets, any of which could have a material adverse effect on our financial condition and results of operations.

The instruments governing our outstanding indebtedness contain restrictive covenants. In addition, our First Lien Credit Agreement, dated as of September 16, 2011, among the Company, Cumulus Holdings, as Borrower, certain lenders, JPMorgan Chase Bank, N.A., as Administrative Agent (JPMorgan), UBS, Macquarie, Royal

Table of Contents

Index to Financial Statements

Bank of Canada and ING Capital LLC, as Co-Syndication Agents, and U.S. Bank National Association and Fifth Third Bank, as Co-Documentation Agents, (as amended and restated, the First Lien Facility) requires us to comply with a financial covenant if any amounts are outstanding under the Revolving Credit Facility (the Revolving Credit Facility) or any letters of credit are outstanding that have not been collateralized by cash. As of December 31, 2012, we had no amounts outstanding under the Revolving Credit Facility, and, as result, were not subject to the financial covenant. Our ability to comply with the covenants in the (i) indenture governing our 7.75% Senior Notes due 2019 (the Indenture), (ii) First Lien Facility and (iii) Second Lien Credit Agreement (the Second Lien Facility and, together with the First Lien Facility, the 2011 Credit Facilities), dated as of September 16, 2011, among the Company, Cumulus Holdings, as Borrower, certain lenders, JPMorgan, as Administrative Agent, and UBS, Macquarie, Royal Bank of Canada and ING Capital LLC, as Co-Syndication Agents, will depend upon our future performance and various other factors, such as business, competitive, technological, legislative and regulatory factors, some of which are beyond our control. We may not be able to maintain compliance with all of our covenants in the future. In that event, we would need to seek an amendment or waiver to the applicable agreement, or a refinancing of such obligations. There can be no assurance that we would be able obtain any amendment or waiver of any such facilities or the costs associated therewith, and, if so, it is likely that such relief would only last for a specified period, potentially necessitating additional amendments, waivers or refinancings in the future.

In the event that we do not maintain compliance with the covenants under the 2011 Credit Facilities, lenders could declare an event of default, subject to applicable notice and cure provisions, which would likely result in a material adverse impact on our financial position. Upon the occurrence of an event of default, the lenders could elect to declare all amounts outstanding under the 2011 Credit Facilities to be immediately due and payable and terminate all commitments to extend further credit. In addition, lenders under any of our indebtedness to which a cross-default or cross-acceleration provision applies may then be entitled to take certain similar actions. In the event any of our lenders or note holders accelerate the required repayment of our borrowings, we may not have sufficient assets to repay such indebtedness.

The lenders under the 2011 Credit Facilities have taken security interests in substantially all of our consolidated assets, and we have pledged the stock of certain of our subsidiaries to secure the debt under the 2011 Credit Facilities. If the lenders accelerate the required repayment of borrowings, we may be forced to liquidate certain assets to repay all or part of such borrowings, and we cannot assure you that sufficient assets will remain after we have paid all of the borrowings under such 2011 Credit Facilities. If we were unable to repay those amounts, the lenders could proceed against the collateral granted to them to secure that indebtedness and we could be forced into bankruptcy or liquidation. Our ability to liquidate assets could also be affected by the regulatory restrictions associated with radio stations, including FCC licensing, which may make the market for these assets less liquid and increase the chances that these assets would be liquidated at a significant loss. Any requirement for us to liquidate assets would likely have a material adverse effect on our business.

We require substantial cash flows to service our debt and other obligations. Our inability to generate sufficient cash flows could have a material adverse effect on our business.

In order to service our significant indebtedness, we require, and will continue to require significant cash flows. Our revenue is subject to such factors as shifts in population, station listenership, demographics, or audience tastes, and fluctuations in preferred advertising media. Our ability to generate sufficient cash flow to make required principal and interest payments on, or refinance, our debt obligations depends on our financial condition and operating performance, which are subject to prevailing micro and macro economic and competitive conditions, some of which are beyond our control. We may be unable to maintain or derive a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful. If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and

Table of Contents

Index to Financial Statements

capital expenditures or to seek to dispose of material assets or operations, seek additional debt or equity capital or seek to restructure or refinance our indebtedness. We may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow us to meet our scheduled debt service obligations. Our inability to generate sufficient cash from operations to service our debt and other obligations would lead to a material adverse effect on our business.

Despite our current level of indebtedness, we may still be able to incur additional debt. This could further exacerbate the risks to our financial condition described above.

We may be able to incur additional indebtedness in the future. Although the Indenture and the 2011 Credit Facilities contain, and credit facilities we enter into in the future may contain, restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and any additional indebtedness incurred in compliance with these restrictions could be material. These restrictions also will not prevent us from incurring obligations that do not constitute indebtedness.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

Borrowings under the First Lien Facility and the Second Lien Facility are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on variable rate indebtedness would increase even though the amount borrowed remained the same, and our net income would decrease. As a result, a significant increase in interest rates could have a material adverse effect on our financial condition.

The terms of the Indenture and the 2011 Credit Facilities restrict our current and future operations, particularly our ability to respond to changes or to take certain actions.

The Indenture and the 2011 Credit Facilities contain a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long-term best interests, including restrictions on our ability to:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends or make other distributions or repurchase or redeem capital stock;
- prepay, redeem or repurchase certain debt;
- issue certain preferred stock or similar equity securities;
- make loans and investments;
- sell assets;
- incur liens;
- enter into transactions with affiliates;

- alter the businesses we conduct;
- enter into agreements restricting our restricted subsidiaries ability to pay dividends; and
- consolidate, merge or sell all or substantially all of our assets.

In addition, as described above, the restrictive covenants in the 2011 Credit Facilities require us to maintain compliance with specified financial ratios and satisfy other financial condition tests.

As a result of these restrictions, we may be:

- limited in how we conduct our business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns; or
- unable to compete effectively or to take advantage of new business opportunities.

Table of Contents

Index to Financial Statements

These restrictions may adversely affect our ability to operate our current and planned business, or make certain changes in our business and to respond to changing circumstances, any of which could have a material adverse effect on our financial condition or results of operations.

Risks Related to Our Class A Common Stock

The public market for our Class A Common Stock may be volatile.

We cannot assure you that the market price of our Class A common stock will not decline and the market price could be subject to wide fluctuations in response to such factors as:

- conditions and trends in the radio broadcasting industry;
- actual or anticipated variations in our operating results, including audience share ratings and financial results;
- changes in financial estimates by securities analysts;
- technological innovations;
- competitive developments;
- adoption of new accounting standards affecting companies in general or affecting companies in the radio broadcasting industry in particular; and
- general market conditions and other factors.

Further, the stock markets, and in particular the NASDAQ Global Select Market, the market on which our Class A common stock is listed, from time to time have experienced extreme price and volume fluctuations that were not necessarily related or proportionate to the operating performance of the affected companies. In addition, general economic, political and market conditions such as recessions, interest rate movements or international currency fluctuations, may adversely affect the market price of our Class A common stock.

Certain stockholders or groups of stockholders have, and will have, the right to appoint members to our board of directors and, consequently, the ability to exert significant influence over us.

As of December 31, 2012, and after giving effect to the exercise of all of their respective options exercisable within 60 days of that date, Lewis W. Dickey, Jr., our Chairman, President, Chief Executive Officer and a director, his brother, John W. Dickey, our Executive Vice President, and their father, Lewis W. Dickey, Sr., together with members of their family (collectively, the Dickeys), collectively beneficially owned shares representing approximately 13.6% of the outstanding voting power of our common stock.

Also as of December 31, 2012, Crestview was our largest shareholder and, according to a Schedule 13D/A filed on December 12, 2012, beneficially owned shares representing approximately 37.5% of our outstanding Class A common stock on a fully converted basis.

In addition, in connection with the financing transactions undertaken in connection with the completion of the Citadel Merger, on September 16, 2011, the Company entered into a Stockholders Agreement (the Stockholders Agreement) with BA Capital Company, L.P. and Banc of America Capital Investors SBIC, L.P. (together, the BofA Stockholders), Blackstone, the Dickeys, Crestview, Macquarie and UBS. Under the

Stockholders Agreement, the size of the Company s Board was increased to seven members, and the two vacancies on the Board created thereby were filled by individuals designated by Crestview. In accordance with the Stockholders Agreement, Crestview maintains the right to designate two individuals for nomination to the Board, and each of the Dickeys, the BofA Stockholders and Blackstone maintains the right to designate one individual for nomination to the Board. The Stockholders Agreement provides that the other two positions on the Board will be filled by directors, who meet applicable independence criteria. The Stockholders Agreement also

Table of Contents

Index to Financial Statements

provides that, for so long as Crestview is the Company s largest stockholder, it will have the right to have one of its designees, who shall meet the definition of an independent director and who is elected to the Board, and is selected by it, appointed as the lead director of the Board. Further, the parties to the Stockholders Agreement (other than the Company) have agreed to support such directors (or others as may be designated by the relevant stockholders) as nominees to be presented to the Company s stockholders for approval at subsequent stockholder meetings for the term set out in the Stockholders Agreement. Each stockholder party s respective director nomination rights will generally survive for so long as it continues to own a specified percentage of the Company s stock, subject to certain exceptions.

As a result of these significant stockholdings, and their right to designate members of our board, these stockholders are expected to be able to continue to exert significant influence over our policies and management, potentially in a manner which may not be in our best interests or the best interests of the other shareholders.

Cautionary Statement Regarding Forward-Looking Statements

This annual report on Form 10-K contains and incorporates by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the Securities Act) and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act). For purposes of federal and state securities laws, forward-looking statements are all statements other than those of historical fact and are typically identified by the words believes, expects, anticipates, continues, intends, likely, may, plans, potential, should, will and similar expressions, negative or the affirmative. These statements include statements regarding the intent, belief or current expectations of Cumulus and its directors and officers with respect to, among other things, future events, financial results and financial trends expected to impact Cumulus.

Such forward-looking statements are and will be, as the case may be, subject to change and subject to many risks, uncertainties and factors relating to our operations and business environment, which may cause our actual results to be materially different from any future results, expressed or implied, by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following:

- the possibility that we may be unable to achieve any expected cost-saving or operational synergies in connection with any acquisitions or business improvements, or achieve them within the expected time periods;
- the possibility that we may be unable to achieve certain expected revenue results, including as a result of unexpected factors or events;
- the possibility that our industry may be subject to future regulatory or legislative actions;
- our ability to attract, motivate and/or retain key executives and associates;
- our ability to execute our business plan and strategy;
- our ability to execute and implement our acquisition and divestiture strategies;
- general economic or business conditions affecting the radio broadcasting industry being less favorable than expected, including the impact of decreased spending by advertisers;

increased competition in the radio broadcasting industry;

the impact of current or pending legislation and regulations, antitrust considerations, and pending or future legislation, litigation or claims;

changes in policies or actions or in regulatory bodies;

changes in uncertain tax positions and tax rates;

changes in the financial markets;

changes in capital expenditure requirements;

- changes in market conditions that could impair our goodwill or intangible assets;
- changes in interest rates; and
- other risks and uncertainties.

Many of these factors are beyond our control or difficult to predict, and their ultimate impact could be material. We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date of this annual report on Form 10-K. Except as may be required by law, we do not undertake any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 1B. ***Unresolved Staff Comments***

Not applicable.

Item 2. ***Properties***

The types of properties required to support each of our radio stations include studios, sales offices, and tower sites. A station s studios are generally housed with its offices in a business district within the station s community of license or largest nearby community. The tower sites are generally located in an area to provide maximum market coverage.

At December 31, 2012, we owned 45 studio facilities and 105 tower sites in our 108 markets. We lease additional studio, office facilities, and tower sites throughout all of our markets. We also lease corporate office space in Atlanta, Georgia and office space in New York, New York and Dallas, Texas for the production and distribution of our radio network. We do not anticipate any difficulties in renewing any facility leases or in leasing alternative or additional space, if required. We own substantially all of our other equipment, consisting principally of transmitting antennae, transmitters, studio equipment, and general office equipment.

No single property is material to our operations. We believe that our properties are generally in good condition and suitable for our operations; however, we continually look for opportunities to upgrade our studios, office space and transmission facilities.

Item 3. ***Legal Proceedings***

In March 2011, we and certain of our subsidiaries were named as defendants along with other radio companies, including Beasley Broadcast Group, Inc., CBS Radio, Inc., Entercom Communications, Greater Media, Inc. and Townsquare Media, LLC in a patent infringement suit. The case, *Mission Abstract Data L.L.C., d/b/a Digimedia v. Beasley Broadcast Group, Inc., et. al.*, Civil Action Case No: 1:99-mc-09999, U.S. District Court for the District of Delaware (filed March 1, 2011), alleges that the defendants are infringing or have infringed plaintiff s patents entitled Selection and Retrieval of Music from a Digital Database. Plaintiff is seeking injunctive relief and unspecified damages. We are vigorously defending this lawsuit and are not yet able to determine what effect the lawsuit will have, if any, on our financial position, results of operations or cash flows.

We are currently, and expect that from time to time in the future will be, party to, or a defendant in, various claims or lawsuits that are generally incidental to its business. We expect that we will vigorously contest any such claims or lawsuits and believe that the ultimate resolution of any known claim or lawsuit will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Item 4. ***Mine Safety Disclosures***

Not applicable.

Table of Contents

Index to Financial Statements

PART II

Item 5. ***Market for Registrant s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Market Information For Common Stock

Shares of our Class A common stock, par value $0.01 per share, have been listed on the NASDAQ Global Select Market (or its predecessor, the NASDAQ National Market) under the symbol CMLS since July 1, 1998. There is no established public trading market for our Class B common stock or our Class C common stock. The following table sets forth, for the calendar quarters indicated, the high and low closing sales prices of the Class A common stock on the NASDAQ Global Select Market, as reported in published financial sources.

Year	High	Low
2011		
First Quarter	$ 5.78	$ 3.63
Second Quarter	$ 4.97	$ 3.25
Third Quarter	$ 3.90	$ 2.18
Fourth Quarter	$ 3.35	$ 2.49
2012		
First Quarter	$ 3.91	$ 3.21
Second Quarter	$ 3.63	$ 2.75
Third Quarter	$ 3.11	$ 2.44
Fourth Quarter	$ 2.76	$ 2.16

Holders

As of March 2, 2013, there were approximately 1,158 holders of record of our Class A common stock, 17 holders of record of our Class B common stock and one holder of record of our Class C common stock. The number of holders of our Class A common stock does not include an estimate of the number of beneficial holders whose shares may be held of record by brokerage firms or clearing agencies.

Dividends

We have not declared or paid any cash dividends on our common stock since our inception and do not currently anticipate paying any cash dividends on our common stock in the foreseeable future. We intend to retain future earnings for use in our business. We are currently subject to restrictions under the terms of the 2011 Credit Facilities that limit the amount of dividends that we may pay on our common stock. For a more detailed discussion of the restrictions in our 2011 Credit Facilities, see Note 9, Long-Term Debt in the consolidated financial statements included elsewhere in this Form 10-K.

Dividends on the Series A preferred stock accrued at a rate of 10.0% per annum from issuance on September 16, 2011 until March 16, 2012, and accrue at a rate of 14.0% per annum for the period that commenced on March 16, 2012 and ends on September 15, 2013, with additional increases for every two-year period thereafter that the shares remain outstanding. The dividends are payable in cash, except that, at the option of the Company, up to 50.0% of the dividends for any period may be paid through the issuance of additional shares of Series A preferred stock. Payment of dividends on the Series A preferred stock is in preference and prior to any dividends payable on any class of the Company s common stock and, in the event of any liquidation, dissolution or winding up of the Company, holders of Series A preferred stock are entitled to the liquidation value thereof prior to, and in preference of, payment of any amounts to holders of any class of the Company s common stock.

After payment of dividends to the holders of Series A Preferred Stock, the holders of the Company s common stock share ratably in any dividends that may be declared by the board of directors of the Company.

The Company accrued $13.8 million in dividends, paid $15.0 million in cash dividends and accreted $7.7 million on the Series A Preferred Stock during the year ended December 31, 2012. The Company paid approximately $2.7 million in cash dividends on the Series A Preferred Stock in the first quarter of 2013, in accordance with the terms described above.

Stock Performance Graph

The following graph compares the total stockholder return on our Class A common stock for the five-year period ended December 31, 2012 with that of (1) the Standard & Poor s 500 Stock Index (S&P 500); (2) the NASDAQ Stock Market Index (the NASDAQ); and (3) an index (the Radio Index) comprised of radio broadcast and media companies (see note (1) below). The total return calculation set forth below assumes $100 invested on December 31, 2007 with reinvestment of dividends into additional shares of the same class of securities at the frequency with, and in the amounts on, which dividends were paid on such securities through December 31, 2012. The stock price performance shown in the graph below should not be considered indicative of expected future stock price performance.

CUMULATIVE TOTAL RETURN

	12/31/2007	12/31/2008	12/31/2009	12/31/2010	12/31/2011	12/31/2012
Cumulus	$ 100.00	$ 30.97	$ 28.36	$ 53.61	$ 41.54	$ 33.21
S&P 500	100.00	61.51	75.94	85.65	85.65	97.13
NASDAQ	100.00	59.46	85.55	100.02	98.22	113.85
Radio Index (1)	100.00	28.40	52.20	93.30	90.22	96.68

(1) The Radio Index consists of the following companies: Beasley Broadcast Group, Inc., CC Media Holdings, Inc. (Clear Channel Holdings, Inc.), Emmis Communications Corp., Entercom Communications Corp., Radio One, Inc., and Saga Communications, Inc.

Pursuant to SEC rules, this Stock Performance Graph section of this Form 10-K is not deemed filed with the SEC and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Table of Contents

Index to Financial Statements

Item 6. ***Selected Financial Data***

Set forth below is selected historical consolidated financial information for Cumulus as of and for the fiscal years ended December 31, 2012, 2011, 2010, 2009 and 2008 (dollars in thousands, except per share data). The selected historical consolidated financial information as of December 31, 2012 and 2011 and for the years ended December 31, 2012, 2011 and 2010 has been derived from our audited consolidated financial statements and related notes beginning on page F-1 of this Form 10-K. The selected historical consolidated financial information as of December 31, 2010, 2009 and 2008 and for the years ended December 31, 2009 and 2008 has been derived from our audited consolidated financial statements and related notes previously filed with the SEC, but not included or incorporated by reference herein.

Primarily as a result of our completion of a number of significant transactions, including acquisitions and dispositions in any period, we believe that our results of operations for any period, and our financial condition at any date provide only limited comparability to other periods. You are cautioned not to place undue reliance on any such comparison.

The selected historical consolidated financial information presented below does not contain all of the information you should consider when evaluating Cumulus, and should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements, and notes thereto, beginning on page F-1 of this Form 10-K. Various factors are expected to have an effect on our financial condition and results of operations in the future, including the ongoing integration of acquired businesses. You should also read this selected historical consolidated financial information in conjunction with the information under Risk Factors included elsewhere in this Form 10-K.

	Year Ended December 31,				
	2012	2011	2010	2009	2008
STATEMENT OF OPERATIONS DATA:					
Net revenues	$ 1,076,582	$ 519,963	$ 236,640	$ 230,585	$ 281,719
Direct operating expenses (excluding depreciation, amortization and LMA fees)	661,511	316,253	143,717	149,384	183,999
Depreciation and amortization	142,143	51,148	8,214	10,236	11,563
LMA fees	3,556	2,525	2,054	2,332	631
Corporate general and administrative expenses (including non-cash stock-based compensation expense)	57,438	90,761	18,519	20,699	19,325
Gain on exchange of assets or stations		(15,278)		(7,204)	
Realized (gain) loss on derivative instrument	(12)	3,368	1,957	3,640	
Impairment of intangible assets and goodwill (1)	127,141		671	174,950	498,897
Other operating expense					2,041
Operating income (loss)	84,805	71,186	61,508	(123,452)	(434,737)
Interest expense, net	(198,628)	(86,989)	(30,307)	(33,989)	(47,262)
Loss on early extinguishment of debt	(2,432)	(4,366)			
Terminated transaction expense (income)			(7,847)		15,000
Other (expense) income, net	(2,474)	39	108	(136)	(10)
Equity losses in affiliate					(22,252)
Gain on equity investment in Cumulus Media Partners, LLC		11,636			
(Loss) income from continuing operations before income taxes	(118,729)	(8,494)	23,462	(157,577)	(489,261)
Income tax benefit (expense)	26,552	3,313	(1,505)	3,259	3,637
(Loss) income from continuing operations	(92,177)	(5,181)	21,957	(154,318)	(485,624)
Income from discontinued operations, net of taxes	59,448	69,041	7,445	27,616	123,955
Net (loss) income	(32,729)	63,860	29,402	(126,702)	(361,669)
	21,537	6,961			

Less: dividends declared and accretion of redeemable preferred stock					
(Loss) income attributable to common shareholders	$ (54,266)	$ 56,899	$ 29,402	$ (126,702)	$ (361,669)
Basic income (loss) per common share	$ (0.33)	$ 0.80	$ 0.70	$ (3.13)	$ (8.55)
Diluted income (loss) per common share	$ (0.33)	$ 0.80	$ 0.68	$ (3.13)	$ (8.55)

38

Table of Contents

Index to Financial Statements

	Year Ended December 31,				
	2012	2011	2010	2009	2008
OTHER DATA:					
Adjusted EBITDA (2)	$ 393,737	$ 123,693	$ 91,745	$ 72,552	$ 93,655
Cash flows related to:					
Operating activities	$ 179,490	$ 71,751	$ 42,553	$ 28,691	$ 76,654
Investing activities	98,143	(2,031,256)	(2,240)	(3,060)	(6,754)
Financing activities	(220,175)	1,977,283	(43,723)	(62,410)	(49,183)
Capital expenditures	(6,607)	(6,690)	(2,475)	(3,110)	(6,069)
BALANCE SHEET DATA:					
Total assets	$ 3,734,404	$ 4,040,591	$ 319,636	$ 334,064	$ 543,519
Long-term debt (including current portion)	2,701,067	2,850,537	591,008	633,508	696,000
Total stockholders equity (deficit)	$ 246,633	$ 290,713	$ (341,309)	$ (372,512)	$ (248,147)

(1) Impairment charge recorded in connection with our interim and annual impairment testing under ASC 350. See Note 6, Intangible Assets and Goodwill , in the consolidated financial statements included elsewhere in this Form 10-K for further discussion.

(2) Adjusted EBITDA consists of net (loss) income before depreciation and amortization, LMA fees, acquisition-related costs, non-cash stock-based compensation expense, gain or loss on exchange of assets or stations, realized gain or loss on derivative instruments, impairment of intangible assets and goodwill, interest expense, loss on the early extinguishment of debt, other income or expense, net, gain on equity investment in CMP, and income tax benefit or expense. Adjusted EBITDA is not a measure of financial performance calculated in accordance with GAAP. See Management s Discussion and Analysis of Financial Condition and Results of Operations for a quantitative and qualitative reconciliation of Adjusted EBITDA to the most directly comparable financial measure calculated in accordance with accounting principles generally accepted in the United States (GAAP).

Item 7. ***Management s Discussion and Analysis of Financial Condition and Results of Operations***

The following Management s Discussion and Analysis is intended to provide the reader with an overall understanding of our financial condition, changes in financial condition, results of operations, cash flows, sources and uses of cash, contractual obligations and financial position. Operating results attributable to CMP and Citadel from August 1, 2011 and September 16, 2011, the respective acquisition dates, are included in the accompanying consolidated financial information. This section also includes general information about our business and management s analysis of certain trends, risks and opportunities in our industry. We also provide a discussion of accounting policies that require critical judgments and estimates. You should read the following information in conjunction with our consolidated financial statements and notes to our consolidated financial statements beginning on page F-1 in this Annual Report on Form 10-K, as well as the information set forth in Item 1A. Risk Factors.

Our Business

We own and operate commercial radio station clusters throughout the United States. We believe we are the largest pure-play radio broadcaster in the United States based on number of stations owned and operated. At December 31, 2012, we owned or operated approximately 517 radio stations (including under LMAs) in 108 United States media markets and operated nationwide radio networks serving over 5,000 affiliates. At December 31, 2012, under LMAs, we provided sales and marketing services for 14 radio stations in the United States.

2012 Operating Overview and Highlights

We believe that following the completion of the CMP Acquisition and the Citadel Merger, which included the acquisition of our radio networks, consisting of 5,000 station affiliates and 9,000 program affiliates, in 2011 we have created a leading radio broadcasting company with a true national platform with an opportunity to further leverage and expand upon our strengths, market presence and programming. Specifically, with the completion of these acquisitions, we now have an extensive radio station portfolio consisting of approximately 517 radio stations, including a presence in eight of the top 10 markets, and broad diversity in format, listener

Table of Contents

Index to Financial Statements

base, geography, advertiser base and revenue stream, all of which are designed to reduce dependence on any single demographic, region or industry. Our increased scale has allowed larger, more significant investments in the local digital media marketplace allowing our local digital platforms and strategies, including our social commerce initiatives, to be applied across significant additional markets. We believe our one national platform will allow us to optimize our available advertising inventory while providing holistic and comprehensive solutions for our customers.

Cumulus believes that the capital structure resulting from the completion of the CMP Acquisition and the Citadel Merger, and our related financing transactions, provides for increased liquidity and scale for Cumulus to pursue and finance strategic acquisitions in the future. We also believe that we have substantially completed our integration, and are now strongly positioned for future growth in what we believe is still a highly fragmented industry.

Liquidity Considerations

Historically, our principal needs for funds have been for acquisitions of radio stations, expenses associated with our station and corporate operations, capital expenditures, and interest and debt service payments. We believe that our funding needs in the future will be for substantially similar matters.

Our principal sources of funds historically have been cash flow from operations and borrowings under credit facilities in existence from time to time. Our cash flow from operations is subject to such factors as shifts in population, station listenership, demographics, or audience tastes, and fluctuations in preferred advertising media. In addition, customers may not be able to pay, or may delay payment of, accounts receivable that are owed to us, which risks may be exacerbated in challenging economic periods. In recent periods, management has taken steps to mitigate this risk through heightened collection efforts and enhancements to our credit approval process, although no assurances as to the longer-term success of these efforts can be provided. In addition, we believe the acquisition of the broad diversity in format, listener base, geography, advertiser base and revenue stream that accompanied the CMP Acquisition and the Citadel Merger will help us reduce dependence on any single demographic, region or industry.

On December 20, 2012, we entered into an amendment and restatement (the Amendment and Restatement) of our First Lien Facility Credit Agreement, dated as of September 16, 2011, among the Company, Cumulus Media Holdings, Inc., as borrower (the Borrower), and the lenders and the agents thereto (the Original Agreement). Pursuant to the Amendment and Restatement, the terms and conditions contained in the Original Agreement remained substantially unchanged, except as follows: (i) the amount outstanding thereunder was increased to $1.325 billion; (ii) the margin for LIBOR (as defined below) -based borrowings was reduced from 4.5% to 3.5% and for Base Rate (as defined below) -based borrowings was reduced from 3.5% to 2.5%; and (iii) the LIBOR floor for LIBOR-based borrowings was reduced from 1.25% to 1.0%.

In the event amounts are outstanding under the Revolving Credit Facility, the First Lien Facility requires compliance with a consolidated total net leverage ratio. At December 31, 2012, this ratio would have been 6.5 to 1.0. Such ratio will be reduced in future periods if amounts are outstanding under the Revolving Credit Facility at an applicable date. At December 31, 2012 we would not have been in compliance with this ratio. As a result, borrowings under the revolving credit facility were not available at that date. The Second Lien Facility does not contain any financial covenants. At December 31, 2012 our long-term debt consisted of $2.0 billion in total term loans and $610.0 million in 7.75% Senior Notes.

Based upon the calculation of excess cash flow at December 31, 2012, the Company is required to make a mandatory prepayment of $63.2 million on the First Lien Term Loan due within 10 days of the filing of this Annual Report or Form 10-K. This amount has been classified in the current portion of long-term debt caption of the consolidated balance sheet. The 2011 Credit Facilities contain provisions requiring the Company to use the proceeds from the disposition of assets of the Company to prepay amounts outstanding under the First Lien Facility and the Second Lien Facility (to the extent proceeds remain after the required prepayment

Table of Contents

Index to Financial Statements

of all amounts outstanding under the First Lien Facility), subject to the right of the Company to use such proceeds to acquire, improve or repair assets useful in its business, all within one year from the date of receipt of such proceeds. If and to the extent that the proceeds from the Townsquare Asset Exchange are not otherwise reinvested within the applicable time period, the Company will be required to prepay an equivalent amount of principal outstanding under the 2011 Credit Facilities in accordance with the terms thereof.

We have assessed the current and expected conditions of our business climate, our current and expected needs for funds and our current and expected sources of funds and determined, based on our financial condition as of December 31, 2012, that cash on hand and cash expected to be generated from operating activities will be sufficient to satisfy our anticipated financing needs for working capital, capital expenditures, interest and debt service payments, and repurchases of securities and other debt obligations through December 31, 2013.

Advertising Revenue and Adjusted EBITDA

Our primary source of revenues is the sale of advertising time on our radio stations and networks. Our sales of advertising time are primarily affected by the demand for advertising time from local, regional and national advertisers and the advertising rates charged by us. Advertising demand and rates are based primarily on a station s ability to attract audiences in the demographic groups targeted by its advertisers, as measured principally by various ratings agencies on a periodic basis. We endeavor to develop strong listener loyalty and we believe that the diversification of formats and programs helps to insulate us from the effects of changes in the musical tastes of the public with respect to any particular format. In addition, we believe that the portfolio that we own and operate, which has increased diversity in terms of format, listener base, geography, advertiser base and revenue stream as a result of our recent acquisitions, including the CMP Acquisition and the Citadel Merger, and the development of our strategy to focus on radio stations in larger markets and geographically strategic regional clusters, will further reduce our revenue dependence on any single demographic, region or industry.

We strive to maximize revenue by managing our on-air inventory of advertising time and adjusting prices up or down based on supply and demand. The optimal number of advertisements available for sale depends on the programming format of a particular station or program network. Each sales vehicle has a general target level of on-air inventory available for advertising. This target level of advertising inventory may vary at different times of the day but tends to remain stable over time. We seek to broaden our base of advertisers in each of our markets by providing a wide array of audience demographic segments across each cluster of stations, thereby providing each of our potential advertisers with an effective means of reaching a targeted demographic group. In the broadcasting industry, we sometimes utilize trade or barter agreements that exchange advertising time for goods or services such as travel or lodging, instead of for cash. Trade revenue totaled $27.7 million, $21.2 million and $16.7 million in the years ended December 31, 2012, 2011 and 2010, respectively. Our advertising contracts are generally short-term. We generate most of our revenue from local and regional advertising, which is sold primarily by a station s sales staff. Local and regional advertising represented approximately 77.4%, 72.6% and 84.5% of our total revenues during the years ended December 31, 2012, 2011 and 2010, respectively.

In addition to local advertising revenues, we monetize our available inventory in both national spot and network sales market places using our national platform. To effectively deliver our network advertising for our customers, we distribute content and programming through 3rd party affiliates in order to achieve a broader national audience. Typically, in exchange for the right to broadcast radio network programming, 3rd party affiliates remit a portion of their advertising time, which is then aggregated into packages focused on specific demographic groups and sold by us to our advertiser clients that want to reach the listeners who comprise those demographic groups on a national basis. Revenues derived from 3rd party affiliates in 2012 represented less than 10% of consolidated revenues.

Our advertising revenues vary by quarter throughout the year. As is typical in the radio broadcasting industry, our first calendar quarter typically produces the lowest revenues of a last twelve month period, as advertising generally declines following the winter holidays. The second and fourth calendar quarters typically

Table of Contents

Index to Financial Statements

produce the highest revenues for the year. Our operating results in any period may be affected by the incurrence of advertising and promotion expenses that typically do not have an effect on revenue generation until future periods, if at all. We continually evaluate opportunities to increase revenues through new platforms, including technology-based initiatives.

Adjusted EBITDA is the financial metric utilized by management to analyze the cash flow generated by the Company s business. This measure isolates the amount of income generated by the Company s radio stations apart from the incurrence of non-cash and non-operating expenses. Management also uses this measure to determine the contribution of the Company s radio station portfolio, including the corporate resources employed to manage the portfolio, to the funding of its other operating expenses and to the funding of debt service and acquisitions. In addition, Adjusted EBITDA is a key metric for purposes of calculating and determining our compliance with certain covenants contained in our First Lien Credit Agreement, as amended and restated, (the First Lien Facility).

In deriving this measure, management excludes depreciation, amortization and stock-based compensation expense, as these do not represent cash payments for activities directly related to the operation of the radio stations. In addition, we exclude LMA fees from our calculation of Adjusted EBITDA, even though such fees require a cash settlement, because they are excluded from the definition of Adjusted EBITDA contained in our First Lien Facility. Management excludes any gain or loss on the exchange of assets or stations as they do not represent a cash transaction. Management also excludes any realized gain or loss on derivative instruments as they do not represent a cash transaction nor are they associated with radio station operations. Interest expense, net of interest income, income tax (benefit) expense including franchise taxes, and expenses relating to acquisitions are also excluded from the calculation of Adjusted EBITDA as they are not directly related to the operation of radio stations. Management excludes impairment of goodwill and intangible assets as they do not require a cash outlay. Management believes that Adjusted EBITDA, although not a measure that is calculated in accordance with GAAP, nevertheless is commonly employed by the investment community as a measure for determining the market value of a radio company. Management has also observed that Adjusted EBITDA is routinely employed to evaluate and negotiate the potential purchase price for radio broadcasting companies, and is a key metric for purposes of calculating and determining compliance with certain covenants in our First Lien Facility. Given the relevance to the overall value of the Company, management believes that investors consider the metric to be extremely useful.

Adjusted EBITDA should not be considered in isolation or as a substitute for net income, operating income, cash flows from operating activities or any other measure for determining the Company s operating performance or liquidity that is calculated in accordance with GAAP.

A quantitative reconciliation of Adjusted EBITDA to net (loss) income, the most directly comparable financial measure calculated and presented in accordance with GAAP, follows in this section.

Results of Operations

Primarily as a result of the completion of the significant transactions described above in 2011, Cumulus believes that its results of operations for the year ended December 31, 2011 and 2012, and its financial condition at such date, will provide only limited comparability to prior periods. Investors are cautioned to not place undue reliance on any such comparison. Revenues of $288.3 million attributable to the acquisitions of CMP and Citadel in 2011 are included in the Company s accompanying consolidated financial statements for the year ended December 31, 2011.

Table of Contents

Index to Financial Statements

Analysis of Consolidated Statements of Operations

The following analysis of selected data from our consolidated statements of operations should be referred to while reading the results of operations discussion that follows (dollars in thousands):

	Year Ended December 31,			2012 vs 2011		2011 vs 2010	
	2012	2011	2010	$ Change	% Change	$ Change	% Change
STATEMENT OF OPERATIONS DATA:							
Net revenues	$ 1,076,582	$ 519,963	$ 236,640	$ 556,619	107.0%	$ 283,323	119.7%
Direct operating expenses (excluding depreciation, amortization and LMA fees)	661,511	316,253	143,717	345,258	109.2%	172,536	120.1%
Depreciation and amortization	142,143	51,148	8,214	90,995	177.9%	42,934	**
LMA fees	3,556	2,525	2,054	1,031	40.8%	471	22.9%
Corporate general and administrative expenses (including stock-based compensation expense)	57,438	90,761	18,519	(33,323)	-36.7%	72,242	**
Gain on exchange of assets or stations		(15,278)		15,278	**	(15,278)	**
Realized (gain) loss on derivative instrument	(12)	3,368	1,957	(3,380)	-100.4%	1,411	72.1%
Impairment of intangible assets and goodwill	127,141		671	127,141	**	(671)	**
Operating income (loss)	84,805	71,186	61,508	13,619	19.1%	9,678	15.7%
Interest expense, net	(198,628)	(86,989)	(30,307)	(111,639)	128.3%	(56,682)	187.0%
Loss on early extinguishment of debt	(2,432)	(4,366)		1,934	-44.3%	(4,366)	**
Other (expense) income, net	(2,474)	39	108	(2,513)	**	(69)	-63.9%
Terminated transaction expense			(7,847)		**	7,847	**
Gain on equity investment in Cumulus Media Partners, LLC		11,636		(11,636)	**	11,636	**
(Loss) income from continuing operations before income taxes	(118,729)	(8,494)	23,462	(110,235)	1297.8%	(31,956)	-136.2%
Income tax benefit (expense)	26,552	3,313	(1,505)	23,239	701.4%	4,818	320.1%
(Loss) income from continuing operations	(92,177)	(5,181)	21,957	(86,996)	1679.1%	(27,138)	-123.6%
Income from discontinued operations, net of taxes	59,448	69,041	7,445	(9,593)	-13.9%	(61,596)	827.3%
Net (loss) income	(32,729)	63,860	29,402	(96,589)	-151.3%	34,458	117.2%
Less: dividends declared and accretion of redeemable preferred stock	21,537	6,961		14,576	**	6,961	**
(Loss) income attributable to common shareholders	$ (54,266)	$ 56,899	$ 29,402	$ (111,165)	-195.4%	$ 27,497	93.5%
OTHER DATA:							
Adjusted EBITDA	$ 393,737	$ 123,693	$ 91,745	$ 270,044	218.3%	$ 31,948	34.8%

** Calculation is not meaningful.

Our management s discussion and analysis of results of operations for the three years ended December 31, 2012, has been presented on a historical basis.

Table of Contents

Index to Financial Statements

Year Ended December 31, 2012 compared to Year Ended December 31, 2011

Net Revenues. Net revenues for the year ended December 31, 2012 increased $556.6 million, or 107.0%, to $1,076.6 million compared to $520.0 million for the year ended December 31, 2011. This increase is primarily attributable to the impact of a full year of net revenues attributable to CMP and Citadel, as well as a $26.4 million increase in political advertising due to the presidential and local government elections.

Direct Operating Expenses, Excluding Depreciation, Amortization and LMA Fees. Direct operating expenses for the year ended December 31, 2012 increased $345.2 million, or 109.2%, to $661.5 million compared to $316.3 million for the year ended December 31, 2011. This increase reflects the impact of a full year of direct operating expenses attributable to CMP and Citadel.

Depreciation and Amortization. Depreciation and amortization for the year ended December 31, 2012 increased $91.0 million, or 177.9%, to $142.1 million compared to $51.1 million for the year ended December 31, 2011. This increase reflects the impact of a full year of additional depreciation and amortization expense from assets acquired in the CMP Acquisition and the Citadel Merger. This was partially offset by a $1.3 million decrease in depreciation expense on assets within our legacy markets due to an increasingly fully depreciated asset base and a decrease of $29.0 million in depreciable assets related to the Townsquare Asset Exchange.

LMA Fees. LMA fees for the year ended December 31, 2012 increased $1.0 million, or 40.8%, to $3.6 million compared to $2.5 million for the year ended December 31, 2011. The increase relates to a full year of fees associated with the operation of stations in a divestiture trust associated with the Citadel Merger and additional LMA contracts entered into during the year.

Corporate General and Administrative Expenses, Including, Stock-based Compensation Expense. Corporate, general and administrative expenses, including stock-based compensation expense, for year ended December 31, 2012, decreased $33.4 million to $57.4 million, or 36.7% compared to $90.8 million for the year ended December 31, 2011. This decrease is primarily comprised of a $2.2 million reduction of certain contractual obligations assumed in the Citadel Merger and a $46.1 million reduction in acquisition costs since the prior year expenses contained those costs related to the CMP Acquisition and Citadel Merger. This was partially offset primarily by an increase of $8.0 million in stock compensation costs for equity awards granted in late 2011 and early 2012 and a $2.9 million increase in professional, legal, insurance and various other corporate facility related fees.

Gain on Exchange of Assets or Stations. During 2011, we completed an asset exchange with Clear Channel Communications, Inc, (Clear Channel) to swap our Canton, Ohio station for eight of Clear Channel s radio stations in the Ann Arbor and Battle Creek, Michigan markets. In connection with this transaction, we recorded a gain of approximately $15.3 million. There were no similar transactions during the 2012 period.

Realized (Gain) Loss on Derivative Instrument. During the years ended December 31, 2012 and 2011, we recorded a gain of $0.0 million and a charge of $3.4 million, respectively, related to our recording of the fair value of the Green Bay Option.

Impairment of Intangible Assets and Goodwill. For the year ended December 31, 2012, we recorded impairment charges of $100.0 million and $14.7 million related to goodwill and indefinite lived intangible assets (FCC Licenses), respectively, and a definite-lived intangible asset impairment of $12.4 million related to the cancellation of a contract. In the fourth quarter, as the Company headed into its annual impairment test of goodwill and FCC Licenses, format and structural changes made in the first half of 2012 at certain markets acquired during the second half of 2011 did not achieve the expected results for fiscal year 2012. As a result, certain markets failed step 1 of our annual impairment test of goodwill. There were no similar impairments during 2011. The impairment loss is related to the broadcasting license and goodwill recorded in conjunction with our annual impairment testing conducted during the fourth quarter (see Note 6, Intangible Assets and Goodwill in the notes to the consolidated financial statements elsewhere in this Report).

Table of Contents

Index to Financial Statements

Interest Expense, net. Interest expense, net of interest income, for the year ended December 31, 2012 increased $111.6 million to $198.6 million compared to $87.0 million for the year ended December 31, 2011. Interest expense associated with outstanding debt increased by $104.0 million to $187.8 million as compared to $83.8 million in the prior year period. Interest expense increased due to a higher average amount of indebtedness outstanding as a result of our refinancing efforts undertaken in connection with the Citadel Merger in 2011. The following summary details the components of our interest expense, net of interest income (dollars in thousands):

	Year Ended December 31			
	2012	2011	$ Change	% Change
7.75% Senior Notes	$ 47,275	$ 29,941	$ 17,334	57.9%
Bank borrowings term loans and revolving credit facilities	140,525	53,845	86,680	161.0%
Bank borrowings yield adjustment - interest rate swap		3,708	(3,708)	**
Other, including debt cost amortization	11,443	3,476	7,967	229.2%
Change in fair value of interest rate cap and Green Bay option	331	(3,582)	3,913	-109.2%
Interest income	(946)	(399)	(547)	137.1%
Interest expense, net	$ 198,628	$ 86,989	$ 111,639	128.3%

** Not meaningful

Loss on Early Extinguishment of Debt. For the years ended December 31, 2012 and 2011, we recorded $2.4 million and $4.4 million in losses on early extinguishment of debt as a result of our debt refinancings in December 2012 and May 2011, respectively.

Gain on Equity Investment in CMP. For the year ended December 31, 2011, we recorded an $11.6 million gain on our equity investment in CMP due to the CMP Acquisition. There was not a similar gain during the year ended December 31, 2012 (see Note 2, Acquisitions and Dispositions).

Income Tax Benefit (Expense). We recorded an income tax benefit on continuing operations of $26.6 million in 2012 as compared to a $3.3 million benefit during the prior year. The income tax benefit for 2012 is equal to the amount of tax expense on discontinued operations that is offset by the loss from continuing operations. The income tax benefit for 2011 is primarily due to a release of the valuation allowance as a result of the CMP Acquisition and Citadel Merger while the 2010 tax expense is primarily due to tax amortization of intangibles.

Adjusted EBITDA. As a result of the factors described above, Adjusted EBITDA for the year ended December 31, 2012 increased $270.0 million, or 218.3%, to $393.7 million compared to $123.7 million for the year ended December 31, 2011.

Table of Contents

Index to Financial Statements

Reconciliation of Non-GAAP Financial Measure. The following table reconciles Adjusted EBITDA to net income (the most directly comparable financial measure calculated and presented in accordance with GAAP) as presented in the accompanying consolidated statements of operations (dollars in thousands):

	Year Ended December 31,		
	2012	**2011**	**% Change**
Net (loss) income	$ (32,729)	$ 63,860	-151.3%
Income tax benefit	(26,552)	(3,313)	701.4%
Non-operating expenses, including net interest expense	201,102	86,950	131.3%
LMA fees	3,556	2,525	40.8%
Depreciation and amortization	142,143	51,148	**
Stock-based compensation expense	18,779	10,744	74.8%
Gain on exchange of assets or stations		(15,278)	**
Realized (gain) loss on derivative instrument	(12)	3,368	**
Acquisition-related costs	16,989		**
Franchise taxes	336		*