

Clear Channel Reports Third Quarter 2001 Results

- **Reported Net Revenues Increase 46 percent to \$2.3 Billion**
- **EBITDA of \$556 Million, Up 17 percent**
- **After Tax Cash Flow Per Share of \$0.71**

San Antonio, Texas November 7, 2001 Clear Channel Communications, Inc. (NYSE: CCU) today reported results for its third quarter ended September 30, 2001.

Net revenues for the quarter increased 46 percent over the third quarter of 2000, to \$2.3 billion. EBITDA (defined as operating cash flow less corporate expenses) increased 17 percent over the same period, to \$556 million. Attributable EBITDA (defined as EBITDA including nonconsolidated affiliates) also increased 17 percent over the same period, to \$585 million.

Recent business highlights include:

- *Planned acquisition of The Ackerley Group*-Ackerley's more than 6,000 outdoor displays in Boston, Seattle and Portland and five Seattle radio stations will enable Clear Channel to debut in these major U.S. markets in a leadership position. Ackerley's 18 television stations, primarily in New York and California, align with Clear Channel's outdoor, radio and entertainment holdings, and will create superb opportunities to offer advertisers cross-platform promotional campaigns.
- *Refinancing debt through bond sales*-Clear Channel took advantage of attractive interest rates with a \$750 million bond offering of five-year senior notes, to reduce the Company's existing credit facility.
- *Reorganization of Radio division*- The Company's largest division enacted a sweeping realignment that offers advertisers unprecedented convenience for regional advertising purchases, increases operating efficiency and continues local community involvement at the station level.

Commenting on the quarter, Lowry Mays, Chairman and Chief Executive Officer, stated, "The tragic events of September 11th quickly revealed the strong character of our nation. We're honored to have had the opportunity to serve the public interest with all-news radio and television programming in the ensuing days. Despite the challenges presented by the uncertain national and global economies, we're committed to serving our constituencies. These financial results reaffirm the strength of our operating platform, the dedication of our employees and the caliber and stability of our customers."

Mark Mays, President and Chief Operating Officer of Clear Channel, said, "Historically, during periods of slowing economic conditions like these, Clear Channel outperforms the industry and gains market share through sound strategies and prudent financial management. And we're doing it again. Clear Channel's unique collection of local media outlets with national coverage allows us to better serve our advertising clients. We will continue to focus significant resources on our sales initiatives. We have taken appropriate measures to fine tune operating expenses. We will continue to deploy capital prudently, preserving our strong financial position. Now we're organized for success and have the very best management team to take advantage of the recovery."

After tax cash flow reported for the quarter was \$443 million, an increase of 31 percent over the third quarter of 2000. The Company's after tax cash flow per share, which is the benchmark that the Company uses to measure its performance, was \$0.71 compared to \$0.72 for the third quarter of 2000, a decrease of 1 percent. After tax cash flow is defined as diluted net income before unusual and non-recurring items plus non-cash items (including nonconsolidated affiliates). On a pro forma basis, third quarter net revenues were approximately flat with last year at \$2.3 billion. Pro forma EBITDA declined 17 percent to \$558 million from \$673 million for the same period in 2000.

For the nine months ending September 30, 2001, the Company posted net revenues of \$6.1 billion, an increase of 84 percent, and EBITDA of \$1.6 billion, an increase of 44 percent over the nine months ending September 30, 2000. After tax cash flow was \$1.2 billion or \$1.97 per share, a decrease of less than 1 percent over last year's \$1.98 per share.

Segment Operating Results

RADIO: For the third quarter of 2001, Clear Channel Radio increased revenues 45 percent to \$866 million and EBITDA to \$354 million, an increase of 32 percent over the three months ending September 30, 2000. On a pro forma basis, net revenues for the third quarter of 2001 declined 8 percent and EBITDA declined 19 percent when compared to the same period in 2000. The division is now organized along geographic lines or “trading areas,” so that radio stations, market clusters and geographic regions more closely model advertisers’ trade areas. The realignment also enables station general managers to more easily share programming, promotional events, administrative tasks and other operational improvements. Respected industry veteran John Hogan was named Chief Operating Officer. Management increased the focus on sales with the addition of several hundred new sales people. During the events of September 11, Clear Channel radio stations provided superior news coverage and played a major role in raising contributions to the Clear Channel Relief Fund. Clear Channel radio stations continue to reach more than 100 million consumers each week across the United States. This includes over 54 percent of adults in the U.S. between the ages of 18 and 49.

OUTDOOR: Judicious acquisitions here and abroad, solid performance and key account wins marked the third quarter for Clear Channel Outdoor, the global leader in outdoor advertising. The planned acquisition of The Ackerley Group, with its holdings in outdoor, television and radio, will superbly position Clear Channel with 6,000 billboards as it enters three top-25 markets: Boston, Seattle and Portland, Oregon. In France, the Company won an exclusive contract with leading car park operator, VINCI Park, to manage the advertising concession in the operator’s 600 underground car parks throughout that country. Our strategic initiatives this quarter included acquiring Transpublisa, Spain’s number one bus advertising company. This gives the Outdoor division exclusive rights to market and sell advertising on 4,000 busses in all major cities and towns within Spain. During the third quarter of 2001, the Outdoor division posted a decline in net revenues of 3 percent and a decline in EBITDA of 18 percent on a reported basis when compared to the same period in 2000. Pro forma net revenues for the third quarter of 2001 declined 9 percent and EBITDA declined 23 percent when compared to the third quarter of 2000. This was primarily attributable to tougher quarterly comparisons and a less robust economic environment. In the days and weeks following September 11, Clear Channel Outdoor joined the Outdoor Advertising Association of America’s (OAAA) public service campaign by posting hundreds of billboards bearing a waving United States flag and its “United We Stand” message.

ENTERTAINMENT: Clear Channel Entertainment continues to be the fastest growing segment of the Company, posting third quarter of 2001 pro forma revenue and EBITDA growth of 15 percent and 15 percent, respectively, when compared to the same period in 2000. Highlighted tours include Madonna’s Drowned World Tour, which played 47 shows throughout Europe and North America and the U2 Elevation World Tour, with 83 concert dates and over 1.6 million tickets sold. The division played prominently in the healing of America with music, as they organized a number of star-filled charity concerts, headlined by more than 100 leading musical acts, including Janet Jackson, Rod Stewart and John Mellencamp. The “Country Freedom” Concert featured performances by Clint Black, Trisha Yearwood, George Strait, Martina McBride and Tim McGraw, among others. On October 21, many of the world’s leading performers teamed with Clear Channel Entertainment for a sold-out, star-studded music spectacular, “United We Stand” to raise money in support of the recovery efforts. The eight-hour music festival for 46,000 fans at RFK Stadium in Washington, D.C. featured stirring performances by Michael Jackson, Mick Jagger, Aerosmith, *NSYNC, Backstreet Boys, James Brown, Al Green, Ricky Martin and many others.

Operating Results
(in \$000s)

Below are the consolidated reported and pro forma results for the third quarter of 2001 versus 2000.

<i>Net Revenue</i>	3 rd Quarter					
	Reported			Pro forma (a)		
	2001	2000	% Change	2001	2000	% Change
Radio	\$866,106	\$597,114	45.0%	\$866,106	\$942,312	(8.1%)
Outdoor	428,359	441,686	(3.0%)	435,823	477,251	(8.7%)
Entertainment	939,896	475,487	97.7%	945,256	822,721	14.9%
Other	100,777	81,222	24.1%	99,956	111,790	(10.6%)
Eliminations	<u>(34,905)</u>	<u>(18,790)</u>	85.8%	<u>(34,905)</u>	<u>(31,136)</u>	12.1%
Consolidated	\$2,300,233	\$1,576,719	45.9%	\$2,312,236	\$2,322,938	(0.5%)

<i>EBITDA</i>	3 rd Quarter					
	Reported			Pro forma (a)		
	2001	2000	% Change	2001	2000	% Change
Radio	\$353,537	\$267,218	32.3%	\$353,537	\$434,036	(18.5%)
Outdoor	135,940	166,000	(18.1%)	137,334	177,093	(22.5%)
Entertainment	96,143	56,971	68.8%	97,118	84,385	15.1%
Other	18,032	24,246	(25.6%)	18,009	40,124	(55.1%)
Corporate	<u>(48,150)</u>	<u>(39,417)</u>	22.2%	<u>(48,150)</u>	<u>(62,158)</u>	(22.5%)
Consolidated	\$555,502	\$475,018	16.9%	\$557,848	\$673,480	(17.2%)

- (a) Includes all acquisitions in the prior period (2000) for the same time frame as actually owned in the current period (2001). The 2001 pro forma includes an adjustment for foreign exchange to present results in constant dollars. Divestitures are excluded from both 2000 and 2001.

Guidance

The Company believes that, based on the current economic and advertising environment, full year 2001 EBITDA will be approximately \$2.0 billion.

Conference Call

Our third quarter 2001 earnings conference call will be held today at 4:00 p.m. Central Time. The dial-in number is 973-872-3462 and a pass code is not required. Please call 10 minutes prior to the beginning of the call to ensure that you are connected before the start of the presentation. The teleconference will also be available via a live audio cast on the Company's website, located at <http://www.clearchannel.com>. A replay of the call will be available for 72 hours after the conference call. The replay number is 877-519-4471, pass code 2903352. The audio cast will also be archived on the Company's website for one week.

About Clear Channel Worldwide

Clear Channel Worldwide, headquartered in San Antonio, Texas, is a global leader in the out-of-home advertising industry with radio and television stations, outdoor advertising displays, and live entertainment venues in 64 countries around the world. Including announced transactions, Clear Channel Radio operates approximately 1,225 radio stations in the United States and has equity interests in approximately 240 radio stations internationally. Clear Channel Outdoor operates approximately 776,000 outdoor advertising displays, including billboards, street furniture and transit panels across the world. Clear Channel Entertainment is one of the world's largest diversified promoters, producers and presenters of live entertainment events and is a leading fully integrated sports marketing and management company. Clear Channel also operates 37 television stations in the United States and owns the largest media representation firm, Katz Media Group.

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or visit our web-site at <http://www.clearchannel.com>.

Certain statements in this release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The words or phrases "guidance," "expect," "anticipate," "estimates" and "forecast" and similar words or expressions are intended to identify such forward-looking statements. In addition, any statements that refer to expectations or other characterizations of future events or circumstances are forward-looking statements. Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this release include, but are not limited to: changes in economic conditions in the U.S. and in other countries in which Clear Channel currently does business (both general and relative to the advertising and entertainment industries); fluctuations in interest rates; changes in industry conditions; changes in operating performance; shifts in population and other demographics; changes in the level of competition for advertising dollars; fluctuations in operating costs; technological changes and innovations; changes in labor conditions; changes in governmental regulations and policies and actions of regulatory bodies; fluctuations in exchange rates and currency values; changes in tax rates; changes in capital expenditure requirements and access to capital markets. Other key risks are described in the Clear Channel Communications' reports filed with the U.S. Securities and Exchange Commission. Except as otherwise stated in this news announcement, Clear Channel Communications does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.