

On June 21, 2013 (the "Closing Date"), Clear Channel Communications, Inc., a Texas corporation ("CCU"), an indirect subsidiary of CC Media Holdings, Inc., consummated a previously announced private offer to certain eligible holders of its 10.75% Senior Cash Pay Notes due 2016 (the "Outstanding Cash Pay Notes") and 11.00%/11.75% Senior Toggle Notes due 2016 (the "Outstanding Toggle Notes" and collectively with the Outstanding Cash Pay Notes, the "Outstanding Notes") to exchange (the "Exchange Offer") any and all Outstanding Notes for newly issued Senior Notes due 2021 of CCU (the "New Notes"). In connection therewith, \$348,122,000.00 aggregate principal amount of Outstanding Cash Pay Notes were exchanged for \$347,971,000.00 aggregate principal amount of New Notes and \$917,226,511.00 aggregate principal amount of Outstanding Toggle Notes were exchanged for \$853,020,648.00 aggregate principal amount of New Notes and \$64,205,855.77 of cash, plus, in each case, cash in an amount equal to accrued and unpaid interest from the last interest payment date applicable on the Outstanding Notes to, but not including, the Closing Date. Immediately following the Exchange Offer, a subsidiary of CCU owned approximately \$421 million of the New Notes.

The New Notes and related guarantees were offered only in reliance on exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act"). The New Notes and related guarantees have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

**INFORMATION PROVIDED FOR U.S. FEDERAL INCOME TAX PURPOSES:** Solely for U.S. federal income tax purposes, CCU has determined that (i) the new notes are "traded on an established market" within the meaning of section 1.1273-2(f) of the Treasury Regulations, and (ii) the "issue price" of the new notes within the meaning of section 1.1273-2(b) of the Treasury Regulations is \$855.00 per \$1,000 face amount of the new notes.