CORILLIAN CORP
Form 5
March 15, 2006

FORM 5

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).
Form 3 Holdings Reported
Form 4 Transactions Reported

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *
Litch Erich J

(Last) (First) (Middle)

3400 NW JOHN OLSEN PLACE

(Street)

HILLSBORO,Â ORÂ 97124

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CORILLIAN CORP [CORI]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director
_____ 10% Owner
__X__ Officer (give title below)
_____ Other (specify below)

SVP Corp. Dev. & GC

6. Individual or Joint/Group Reporting

(check applicable line)

_X_ Form Filed by One Reporting Person
___ Form Filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock	08/01/2003	Â	S4	2,733	D (1)	$ 3	600	D	Â
Common Stock	08/04/2003	Â	S4	600	D (1)	$ 2.9	0	D	Â
Common Stock	10/27/2003	Â	M4	14,063	A	$ 3.15	14,063	D	Â
Common Stock	10/27/2003	Â	M4	18,750	A	$ 2.85	32,813	D	Â

Common Stock	10/27/2003	Â	S4	32,813	D	$ 5.7	0	D	Â
Common Stock	10/31/2003	Â	M4	500	A	$ 3.15	500	D	Â
Common Stock	10/31/2003	Â	S4	500	D	$ 6.65	0	D	Â
Common Stock	11/03/2003	Â	M4	1,062	A	$ 3.15	1,062	D	Â
Common Stock	11/03/2003	Â	S4	1,062	D	$ 6.8	0	D	Â
Common Stock	02/06/2004	Â	M4	1,562	A	$ 3.15	1,562	D	Â
Common Stock	02/06/2004	Â	M4	3,125	A	$ 2.85	4,687	D	Â
Common Stock	02/06/2004	Â	S4	3,333	D (1)	$ 6	4,687	D	Â
Common Stock	02/06/2004	Â	S4	4,687	D	$ 6	0	D	Â
Common Stock	02/11/2004	Â	M4	3,125	A	$ 2.85	3,125	D	Â
Common Stock	02/11/2004	Â	S4	3,125	D	$ 5.85	0	D	Â
Common Stock	05/04/2004	Â	M4	1,563	A	$ 3.15	1,563	D	Â
Common Stock	05/04/2004	Â	M4	31,250	A	$ 0.86	32,813	D	Â
Common Stock	05/04/2004	Â	S4	32,813	D	$ 4.36	0	D	Â
Common Stock	05/25/2004	Â	M4	3,125	A	$ 2.85	3,125	D	Â
Common Stock	05/25/2004	Â	S5	3,125	D	$ 4.5	0	D	Â
Common Stock	07/27/2004	Â	M4	7,813	A	$ 0.86	7,813	D	Â
Common Stock	07/27/2004	Â	M4	1,563	A	$ 3.15	9,376	D	Â
Common Stock	07/27/2004	Â	S4	9,376	D	$ 5.08	0	D	Â
Common Stock	07/28/2004	Â	M4	5,969	A	$ 3	5,969	D	Â
	07/28/2004	Â	S4	5,969	D		0	D	Â

Common Stock						$ 5.08			
Common Stock	08/02/2004	Â	S4	3,333	D (1)	$ 4.85	0	D	Â
Common Stock	08/10/2004	Â	M4	93	A	$ 3	93	D	Â
Common Stock	08/10/2004	Â	S4	93	D	$ 4.5	0	D	Â
Common Stock	08/11/2004	Â	M4	10,141	A	$ 3	10,141	D	Â
Common Stock	08/11/2004	Â	S4	10,141	D	$ 4.5	0	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 2270 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Underlying (Instr. 3 and
							Date Exercisable	Expiration Date	Title
					(A)	(D)			
Stock Option (Right to Buy)	$ 0.86	04/22/2003	Â	A	125,000	Â	04/22/2004 (2)	04/22/2013	Common
Stock Option (Right to Buy)	$ 3	07/28/2003	Â	A	90,000	Â	07/28/2004 (3)	07/28/2013	Common
Stock Option (Right to Buy)	$ 3.15	10/27/2003	Â	M4	Â	14,063	04/25/2002 (4)	04/25/2011	Common
Stock Option (Right to Buy)	$ 2.85	10/27/2003	Â	M4	Â	18,750	02/11/2003 (5)	02/11/2012	Common
Stock Option	$ 3.15	10/31/2003	Â	M4	Â	500	04/25/2002 (4)	04/25/2011	Common

(Right to Buy)									
Stock Option (Right to Buy)	$ 3.15	11/03/2003	Â	M4	Â	1,062	04/25/2002[(4)](#)	04/25/2011	Common
Stock Option (Right to Buy)	$ 3.15	02/06/2004	Â	M4	Â	1,562	04/25/2002[(4)](#)	04/25/2011	Common
Stock Option (Right to Buy)	$ 2.85	02/06/2004	Â	M4	Â	3,125	02/11/2003[(5)](#)	02/11/2012	Common
Stock Option (Right to Buy)	$ 2.85	02/11/2004	Â	M4	Â	3,125	02/11/2003[(5)](#)	02/11/2012	Common
Stock Option (Right to Buy)	$ 3.15	05/04/2004	Â	M4	Â	1,563	04/25/2002[(4)](#)	04/25/2011	Common
Stock Option (Right to Buy)	$ 0.86	05/04/2004	Â	M4	Â	31,250	04/22/2004[(2)](#)	04/22/2013	Common
Stock Option (Right to Buy)	$ 2.85	05/25/2004	Â	M4	Â	3,125	02/11/2003[(5)](#)	02/11/2012	Common
Stock Option (Right to Buy)	$ 3.15	07/27/2004	Â	M4	Â	1,563	04/25/2002[(4)](#)	04/25/2011	Common
Stock Option (Right to Buy)	$ 0.86	07/27/2004	Â	M4	Â	7,813	04/22/2004[(2)](#)	04/22/2013	Common
Stock Option (Right to Buy)	$ 3	07/28/2004	Â	M4	Â	5,969	07/28/2004[(3)](#)	07/28/2013	Common
Stock Option (Right to	$ 3	08/10/2004	Â	M4	Â	93	07/28/2004[(3)](#)	07/28/2013	Common

Buy)									
Stock Option (Right to Buy)	$ 3	08/11/2004	Â	M4	Â	10,141	07/28/2004 [(3)](#)	07/28/2013	Common
Stock Option (Right to Buy)	$ 3	08/13/2004	Â	M4	Â	2,000	07/28/2004 [(3)](#)	07/28/2013	Common
Stock Option (Right to Buy)	$ 3	08/17/2004	Â	M4	Â	4,297	07/28/2004 [(3)](#)	07/28/2013	Common
Stock Option (Right to Buy)	$ 2.85	08/24/2004	Â	M4	Â	3,125	02/11/2003 [(5)](#)	02/11/2012	Common
Stock Option (Right to Buy)	$ 0.86	10/25/2004	Â	M4	Â	7,812	04/22/2004 [(2)](#)	04/22/2013	Common
Stock Option (Right to Buy)	$ 3.15	10/29/2004	Â	M4	Â	1,562	04/25/2002 [(4)](#)	04/25/2011	Common
Stock Option (Right to Buy)	$ 3	10/29/2004	Â	M4	Â	5,625	07/28/2004 [(3)](#)	07/28/2013	Common
Stock Option (Right to Buy)	$ 2.85	11/11/2004	Â	M4	Â	3,125	02/11/2003 [(5)](#)	02/11/2012	Common
Stock Option (Right to Buy)	$ 0.86	02/14/2005	Â	M4	Â	7,813	04/22/2004 [(2)](#)	04/22/2013	Common
Stock Option (Right to Buy)	$ 2.87	03/14/2005	Â	A4	250,000	Â	03/14/2006	03/14/2015	Common

Reporting Owners

Reporting Owner Name / Address	Relationships

	Director	10% Owner	Officer	Other
Litch Erich J 3400 NW JOHN OLSEN PLACE HILLSBORO,Â ORÂ 97124	Â	Â	Â SVP Corp. Dev. & GC	Â

Signatures

/s/Paul Wilde	03/15/2006
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Sale of shares purchased under the Corillian Corporation Employee Stock Purchase Plan ("ESPP") in an exempt transaction pursuant to Rule 16b-3(c).

(2) One-fourth of the shares vest on April 22, 2004, and one-sixteenth of the shares vest in quarterly installments thereafter.

(3) One-fourth of the shares vest on July 28, 2004, and one-sixteenth of the shares vest in quarterly installments thereafter.

(4) One-fourth of the shares vest on April 25, 2002, and one-sixteenth of the shares vest in quarterly installments thereafter.

(5) One-fourth of the shares vest on February 11, 2003, and one-sixteenth of the shares vest in quarterly installments thereafter.

Â

Remarks:

FormÂ 1Â ofÂ 2

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. d valign=bottom width=2% style="background:white;height:12.75pt;padding:0in 0in 0in 0in;">

Total Liabilities and Member's Deficit

$

16,402,319

$

16,542,039

See Notes to Consolidated Financial Statements

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Explanation of Responses:

CLEAR CHANNEL CAPITAL I, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(UNAUDITED)

(In thousands)	Three Months Ended September 30, 2012	Three Months Ended September 30, 2011	Nine Months Ended September 30, 2012	Nine Months Ended September 30, 2011
Revenue	$ 1,587,331	$ 1,583,352	$ 4,550,548	$ 4,508,564
Operating expenses:				
Direct operating expenses (excludes depreciation and amortization)	624,526	654,163	1,846,055	1,868,247
Selling, general and administrative expenses (excludes depreciation and amortization)	419,855	402,160	1,241,606	1,195,306
Corporate expenses (excludes depreciation and amortization)	70,811	54,247	211,167	163,080
Depreciation and amortization	182,350	197,532	539,555	570,884
Other operating income (expense) - net	42,118	(6,490)	47,159	13,453
Operating income	331,907	268,760	759,324	724,500
Interest expense	388,210	369,233	1,148,093	1,097,849
Equity in earnings of nonconsolidated affiliates	3,663	5,210	11,914	13,456
Other income (expense) - net	824	7,307	(16,846)	754
Loss before income taxes	(51,816)	(87,956)	(393,701)	(359,139)
Income tax benefit	13,232	20,665	179,293	122,510
Consolidated net loss	(38,584)	(67,291)	(214,408)	(236,629)
Less amount attributable to noncontrolling interest	11,977	6,765	18,807	22,438
Net loss attributable to the Company	$ (50,561)	$ (74,056)	$ (233,215)	$ (259,067)
Other comprehensive income, net of tax:				
Foreign currency translation adjustments	21,219	(101,951)	17,928	(26,079)
Unrealized gain on securities and derivatives:				
Unrealized holding gain (loss) on marketable securities	16,668	(21,298)	17,399	(7,289)
Unrealized holding gain on cash flow derivatives	11,808	10,848	36,322	22,791
Reclassification adjustment	(688)	86	(534)	234
Other comprehensive income (loss)	49,007	(112,315)	71,115	(10,343)
Comprehensive loss	(1,554)	(186,371)	(162,100)	(269,410)
Less amount attributable to noncontrolling interest	2,960	(11,699)	877	1,434
	$ (4,514)	$ (174,672)	$ (162,977)	$ (270,844)

Comprehensive loss attributable to the Company

See Notes to Consolidated Financial Statements

CLEAR CHANNEL CAPITAL I, LLC AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

(In thousands)	Nine Months Ended September 30, 2012	2011
Cash flows from operating activities:		
Consolidated net loss	$ (214,408)	$ (236,629)
Reconciling items:		
Depreciation and amortization	539,555	570,884
Deferred taxes	(157,962)	(122,886)
Gain on disposal of operating assets	(47,159)	(13,453)
Loss on extinguishment of debt	15,167	1,447
Provision for doubtful accounts	11,009	13,300
Share-based compensation	20,090	14,281
Equity in earnings of nonconsolidated affiliates	(11,914)	(13,456)
Amortization of deferred financing charges and note discounts, net	124,262	143,519
Other reconciling items – net	19,913	7,449
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(24,803)	16,591
Increase in deferred income	37,945	34,178
Decrease in accrued expenses	(14,954)	(106,910)
Decrease in accounts payable and other liabilities	(45,609)	(47,549)
Decrease in accrued interest	(83,180)	(66,242)
Changes in other operating assets and liabilities, net of effects of acquisitions and dispositions	(11,781)	(73,142)
Net cash provided by operating activities	156,171	121,382
Cash flows from investing activities:		
Purchases of property, plant and equipment	(260,481)	(218,136)
Purchases of other operating assets	(33,738)	(48,234)
Proceeds from disposal of assets	58,915	52,389
Change in other – net	(9,832)	1,716
Net cash used for investing activities	(245,136)	(212,265)
Cash flows from financing activities:		
Draws on credit facilities	604,563	55,000
Payments on credit facilities	(1,919,973)	(959,383)
Proceeds from long-term debt	2,200,000	1,727,813
Payments on long-term debt	(438,422)	(1,370,265)
Dividends paid	(244,734)	-
Deferred financing charges	(40,002)	(46,597)
Repurchases of long-term debt	-	(55,250)
Change in other – net	(4,506)	(15,980)
Net cash provided by (used for) financing activities	156,926	(664,662)
Net increase (decrease) in cash and cash equivalents	67,961	(755,545)

Cash and cash equivalents at beginning of period		1,228,682		1,920,926
Cash and cash equivalents at end of period	$	1,296,643	$	1,165,381

See Notes to Consolidated Financial Statements

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CLEAR CHANNEL CAPITAL I, LLC AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

NOTE 1 – BASIS OF PRESENTATION

Preparation of Interim Financial Statements

As permitted by the rules and regulations of the Securities and Exchange Commission (the "SEC"), the unaudited financial statements and related footnotes included in Item 1 of Part I of this Quarterly Report on Form 10-Q are those of Clear Channel Capital I, LLC (the "Company" or the "Parent Company"), the direct parent of Clear Channel Communications, Inc., a Texas corporation ("Clear Channel" or the "Subsidiary Issuer"), and contain certain footnote disclosures regarding the financial information of Clear Channel and Clear Channel's domestic wholly-owned subsidiaries that guarantee certain of Clear Channel's outstanding indebtedness.

The accompanying consolidated financial statements were prepared by the Company pursuant to the rules and regulations of the SEC and, in the opinion of management, include all normal and recurring adjustments necessary to present fairly the results of the interim periods shown. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") have been condensed or omitted pursuant to such SEC rules and regulations. Management believes that the disclosures made are adequate to make the information presented not misleading. Due to seasonality and other factors, the results for the interim periods are not necessarily indicative of results for the full year. The financial statements contained herein should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 2011 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q for the periods ended March 31, 2012 and June 30, 2012.

The consolidated financial statements include the accounts of the Company and its subsidiaries. Also included in the consolidated financial statements are entities for which the Company has a controlling financial interest or is the primary beneficiary. Investments in companies in which the Company owns 20 percent to 50 percent of the voting common stock or otherwise exercises significant influence over operating and financial policies of the Company are accounted for under the equity method. All significant intercompany transactions are eliminated in the consolidation process. Certain prior-period amounts have been reclassified to conform to the 2012 presentation.

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

Information Regarding the Company

The Company is a limited liability company organized under Delaware law, with all of its interests being held by Clear Channel Capital II, LLC, a direct, wholly-owned subsidiary of CC Media Holdings, Inc. ("CCMH"). CCMH was formed in May 2007 by private equity funds sponsored by Bain Capital Partners, LLC and Thomas H. Lee Partners, L.P. (together, the "Sponsors") for the purpose of acquiring the business of Clear Channel.

Omission of Per Share Information

Net loss per share information is not presented as Clear Channel Capital II, LLC is the sole member of the Company and owns 100% of the limited liability company interests. The Company does not have any publicly traded common stock or potential common stock.

CLEAR CHANNEL CAPITAL I, LLC AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(UNAUDITED)

NOTE 2 – PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND GOODWILL

Property, Plant and Equipment

The Company's property, plant and equipment consisted of the following classes of assets at September 30, 2012 and December 31, 2011, respectively.

(In thousands)		September 30, 2012		December 31, 2011
Land, buildings and improvements	$	673,524	$	657,346
Structures		2,882,291		2,783,434
Towers, transmitters and studio equipment		419,157		400,832
Furniture and other equipment		398,522		365,137
Construction in progress		101,800		68,658
		4,475,294		4,275,407
Less: accumulated depreciation		1,468,843		1,212,080
Property, plant and equipment, net	$	3,006,451	$	3,063,327

Definite-lived Intangible Assets

The Company has definite-lived intangible assets which consist primarily of transit and street furniture contracts, talent and representation contracts, and customer and advertiser relationships, all of which are amortized over the respective lives of the agreements, or over the period of time the assets are expected to contribute directly or indirectly to the Company's future cash flows. The Company periodically reviews the appropriateness of the amortization periods related to its definite-lived intangible assets. These assets are recorded at cost.

The following table presents the gross carrying amount and accumulated amortization for each major class of definite-lived intangible assets at September 30, 2012 and December 31, 2011, respectively:

(In thousands)	September 30, 2012				December 31, 2011			
		Gross Carrying Amount		Accumulated Amortization		Gross Carrying Amount		Accumulated Amortization
Transit, street furniture and other outdoor contractual rights	$	778,942	$	(381,466)	$	773,238	$	(329,563)

Customer / advertiser relationships		1,210,245		(496,416)	1,210,269		(409,794)
Talent contracts		344,255		(167,362)	347,489		(139,154)
Representation contracts		243,993		(162,805)	237,451		(137,058)
Other		561,217		(118,927)	560,978		(96,096)
Total	$	3,138,652	$	(1,326,976) $	3,129,425	$	(1,111,665)

Total amortization expense related to definite-lived intangible assets was $74.3 million and $87.8 million for the three months ended September 30, 2012 and 2011, respectively, and $225.8 million and $247.3 million for the nine months ended September 30, 2012 and 2011, respectively.

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CLEAR CHANNEL CAPITAL I, LLC AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(UNAUDITED)

The following table presents the Company's estimate of amortization expense for each of the five succeeding fiscal years for definite-lived intangible assets:

(In thousands)		
2013	$	283,385
2014		263,561
2015		237,200
2016		222,531
2017		196,689

Indefinite-lived Intangible Assets

The Company's indefinite-lived intangible assets consist of Federal Communications Commission ("FCC") broadcast licenses in its Media and Entertainment ("CCME") segment and billboard permits in its Americas outdoor advertising segment. Due to significant differences in both business practices and regulations, billboards in the International outdoor advertising segment are subject to long-term, finite contracts unlike the Company's permits in the United States and Canada. Accordingly, there are no indefinite-lived assets in the International outdoor advertising segment. The Company's indefinite-lived intangible assets are as follows:

(In thousands)		September 30, 2012		December 31, 2011
FCC broadcast licenses	$	2,413,171	$	2,411,367
Billboard permits		1,106,799		1,105,704
Total indefinite-lived intangible assets	$	3,519,970	$	3,517,071

Goodwill

The following table presents the changes in the carrying amount of goodwill in each of the Company's reportable segments.

(In thousands)	CCME	Americas Outdoor	International Outdoor	Other	Consolidated

		Advertising	Advertising		
Balance as of December 31, 2010	$ 3,140,198	$ 571,932	$ 290,310	$ 116,886	$ 4,119,326
Impairment	-	-	(1,146)	-	(1,146)
Acquisitions	82,844	-	2,995	212	86,051
Dispositions	(10,542)	-	-	-	(10,542)
Foreign currency	-	-	(6,898)	-	(6,898)
Other	(73)	-	-	-	(73)
Balance as of December 31, 2011	$ 3,212,427	$ 571,932	$ 285,261	$ 117,098	$ 4,186,718
Acquisitions	10,226	-	-	51	10,277
Dispositions	(489)	-	(2,729)	-	(3,218)
Foreign currency	-	-	2,159	-	2,159
Other	(80)	-	-	-	(80)
Balance as of September 30, 2012	$ 3,222,084	$ 571,932	$ 284,691	$ 117,149	$ 4,195,856

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CLEAR CHANNEL CAPITAL I, LLC AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(UNAUDITED)

NOTE 3 – LONG-TERM DEBT

Long-term debt at September 30, 2012 and December 31, 2011, respectively, consisted of the following:

(In thousands)		September 30, 2012		December 31, 2011
Senior Secured Credit Facilities:				
Term Loan Facilities (1)	$	10,328,873	$	10,493,847
Revolving Credit Facility Due 2014		10,000		1,325,550
Delayed Draw Term Loan Facilities Due 2016		961,407		976,776
Receivables Based Facility Due 2014		-		-
Priority Guarantee Notes Due 2021		1,750,000		1,750,000
Other Secured Subsidiary Long-term Debt		26,643		30,976
Total Consolidated Secured Debt		13,076,923		14,577,149
Senior Cash Pay Notes Due 2016		796,250		796,250
Senior Toggle Notes Due 2016		829,831		829,831
Clear Channel Senior Notes (2)		1,748,564		1,998,415
Subsidiary Senior Notes Due 2017		2,500,000		2,500,000
Subsidiary Senior Subordinated Notes Due 2020		2,200,000		-
Other Subsidiary Debt		15,858		19,860
Purchase accounting adjustments and original issue discount		(429,620)		(514,336)
		20,737,806		20,207,169
Less: current portion		419,880		268,638
Total long-term debt	$	20,317,926	$	19,938,531

(1) Term Loan Facilities mature at various dates from 2014 through 2016.
(2) Clear Channel's Senior Notes mature at various dates from 2013 through 2027.

The Company's weighted average interest rates at September 30, 2012 and December 31, 2011 were 6.5% and 6.2%, respectively. The aggregate market value of the Company's debt based on market prices for which quotes were available was approximately $18.1 billion and $16.2 billion at September 30, 2012 and December 31, 2011, respectively.

Subsidiary Senior Subordinated Notes Issuance

During the first quarter of 2012, the Company's indirect subsidiary, Clear Channel Worldwide Holdings, Inc. ("CCWH") issued $275.0 million aggregate principal amount of 7.625% Series A Senior Subordinated Notes due 2020 and $1,925.0 million aggregate principal amount of 7.625% Series B Senior Subordinated Notes due 2020 (collectively, the "Subordinated Notes"). Interest on the Subordinated Notes is payable to the trustee weekly in arrears and to the noteholders on March 15 and September 15 of each year, beginning on September 15, 2012.

The Subordinated Notes are CCWH's senior subordinated obligations and are fully and unconditionally guaranteed, jointly and severally, on a senior subordinated basis by CCOH, its wholly-owned subsidiary Clear Channel Outdoor, Inc. ("CCOI"), and certain of CCOH's other domestic subsidiaries (collectively, the "Guarantors"). The Subordinated Notes are unsecured senior subordinated obligations that rank junior to all of CCWH's existing and future senior debt, including CCWH's outstanding senior notes, equally with any of CCWH's existing and future senior subordinated debt and ahead of all of CCWH's existing and future debt that expressly provides that it is subordinated to the Subordinated Notes. The guarantees of the Subordinated Notes rank junior to each Guarantor's existing and future senior debt, including CCWH's outstanding senior notes, equally with each Guarantor's existing and future senior subordinated debt and ahead of each Guarantor's existing and future debt that expressly provides that it is subordinated to the guarantees of the Subordinated Notes.

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The Company capitalized $40.0 million in fees and expenses associated with the Subordinated Notes offering and is amortizing them through interest expense over the life of the Subordinated Notes.

With the proceeds of the Subordinated Notes (net of the initial purchasers' discount of $33.0 million), CCWH loaned an aggregate amount equal to $2,167.0 million to CCOI. CCOI paid all other fees and expenses of the offering using cash on hand and, with the proceeds of the loans, made a special cash dividend to CCOH, which in turn made a special cash dividend on March 15, 2012 in an amount equal to $6.0832 per share to its Class A and Class B stockholders of record at the close of business on March 12, 2012, including Clear Channel Holdings, Inc. ("CC Holdings") and CC Finco, LLC ("CC Finco"), both wholly-owned subsidiaries of the Company. Of the $2,170.4 million special cash dividend paid by CCOH, an aggregate of $1,925.7 million was distributed to CC Holdings and CC Finco, with the remaining $244.7 million distributed to other stockholders. As a result, the Company recorded a reduction of $244.7 million in "Noncontrolling interest" on the consolidated balance sheet.

2011 Refinancing Transactions

In February 2011, Clear Channel amended its senior secured credit facilities and its receivables based facility and issued $1,000 million aggregate principal amount of 9.0% Priority Guarantee Notes due 2021 (the "Initial Notes"). In June 2011, Clear Channel issued an additional $750.0 million in aggregate principal amount of its 9.0% Priority Guarantee Notes due 2021 (the "Additional Notes") at an issue price of 93.845% of the principal amount. The Initial Notes and the Additional Notes have identical terms and are treated as a single class.

The Company capitalized $39.5 million in fees and expenses associated with the Initial Notes offering and is amortizing them through interest expense over the life of the Initial Notes. The Company capitalized an additional $7.1 million in fees and expenses associated with the offering of the Additional Notes and is amortizing them through interest expense over the life of the Additional Notes.

Clear Channel used the proceeds of the Initial Notes offering to prepay $500.0 million of the indebtedness outstanding under its senior secured credit facilities. The $500.0 million prepayment was allocated on a ratable basis between outstanding term loans and revolving credit commitments under Clear Channel's revolving credit facility.

Clear Channel obtained, concurrent with the offering of the Initial Notes, amendments to its credit agreements with respect to its senior secured credit facilities and its receivables based facility (revolving credit commitments under the receivables based facility were reduced from $783.5 million to $625.0 million), which were required as a condition to complete the offering. The amendments, among other things, permit Clear Channel to request future extensions of the maturities of its senior secured credit facilities, provide Clear Channel with greater flexibility in the use of its accordion capacity, provide Clear Channel with greater flexibility to incur new debt, provided that the proceeds from such new debt are used to pay down senior secured credit facility indebtedness, and provide greater flexibility for CCOH and its subsidiaries to incur new debt, provided that the net proceeds distributed to Clear Channel from the issuance of such new debt are used to pay down senior secured credit facility indebtedness.

Of the $703.8 million of proceeds from the issuance of the Additional Notes ($750.0 million aggregate principal amount net of $46.2 million of discount), Clear Channel used $500 million for general corporate purposes (to replenish cash on hand that Clear Channel previously used to pay senior notes at maturity on March 15, 2011 and May 15, 2011) and used the remaining $203.8 million to repay at maturity a portion of Clear Channel's 5% senior notes that matured in March 2012.

Debt Repayments, Maturities and Other

In connection with the issuance of the Subordinated Notes, CCOH paid a special cash dividend equal to $2,170.4 million to its Class A and Class B stockholders, consisting of $1,925.7 million distributed to CC Holdings and CC Finco and $244.7 million distributed to other stockholders. In connection with the Subordinated Notes issuance and the dividend paid by CCOH during the first quarter of 2012, Clear Channel repaid indebtedness under its senior secured credit facilities in an amount equal to the aggregate amount of dividend proceeds distributed to CC Holdings and CC Finco, or $1,925.7 million. Of this amount, a prepayment of $1,918.1 million was applied to indebtedness outstanding under Clear Channel's revolving credit facility, thus permanently reducing the revolving credit commitments under Clear Channel's revolving credit facility to $10.0 million. The remaining $7.6 million prepayment was allocated on a pro rata basis to Clear Channel's term loan facilities.

In addition, on March 15, 2012, using cash on hand, Clear Channel made voluntary prepayments under its senior secured credit facilities in an aggregate amount equal to $170.5 million, as follows: (i) $16.2 million under its term loan A due 2014, (ii) $129.8 million under its term loan B due 2016, (iii) $10.0 million under its term loan C due 2016 and (iv) $14.5 million under its

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delayed draw term loans due 2016. In connection with the prepayments on Clear Channel's senior secured credit facilities discussed above, the Company recorded a loss of $15.2 million in "Other expense" related to the accelerated expensing of loan fees.

During the first quarter of 2012, Clear Channel repaid its 5.0% senior notes at maturity for $249.9 million (net of $50.1 million principal amount repaid to a subsidiary of Clear Channel with respect to notes repurchased and held by such entity), plus accrued interest, using a portion of the proceeds from the 2011 offering of the Additional Notes, along with cash on hand.

During the nine months ended September 30, 2011, Clear Channel repaid its 6.25% senior notes at maturity for $692.7 million (net of $57.3 million principal amount repaid to a subsidiary of Clear Channel with respect to notes repurchased and held by such entity), plus accrued interest, using a portion of the proceeds from the 2011 offering of the Initial Notes, along with available cash on hand. Clear Channel also repaid its 4.4% senior notes at maturity for $140.2 million (net of $109.8 million principal amount repaid to a subsidiary of Clear Channel with respect to notes repurchased and held by such entity), plus accrued interest, with available cash on hand. Prior to, and in connection with the Additional Notes offering, Clear Channel repaid all amounts outstanding under its receivables based credit facility on June 8, 2011, using cash on hand. This voluntary repayment did not reduce the commitments under this facility and Clear Channel may reborrow amounts under this facility at any time. In addition, on June 27, 2011, Clear Channel made a voluntary payment of $500.0 million on its revolving credit facility.

During the third quarter of 2011, CC Finco repurchased $80.0 million aggregate principal amount of Clear Channel's outstanding 5.5% senior notes due 2014 for $57.1 million, including accrued interest, through open market purchases. Notes repurchased by CC Finco are eliminated in consolidation.

NOTE 4 – SUPPLEMENTAL DISCLOSURES

Divestiture Trusts

The Company owns certain radio stations which, under current FCC rules, are not permitted to be owned or transferred to another Clear Channel entity. These radio stations were placed in a trust in order to comply with FCC rules at the time of the closing of the merger that resulted in the Company's acquisition of Clear Channel. The Company is the beneficial owner of the trust, but the radio stations are managed by an independent trustee. The Company will have to divest all of these radio stations unless any stations may be owned by the Company under then-current FCC rules, in which case the trust will be terminated with respect to such stations. The trust agreement stipulates that the Company must fund any operating shortfalls of the trust activities, and any excess cash flow generated by the trust is distributed to the Company. The Company is also the beneficiary of proceeds from the sale of stations held in the trust. The Company consolidates the trust in accordance with ASC 810-10, which requires an enterprise involved with variable interest entities to perform an analysis to determine whether the enterprise's variable interest or interests give it a controlling financial interest in the variable interest entity, as the trust was determined to be a variable interest entity and the Company is its primary beneficiary.

Income Tax Benefit

The Company's income tax benefit for the three and nine months ended September 30, 2012 and 2011, respectively, consisted of the following components:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Current tax benefit (expense)	$ (21,148)	$ (11,326)	$ 21,331	$ (376)
Deferred tax benefit	34,380	31,991	157,962	122,886
Income tax benefit	$ 13,232	$ 20,665	$ 179,293	$ 122,510

The effective tax rate for the three and nine months ended September 30, 2012 was 25.5% and 45.5%, respectively. The effective tax rate for the three months ended September 30, 2012 was primarily impacted by additional tax expense recorded related to uncertain tax positions, the effects of which were partially offset by reduced non-U.S. tax rates of financial reporting gains resulting from the disposition of certain foreign subsidiaries. The effective tax rate for the nine months ended September 30, 2012 was primarily

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impacted by the completion of income tax examinations in various jurisdictions during the period which resulted in a reduction to income tax expense of approximately $61.0 million.

The effective tax rate for the three and nine months ended September 30, 2011 was 23.5% and 34.1%, respectively. The effective tax rate for the three months ended September 30, 2011 was primarily impacted by increases in tax expense attributable to the write-off of deferred tax assets in excess of the tax benefits realized upon the vesting of certain equity awards, an increase in unrecognized tax benefits and the Company's inability to record the benefit of losses in certain foreign jurisdictions. The effective tax rate for the nine months ended September 30, 2011 was primarily impacted by the Company's settlement of U.S. federal and state tax examinations during the period. Pursuant to the settlements, the Company recorded a reduction to income tax expense of approximately $10.6 million to reflect the net tax benefits of the settlements. In addition, the effective rate for the nine months ended September 30, 2011 was impacted by the Company's ability to benefit from certain tax loss carryforwards in foreign jurisdictions due to increased taxable income during 2011, where the losses previously did not provide a benefit.

During the nine months ended September 30, 2012 and 2011, cash paid for interest and income taxes, net of income tax refunds of $4.1 million and $7.3 million, respectively, was as follows:

(In thousands)	Nine Months Ended September 30,			
		2012		2011
Interest	$	1,110,139	$	1,028,973
Income taxes		44,989		77,548

NOTE 5 – FAIR VALUE MEASUREMENTS

The Company's marketable equity securities and interest rate swap are measured at fair value on each reporting date.

Marketable Equity Securities

The marketable equity securities are measured at fair value using quoted prices in active markets. Due to the fact that the inputs used to measure the marketable equity securities at fair value are observable, the Company has categorized the fair value measurements of the securities as Level 1 in accordance with ASC 820-10-35.

The cost, unrealized holding gains or losses, and fair value of the Company's investments at September 30, 2012 and December 31, 2011 are as follows:

(In thousands)		September 30, 2012		December 31, 2011
Cost	$	7,786	$	7,786
Gross unrealized losses		(1,087)		-
Gross unrealized gains		94,727		65,214
Fair value	$	101,426	$	73,000

Interest Rate Swap Agreement

The Company's $2.5 billion notional amount interest rate swap agreement is designated as a cash flow hedge and the effective portion of the gain or loss on the swap is reported as a component of other comprehensive income (loss). Ineffective portions of a cash flow hedging derivative's change in fair value are recognized currently in earnings. In accordance with ASC 815-20-35-9, as the critical terms of the swap and the floating-rate debt being hedged were the same at inception and remained the same during the current period, no ineffectiveness was recorded in earnings for the three and nine months ended September 30, 2012.

The Company entered into the swap to effectively convert a portion of its floating-rate debt to a fixed basis, thus reducing the impact of interest rate changes on future interest expense. The interest rate swap agreement matures in September 2013.

The swap agreement is valued using a discounted cash flow model that takes into account the present value of the future cash flows under the terms of the agreement by using market information available as of the reporting date, including prevailing interest