

Clear Channel Outdoor Holdings, Inc.
Form 10-Q
November 02, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED September 30, 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

1 32663

CLEAR CHANNEL OUTDOOR HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
86-0812139

Edgar Filing: Clear Channel Outdoor Holdings, Inc. - Form 10-Q

(State or other jurisdiction of
No.)

(I.R.S. Employer Identification

incorporation or organization)

200 East Basse Road

78209

San Antonio, Texas

(Zip Code)

(Address of principal executive offices)

(210) 832-3700

(Registrant's telephone number, including area code)

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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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 No

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.

Large accelerated filer Accelerated filer Non-accelerated filer 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

Edgar Filing: Clear Channel Outdoor Holdings, Inc. - Form 10-Q

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

2012	Class	Outstanding at October 26,
	-----	-----
	--	
	Class A Common Stock, \$.01 par value	42,220,486
	Class B Common Stock, \$.01 par value	315,000,000

CLEAR CHANNEL OUTDOOR HOLDINGS, INC.

INDEX

	Page No.
Part I -- Financial Information	
Item 1. Financial Statements	1
Condensed Consolidated Balance Sheets as of September 30, 2012 and December 31, 2011	1
Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2012 and 2011	2
Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2012 and 2011	3
Notes to Consolidated Financial Statements	4
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	21
Item 3. Quantitative and Qualitative Disclosures About Market Risk	33
Item 4. Controls and Procedures	33
Part II -- Other Information	
Item 1. Legal Proceedings	34
Item 1A. Risk Factors	35
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	36
Item 3. Defaults Upon Senior Securities	36
Item 4. Mine Safety Disclosures	36
Item 5. Other Information	36
Item 6. Exhibits	37
Signatures	38

PART I -- FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CLEAR CHANNEL OUTDOOR HOLDINGS, INC. AND
SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

<i>(In thousands)</i>	September 30, 2012 (Unaudited)	December 31, 2011
CURRENT ASSETS		
Cash and cash equivalents	\$ 534,907	\$ 542,655
Accounts receivable, net	690,201	702,091
Other current assets	221,612	208,982
Total Current Assets	1,446,720	1,453,728
PROPERTY, PLANT AND EQUIPMENT		
Structures, net	1,887,169	1,950,437
Other property, plant and equipment, net	309,266	296,273
INTANGIBLE ASSETS AND GOODWILL		
Definite-lived intangibles, net	573,575	618,526
Indefinite-lived intangibles	1,106,799	1,105,704
Goodwill	856,623	857,193
OTHER ASSETS		
Due from Clear Channel Communications	723,311	656,040
Other assets	170,698	150,284
Total Assets	\$ 7,074,161	\$ 7,088,185
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 580,846	\$ 607,197
Deferred income	108,323	89,980
Current portion of long-term debt	19,710	23,806
Total Current Liabilities	708,879	720,983
Long-term debt	4,718,792	2,522,103
Deferred tax liability	793,300	822,932
Other long-term liabilities	288,689	281,940
Commitments and contingent liabilities (Note 6)		
SHAREHOLDERS' EQUITY		
Noncontrolling interest	241,121	231,530
Class A common stock	423	411

Edgar Filing: Clear Channel Outdoor Holdings, Inc. - Form 10-Q

Class B common stock	3,150	3,150
Additional paid-in capital	4,521,185	6,684,497
Retained deficit	(3,966,105)	(3,931,403)
Accumulated other comprehensive loss	(234,300)	(246,988)
Cost of shares held in treasury	(973)	(970)
Total Shareholders' Equity	564,501	2,740,227
Total Liabilities and Shareholders' Equity	\$ 7,074,161	\$ 7,088,185
See Notes to Consolidated Financial Statements		

CLEAR CHANNEL OUTDOOR HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(UNAUDITED)

(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Revenue	\$ 731,141	\$ 748,450	\$ 2,143,750	\$ 2,187,872
Operating expenses:				
Direct operating expenses (excludes depreciation and amortization)				