



ENTERCOM

Company Overview

January 2012

This Presentation contains certain forward-looking statements that are based upon current expectations and certain unaudited pro forma information that is presented for illustrative purposes only and involves certain risks and uncertainties within the meaning of the U.S. Private Securities Litigation Reform Act of 1995.

This presentation includes certain non-GAAP financial measures. As required by Regulation G, a presentation of the most directly comparable GAAP financial measure and a reconciliation of such non-GAAP financial measure to such GAAP financial measure is contained in the "Investors" section of the Company's web page at www.entercom.com/nongaappage.php.

Entercom Overview



- **Fourth largest U.S. radio group by revenue with more than 100 stations in 23 markets**
- **Industry performance leader – Superior long-term organic growth**
 - Significantly outperformed industry in 10 of past 12 years
- **Outstanding market clusters, brands and management**
 - Geographically diversified with focus on top 50 markets
 - Leading clusters with strong competitive positions
 - Outstanding portfolio of leading brands and personalities
 - Strong, seasoned management team
- **Well positioned for strong EBITDA growth in 2012 and beyond**
 - Capitalizing on 2011 strategic investments
 - Reformatted five FM stations in key markets
 - Growing digital initiatives including “Perks” eCommerce program
 - Political advertising
 - Extensive 2011 cost reductions should positively impact 2012
 - Eventual cyclical recovery in local advertising
 - Potential for improving radio perceptions



Entercom's Geographically Diverse Footprint



2010 Net Revenue

WEST

Stations 26
% of ETM Revenue 37%

- San Francisco
- Portland
- Seattle
- Denver
- Sacramento

MIDWEST

Stations 24
% of ETM Revenue 14%

- Kansas City
- Milwaukee
- Indianapolis
- Madison
- Wichita

EAST

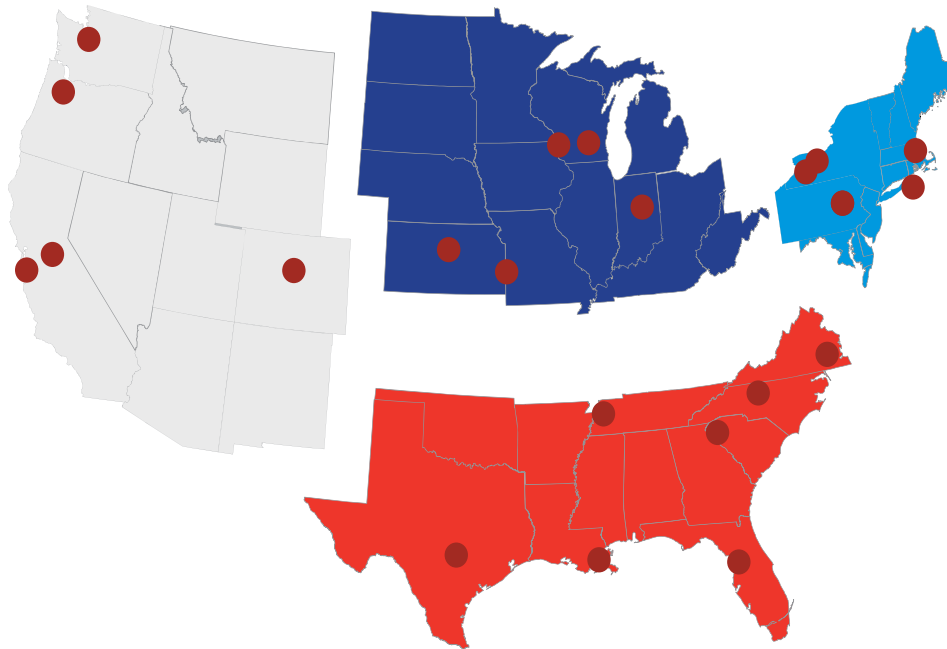
Stations 29
% of ETM Revenue 27%

- Boston
- Providence
- Springfield
- Buffalo
- Rochester
- Wilkes-Barre

SOUTH

Stations 34
% of ETM Revenue 22%

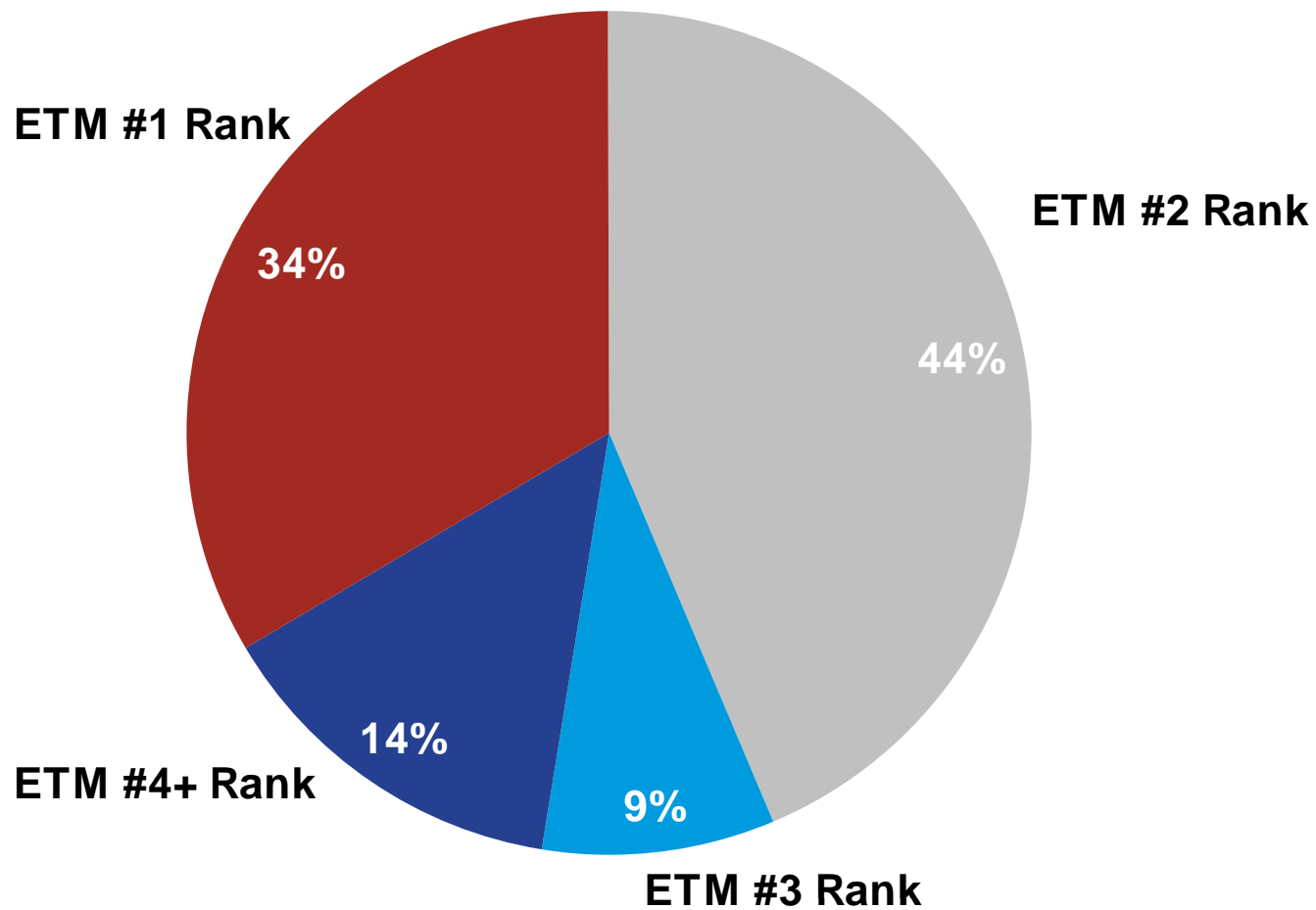
- New Orleans
- Norfolk
- Greensboro
- Austin
- Greenville
- Memphis
- Gainesville



Leading Clusters with Strong Competitive Positions



**78% of Revenue Derived from Markets Where ETM Cluster
is Ranked #1 or #2 in Revenue Share**



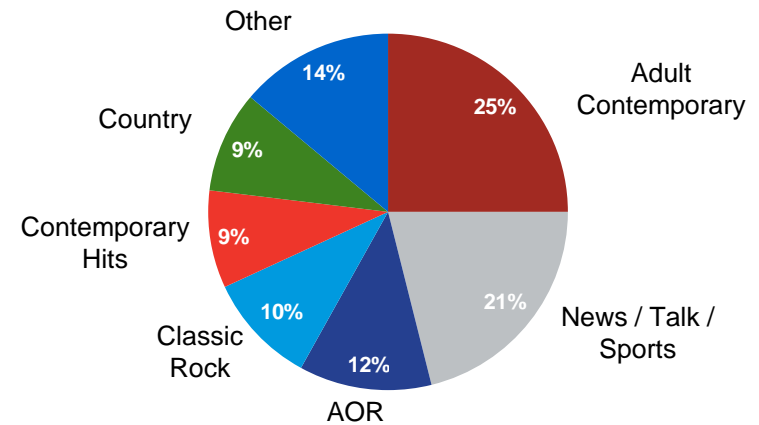
Diverse Revenue Mix Based on All Key Criteria



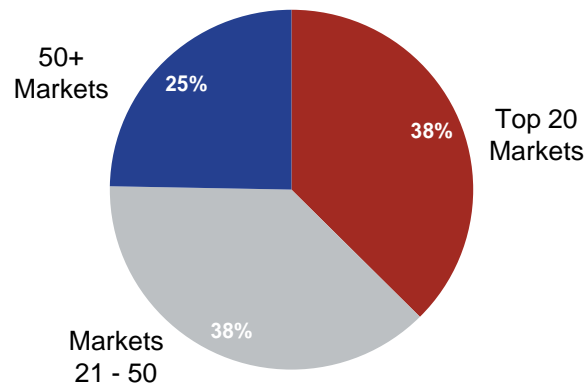
Entercom Highlights

- No meaningful revenue concentration by advertiser, format, market size or geography
- More than 75% of revenue generated by top 50 markets
- 78% of revenue generated by clusters where ETM is ranked #1 or #2

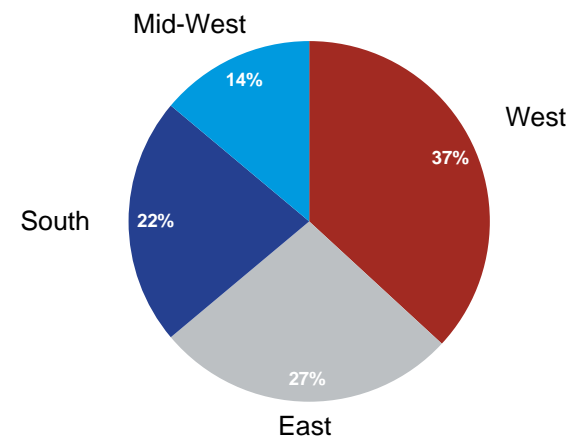
Entercom By Format



Entercom By Market Size



Entercom By Region



Investment Highlights



Radio Usage Thriving

Industry Performance Leader with Outstanding
Competitive Position

Rapidly Growing Digital Platforms

2011 Strategic Actions Bolster 2012 Growth

Extensive Recent Cost Saving Initiatives Impact 2012

Strong Free Cash Flow Profile and Track Record of
Financial Discipline

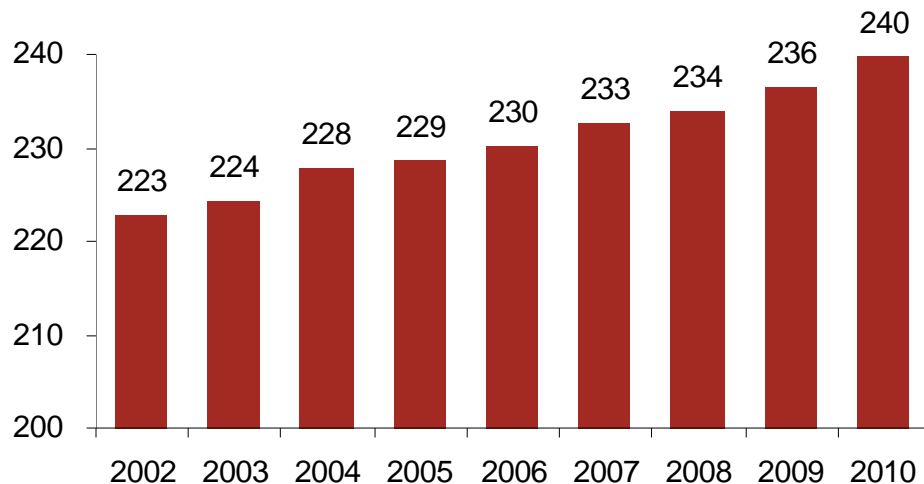
Experienced Management Team with Significant
Ownership

Radio Usage Remains Outstanding in the Face of New Technologies

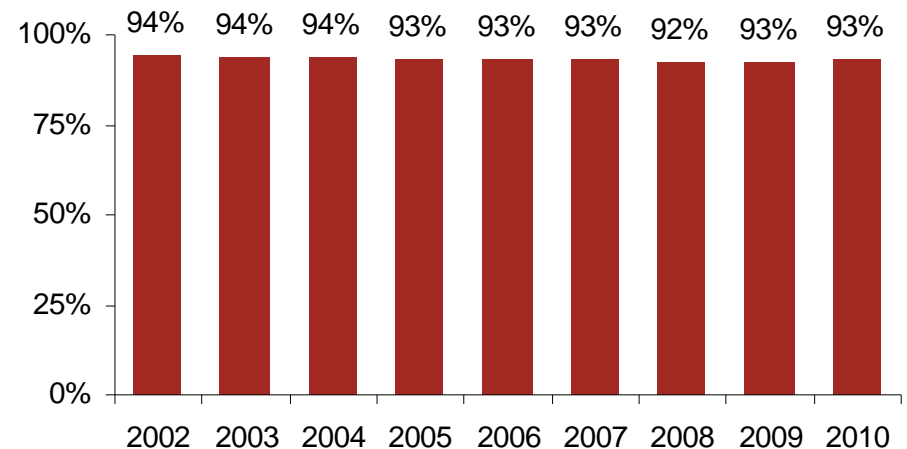


- Despite the emergence of several new audio-delivery devices over the last decade, radio has grown both its total audience and reach
 - Total weekly listenership has grown each year since 2002
 - Increase of 10 million listeners over past four years
 - Radio reaches 93% of Americans each week

Radio Listenership
Continuing to Add New Listeners Each Week (mm)



Radio Reach
Maintaining Relevance Among Consumers



Source: RADAR 75, December 2002 - RADAR 107, December 2010; Radio Usage; All Radio; Persons 12+; Monday-Sunday 6am-12midnight; Weekly Cume Persons and Rating.

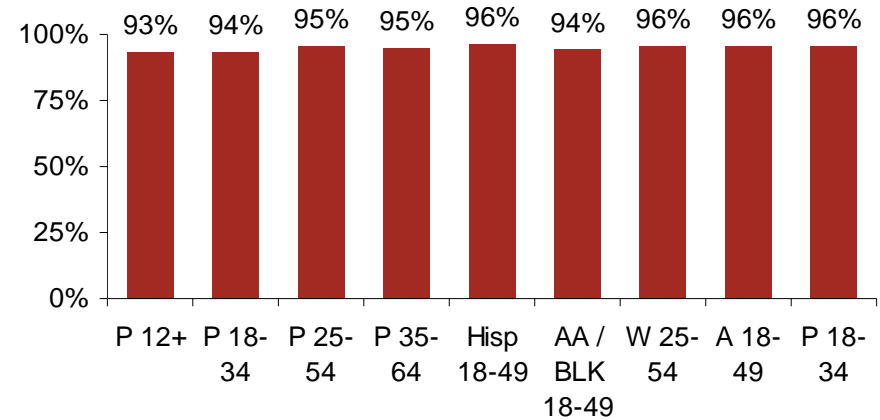
Radio Maintains its Broad Appeal To Consumers



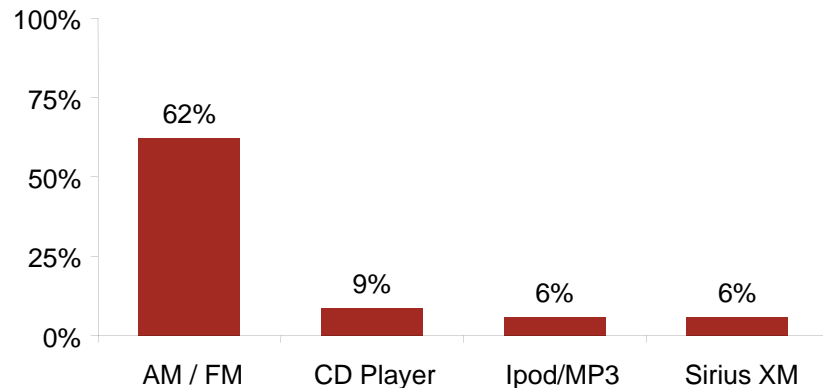
Radio Industry Highlights

- Radio reaches well over 90% of key demographic groups
- Radio remains dominant in the car
- Time spent listening to radio remains consistent and strong

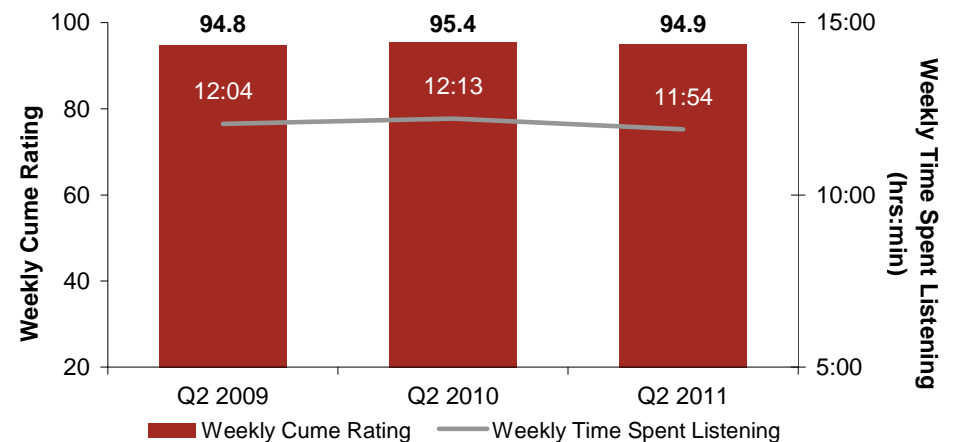
Broad Usage Characteristics ⁽²⁾



% Spending Most Time with Device / Platform in-Car ⁽¹⁾



Time Spent Listening ⁽³⁾



(1) Source: Edison Research September 2011 report "The Road Ahead – Media and Entertainment in the Car".

(2) Source: RADAR 110, Sept 2011, p12+, Mon – Sun Mid-Mid.

(3) Source: 2011 Arbitron Inc.; NY, LA, Chi, Phil, SF, Hou, Riverside – San Bernardino, Atl, Dallas – Fort Worth, Det, DC, Bos, Miami – Fort Lauderdale, Phx, SD, Min, Sea

Entercom's Asset Portfolio

Original Programs

- Superstar Artist Programs
- ★ Entercom Sing Like Series
- ★ Entercom Radio Takeovers
 - 1 Thing
 - What's 4 Dinner/Dinner with...



Audio

- On Air Radio
- Personality Endorsements
- Internet Radio
- Cause Marketing Campaigns
- Feature Sponsorships
- Contests and Promotions
- Naming Rights



Visual/Digital

- Display Ads
- Video Pre-Rolls
- Rich Media/Walk-On Video
- MicroSites/Landing Pages
- Website Takeovers



Entercom
Listeners

Experiential

- Events
- Street Team Marketing
- Personality Appearances and Live Remote Broadcasts
- In Retail Promotions
- Contests and Promotions



Engagement & Activation

- Social Media Activation
- Mobile/Text Programs
- Direct to Consumer Email
- Surveys
- Social Commerce - PERKS



Entercom's Accelerating Digital Platforms



Expanding Web Presence

- 4.6 million unique visitors across the Entercom networks
- 2.0 million opt-in database members
- 1.5 million Internet radio listeners
- In 2011, *Radio Ink Magazine* named Boston sports station website **WEEI.com the best radio station website in the U.S.**



Leveraging Mobile Ecosystem

- Introduced **smartphone apps beginning in January 2010**
- Nearly 2.0 million smartphone app downloads and more than 400k monthly mobile uniques



Integrating eCommerce

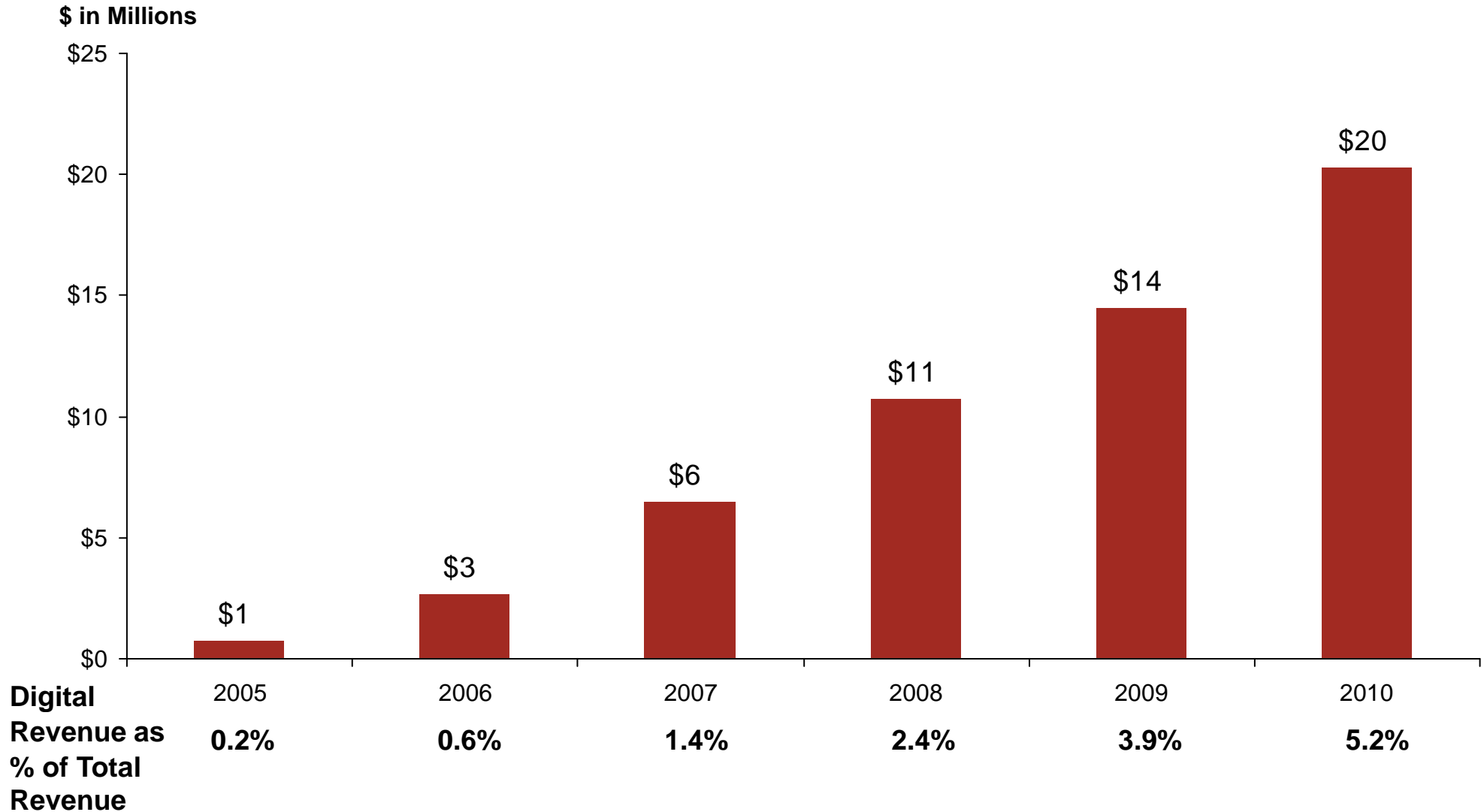
- **“Perks” eCommerce** offering cements relationship with customers and allows Entercom to enhance its product offering for small and medium-sized businesses
- Leveraging large audiences, station personalities and direct local sales forces



Station Websites	Streaming of Station Content			“Perks” eCommerce Program Begins	WEEI.com launch / Email Database	Texting Program	Smartphone Mobile Apps Introduced	Investment in Social Media Initiatives
2003	2004	2005	2006	2007	2008	2009	2010	2011



Entercom's Rapidly Growing Digital Revenue



Entercom is a leader in utilizing digital assets to deepen listener engagement and drive revenue growth by providing integrated multi-platform marketing opportunities to its customers

Overview of Format Changes

Five FM stations reformatted:

- **San Francisco**
 - Launched first FM sports brand “The Game” in the market
 - Launched new Classic Rock superstation “The Fox” after purchase of San Jose station
 - Best signal in the Bay Area
- **Boston**
 - Simulcast of sports talk powerhouse station WEEI on FM (September 2011)
- **Kansas City and Buffalo**
 - Simulcast of key AM brands on FM

Key Drivers for 2012

- 2011 strategic investments in new formats and FM distribution
 - Format changes reduce 2011 results, but enhance 2012 potential
- Political revenue
- Digital / Perks
- Extensive 2011 / 2012 cost reduction program
- Potential recovery of local ad revenue from cyclical low
- Improving industry perception

Results

- **Built much stronger competitive positions in two of ETM’s largest markets**
- **Absorbed material financial hit in 2011 to provide for strong 2012 and beyond**

Continuing Re-Engineering Will Positively Impact Future Earnings



2011 Expense Overview

- 2011 expense growth was higher than normal due to:
 - Strategic investment in new brands
 - Arbitron PPM peak contractual increase
 - Resumption of wage increases and 401(K) match
 - Investment in digital initiatives

2011 Re-Engineering Overview

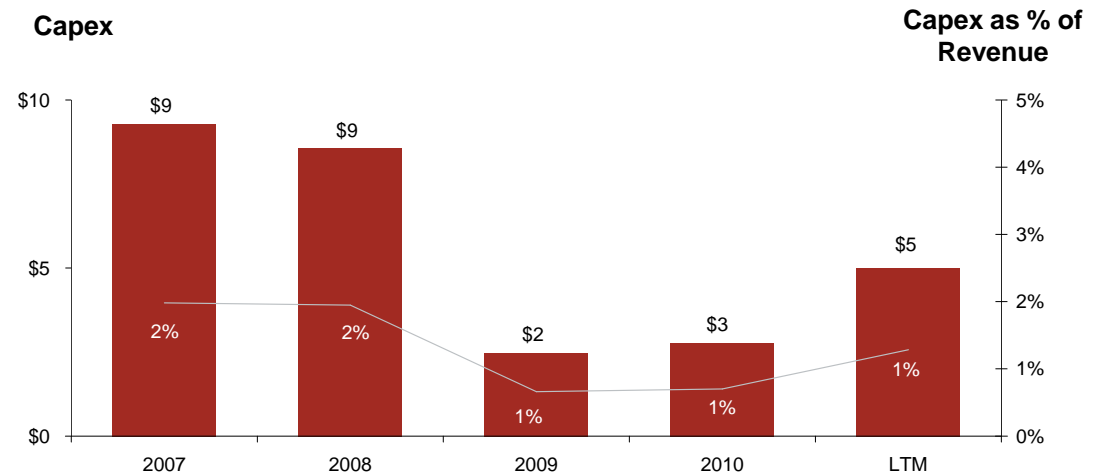
- Eliminated low ROI positions
- Identified opportunities to scale shared resources
- Revamped certain business functions for increased efficiency
- **Results:**
 - Fourth quarter expenses expected to decline year-over-year
 - 2012 expenses will benefit from 2011 efforts and start from a lower base

Strong Free Cash Flow Profile



- Attractive business model generates strong free cash flow
- Capex spend remains minimal
 - HD upgrade and studio consolidation complete
- Minimal working capital requirements
- Entercom also benefits from favorable tax attributes
 - Not expected to pay meaningful cash taxes in the near future
 - \$140 million net operating loss carry forward as of 9/30/2011
 - High level of tax deductible D&A

Low Capital Expenditure Requirements

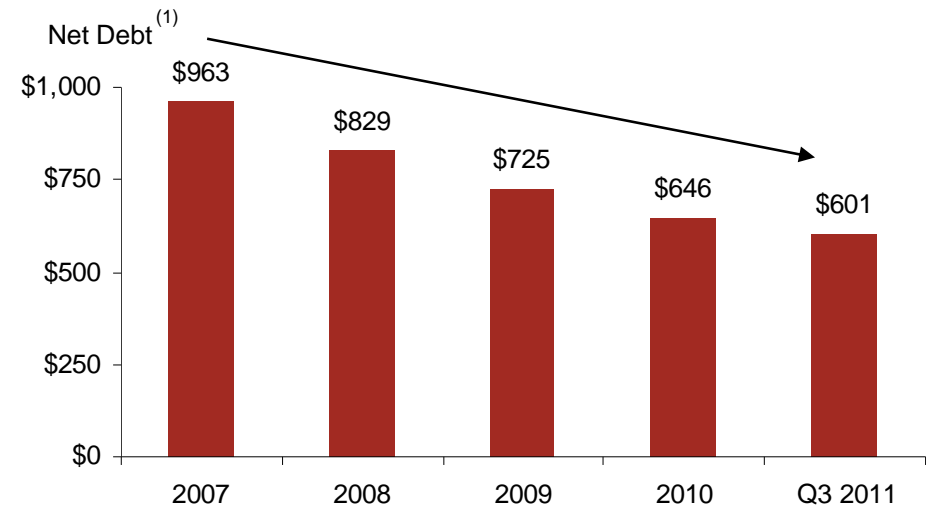


Strong Track Record of Financial Discipline



- **Since 2008, virtually all free cash flow has been used to repay debt**
- History of strong expense management
- Disciplined approach to M&A
- Management's significant equity ownership provides great incentive to carefully manage balance sheet

Strong FCF Generation and Disciplined Use of FCF has Driven Significant Debt Reduction



Debt paydown of \$362 million in less than four years

Entercom's leverage target of 4x – 4.5x underscores its commitment to prudent, conservative use of FCF to strengthen its balance sheet

Note: Dollars in millions.

(1) Excludes finance method lease obligation.

Debt Refinancing Completed in 4Q 2011



- In November, the Company refinanced its existing 2007 credit facility which was scheduled to mature in June 2012
 - Pushed out debt maturity profile 7 – 8 years
 - Increased covenant flexibility
- New capital structure:
 - Revolver : \$50MM - matures 2016
 - Term B Loan: \$375MM - matures 2018
 - High yield bonds: \$220MM - matures 2019

Review of Q3 2011 Earnings Call (November 1)



Highlights

- Q3 revenue up 3% (ex political and Boston and San Francisco due to format changes)
- Q4 revenue pacing up 3% (ex political and Boston and San Francisco)
- Expenses down sequentially (vs. Q2) and expect Q4 expenses down y-o-y reflecting extensive re-engineering
 - 2012 business model will also benefit from these actions

Q3 2011 Performance

	Q3'10	Q3'11	Variance Y-o-Y	
			\$	%
Revenue	\$103	\$100	(\$2)	(2.2%)
Operating Expenses	67	70	2	3.3%
EBITDA	31	27	(4)	(14.1%)

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Appendix

Non-GAAP Reconciliations



	Years Ended December 31				Twelve Months Ended
	2007	2008	2009	2010	September 30
					2011
<u>GAAP Operating Income (Loss) To Free Cash Flow:</u>					
Operating Income	\$41,900	(\$710,308)	\$10,821	\$97,709	\$83,710
Depreciation And Amortization	16,631	20,442	16,600	12,660	11,459
Merger and Acquisition Cost					1,542
Impairment Loss	84,037	835,716	67,676	-	
Non-Cash Compensation Expense	8,208	9,856	6,888	5,528	7,440
Interest Expense, Net of Interest and Dividend Income and Exclusive of Deferred Financing Costs	(48,762)	(43,070)	(29,653)	(26,579)	(20,381)
Capital Expenditures	(9,281)	(8,553)	(2,467)	(2,744)	(4,849)
Net (Gain) Loss On Sale Or Disposal Of Assets	(647)	(9,899)	420	228	194
Income Taxes Paid	(497)	(22)	(192)	(83)	(82)
Income (Loss) From Discontinued Operations Before D&A Expense, Income Taxes And Impairment Loss	64	28	-	-	-
Free Cash Flow	<u>\$91,653</u>	<u>\$94,190</u>	<u>\$70,093</u>	<u>\$86,719</u>	<u>\$79,033</u>
Free Cash Flow as % of Adjusted EBITDA	56%	65%	68%	75%	76%
<u>GAAP Income (Loss) from Continuing Operations To Adjusted EBITDA</u>					
Income (Loss) from Continuing Operations	(\$8,394)	(\$512,572)	\$5,398	\$46,436	\$75,271
Income Taxes (Benefit)	695	(232,600)	(5,529)	20,595	(15,896)
Total Other Expense	49,599	34,864	10,952	30,678	24,335
Depreciation And Amortization	16,631	20,442	16,600	12,660	11,459
Net Time Brokerage Agreement Income	14,001	(233)	(2)	-	244
Non-Cash Compensation Expense	8,208	9,856	6,888	5,528	7,440
Impairment Loss	84,037	835,716	67,676	-	-
Merger and Acquisition Cost	-	-	-	-	1,542
(Gain) or Loss on Sale or Disposition of Assets	(647)	(9,899)	420	228	194
Adjusted EBITDA	<u>\$164,130</u>	<u>\$145,574</u>	<u>\$102,403</u>	<u>\$116,125</u>	<u>\$104,589</u>



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