CUMULUS MEDIA INC
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Subject to Completion, Dated May 9, 2002

Preliminary Prospectus Supplement to Prospectus Dated May 3, 2002

Cumulus Media Inc.

8,600,000 Shares

Class A Common Stock

This is a public offering of Class A Common Stock of Cumulus Media Inc. We are offering 7,769,448 shares of our Class A Common Stock. Selling shareholders are offering an additional 830,552 shares of our Class A Common Stock. We will not receive any of the proceeds from the sale of shares by the selling shareholders. Our Class A Common Stock is traded on the Nasdaq National Market under the symbol CMLS. On May 8, 2002, the last reported sale price of our Class A Common Stock was $19.38 per share.

Investing in our Class A Common Stock involves risk. See Risk Factors beginning on page S-8.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the prospectus to which it relates. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions	$	$
Proceeds, before expenses, to Cumulus Media	$	$
Proceeds, before expenses, to the selling shareholders	$	$

We and one of the selling shareholders have granted the underwriters the right to purchase up to 1,290,000 additional shares of Class A Common Stock to cover over-allotments.

Deutsche Bank Securities

Bear, Stearns & Co. Inc.

Banc of America Securities LLC

CIBC World Markets

Morgan Stanley

Robertson Stephens

SunTrust Robinson Humphrey

UBS Warburg

Robert W. Baird & Co.

Jefferies & Company, Inc.

The date of this prospectus supplement is May , 2002.

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[Map of the United States depicting our radio station portfolio

and radio station call letters.]

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying prospectus that is also a part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the SEC that utilizes a shelf registration process. Under the shelf registration process, we and the selling shareholders may sell up to an aggregate of 20,000,000 shares of our Class A Common Stock, of which this offering is a part. In this prospectus supplement, we provide you with specific information about the terms of this offering and certain other information. Both this prospectus supplement and the accompanying prospectus include important information about us and the selling shareholders, the Class A Common Stock being offered and other information you should know before investing in our Class A Common Stock.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We are offering to sell securities and seeking offers to buy securities only in jurisdictions where offers and sales are permitted. The information contained in this prospectus supplement and the accompanying prospectus is accurate only as of the date on their covers, regardless of the time of delivery of this prospectus supplement and the accompanying prospectus or any sale of the securities. In this prospectus supplement, the terms Company, Cumulus, we, us and our refer to Cumulus Media Inc. and its consolidated subsidiaries. The term Class A Common Stock means our Class A Common Stock, par value $.01 per share. The term selling shareholders refers to the State of Wisconsin Investment Board, referred to as SWIB, and ING Capital LLC, referred to as ING Capital.

You should read both this prospectus supplement and the accompanying prospectus as well as the additional information described under the heading Where You Can Find More Information beginning on page S-61 of this prospectus supplement before investing in our Class A Common Stock. This prospectus supplement adds to, updates and changes information contained in the accompanying prospectus and the information incorporated by reference. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying prospectus or the information incorporated by reference, the statements made in the accompanying prospectus or the information incorporated by reference are deemed modified or superseded by the statements made in this prospectus supplement.

We have not taken any action to permit a public offering of the shares of securities outside the United States. Persons outside the United States who come into possession of this prospectus supplement must inform themselves about and observe any restrictions relating to the offering of the shares of securities and the distribution of this prospectus supplement outside the United States.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

In various places in this prospectus supplement and the accompanying prospectus and the documents we incorporate by reference, we use statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to our future plans, objectives, expectations and intentions. Although we believe that, in making any of these statements, our expectations are based on reasonable assumptions, these statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. When used in this document, words such as anticipates, believes, expects, intends, and similar expressions, as they relate to us or our management, are intended to identify these forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including those referred to under Risk Factors and as otherwise described in our periodic filings with the SEC.

Important facts that could cause actual results to differ materially from those in forward-looking statements, certain of which are beyond our control, include:

- the impact of general economic conditions in the United States or in specific markets in which we currently do business;
- industry conditions, including existing competition and future competitive technologies;
- the popularity of radio as a broadcasting and advertising medium;
- our capital expenditure requirements;
- legislative or regulatory requirements;
- risks and uncertainties relating to our leverage;
- interest rates;
- consummation and integration of pending or future acquisitions;
- access to capital markets; and
- fluctuations in exchange rates and currency values.

Our actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking statements. Accordingly, we cannot be certain that any of the events anticipated by the forward-looking statements will occur or, if any of them do occur, what impact they will have on us. We assume no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required under Federal securities laws. We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date of this prospectus supplement or, in the case of the accompanying prospectus or any document we incorporate by reference, the date of that document.

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CERTAIN DEFINITIONS AND MARKET AND INDUSTRY DATA

We use the term local marketing agreement, or LMA, in various places in this prospectus supplement, the accompanying prospectus and in documents incorporated by reference. A typical LMA is an agreement under which a Federal Communications Commission, or FCC, licensee of a radio station makes available, for a fee, air time on its station to another party. The other party provides programming to be broadcast during this air time and collects revenues from advertising it sells for broadcast during the programming. In addition to entering into LMAs, from time to time we enter into management or consulting agreements that provide us with the ability, as contractually specified, to assist current owners in the management of radio station assets that we have contractually agreed to purchase, subject to FCC approval. In those arrangements, we generally receive a contractually specified management fee or consulting fee in exchange for the services provided.

Unless otherwise indicated:

- we obtained total industry listener and revenue levels from the Radio Advertising Bureau;
- we derived all audience share data and audience rankings, including ranking by population, except where otherwise stated to the contrary, from surveys of people ages 12 and over, listening Monday through Sunday, 6 a.m. to 12 midnight, based on the Fall 2001 Arbitron Market Report, pertaining to each market; and
- we derived 2001 Cumulus market revenue rank from BIA*fn* s *Media Access Pro* (2002) produced by BIA Financial Network, Inc.

The terms broadcast cash flow and EBITDA are used in various places in this prospectus supplement, the accompanying prospectus and in documents incorporated by reference.

Broadcast cash flow consists of operating income (loss) before depreciation, amortization, LMA fees, corporate general and administrative expenses, non-cash stock compensation expense, and restructuring and impairment charges.

EBITDA consists of operating income (loss) before depreciation, amortization, LMA fees, non-cash stock compensation expense, and restructuring and impairment charges.

Broadcast cash flow and EBITDA, as we define the terms, may not be comparable to similarly titled measures employed by other companies. Although broadcast cash flow and EBITDA are not measures of performance calculated in accordance with accounting principles generally accepted in the United States, or GAAP, we believe that they are useful to an investor in evaluating an investment in our common stock because they are measures widely used in the broadcast industry to evaluate a radio company s operating performance. However, broadcast cash flow and EBITDA should not be considered in isolation or as substitutes for net income, cash flows from operating activities and other income or cash flow statement data prepared in accordance with GAAP, or as measures of liquidity or profitability.

SUMMARY

This summary highlights selected information contained in greater detail elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. This summary may not contain all of the information that you should consider before investing in our Class A Common Stock. You should carefully read the entire prospectus supplement, the accompanying prospectus and the documents we incorporate by reference before making an investment decision.

The Company

We own and operate FM and AM radio station clusters serving mid-size markets throughout the United States. We are the second largest radio broadcasting company in the United States based upon the number of stations owned or operated. As of March 31, 2002, we owned and operated 232 radio stations in 51 mid-sized U.S. media markets. In addition, we owned and operated a multi-market network of five radio stations in the English-speaking Caribbean. Under our LMA s, we provided sales and marketing services for 11 radio stations in four U.S. markets in exchange for a management or consulting fee, pending FCC approval of our acquisitions of these stations.

We believe that the attractive operating characteristics of mid-size markets, together with the relaxation of radio station ownership limits under the Telecommunications Act of 1996, referred to as the Telecom Act, and the FCC s rules, create significant opportunities for growth from the formation of clusters of radio stations within these markets. We believe that mid-size radio markets provide an excellent opportunity to acquire attractive properties at favorable purchase prices due to the size and fragmented nature of ownership in these markets and due to the greater attention historically given to the larger markets by radio station acquirers.

Within each market, our stations are generally diversified in terms of format, target audience and geographic location, enabling us to attract larger and broader listener audiences and thereby a wider range of advertisers. This diversification, coupled with our favorable advertising pricing, also has provided us with the ability to compete successfully for advertising revenue against other radio, print and television media competitors.

Strategy

We are focused on generating internal growth through improvement in cash flows for the portfolio of stations we operate, while enhancing our station portfolio and our business as a whole through the acquisition of individual stations or clusters that satisfy our acquisition criteria.

Operating Strategy

Our operating strategy has the following principal components:

achieve cost efficiencies associated with common infrastructure and personnel and increase revenue by offering regional coverage of key demographic groups that were previously unavailable to national and regional advertisers;

develop each station in our portfolio as a unique enterprise, marketed as an individual, local brand with its own identity, programming content, programming personnel, inventory of time slots and sales force;

use audience research and music testing to refine each station s programming content to match the preferences of the station s target demographic audience, in order to enrich

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- our listeners experiences by increasing both the quality and quantity of local programming;

- position station clusters to compete with print and television advertising by combining favorable advertising pricing with diverse station formats within each market to draw a larger and broader listening audience to attract a wider range of advertisers; and

- employ Internet-based management information systems that enable us to monitor daily sales performance by station and by market, compared to their respective budgets, to quickly identify any under-performing stations, determine the explanation for the under-performance and take corrective action quickly.

Acquisition Strategy

Our acquisition strategy has the following principal components:

- assemble leading station clusters in the top 50 to 150 radio markets by taking advantage of the size and fragmented nature of ownership in these markets;

- acquire leading stations in terms of signal coverage, revenue or audience share and acquire under-performing stations where there is significant potential to apply our management expertise to improve financial and operating performance; and

- reconfigure our existing stations, or acquire new stations, located near large markets, that, based on an engineering analysis of signal specifications and the likelihood of receiving FCC approval, can be redirected, or moved in, to those larger markets.

Recent Developments

On May 7, 2002, we announced our operating results for the first quarter ended March 31, 2002. We had first quarter net revenues of $44.9 million, broadcast cash flow of $11.5 million and EBITDA of $8.0 million. On a pro forma basis giving effect to all acquisitions and dispositions entered into or consummated during the quarter, including the acquisitions of Aurora Communications, LLC and of the broadcasting operations of DBBC, L.L.C. described below, we had first quarter net revenues of $54.2 million, broadcast cash flow of $15.3 million and EBITDA of $11.8 million.

On May 7, 2002, we announced that we had entered into a definitive agreement with Wilks Broadcasting, LLC and its subsidiary, Wilks License Co., LLC, to acquire five radio stations serving the Saginaw, Michigan market (market rank 129), for a purchase price of approximately $55.6 million in cash. We expect the closing of this transaction, which is conditioned on the receipt of all necessary regulatory approvals, to occur prior to the end of 2002.

On March 28, 2002, we announced the completion of the acquisitions of Aurora Communications, LLC and of the broadcasting operations of DBBC, L.L.C. These properties represented opportunities to acquire premiere portfolios of radio stations in very attractive mid-size markets. Aurora Communications owned and operated 18 radio stations in five markets in suburban New York and Connecticut, including Westchester County, New York (market rank 59), Bridgeport, Connecticut (market rank 110), Newburgh-Middletown, New York (market rank 143), Poughkeepsie, New York (market rank 160), and Danbury, Connecticut (market rank 194). DBBC s broadcasting operations consisted of three radio stations in Nashville, Tennessee (market rank 44). Based on the closing sale price of our Class A Common Stock on March 27, 2002 of $18.42, the transactions were valued at approximately $294 million and $119 million, respectively.

Concurrently with the completion of the Aurora Communications and DBBC acquisitions, we entered into a new $400 million credit facility. The new facility, which replaced our outstanding

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credit facility, is comprised of an undrawn $112.5 million revolving commitment, a seven-year, $112.5 million term loan and an eight-year, $175.0 million term loan. The proceeds of the term loans, which were funded on March 28, 2002, were primarily used to repay amounts outstanding under our old credit facility and to fund the cash portions of the purchase price for the acquisitions of Aurora Communications and the broadcasting operations of DBBC.

On January 1, 2002, we adopted SFAS No. 142, *Goodwill and Other Intangible Assets,* which eliminates the annual amortization of goodwill and certain intangible assets with indefinite lives, such as FCC broadcast licenses. SFAS No. 142 also requires us to evaluate for impairment our goodwill and other intangible assets with indefinite lives. As a result, during the quarter ended March 31, 2002, we wrote off the recorded amounts of our FCC broadcast licenses by $41.7 million, net of taxes. Also in connection with the elimination of amortization of the cost of our broadcast licenses for financial reporting purposes upon adoption of SFAS No. 142, we determined it was necessary to establish a valuation allowance against our deferred tax assets and recorded a $57.9 million non-cash charge to income tax expense during the three months ended March 31, 2002. We recorded additional deferred tax expense of $4.5 million to establish a valuation allowance against net operating loss carry-forwards generated during the quarter ended March 31, 2002, resulting from amortization of goodwill and broadcast licenses that is deductible for tax purposes but is no longer amortized in the financial statements.

Our Station Portfolio

The following table sets forth, as of the date of this prospectus supplement, selected information about the markets where we operate and where we expect to operate after giving effect to the consummation of all pending acquisitions and divestitures. You should refer to the Business section of this prospectus supplement for further information about our station portfolio.

	2001 Market Rank		Stations		2001 Market Revenue Rank
Market	**Metro Population**	**Radio Revenue**	**FM**	**AM**	
Midwest:					
Appleton-Oshkosh, WI	139	126	2	2	3
Bismarck, ND	273	206	3	1	2
Canton, OH	128	160	1		2
Cedar Rapids, IA	204	127	3		2
Dubuque, IA	230	235	4	1	1
Faribault-Owatonna, MN	*	*	2	2	
Flint, MI	124	125	3	1	1
Green Bay, WI	185	133	4	1	1
Kalamazoo, MI	179	148	2	1	1
Monroe, MI	*	*	1		1
Quad Cities, IA-IL	140	121	4	1	2
Rockford, IL	152	139	3	1	1
Saginaw- Bay City- Midland, MI	129	101	4	1	2
Toledo, OH	81	72	5	2	2
Waterloo- Cedar Falls, IA	239	226	3	1	2
Youngstown, OH	108	84	5	3	1
Southeast:					
Albany, GA	261	213	6	2	1
Columbus- Starkville, MS	256	278	4	3	1
Fayetteville, NC	126	96	4	1	2
Florence, SC	206	181	6	3	1
Harrisburg- Lebanon- Carlisle, PA	78	66	3	1	1

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Market	2001 Market Rank Metro Population	2001 Market Rank Radio Revenue	Stations FM	Stations AM	2001 Market Revenue Rank
Lexington- Fayette, KY	102	93	4	1	2
Melbourne- Titusville- Cocoa, FL	100	180	2	1	1
Mobile, AL	91	87	3	2	2
Montgomery, AL	147	105	4	3	1
Myrtle Beach, SC	169	161	6	1	2
Nashville, TN	44	38	3		3
Pensacola, FL	125	152	2	1	3
Savannah, GA	159	100	5	2	1
Tallahassee, FL	163	130	4	1	1
Wilmington, NC	177	152	4	1	1
Southwest:					
Abilene, TX	231	240	4		2
Amarillo, TX	191	192	4	2	1
Beaumont- Port Arthur, TX	133	143	4	2	2
Fayetteville, AR	149	157	5	2	2
Fort Smith, AR	171	192	3	1	2
Grand Junction, CO	259	232	4	1	1
Houston- Galveston, TX	9	9	1		
Killeen- Temple, TX	154	219	4	1	2
Lake Charles, LA	215	201	3	1	1
Odessa- Midland, TX	187	188	6	2	1
Shreveport, LA	132	128	4	1	1
Topeka, KS	186	179	4	2	1
Wichita Falls, TX	250	260	4		1
Northeast:					
Bangor, ME	213	198	4	1	2
Bridgeport, CT	110	193	1	1	2
Danbury, CT	194	184	2	2	2
Newburgh- Middletown, NY	143	232	1	1	2
Poughkeepsie, NY	160	104	5	2	1
Westchester County, NY	59	105	2	1	1
Far West:					
Eugene- Springfield, OR	148	151	4	2	1
Oxnard- Ventura, CA	115	163	2	1	1
Santa Barbara, CA	200	172	3		2
All markets			183	67	

* Not rated.

Our principal executive offices are located at 3535 Piedmont Road, Building 14, Fourteenth Floor, Atlanta, Georgia 30305. Our telephone number is (404) 949-0700. Our Internet homepage is located at www.cumulus.com. The information on our homepage is not a part of this prospectus supplement or the accompanying prospectus.

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The Offering

Class A Common Stock offered by us	7,769,448 shares
Class A Common Stock offered by the selling shareholders	830,552 shares
Common stock to be outstanding after this offering	43,830,452 shares of Class A Common Stock 14,058,682 shares of Class B Common Stock 1,529,277 shares of Class C Common Stock 59,418,411 total shares of common stock
Voting rights	Each share of Class A Common Stock is entitled to one vote. We also have Class B Common Stock and Class C Common Stock with different voting rights. The Class A Common Stock and the Class C Common Stock generally vote together as a single class on all matters submitted to a vote of shareholders. Each share of Class C Common Stock is entitled to ten votes. The shares of Class B Common Stock have no voting rights, except with respect to specified fundamental corporate actions.
Dividend policy	We have not declared or paid any dividends on our Class A Common Stock and do not anticipate paying any dividends in the foreseeable future. In addition, our ability to declare dividends is restricted under our credit facility, the indenture governing our notes and the certificate of designations governing our Series A Preferred Stock.
Use of proceeds	We intend to use approximately $55.6 million of the net proceeds for the Wilks Broadcasting acquisition, and to use the balance for general corporate purposes, which could include repayment of indebtedness or to fund potential future acquisitions. We will not receive any proceeds from the sale of shares by the selling shareholders.
Nasdaq National Market symbol	CMLS

The number of shares of our common stock to be outstanding after this offering is based on our number of shares outstanding as of March 31, 2002 and does not include:

- 1,290,000 shares of Class A Common Stock that the underwriters have the option to purchase to cover over-allotments;
- 14,058,682 shares of Class B Common Stock, which are convertible on a one-for-one basis into shares of Class A Common Stock;
- 1,529,277 shares of Class C Common Stock, which are convertible on a one-for-one basis into shares of Class A Common Stock;
- outstanding options to purchase 4,475,117 shares of Class A Common Stock and outstanding options to purchase 2,657,392 shares of Class C Common Stock; and
- outstanding warrants to purchase 376,909 shares of Class A Common Stock and to purchase 706,424 shares of Class A Common Stock or Class B Common Stock.

Risk Factors

You should read the Risk Factors section beginning on page S-8 of this prospectus supplement, as well as the other cautionary statements throughout the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference.

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Summary Consolidated Financial Data

The following table is a summary of our consolidated financial data for the periods presented. You should read the following data in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement and our consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2001, including the consolidated financial information contained therein, which are incorporated by reference into this prospectus supplement. Historical results are not necessarily indicative of results to be expected for any future period. A description of the pro forma adjustments follows the table.

	Year Ended December 31,			
	1999	2000	2001	Pro Forma 2001
				(unaudited)
		(in thousands)		
Statement of Operations Data:				
Net revenues	$ 180,019	$ 225,911	$201,328	$243,699
Station operating expenses excluding depreciation, amortization and LMA fees	133,328	191,336	141,598	164,706
Depreciation and amortization	32,564	44,003	50,585	57,374
LMA fees	4,165	4,825	2,815	2,815
Corporate general and administrative expenses	8,204	18,232	15,180	20,179
Restructuring and impairment charges		16,226	6,781	6,781
Operating income (loss)	1,758	(48,711)	(15,631)	(8,156)
Net interest expense	22,877	26,055	28,716	36,691
Other income, net	627	73,280	10,300	10,287
Income tax (expense) benefit	6,870	(812)	3,494	3,294
Net loss	$ (13,622)	$ (2,298)	$ (30,553)	$ (31,266)
Preferred stock dividends, deemed dividends, accretion of discount and redemption premium	$ 23,790	$ 14,875	$ 17,743	$ 17,743
Net loss attributable to common stockholders	$ (37,412)	$ (17,173)	$ (48,296)	$ (49,009)
Basic and diluted loss per common share	$ (1.50)	$ (0.49)	$ (1.37)	$ (0.96)
Other Financial Data:				
Broadcast cash flow(1)	$ 46,691	$ 34,575	$ 59,730	$ 78,993
EBITDA(2)	38,487	16,343	44,550	58,814
Net cash (used in) provided by operating activities	(13,644)	(14,565)	11,440	
Net cash used in investing activities	(192,105)	(190,274)	(48,164)	
Net cash (used in) provided by financing activities	400,445	(3,763)	31,053	

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	As of December 31, 2001		
	Actual	Pro Forma	Pro Forma As Adjusted
		(unaudited) (in thousands)	(unaudited)
Balance Sheet Data:			
Total assets	$965,317	$1,365,121	$1,509,274
Long-term debt (including current portion)	320,018	447,705	447,705
Preferred stock subject to mandatory redemption	134,489	134,489	134,489
Stockholders equity	423,884	632,970	777,123

(1) Broadcast cash flow consists of operating income (loss) before depreciation, amortization, LMA fees, corporate general and administrative expenses, non-cash stock compensation expense and restructuring and impairment charges. Although broadcast cash flow is not a measure of performance calculated in accordance with GAAP, we believe that it is useful to an investor in evaluating an investment in our common stock because it is a measure widely used in the broadcasting industry to evaluate a radio company s operating performance. Nevertheless, it should not be considered in isolation or as a substitute for net income, operating income (loss), cash flows from operating activities or any other measure for determining our operating performance or liquidity that is calculated in accordance with GAAP. Broadcast cash flow, as we define it, may not be comparable to similarly titled measures employed by other companies.

(2) EBITDA consists of operating income (loss) before depreciation, amortization, LMA fees, non-cash stock compensation expense and restructuring and impairment charges. Although EBITDA is not a measure of performance calculated in accordance with GAAP, we believe that it is useful to an investor in evaluating an investment in our common stock because it is a measure widely used in the broadcasting industry to evaluate a radio company s operating performance. Nevertheless, it should not be considered in isolation or as a substitute for net income, operating income (loss), cash flows from operating activities or any other measure for determining our operating performance or liquidity that is calculated in accordance with GAAP. As EBITDA is not a measure calculated in accordance with GAAP, this measure, as we define it, may not be comparable to similarly titled measures employed by other companies.

The unaudited pro forma summary consolidated financial data for 2001 describes the pro forma effects of our acquisitions of Aurora Communications and the broadcasting operations of DBBC on our balance sheet as of December 31, 2001 and our statement of operations for the year ended December 31, 2001. The unaudited pro forma summary consolidated operating information reflects adjustments as if those acquisitions had occurred on January 1, 2001, and includes the pro forma effects of Aurora Communications acquisition of nine related radio stations in May 2001 as if those acquisitions had occurred on January 1, 2001. We expect to incur integration expenses as well as potential operating efficiencies as a result of the acquisitions of Aurora and DBBC. The unaudited pro forma summary consolidated financial data does not reflect any of these potential expenses and operating efficiencies that may occur due to our integration of Aurora Communications and DBBC.

In addition,

- the unaudited pro forma summary consolidated operating information reflects the use of the purchase method of accounting for all acquisitions;
- the unaudited pro forma summary consolidated balance sheet information reflects adjustments as if the Aurora Communications and DBBC acquisitions and the refinancing of our credit facility had occurred on December 31, 2001; and
- the unaudited pro forma as adjusted information further adjusts the pro forma information to give effect to the completion of the offering under this prospectus supplement and receipt of the net proceeds to be received by us at closing.

The financial effects of the transactions presented in the unaudited pro forma summary consolidated financial data are not necessarily indicative of either the financial position or results of operations that would have been obtained had the acquisitions actually occurred on the dates set forth above, nor are they necessarily indicative of the results of future operations.

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RISK FACTORS

Investing in our Class A Common Stock involves a high degree of risk. You should carefully consider the risks described below, as well as other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision. The risks described below are not the only ones facing our company. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, results of operations or financial condition could be materially and adversely affected by any of these risks. The trading price of our Class A Common Stock could decline due to any of these risks, and you may lose all or part of your investment.

Risks Related to Our Business

We operate in a very competitive business environment.

Radio broadcasting is a highly competitive business. Our stations compete for listeners and advertising revenues directly with other radio stations within their respective markets, as well as with other media, such as newspapers, magazines, cable and broadcast television, outdoor advertising, the Internet and direct mail. In addition, many of our stations compete with groups of two or more radio stations operated by a single operator in the same market.

Audience ratings and market shares fluctuate, and any adverse change in a particular market could have a material adverse effect on the revenue of stations located in that market. While we already compete with other stations with comparable programming formats in many of our markets, any one of our stations could suffer a reduction in ratings or revenue and could require increased promotion and other expenses, and, consequently, could have a lower broadcast cash flow, if:

- another radio station in the market were to convert its programming format to a format similar to our station or launch aggressive promotional campaigns;
- a new station were to adopt a competitive format; or
- an existing competitor were to strengthen its operations.

The Telecom Act allows for the consolidation of ownership of radio broadcasting stations in the markets in which we operate or may operate in the future. Some competing consolidated owners may be larger and have substantially more financial and other resources than we do. In addition, increased consolidation in our target markets may result in greater competition for acquisition properties and a corresponding increase in purchase prices paid for these properties by us.

We must respond to the rapid changes in technology, services and standards that characterize our industry in order to remain competitive.

The radio broadcasting industry is subject to rapid technological change, evolving industry standards and the emergence of competition from new media technologies and services. We cannot assure you that we will have the resources to acquire new technologies or to introduce new services that could compete with these new technologies. Several new media technologies and services are being developed or introduced, including:

- satellite-delivered digital audio radio service, which has resulted in the introduction of new subscriber-based satellite radio services with numerous niche formats;
- audio programming by cable systems, direct-broadcast satellite systems, personal communications systems, Internet content providers and other digital audio broadcast formats;

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- in-band on-channel digital radio, which provides multi-channel, multi-format digital radio services in the same bandwidth currently occupied by traditional AM and FM radio services; and
- low-power FM radio, which could result in additional FM radio broadcast outlets.

We cannot predict the effect, if any, that competition arising from new technologies or regulatory change may have on the radio broadcasting industry or on our financial condition and results of operations.

We face many unpredictable business risks that could have a material adverse effect on our future operations.

Our future operations are subject to many business risks, including certain risks that specifically influence the radio broadcasting industry, that could have a material adverse effect on our business. These include:

- changing economic conditions, both generally and relative to the radio broadcasting industry in particular;
- shifts in population, listenership, demographics or audience tastes;
- the level of competition from existing or future technologies for advertising revenues, including, but not limited to, other radio stations, satellite radio, television stations, newspapers, the Internet, and other entertainment and communications media; and
- changes in governmental regulations and policies and actions of federal regulatory bodies, including the U.S. Department of Justice, the Federal Trade Commission and the FCC.

Given the inherent unpredictability of these variables, we cannot with any degree of certainty predict what effect, if any, these risks will have on our future operations.

There are risks associated with our acquisition strategy.

We intend to continue to grow through internal expansion and by acquiring radio station clusters and individual radio stations primarily in mid-size markets. We cannot predict whether we will be successful in pursuing these acquisitions or what the consequences of these acquisitions would be. Consummation of our pending acquisitions and any acquisitions in the future are subject to various conditions, such as compliance with FCC and antitrust regulatory requirements. The FCC requirements include:

- approval of license assignments and transfers;
- limits on the number of stations a broadcaster may own in a given local market; and
- other rules or policies, such as the ownership attribution rules, that could limit our ability to acquire stations in certain markets where one or more of our shareholders has other media interests.

The antitrust regulatory requirements include:

- filing with the U.S. Department of Justice and the Federal Trade Commission under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, referred to as the HSR Act, where applicable;
- expiration or termination of the waiting period under the HSR Act; and
- possible review by the U.S. Department of Justice or the Federal Trade Commission of antitrust issues under the HSR Act or otherwise.

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We cannot be certain that any of these conditions will be satisfied. In addition, the FCC has asserted the authority to review levels of local radio market concentration as part of its acquisition approval process, even where proposed assignments would comply with the numerical limits on local radio station ownership in the FCC s rules and the Communications Act of 1934, referred to as the Communications Act.

Our acquisition strategy involves numerous other risks, including risks associated with:

identifying acquisition candidates and negotiating definitive purchase agreements on satisfactory terms;

integrating operations and systems and managing a large and geographically diverse group of stations;

diverting management s attention from other business concerns;

potentially losing key employees at acquired stations; and

the diminishing number of properties available for sale in mid-size markets.

We cannot be certain that we will be able to successfully integrate our acquisitions or manage the resulting business effectively, or that any acquisition will achieve the benefits that we anticipate. In addition, we are not certain that we will be able to acquire properties at valuations as favorable as those of previous acquisitions. Depending upon the nature, size and timing of potential future acquisitions, we may be required to raise additional financing in order to consummate additional acquisitions. We cannot assure you that our debt agreements will permit the necessary additional financing or that additional financing will be available to us or, if available, that financing would be on terms acceptable to our management.

Because a significant portion of our total assets is represented by intangible assets and goodwill that is subject to mandatory, annual impairment evaluations, we have written off, and could in the future be required to write off, a significant portion of these assets, which may adversely affect our financial condition and results of operations.

We have acquired businesses that have been accounted for using the purchase method of accounting. A portion of the purchase prices for these businesses was allocated to identifiable tangible and intangible assets, principally FCC broadcast licenses, based on estimated fair values at the dates of the acquisitions. Any excess purchase price was allocated to goodwill. Prior to January 1, 2002, the cost of FCC broadcast licenses and goodwill was amortized using the straight-line method over an estimated useful life of 25 years. Effective January 1, 2002, upon the adoption of SFAS No. 142, *Goodwill and Other Intangible Assets,* FCC broadcast licenses and goodwill are no longer amortized but are reviewed for impairment annually, or more frequently if impairment indicators arise. At December 31, 2001, we had recorded, as unamortized values, $632.2 million of FCC broadcast licenses and $156.9 million of goodwill. As required by the transition provisions of SFAS No. 142, we compared the estimated fair values of our FCC broadcast licenses to the book values by market and, as a result of the comparison, have taken a charge in the first quarter of 2002 of $41.7 million, net of taxes. Also, as required by the transition provisions of SFAS No. 142, we are required to assign goodwill to reporting units and perform an assessment of whether there is an indication that goodwill is impaired as of the date of adoption. We have up to six months from January 1, 2002 to determine the fair value of each reporting unit and compare it to the carrying amount of the reporting unit to evaluate whether an impairment of goodwill exists. There can be no assurance that there will not be further adjustments for impairment in future periods.

In connection with the elimination of amortization of the cost of our broadcast licenses for financial reporting purposes upon adoption of SFAS No. 142, the reversal of our deferred tax liabilities relating to those intangible assets will no longer be assured within our net operating

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loss carry-forward period. As a result, we determined it was necessary to establish a valuation allowance against our deferred tax assets and we recorded a $57.9 million non-cash charge to income tax expense upon adoption of SFAS No. 142. We expect to incur deferred tax expense to establish valuation allowances against net operating losses generated in future periods.

Our ability to generate revenue could be affected by economic recession.

We derive substantially all of our revenue from the sale of advertising time on our radio stations. Generally, advertising tends to decline during economic recessions or downturns. Furthermore, because a substantial portion of our revenue is derived from local advertisers, our ability to generate advertising revenue in specific markets is directly affected by local or regional economic conditions.

A continued recession, or a downturn in the U.S. economy, or in the economy of any individual geographic market in which we own or operate stations, could have a significant effect on our financial condition or results of operations.

We are dependent on key personnel.

Our business is managed by a small number of key management and operating personnel, and our loss of one or more of these individuals could have a material adverse effect on our business. We believe that our future success will depend in large part on our ability to attract and retain highly skilled and qualified personnel and to expand, train and manage our employee base. We have entered into employment agreements with some of our key management personnel that include provisions restricting their ability to compete with us under specified circumstances.

We also employ several on-air personalities with large loyal audiences in their individual markets. The loss of one of these personalities could result in a short-term loss of audience share in that particular market.

The broadcasting industry is subject to extensive and changing Federal regulation.

The radio broadcasting industry is subject to extensive regulation by the FCC under the Communications Act. We are required to obtain licenses from the FCC to operate our stations. Licenses are normally granted for a term of eight years and are renewable. Although the vast majority of FCC radio station licenses are routinely renewed, we cannot assure you that the FCC will approve our future renewal applications or that the renewals will not include conditions or qualifications. The non-renewal, or renewal with substantial conditions or modifications, of one or more of our licenses could have a material adverse effect on us.

We must also comply with the extensive FCC regulations and policies in the ownership and operation of our radio stations. FCC regulations limit the number of radio stations that a licensee can own in a market, which could restrict our ability to consummate future transactions and in certain circumstances could require us to divest some radio stations. The FCC also requires radio stations to comply with certain technical requirements to limit interference between two or more radio stations. If the FCC relaxes these technical requirements, the signals transmitted by our radio stations could be impaired by other radio stations, which could have a material adverse effect on us. Moreover, these FCC regulations and others may change over time and we cannot assure you that those changes would not have a material adverse effect on us.

We are required to obtain prior FCC approval for each radio station acquisition.

The consummation of radio station acquisitions requires prior approval of the FCC with respect to the transfer of control or assignment of the broadcast licenses of the acquired stations. The FCC could prohibit or require the restructuring of our future acquisitions, or could

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propose changes in its existing rules that may reduce the number of stations that we would be permitted to acquire in some markets. In addition, where acquisitions would result in certain local radio advertising revenue concentration thresholds being met, the FCC staff has a policy of reviewing applications for proposed radio station acquisitions with respect to local market concentration concerns, and specifically invites public comment on these applications. This policy may help trigger petitions to deny and informal objections against FCC applications for our pending acquisitions and future acquisitions, as well as FCC staff requests for additional information. There can be no assurance that the FCC will approve potential future acquisitions.

Risks Related to Our Indebtedness

We have substantial indebtedness that could have a material adverse effect on us.

As of December 31, 2001, and after giving effect to the completion of our recent acquisitions of Aurora Communications and the broadcasting operations of DBBC, and the related refinancings, our long-term debt was $447.7 million, representing approximately 70.7% of our stockholders equity on a pro forma basis. Our debt agreements, and the terms of our outstanding preferred stock, have interest and principal repayment and redemption obligations that are substantial in amount and would have a substantial impact on our shareholders.

The level of our indebtedness could have several important consequences to you. You should note that:

- a substantial portion of our cash flow is, and will be, dedicated to debt service and is not, and will not be, available for other purposes;
- our ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate or other purposes may be impaired in the future;
- certain of our borrowings are, and will be, at variable rates of interest, which will expose us to the risk of increased interest rates;
- our leveraged position and the covenants contained in our debt agreements and the terms of our outstanding preferred stock could limit our ability to compete, expand or make capital improvements; and
- our level of indebtedness could make us more vulnerable to economic downturns, limit our ability to withstand competitive pressures and reduce our flexibility in responding to changing business and economic conditions.

Our ability to fulfill our debt obligations could be adversely affected by many factors.

Our ability to repay our debt obligations will depend upon our future financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, technological, legislative and regulatory factors, many of which are beyond our control. We cannot be certain that our operating results, cash flow and capital resources will be sufficient to repay our debt and other obligations in the future. In the absence of sufficient operating results and resources, we could face substantial liquidity problems and may be required to:

- reduce or delay planned acquisitions, expansions and capital expenditures;
- sell material assets or operations;
- obtain additional equity capital; or
- restructure our debt.

If liquidity problems require us to take any of these actions, we cannot provide you any assurance as to: (1) the timing of any sales or the proceeds that we could realize from these sales, (2) our ability to obtain additional equity capital or successfully complete a restructuring of our debt, or (3) whether these sales, additional equity capital or restructuring of debt could be effected on terms satisfactory to us or at all.

Our debt agreements and the terms of our preferred stock impose significant restrictions on us.

Our debt agreements, and the terms of our outstanding preferred stock, restrict, among other things, our ability to:

incur additional indebtedness;

pay dividends, make particular types of investments or make other restricted payments;

enter into some types of transactions with affiliates;

merge or consolidate with any other person; or

sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our assets.

In addition, our debt agreements also restrict our ability to incur liens or to sell some assets. Our credit facility also requires us to maintain specified financial ratios and to satisfy certain financial condition tests. Our ability to meet those financial ratios and financial condition tests can be affected by events beyond our control, and we cannot be sure that we will maintain those ratios or meet those tests. A breach of any of these restrictions could result in a default under our debt agreements. Our lenders have taken security interests in substantially all of our consolidated assets, and we have pledged the stock of our subsidiaries to secure the debt under our credit facility. If an event of default under our credit facility occurs, our credit facility lenders could declare all amounts outstanding, including accrued interest, immediately due and payable. If we could not repay those amounts, those lenders could proceed against the collateral pledged to them to secure that indebtedness. If our credit facility indebtedness were accelerated, our assets may not be sufficient to repay in full that indebtedness and our other indebtedness. Our ability to comply with the restrictions and covenants in our debt agreements will depend upon our future performance and various other factors, such as business, competitive, technological, legislative and regulatory factors, some of which are beyond our control. If we fail to comply with the restrictions and covenants in our existing debt agreements, the holders of our debt could declare all amounts owed to them immediately due and payable.

Risks Related to Our Class A Common Stock

The public market for our Class A Common Stock may be volatile.

We cannot assure you that the market price of our Class A Common Stock will not decline, and the market price could be subject to wide fluctuations in response to such factors as:

conditions and trends in the radio broadcasting industry;

actual or anticipated variations in our quarterly operating results, including audience share ratings and financial results;

changes in financial estimates by securities analysts;

technological innovations;

competitive developments;

adoption of new accounting standards affecting companies in general or affecting companies in the radio broadcasting industry in particular; and

general market conditions and other factors.

Further, the stock markets, and in particular the Nasdaq National Market, on which our Class A Common Stock is listed, have experienced extreme price and volume fluctuations that have particularly affected the market prices of equity securities of many technology and media companies and have often been unrelated or disproportionate to the operating performance of such companies. In addition, general economic, political and market conditions such as recessions, interest rate movements or international currency fluctuations, may adversely affect the market price of our Class A Common Stock.

We have never paid and do not expect to pay any cash dividends on our Class A Common Stock.

We do not anticipate declaring or paying any dividends, except for the payment of scheduled mandatory dividends on our Series A Preferred Stock. We have never declared or paid any cash dividends on our Class A Common Stock and do not anticipate paying cash dividends in the foreseeable future. In addition, our credit facility, indenture, certificate of designations governing our Series A Preferred Stock and, if our Series A Preferred Stock is converted into exchange debentures, our exchange debenture indenture, restrict our ability to pay dividends on our Class A Common Stock.

Certain shareholders control or have the ability to exert significant influence over the voting power of our capital stock.

As of March 31, 2002, and after giving effect to: (a) the exercise of a warrant to acquire 250,000 shares of Class A Common Stock and (b) the exercise of all of their options exercisable within 60 days of March 31, 2002, Lewis W. Dickey, Jr., our Chairman, President, Chief Executive Officer and a director, John W. Dickey, our Executive Vice President, together with DBBC and DBBC of Georgia, L.L.C., two of our shareholders that are principally controlled by Messrs. L. Dickey, J. Dickey and other members of their family, collectively own 6,354,656 shares, or 17.6%, of our outstanding Class A Common Stock, and 1,490,389 shares, or 57.3%, of our outstanding Class C Common Stock, which collectively represent approximately 34.2% of the outstanding voting power of our common stock. Consequently, they have the ability to exert significant influence over our policies and management. The interests of these shareholders may differ from the interests of our other shareholders.

As of March 31, 2002, and after giving effect to the exercise of all of their options exercisable within 60 days of March 31, 2002, Richard W. Weening, who served as one of our directors until March 1, 2002, together with CML Holdings, LLC and Quaestus & Co. Inc., two of our shareholders that are principally controlled by Mr. Weening, collectively own 967,550 shares, or 2.7%, of our outstanding Class A Common Stock, and 2,266,437 shares, or 84.4%, of our outstanding Class C Common Stock, which collectively represent approximately 38.0% of the outstanding voting power of our common stock. Consequently, they have the ability to exert significant influence over our policies and management. The interests of these shareholders may differ from the interests of our other shareholders.

As of March 31, 2002, BA Capital Company, L.P., referred to as BA Capital, and its affiliate, BancAmerica Capital Investors, SBIC I, L.P., referred to as BACI, together own 840,250 shares, or 2.4%, of our Class A Common Stock and 10,924,335 shares, or 73.5%, of our nonvoting Class B Common Stock, which is convertible into shares of Class A Common Stock. BA Capital also holds presently exercisable options to purchase 41,375 shares of our Class A Common Stock, and BACI also holds a warrant to purchase 706,424 shares of our Class A Common Stock or Class B Common Stock. Assuming that those options were exercised for

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shares of Class A Common Stock and the warrant was exercised for shares of Class A Common Stock, and giving effect to the conversion into shares of Class A Common Stock of all shares of Class B Common Stock held by BA Capital and BACI, BA Capital and BACI would hold approximately 20.1% of the total voting power of our common stock. BA Capital and BACI are both affiliates of Bank of America Corporation. Robert H. Sheridan, III, one of our directors, is a senior vice president and managing director of both BA Capital and BACI. BA Capital has the right to designate one member of our board and Mr. Sheridan currently serves on our board as BA Capital s designee. As a result, BA Capital, BACI and Mr. Sheridan have the ability to exert significant influence over our policies and management, and their interests may differ from the interests of our other shareholders.

Future sales of our Class A Common Stock in the public market could depress our stock price.

As of March 31, 2002, assuming completion of the offering of all 8,600,000 shares of Class A Common Stock under this prospectus supplement, and assuming the exercise of outstanding warrants to purchase 126,909 shares of Class A Common Stock and assuming conversion of all shares of Class B Common Stock (including those shares of Class B Common Stock issuable upon exercise of the warrant held by BACI) to shares of Class A Common Stock, we would have outstanding 58,722,467 shares of Class A Common Stock, and 1,529,277 shares of Class C Common Stock (which are convertible into shares of Class A Common Stock on a one-for-one basis). In addition, there would be outstanding options to purchase 4,475,117 shares of Class A Common Stock and a warrant to purchase 250,000 shares of Class A Common Stock, and outstanding options to purchase 2,657,392 shares of Class C Common Stock. Of those outstanding shares of Class A Common Stock, 53,472,467 shares will be freely transferable without restriction (subject to any FCC consent that might be required) under the Securities Act of 1933, as amended, referred to as the Securities Act, or further registration under the Securities Act, except that shares held by our affiliates, as that term is defined in Rule 144 promulgated under the Securities Act, may generally only be sold subject to certain restrictions as to timing, manner and volume.

The market price of our Class A Common Stock could drop as a result of sales of a large number of shares of Class A Common Stock in the market after the offering, or the perception that such sales could occur.

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USE OF PROCEEDS

We estimate that our net proceeds from the offering will be approximately $144.0 million, based on an assumed public offering price of $19.38 per share and after deducting underwriting discounts and commissions and estimated offering expenses payable by us, assuming the underwriters do not exercise their over-allotment option. We intend to use approximately $55.6 million of these net proceeds to fund the purchase price for the Wilks Broadcasting acquisition, and to use the balance for general corporate purposes, which could include repayment of indebtedness or to fund potential future acquisitions. We may temporarily invest funds not required immediately for these purposes in short-term investment-grade securities. Each selling shareholder selling any shares of Class A Common Stock under this prospectus supplement will receive all of the net proceeds from the sale of its shares. In connection with the exercise of warrants by one of the selling shareholders, we will receive approximately $180,000, which we expect to use for general corporate purposes.

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PRICE RANGE OF OUR CLASS A COMMON STOCK

Shares of our Class A Common Stock have been quoted on the Nasdaq National Market under the symbol CMLS since the initial public offering of our Class A Common Stock on July 1, 1998. The following table sets forth, for the calendar quarters indicated, the high and low closing sales prices of our Class A Common Stock on the Nasdaq National Market, as reported in published financial sources.

	High	Low
2000		
First Quarter	$50.38	$13.06
Second Quarter	14.63	7.81
Third Quarter	11.56	4.06
Fourth Quarter	7.00	3.19
2001		
First Quarter	$ 8.25	$ 3.75
Second Quarter	13.95	5.28
Third Quarter	14.26	6.06
Fourth Quarter	16.35	6.35
2002		
First Quarter	$19.63	$12.99
Second Quarter (through May 8)	20.45	17.31

On May 8, 2002, the last reported sale price of our Class A Common Stock on the Nasdaq National Market was $19.38 per share. As of March 31, 2002, there were approximately 325 holders of record of the Class A Common Stock. This figure does not include an estimate of the indeterminate number of beneficial holders whose shares may be held of record by brokerage firms or clearing agencies.

DIVIDEND POLICY

We have not declared or paid any cash dividends on our Class A Common Stock since our inception and do not currently anticipate paying any cash dividends on our Class A Common Stock in the foreseeable future. We intend to retain future earnings for use in our business. We are currently subject to restrictions under the terms of our credit facility, the indenture governing our $160.0 million in aggregate principal amount of 10 3/8% Senior Subordinated Notes due 2008 and the certificate of designations governing our Series A Preferred Stock, which both limit the amount of cash dividends that may be paid on our Class A Common Stock. We may pay cash dividends on our Class A Common Stock in the future only if we meet certain financial tests set forth in the credit facility, the indenture and the certificate of designations governing our Series A Preferred Stock and only if we fulfill our obligations to pay dividends to the holders of our Series A Preferred Stock.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents, and capitalization, as of December 31, 2001, (1) on an actual basis, (2) on a pro forma basis to give effect to our acquisitions of Aurora Communications and the broadcasting operations of DBBC, which we completed on March 28, 2002, and the retirement of all debt under our old credit facility and our borrowings under our new credit facility, which we completed concurrently with those two acquisitions, and (3) on a pro forma as adjusted basis to give effect to those acquisitions and the related refinancing and also to give effect to the completion of the offering and the receipt of the net proceeds from this offering to be received by us at closing (assuming that the underwriters over-allotment option is not exercised). This table should be read in conjunction with our consolidated financial statements and related notes in our Annual Report on Form 10-K for the year ended December 31, 2001, incorporated by reference herein.

	As of December 31, 2001		
	Actual	**Pro Forma**	**Pro Forma As Adjusted**
		(unaudited) (in thousands)	**(unaudited)**
Cash and cash equivalents	$ 5,308	$ 6,112	$ 150,265
Restricted cash	13,000	13,000	13,000
Long-term debt, including current maturities:			
Old credit facility	159,813		
Credit facility		287,500	287,500
Senior subordinated notes	160,000	160,000	160,000
Other long-term debt	205	205	205
Total long-term debt	320,018	447,705	447,705
Series A Preferred Stock(1)	134,489	134,489	134,489
Stockholders equity:			
Class A Common Stock(2)	285	346	432
Class B Common Stock(3)	59	149	141
Class C Common Stock(4)	15	15	15
Additional paid-in capital	504,259	703,777	847,852
Accumulated deficit	(61,333)	(61,333)	(61,333)
Issued Class A Common Stock held in escrow(5)	(9,417)		
Loans to officers	(9,984)	(9,984)	(9,984)
Total stockholders equity	423,884	632,970	777,123
Total capitalization	$878,391	$1,215,164	$1,359,317

(1) As of December 31, 2001, there were 130,020 shares of Series A Preferred Stock issued and outstanding (actual, pro forma and pro forma as adjusted).

(2) As of December 31, 2001, there were 100,000,000 shares of Class A Common Stock authorized, 28,505,887 shares issued and 27,735,887 shares outstanding (actual), 34,592,730 shares issued and outstanding (pro forma) and 43,192,730 shares issued and outstanding (pro forma as adjusted).

(3) As of December 31, 2001, there were 20,000,000 shares of Class B Common Stock authorized, 5,914,343 shares (actual), 14,858,682 shares (pro forma) and 14,058,682 shares (pro forma as adjusted) issued and outstanding.

(4) As of December 31, 2001, there were 30,000,000 shares of Class C Common Stock authorized, 1,529,277 shares issued and outstanding (actual, pro forma and pro forma as adjusted).

(5) As of December 31, 2001, there were 770,000 shares of Class A Common Stock held in escrow and treated as issued but not outstanding (actual).

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DILUTION

Our net tangible book value at December 31, 2001 was $249 million, or $7.07 per common share. Net tangible book value is the amount of our total assets less goodwill, deferred financing costs, total liabilities, and preferred stock subject to mandatory redemption. Net tangible book value per common share is net tangible book value divided by the number of shares of common stock outstanding. Net pro forma tangible book value per common share is determined by dividing our net tangible book value by the number of shares of our common stock outstanding after giving effect to this offering. Assuming no changes in our net tangible book value, other than to give effect to the sale of the Class A Common Stock offered by this prospectus supplement and the accompanying prospectus our pro forma net tangible book value at December 31, 2001 would have been $393 million, or $9.14 per common share.

This represents an immediate increase in pro forma net tangible book value of $2.07 per common share to existing stockholders, and an immediate dilution in pro forma net tangible book value of $10.24 per common share to new investors purchasing our Class A Common Stock in this offering. The following table illustrates this per share dilution.

Assumed offering price per common share		$19.38
Net tangible book value per common share at December 31, 2001	$7.07	
Increase per share attributable to new investors	$2.07	
Net tangible book value per common share after this offering		$ 9.14
Dilution per common share to new investors		$10.24

If we had completed our acquisitions of Aurora Communications and the broadcasting operations of DBBC on December 31, 2001, our net tangible book value at December 31, 2001 would have been $375 million, or $7.36 per common share. After giving effect to the sale of the Class A Common Stock offered by this prospectus supplement and the accompanying prospectus our pro forma net tangible book value at December 31, 2001 would have been $519 million, or $8.83 per common share. This would represent an immediate increase in pro forma net tangible book value of $1.47 per common share to existing investors, and an immediate decrease in pro forma net tangible book value of $10.55 per common share to new investors purchasing our Class A Common Stock in this offering.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The selected consolidated historical financial data presented below has been derived from our audited consolidated financial statements as of and for the years ended December 31, 2001, 2000, 1999, 1998 and as of and for the period from inception on May 22, 1997 to December 31, 1997. Our consolidated historical financial data are not comparable from year to year because of our acquisition and disposition of various radio stations during the periods covered. This data should be read in conjunction with our audited, consolidated financial statements and their related notes, as set forth in our Annual Report on Form 10-K for the year ended December 31, 2001, incorporated by reference herein, and with Management s Discussion and Analysis of Financial Condition and Results of Operations below.

	Period From Inception on May 22, 1997 to December 31, 1997	Year Ended December 31,			
		1998	1999	2000	2001
		(in thousands)			
Statement of Operations Data:					