

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

Form 8-K

Current Report
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): 10/30/2006

CLEAR CHANNEL OUTDOOR HOLDINGS, INC.
(Exact Name of Registrant as Specified in its Charter)

Commission File Number: 001-32663

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

86-0812139
(I.R.S. Employer
Identification No.)

200 E. Basse
San Antonio, TX 78209
(Address of Principal Executive Offices, Including Zip Code)

210-832-3700
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Items to be Included in this Report

Item 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 30, 2006 Clear Channel Outdoor Holdings, Inc. issued a press release announcing its earnings for the quarter ended September 30, 2006.

The information contained in Exhibit 99.1 is incorporated herein by reference. The information in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

99.1 Press Release of Clear Channel Outdoor Holdings, Inc. issued
October 30, 2006.

Signature(s)

Pursuant to the Requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the Undersigned hereunto duly authorized.

CLEAR CHANNEL OUTDOOR HOLDINGS, INC.

Date: October 30, 2006

By: /S/ HERBERT W. HILL, JR.

Herbert W. Hill, Jr.

Sr. Vice President/Chief Accounting Officer

INDEX TO EXHIBITS

99.1 Press Release of Clear Channel Outdoor Holdings, Inc. issued October 30, 2006.

Clear Channel Outdoor Reports Third Quarter 2006 Results

SAN ANTONIO--(BUSINESS WIRE)--Oct. 30, 2006--Clear Channel Outdoor Holdings, Inc. (NYSE:CCO) today reported results for its third quarter ended September 30, 2006.

The Company reported revenues of \$720.3 million in the third quarter of 2006, an 8% increase over the \$668.0 million reported for the third quarter of 2005. Included in the Company's revenue is a \$14.4 million increase due to movements in foreign exchange; strictly excluding the effects of these movements in foreign exchange, revenue growth would have been 6%. See reconciliation of revenue excluding effects of foreign exchange to revenue at the end of this press release. Clear Channel Outdoor's expenses increased 4% to \$502.3 million during the third quarter of 2006 compared to 2005. Included in the Company's 2006 expenses is approximately \$1.5 million of share-based payments and a \$12.1 million increase due to movements in foreign exchange.

Clear Channel Outdoor's income and diluted earnings per share were \$31.8 million and \$0.09, respectively, during the third quarter of 2006. This compares to income of \$9.5 million or \$0.03 per diluted share in the third quarter of 2005.

The Company's OIBDAN (defined as Operating Income before Depreciation & amortization, Non-cash compensation expense and Gain (loss) on disposition of assets - net) was \$204.4 million in the third quarter of 2006, an 18% increase from the third quarter of 2005. See reconciliation of OIBDAN to net income at the end of this press release.

"Our third quarter performance continues the trend of consistently strong revenues and profits," commented Mark Mays, Chief Executive Officer of Clear Channel Outdoor. "We continue to leverage the prime positioning of our global outdoor asset base to attract new advertisers and grow our revenues. We believe we have a global strategy in place that will sustain our growth over the long term, and we remain committed to aggressively pursuing new technologies that will solidify our leadership position and drive meaningful value for our shareholders."

Paul J. Meyer, Global President and Chief Operating Officer, commented, "We are particularly pleased with another quarter of strong top line and OIBDAN growth in our business in the Americas, and that momentum is continuing into the fourth quarter. We expect improved performance in the fourth quarter from our international markets, and we are in the process of implementing a new regional management system that will enhance our ability to achieve greater operational efficiencies in our European businesses going forward."

Revenue, Direct Operating and SG&A Expenses, and OIBDAN by Division

(In thousands)	Three Months Ended September 30,		% Change
	2006	2005	
Revenue			
Americas	\$356,384	\$317,705	12%
International	363,870	350,298	4%
Consolidated revenue	\$720,254	\$668,003	8%
Direct Operating and SG&A Expenses by Division			
Americas	\$185,497	\$167,808	
Less: Non-cash compensation expense	(1,173)	(222)	
	184,324	167,586	10%
International	316,760	315,042	
Less: Non-cash compensation expense	(328)	(112)	
	316,432	314,930	0%

Plus: Non-cash compensation expense	1,501	334	
	-----	-----	
Consolidated divisional operating expenses	\$502,257	\$482,850	4%
	=====	=====	

The Company's 2006 revenue and direct operating and SG&A expenses increased approximately \$14.4 million and \$12.1 million, respectively, from foreign exchange movements during the third quarter of 2006 as compared to the third quarter of 2005.

(In thousands)	Three Months Ended September 30,		%
	2006	2005	Change
	-----	-----	
OIBDAN	2006	2005	
Americas	\$172,060	\$150,119	15%
International	47,438	35,368	34%
Corporate	(15,103)	(12,999)	
	-----	-----	
Consolidated OIBDAN	\$204,395	\$172,488	18%
	=====	=====	

See reconciliation of OIBDAN to net income at the end of this press release.

Americas

The Company's Americas revenue increased 12% during the third quarter of 2006 as compared to the third quarter of 2005 primarily attributable to bulletin and airport revenues. The increase in bulletin revenue was driven by an increase in rates. The increase in airport revenues was attributable to increased occupancy and rates as well as the acquisition of Interspace Airport Advertising ("Interspace") in the current quarter, which contributed \$14.6 million to revenue growth over the third quarter of 2005. Strong revenue growth for the quarter was achieved across a broad spectrum of markets including Boston, Cleveland, Dallas, Minneapolis, Orlando, Sacramento, San Antonio and Tucson. Top advertising client categories during the quarter included autos, business and consumer services, entertainment, insurance and retail.

Direct operating and SG&A expenses increased \$17.7 million in the third quarter of 2006 over the third quarter of 2005. The increase was driven by increased site lease and commission expenses associated with the increase in revenue. Interspace contributed \$9.0 million to direct operating and SG&A expenses in the third quarter of 2006. Non-cash compensation expense increased \$1.2 million related to the adoption of FAS 123R.

International Outdoor

Revenues from the Company's international outdoor operations increased 4% in the third quarter of 2006 as compared to the third quarter of 2005 primarily from movements in foreign exchange. Excluding the effects of foreign exchange, the Company's international outdoor revenue was flat over the third quarter of 2005 primarily as a result of growth in street furniture revenues offset by declines in billboard revenues in France and the United Kingdom. Top advertising client categories during the quarter included autos, business and consumer services, entertainment, insurance and retail.

Direct operating and SG&A expenses increased 1% over the third quarter of 2005 primarily from increases due to movements in foreign exchange and an increase in fixed rent associated with guarantees on new contracts. Included in direct operating and SG&A expenses in the third quarter of 2005 is approximately \$26.6 million related to restructuring the Company's businesses in France. Also included in the 2006 expenses is \$0.3 million in non-cash compensation expense related to the adoption of FAS 123R.

FAS No. 123R: Share-Based Payment ("FAS 123R")

The Company adopted FAS 123R on January 1, 2006 under the modified-prospective approach which requires it to recognize employee compensation cost related to its stock option grants in the 2006 financial statements for all options granted after the date of adoption as well as for any options that were granted prior to adoption but not vested. Under the modified-prospective approach, no stock option expense is reflected in the financial statements for 2005 attributable to these options. Non-cash compensation expense

recognized in the financial statements during 2005 relates to the expense associated with restricted stock awards. The following table details non-cash compensation expense for the third quarter of 2006 and 2005, respectively:

(In thousands)	Three Months Ended September 30,	
	2006	2005 (1)
Direct operating expense	\$1,081	\$334
SG&A	420	--
Corporate	22	--
Total share-based payments	\$1,523	\$334

(1) Actual non-cash compensation expense recognized in the 2005 financial statements.

Conference Call

The Company will host a teleconference to discuss results today at 9:00 a.m. Eastern Time (in conjunction with the Clear Channel Communications conference call). The conference call number is 800-309-1245 and the pass code is 9703475. The same conference call number and pass code is being used for the Clear Channel Communications teleconference as well. Please call ten minutes in advance to ensure that you are connected prior to the presentation. The teleconference will also be available via a live audio cast on the Clear Channel website, located at www.clearchannel.com. A replay of the call will be available for 72 hours after the live conference call, beginning at 12:00 p.m. Eastern Time. The replay number is 888-203-1112 and the pass code is 9703475. The audio cast will also be archived on the website and will be available beginning 24 hours after the call for a period of thirty days.

TABLE 1 - Financial Highlights of Clear Channel Outdoor Holdings, Inc. and Subsidiaries - Unaudited

(In thousands, except per share data)	Three Months Ended September 30,		
	2006	2005	% Change
Revenue	\$720,254	\$668,003	8%
Direct operating expenses	367,620	329,688	
Selling, general and administrative expenses	134,637	153,162	
Corporate expenses	15,125	12,999	
Depreciation and amortization	102,123	95,405	
Gain (loss) on disposition of assets - net	(834)	1,043	
Operating Income	99,915	77,792	28%
Interest expense	43,599	63,672	
Equity in earnings of nonconsolidated affiliates	1,823	3,961	
Other income (expense) - net	467	(5,748)	
Income before income taxes and minority interest	58,606	12,333	
Income tax benefit (expense):			
Current	(14,376)	8,978	
Deferred	(12,270)	(5,856)	
Income tax benefit (expense)	(26,646)	3,122	
Minority interest income (expense), net of tax	(127)	(5,913)	
Net income	\$31,833	\$9,542	
Diluted net earnings per share (a)	\$.09	\$.03	200%

Weighted average shares outstanding -

Diluted (a) 354,256 350,000

(a) Diluted per share amount for 2005 is calculated on a pro forma basis assuming the initial public offering of 10% of the Company's stock occurred on January 1, 2005. Diluted net earnings per share for the three months ended September 30, 2005, based on actual weighted average shares outstanding of 315,000, was \$.03 per diluted share.

TABLE 2 - Selected Balance Sheet Information

Selected balance sheet information was:

(In millions)	September 30, December 31,	
	2006	2005
	(Unaudited)	Audited
Cash	\$104.7	\$108.6
Due from Clear Channel Communications	\$--	\$0.1
Total Current Assets	\$1,113.8	\$1,050.2
Net Property, Plant and Equipment	\$2,157.4	\$2,153.4
Total Assets	\$5,222.7	\$4,918.3
Due to Clear Channel Communications	\$49.9	\$--
Current Liabilities (excluding current portion of long-term debt)	\$758.3	\$653.0
Long-Term Debt (including current portion of long-term debt)	\$183.0	\$227.8
Debt with Clear Channel Communications	\$2,500.0	\$2,500.0
Shareholders' Equity	\$1,444.9	\$1,209.4

TABLE 3 - Capital Expenditures - Unaudited

Capital expenditures for the third quarter of 2006 and 2005 were:

(In millions)	September 30, September 30,	
	2006	2005
Non-revenue producing	\$20.7	\$19.4
Revenue producing	38.0	33.2
Total capital expenditures	\$58.7	\$52.6

The Company defines non-revenue producing capital expenditures as those expenditures that are required on a recurring basis. Revenue producing capital expenditures are discretionary capital investments for new revenue streams, similar to an acquisition.

TABLE 4 - Total Debt - Unaudited

At September 30, 2006, Clear Channel Outdoor had total debt of:

(In millions)	September 30,
	2006
Bank Credit Facility	\$30.7
Debt with Clear Channel Communications	2,500.0
Other Debt	152.3
Due to Clear Channel Communications	49.9
Total	2,732.9
Cash	104.7
Net Debt	\$2,628.2

For the nine months ended September 30, 2006, cash flow from operating activities was \$386.4 million, cash flow used by investing activities was \$382.9 million, cash flow used by financing activities was \$5.9 million, and the effect of exchange rate changes on cash was \$1.6 million for a net decrease in cash of \$4.0 million.

Leverage, defined as total debt including the payable to Clear Channel Communications, net of cash, divided by the trailing 12-month OIBDAN, was 3.3x at September 30, 2006.

Supplemental Disclosure Regarding Non-GAAP Financial Information

Operating Income before Depreciation and Amortization (D&A),
Non-cash Compensation Expense and Gain (Loss) on Disposition of Assets
- Net (OIBDAN)

The following tables set forth Clear Channel Outdoor's OIBDAN for the three months ended September 30, 2006 and 2005. The Company defines OIBDAN as net income adjusted to exclude non-cash compensation expense and the following line items presented in its Statement of Operations: Minority interest, net of tax; Income tax benefit (expense); Other income (expense) - net; Equity in earnings of nonconsolidated affiliates; Interest expense; Gain (loss) on disposition of assets - net; and, D&A.

The Company uses OIBDAN, among other things, to evaluate the Company's operating performance. This measure is among the primary measures used by management for planning and forecasting of future periods, as well as for measuring performance for compensation of executives and other members of management. This measure is an important indicator of the Company's operational strength and performance of its business because it provides a link between profitability and cash flows from operating activities. It is also a primary measure used by management in evaluating companies as potential acquisition targets.

The Company believes the presentation of this measure is relevant and useful for investors because it allows investors to view performance in a manner similar to the method used by the Company's management. It helps improve investors' ability to understand the Company's operating performance and makes it easier to compare the Company's results with other companies that have different capital structures, stock option structures or tax rates. In addition, this measure is also among the primary measures used externally by the Company's investors, analysts and peers in its industry for purposes of valuation and comparing the operating performance of the Company to other companies in its industry.

Since OIBDAN is not a measure calculated in accordance with GAAP, it should not be considered in isolation of, or as a substitute for, net income as an indicator of operating performance and may not be comparable to similarly titled measures employed by other companies. OIBDAN is not necessarily a measure of the Company's ability to fund its cash needs. As it excludes certain financial information compared with operating income and net income (loss), the most directly comparable GAAP financial measures, users of this financial information should consider the types of events and transactions, which are excluded.

In addition, because a significant portion of the Company's advertising operations are conducted in foreign markets, principally France and the United Kingdom, management reviews the operating results from its foreign operations on a constant dollar basis. A constant dollar basis (i.e. a foreign currency adjustment is made to the 2006 actual foreign revenues and expenses at average 2005 foreign exchange rates) allows for comparison of operations independent of foreign exchange movements.

As required by the SEC, the Company provides reconciliations below of, including (i) OIBDAN for each segment to consolidated operating income; (ii) Revenue excluding foreign exchange effects to revenue; (iii) Expense excluding foreign exchange effects to expense; and (vi) OIBDAN to net income, the most directly comparable amounts reported under GAAP.

(In thousands)	Gain (loss) on disposition of assets - net				
	Operating income (loss)	Non-cash compensation expense	D&A	net	OIBDAN
	-----	-----	-----	-----	-----

Three Months Ended September 30, 2006

Americas	\$124,990	\$1,173	\$45,897	\$--	\$172,060
Intl Outdoor	(9,116)	328	56,226	--	47,438
Corporate	(15,125)	22	--	--	(15,103)
Gain (loss) on disposition of assets - net	(834)	--	--	834	--
Consolidated	\$99,915	\$1,523	\$102,123	\$834	\$204,395

Three Months Ended September 30, 2005

Americas	\$108,969	\$222	\$40,928	\$--	\$150,119
Intl Outdoor	(19,221)	112	54,477	--	35,368
Corporate	(12,999)	--	--	--	(12,999)
Gain (loss) on disposition of assets - net	1,043	--	--	(1,043)	--
Consolidated	\$77,792	\$334	\$95,405	\$(1,043)	\$172,488

Reconciliation of Revenue excluding Foreign Exchange Effects to Revenue

(In thousands)	Three Months Ended September 30,		
	2006	2005	
Revenue	\$720,254	\$668,003	8%
Less: Foreign exchange increase	(14,367)	--	
Revenue excluding effects of foreign exchange	\$705,887	\$668,003	6%
International Outdoor Revenue	\$363,870	\$350,298	4%
Less: Foreign exchange increase	(13,129)	--	
International Outdoor Revenue excluding effects of foreign exchange	\$350,741	\$350,298	0%

Reconciliation of Expense excluding Foreign Exchange Effects to Expense

(In thousands)	Three Months Ended September 30,		
	2006	2005	
International Outdoor Expense	\$316,760	\$315,042	1%
Less: Foreign exchange increase	(11,214)	--	
International Outdoor Expense excluding effects of foreign exchange	\$305,546	\$315,042	(3%)

Outdoor OIBDAN excluding Foreign Exchange Effects to OIBDAN

(In thousands)	Three Months Ended September 30,		
	2006	2005	
OIBDAN	\$204,395	\$172,488	18%

Less: Foreign exchange increase	(2,239)	--	
OIBDAN excluding effects of foreign exchange	\$202,156	\$172,488	17%

Reconciliation of OIBDAN to Net income

(In thousands)	Three Months Ended September 30,	
	2006	2005
OIBDAN	\$204,395	\$172,488
Non-cash compensation expense	1,523	334
Depreciation & amortization	102,123	95,405
Gain (loss) on disposition of assets - net	(834)	1,043
Operating Income	99,915	77,792
Interest expense	43,599	63,672
Equity in earnings of nonconsolidated affiliates	1,823	3,961
Other income (expense) - net	467	(5,748)
Income before income taxes and minority interest	58,606	12,333
Income tax benefit (expense):		
Current	(14,376)	8,978
Deferred	(12,270)	(5,856)
Income tax benefit (expense)	(26,646)	3,122
Minority interest income (expense)	(127)	(5,913)
Net income	\$31,833	\$9,542

About Clear Channel Outdoor Holdings

Clear Channel Outdoor, headquartered in San Antonio, Texas, is a global leader in the outdoor advertising industry providing clients with advertising opportunities through billboards, street furniture displays, transit displays, and other out-of-home advertising displays.

For further information contact:

Investors - Randy Palmer, Senior Vice President of Investor Relations at 210-832-3315 or Media - Lisa Dollinger, Chief Communications Officer, 210-832-3474 or visit our web site at www.clearchanneloutdoor.com.

Certain statements in this document constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Clear Channel Outdoor to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The words or phrases "guidance," "believe," "expect," "anticipate," "estimates" and "forecast" and similar words or expressions are intended to identify such forward-looking statements. In addition, any statements that refer to expectations or other characterizations of future events or circumstances are forward-looking statements.

Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this document include, but are not limited to: changes in business, political and economic conditions in the U.S. and in other countries in which Clear Channel Outdoor currently does business (both general and relative to the advertising industry); fluctuations in interest rates; changes in operating performance; shifts in population and other demographics; changes in the level of competition for advertising dollars; fluctuations in operating costs; technological changes and innovations; changes in labor conditions; changes in governmental regulations and policies and actions of regulatory bodies; fluctuations in exchange rates and currency values; changes in tax rates; and changes in capital expenditure requirements and access to capital markets. Other unknown or unpredictable factors also could have material adverse effects on Clear Channel Outdoor's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events

discussed in this document may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this document. Other key risks are described in Clear Channel Outdoor's reports and other documents filed with the U.S. Securities and Exchange Commission, including in the section entitled "Item 1A. Risk Factors" of the Company's Annual Report filed on Form 10-K for the year ended December 31, 2005. Except as otherwise stated in this document, Clear Channel Outdoor does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

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or

Media:

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