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): May 4, 2016

CLEAR CHANNEL OUTDOOR HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-32663	86-0812139
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

200 East Basse Road, Suite 100
San Antonio, Texas 78209
(Address of principal executive offices)

Registrant's telephone number, including area code: (210) 832-3700

Not Applicable
(Former name or former address, if changed since last report)

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:

¨ 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))

Item 2.02 Results of Operations and Financial Condition

On May 4, 2016, Clear Channel Outdoor Holdings, Inc. issued a press release announcing its financial results for the quarter ended March 31, 2016. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information in this report, including Exhibit 99.1, shall not be deemed "filed" for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall such information, including Exhibit 99.1, be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosure

Pursuant to Section 4.03 of the Indenture, dated as of December 16, 2015, among Clear Channel International B.V. ("CCI BV"), the guarantors party thereto, and U.S. Bank National Association, as trustee (the "Trustee"), paying agent, registrar, authentication agent and transfer agent (the "Indenture"), CCI BV, an indirect, wholly-owned subsidiary of the Company, agreed to furnish to the holders of its 8.75% senior notes due 2020 and the Trustee unaudited consolidated financial statements of CCI BV and its subsidiaries prepared in accordance with GAAP (the "Consolidated Financial Statements"), including a Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A"). The Consolidated Financial Statements and the MD&A are furnished herewith as Exhibit 99.2 and are incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information under this Item 7.01, including Exhibit 99.2, shall not be deemed "filed" for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall such information, including Exhibit 99.2, be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
99.1	Press Release issued by Clear Channel Outdoor Holdings, Inc. on May 4, 2016
99.2	Unaudited Consolidated Financial Statements as of and for the three months ended March 31, 2016 of Clear Channel International B.V. and Management's Discussion and Analysis of Financial Condition and Results of Operations

SIGNATURES

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: May 4, 2016

By: /s/ Scott D. Hamilton
Scott D. Hamilton
Senior Vice President, Chief Accounting Officer and
Assistant Secretary

Exhibit Index

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Clear Channel Outdoor

CLEAR CHANNEL OUTDOOR HOLDINGS, INC. REPORTS
RESULTS FOR 2016 FIRST QUARTER

Revenues Down 4.0%; OIBDAN Down 3.8%
Revenues Up 1.8%; OIBDAN Up 4.8%, Excluding FX and Non-Strategic Asset Sales

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San Antonio, May 4, 2016 – Clear Channel Outdoor Holdings, Inc. (NYSE: CCO) today reported financial results for the first quarter ended March 31, 2016.

"We're pleased with our progress at both our Americas and International outdoor operations, as we continued to win major contracts and roll out a full range of new technologies to better serve advertisers and consumers," said Bob Pittman, Executive Chairman and Chief Executive Officer of Clear Channel Outdoor Holdings, Inc. "Americas outdoor's streamlined organization is redoubling its focus on customers while bringing powerful innovations to market, including our data analytics solution that uses aggregated, anonymous, statistical insights from third-party data providers to enable marketers to better target their campaigns and programmatic initiatives aimed at making it easier for agencies and advertisers to buy inventory. At International, our business plan is starting to drive results, as we are successfully bidding for the right opportunities at the right price.

"Americas outdoor delivered top- and bottom-line growth in the quarter after adjusting for non-strategic asset sales, with International essentially flat, excluding the impact from foreign exchange rates," said Rich Bressler, Chief Financial Officer of Clear Channel Outdoor Holdings, Inc. "Americas outdoor continued to optimize our footprint during the quarter, enabling us to better focus our operations and free up resources for more investments in innovation, and at International outdoor we won a number of key contracts in the quarter while continuing to build out our digital business."

Key Financial Highlights

The Company's key financial highlights for the first quarter 2016 include:

- Consolidated revenues increased 1.8% after adjusting for a $15 million impact from movements in foreign exchange rates and the $20 million impact of the non-strategic outdoor markets we sold in the first quarter of 2016. On a reported basis, consolidated revenue decreased 4.0%.
- Americas revenues increased $12 million, or 4.2%, after adjusting for a $5 million impact from movements in foreign exchange rates and a $20 million impact from the sale of non-strategic markets. The increase was driven by higher revenues from digital and static billboards. On a reported basis, revenues decreased 4.5%.
- International revenues decreased $1 million, or 0.3%, after adjusting for a $10 million impact from movements in foreign exchange rates. Revenue growth in certain countries including Australia, China and France was offset by decreases in other countries including the United Kingdom and Switzerland. On a reported basis, revenues decreased $11 million, or 3.4%.
- OIBDAN[1] increased 4.8% excluding the impact from movements in foreign exchange rates and the impact of the non-strategic outdoor markets we sold in the first quarter of 2016. On a reported basis, OIBDAN[1] decreased 3.8%.

Key Non-Financial Highlights

The Company's recent key non-financial highlights include:

- Introduced RADAR – America's new data analytics solution to plan and buy out-of-home (OOH) media and use aggregated, anonymous, statistical insights from third-party data providers to enable marketers for the first time to use the same sophisticated audience segmentation, targeting and insights for OOH advertising already available to their digital campaigns.

- Secured an eight-year contract to provide new, state-of-the-art display advertising with interactive technology both indoors and outdoors at Washington Dulles International and Ronald Reagan Washington National airports to reach a combined 41 million travelers annually, expanding America's leadership in digital OOH media in the Washington, D.C. metropolitan area.
- Expanding the digital street furniture network and launching Adsmart in Australia and New Zealand through Adshel – International's joint Australia/New Zealand venture with APN – that will add 365 digital screens for a total of 825 in the two countries and provide an ad-serving platform to enable advertisers to enhance their campaigns based on time of day, place, audience, context and business.
- Awarded a seven-year advertising contract for Asda stores in the UK, including a complete re-build of Asda outdoor billboard and poster sites, as well as digital screens powered by International UK's intelligent content management system – Play iQ – at up to 300 superstores.
- Awarded 12-year contract to manage Madrid's street furniture – one of the largest in Europe – that features environmental sustainability, universal accessibility and the most innovative communication and public engagement channel available anywhere across 1,610 advertising panels, including 300 digital with 350 WiFi spots, to better serve consumers and advertisers. This award is subject to an appeal under the applicable administrative legal procedures in Spain.
- Installed 980 digital displays across our markets increasing the digital billboards to 1,056 in 28 markets in North America and to more than 7,645 across 19 international markets.
- Hired Wade Rifkin to the newly created position of Senior Vice President of Programmatic to develop Americas outdoor's programmatic strategy and work closely with its technology, marketing and sales operations teams to make it easier for agencies and advertisers to buy inventory.

Revenues, Operating Expenses and OIBDAN by Segment[1]

(In thousands)	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	% Change
Revenue[1]			
Americas	$282,528	$295,863	(4.5%)
International	308,193	319,180	(3.4%)
Consolidated revenue	**$590,721**	**$615,043**	**(4.0%)**
Operating expenses[1,2]			
Americas	$193,341	$201,871	(4.2%)
International	277,154	288,230	(3.8%)
Consolidated operating expenses	**$470,495**	**$490,101**	**(4.0%)**
OIBDAN[1]			
Americas	$ 89,187	$ 93,992	(5.1%)
International	31,039	30,950	0.3%
Corporate[1]	(25,819)	(26,828)	(3.8%)
Consolidated OIBDAN	**$ 94,407**	**$ 98,114**	**(3.8%)**

Revenues, Operating Expenses and OIBDAN by Segment Excluding Movements in Foreign Exchange[1,2]

(In thousands)	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	% Change
Revenue[1]			
Americas	$287,543	$295,863	(2.8%)
International	318,297	319,180	(0.3%)
Consolidated revenue	**$605,840**	**$615,043**	**(1.5%)**
Operating expenses[1,2]			
Americas	$197,315	$201,871	(2.3%)
International	287,467	288,230	(0.3%)
Consolidated operating expenses	**$484,782**	**$490,101**	**(1.1%)**
OIBDAN[1]			
Americas	$ 90,228	$ 93,992	(4.0%)
International	30,830	30,950	(0.4%)
Corporate[1]	(26,246)	(26,828)	
Consolidated OIBDAN	**$ 94,812**	**$ 98,114**	**(3.4%)**

Certain prior period amounts have been reclassified to conform to the 2016 presentation of financials throughout the press release.

1 See the end of this press release for reconciliations of (i) OIBDAN for each segment to consolidated operating income (loss); (ii) revenues excluding effects of foreign exchange to revenues; (iii) direct operating and SG&A expenses excluding effects of foreign exchange to expenses; (iv) OIBDAN excluding effects of foreign exchange to OIBDAN; (v) corporate expenses excluding non-cash compensation expenses to corporate expenses; (vi) Consolidated and Americas outdoor revenues, operating expenses and OIBDAN excluding the effects of foreign exchange and outdoor markets sold to Consolidated and Americas outdoor revenues, operating expenses and OIBDAN; and (vii) OIBDAN to net income (loss). See also the definition of OIBDAN under the Supplemental Disclosure section in this release.

2 The Company's operating expenses include direct operating expenses and SG&A expenses.

First Quarter 2016 Results

Consolidated

Consolidated revenues increased 1.8% after adjusting for a $15 million impact from movements in foreign exchange rates and the $20 million impact of the non-strategic outdoor markets we sold in the first quarter of 2016. On a reported basis, consolidated revenue decreased 4.0%.

After adjusting for movements in foreign exchange rates and the impact of the sale of non-strategic outdoor markets, the Company's OIBDAN was up 4.8% in the first quarter 2016 compared to the same period of 2015. Included in the 2016 first quarter OIBDAN[1] were $2 million of operating expenses and $0.3 million of corporate expenses associated with the Company's strategic revenue and efficiency initiatives, $1 million lower than such expenses in the prior year. On a reported basis, OIBDAN[1] was down 3.8% to $94 million for the first quarter compared to the same period in 2015.

The Company's consolidated net income totaled $141 million in the first quarter of 2016 compared to consolidated net loss of $33 million in the same period of 2015. The increase was primarily due to the $282 million gain recognized on the sale of nine non-strategic markets at the beginning of the year.

Americas

Americas outdoor revenues increased $12 million, or 4.2%, after adjusting for a $5 million impact from movements in foreign exchange rates and a $20 million impact from the sale of non-strategic markets. In the first quarter of 2016, we sold nine non-strategic markets for net proceeds of $596.6 million in cash and certain assets in Florida. These non-strategic markets generated revenues of $2.5 million in the first quarter of 2016 compared to $22.3 million in the first quarter of 2015. The revenue increase was driven by higher revenues from digital billboards as a result of new deployments, organic growth and higher occupancy, as well as higher revenues from static bulletins as a result of higher occupancy. On a reported basis, revenues decreased $13 million, or 4.5%.

Operating expenses increased $8 million, or 4.1%, during the first quarter 2016 as compared to the first quarter 2015 after adjusting for a $4 million impact from movements in foreign exchange rates and a $12 million impact from the sale of non-strategic markets, primarily due to higher variable compensation and higher variable site lease expenses related to the increase in revenues from remaining markets. On a reported basis, operating expenses decreased $9 million, or 4.2%.

OIBDAN increased 4.5% during the first quarter 2016 as compared to the first quarter 2015 after adjusting for a $1 million impact from movements in foreign exchange rates and the $8 million impact from sale of non-strategic markets. On a reported basis, OIBDAN was down $5 million, or 5.1%.

International

International outdoor revenues decreased $1 million, or 0.3%, during the first quarter 2016 as compared to the first quarter 2015 after adjusting for a $10 million impact from movements in foreign exchange rates. Higher revenue in Australia due to new digital assets and China due to new contracts and higher occupancy, as well as in several European countries including France and Belgium, was offset by decreases in revenue driven primarily by lower revenue in the United Kingdom as a result of the London bus shelter contract not being renewed and decreases in Switzerland. On a reported basis, revenues decreased $11 million, or 3.4%.

Operating expenses decreased $1 million, or 0.3%, during the first quarter 2016 as compared to the first quarter 2015 after adjusting for a $10 million impact from movements in foreign exchange rates. Operating expenses decreased primarily due to lower rent expense due to lower revenue in the United Kingdom, partially offset by higher variable site lease and maintenance expenses, as well as higher sales force and office renovation costs in the United Kingdom. On a reported basis, operating expenses decreased $11 million, or 3.8%.

OIBDAN decreased $0.1 million, or 0.4%, during the first quarter 2016 as compared to the first quarter 2015 after adjusting for a $0.2 million impact from movements in foreign exchange rates. On a reported basis, OIBDAN was up $0.1 million, or 0.3%.

Clear Channel International B.V. (“CCIBV”)

CCIBV’s consolidated revenues decreased $13 million, or 4.7%, to $261 million in the first quarter of 2016 compared to the same period in 2015. This decrease includes a $10 million decrease resulting from movements in foreign exchange rates.

CCIBV’s operating loss decreased $6 million, or 29.4%, in the first quarter of 2016 compared to the same period in 2015. This decrease includes a $1 million decrease resulting from movements in foreign exchange rates.

Liquidity and Financial Position

For the three months ended March 31, 2016, cash flow provided by operating activities was $16 million, cash flow provided by investing activities was $524 million, cash flow used by financing activities was $466 million, and there was $4 million impact from movements in foreign exchange rates on cash. The net increase in cash was $77 million.

Capital expenditures for the three months ended March 31, 2016 were approximately $47 million compared to $42 million for the same period in 2015.

In the first quarter of 2016, Americas outdoor sold nine non-strategic outdoor markets including Cleveland and Columbus, Ohio, Des Moines, Iowa, Ft. Smith, Arkansas, Memphis, Tennessee, Portland, Oregon, Reno, Nevada, Seattle, Washington and Wichita, Kansas for net proceeds, including cash and certain advertising assets in Florida, of $596.6 million. The Company recognized a net gain of $282 million. These markets generated revenue of $2.5 million in the three months ended March 31, 2016, and $22.3 million in the three months ended March 31, 2015.

On January 21, 2016, the Board declared a special cash dividend of $540.0 million to our stockholders, which was paid on February 4, 2016, using proceeds relating to a $300 million demand on the intercompany note owed by iHeartCommunications to the Company and a portion of the proceeds from the sale of non-strategic domestic outdoor markets.

The consolidated leverage ratio, defined as total debt divided by EBITDA (as defined by the Clear Channel Worldwide Holdings (“CCWH”) Senior Notes indentures) for the preceding four quarters was 7.6:1 at March 31, 2016, and the senior leverage ratio, defined as senior debt divided by EBITDA (as defined by the CCWH Senior Notes indentures) for the preceding four quarters was 4.0:1 at March 31, 2016. As required by the definition of EBITDA in the CCWH Senior Notes indentures, our EBITDA for the preceding four quarters of $682 million is calculated as operating income (loss) before depreciation, amortization, impairment charges and other operating income (expense), net, plus share-based compensation, and is further adjusted for the following items: (i) costs incurred in connection with the closure and/or consolidation of facilities, retention charges, consulting fees and other permitted activities; (ii) extraordinary, non-recurring or unusual gains or losses or expenses and severance; (iii) non-cash charges; (iv) cash received from nonconsolidated affiliates; and (v) various other items.

The following table reflects a reconciliation of consolidated EBITDA (as defined by the CCWH Senior Notes indentures) to operating income and net cash provided by operating activities for the four quarters ended March 31, 2016:

(In millions) *Note numbers may not sum due to rounding*	Four Quarters Ended March 31, 2016
Consolidated EBITDA (as defined by the CCWH Senior Notes indentures)	$ 681.7
Less adjustments to consolidated EBITDA (as defined by the CCWH Senior Notes indentures):	
Costs incurred in connection with the closure and/or consolidation of facilities, retention charges, consulting fees, and other permitted activities	(20.6)
Extraordinary, non-recurring or unusual gains or losses or expenses and severance (as referenced in the definition of consolidated EBITDA in the CCWH Senior Notes indentures)	(11.0)
Non-cash charges	(17.5)
Other items	34.9
Less: Depreciation and amortization, Impairment charges, Other operating income, net, and Share-based compensation expense	(111.8)
Operating income	555.7
Plus: Depreciation and amortization, Impairment charges, Gain (loss) on disposal of operating and fixed assets, and Share-based compensation expense	108.1
Less: Interest expense, net	(360.1)
Plus: Interest income on Due from iHeartCommunications	58.9
Less: Current income tax benefit	(85.7)
Less: Other expense, net	(13.4)
Adjustments to reconcile consolidated net loss to net cash provided by operating activities (including Provision for doubtful accounts, Amortization of deferred financing charges and note discounts, net and Other reconciling items, net)	33.8
Change in assets and liabilities, net of assets acquired and liabilities assumed	8.1
Net cash provided by operating activities	**$ 305.4**

Conference Call

The Company, along with its parent company, iHeartMedia, Inc., will host a conference call to discuss results on May 4, 2016 at 8:30 a.m. Eastern Time. The conference call number is (800) 260-0718 (U.S. callers) and (651) 291-1170 (International callers) and the passcode for both is 389575. A live audio webcast of the conference call will also be available on the investor section of www.iheartmedia.com and www.clearchanneloutdoor.com. After the live conference call, a replay will be available for a period of thirty days. The replay numbers are (800) 475-6701 (U.S. callers) and (320) 365-3844 (International callers) and the passcode for both is 389575. An archive of the webcast 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

(In thousands)	Three Months Ended March 31,	
	2016	2015
Revenue	$ **590,721**	**615,043**
Operating expenses:		
Direct operating expenses	343,694	362,971
Selling, general and administrative expenses	126,801	127,130
Corporate expenses	28,239	28,753
Depreciation and amortization	85,395	94,094
Other operating income (expense), net	284,774	(5,444)
Operating income (loss)	**291,366**	**(3,349)**
Interest expense	93,873	89,416
Interest income on Due from iHeartCommunications	12,713	15,253
Equity in earnings (loss) of nonconsolidated affiliates	(415)	522
Other income, net	(5,803)	19,938
Income (loss) before income taxes	203,988	(57,052)
Income tax benefit (expense)	(62,912)	24,099
Consolidated net income (loss)	141,076	(32,953)
Less: Amount attributable to noncontrolling interest	976	565
Net income (loss) attributable to the Company	$ **140,100**	$ **(33,518)**

For the three months ended March 31, 2016, foreign exchange rate movements decreased the Company's revenues by $15 million and decreased direct operating expenses by $10 million, SG&A expenses by $4 million and Corporate expenses by $0 million.

TABLE 2 - Selected Balance Sheet Information

Selected balance sheet information for March 31, 2016 and December 31, 2015:

(In millions)	March 31, 2016	December 31, 2015
Cash and cash equivalents	$ 489.6	$ 412.7
Total current assets	1,358.9	1,567.7
Net property, plant and equipment	1,578.1	1,628.0
Due from iHeartCommunications	640.1	930.8
Total assets	5,739.4	6,306.8
Current liabilities (excluding current portion of long-term debt)	661.6	916.3
Long-term debt (including current portion of long-term debt)	5,113.2	5,110.8
Shareholders' deficit	(940.4)	(569.7)

TABLE 3 - Total Debt

At March 31, 2016 and December 31, 2015, Clear Channel Outdoor Holdings had a total net debt of:

(In millions)	March 31, 2016	December 31, 2015
Clear Channel Worldwide Senior Notes:		
6.5% Series A Senior Notes Due 2022	$ 735.8	$ 735.8
6.5% Series B Senior Notes Due 2022	1,989.2	1,989.2
Clear Channel Worldwide Holdings Senior Subordinated Notes:		
7.625% Series A Senior Subordinated Notes Due 2020	275.0	275.0
7.625% Series B Senior Subordinated Notes Due 2020	1,925.0	1,925.0
Clear Channel International B.V. Senior Notes due 2020	225.0	225.0
Other debt	18.9	19.0
Original issue discount	(7.5)	(7.8)
Long-term debt fees	(48.2)	(50.4)
Total debt	5,113.2	5,110.8
Cash	489.6	412.7
Net Debt	$4,623.6	$ 4,698.1

The current portion of long-term debt was $4.6 million and $4.3 million as of March 31, 2016 and December 31, 2015, respectively.

Supplemental Disclosure Regarding Non-GAAP Financial Information

The following tables set forth the Company's OIBDAN for the three months ended March 31, 2016 and 2015. The Company defines OIBDAN as consolidated net income (loss) adjusted to exclude non-cash compensation expenses and amortization of deferred system implementation costs as well as the following line items presented in its Statement of Operations: Income tax benefit (expense); Other income (expense), net; Equity in earnings (loss) of nonconsolidated affiliates; Interest expense; Interest income on Due from iHeartCommunications, Inc.; Other operating income, net; D&A; and Impairment charges.

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 the planning and forecasting of future periods, as well as for measuring performance for compensation of executives and other members of management. The Company believes this measure is an important indicator of its operational strength and performance of its business because it provides a link between profitability and net income. 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. The Company believes 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, equity compensation structures or tax rates. In addition, the Company believes 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 Europe, the U.K. and China, management reviews the operating results from its foreign operations on a constant dollar basis. A constant dollar basis (in which a foreign currency adjustment is made to translate our 2016 actual foreign revenues, expenses and OIBDAN in local currency to U.S. dollars using average 2015 foreign exchange rates) allows for comparison of operations independent of foreign exchange rate movements.

As required by the SEC, the Company provides reconciliations below to the most directly comparable amounts reported under GAAP, including (i) OIBDAN for each segment to consolidated operating income (loss); (ii) Revenues excluding the effects of foreign exchange to revenues; (iii) Expenses excluding the effects of foreign exchange to expenses; (iv) OIBDAN excluding the effects of foreign exchange to OIBDAN; (v) Corporate expenses excluding non-cash compensation expenses to Corporate expenses; (vi) Consolidated and Americas outdoor revenues, operating expenses and OIBDAN excluding the effects of foreign exchange and outdoor markets sold to Consolidated and Americas outdoor revenues, operating expenses and OIBDAN; and (vii) OIBDAN to net income (loss).

Reconciliation of OIBDAN for each segment to Consolidated Operating Income

(In thousands)	OIBDAN	Non-cash compensation expenses	Depreciation and amortization	Other operating (income) expense, net	Impairment charges	Other adjustments	Operating income (loss)
Three Months Ended March 31, 2016							
Americas	$ 89,187	$ —	$ 46,116	$ —	$ —	$ —	$ 43,071
International	31,039	—	37,880	—	—	—	(6,841)
Corporate	(25,819)	2,385	1,399	—	—	35	(29,638)
Other operating income, net	—	—	—	(284,774)	—	—	284,774
Consolidated	**$ 94,407**	**$ 2,385**	**$ 85,395**	**$ (284,774)**	**$ —**	**$ 35**	**$ 291,366**
Three Months Ended March 31, 2015							
Americas	$ 93,992	$ —	$ 50,340	$ —	$ —	$ —	$ 43,652
International	30,950	—	42,441	—	—	—	(11,491)
Corporate	(26,828)	1,925	1,313	—	—	—	(30,066)
Other operating expense, net	—	—	—	5,444	—	—	(5,444)
Consolidated	**$ 98,114**	**$ 1,925**	**$ 94,094**	**$ 5,444**	**$ —**	**$ —**	**$ (3,349)**

Reconciliation of Revenues excluding Effects of Foreign Exchange Rates to Revenues

(In thousands)	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	% Change
Consolidated revenue	$590,721	615,043	(4.0%)
Excluding: Foreign exchange decrease	15,119	—	
Revenue excluding effects of foreign exchange	**$605,840**	**$615,043**	**(1.5%)**
Americas revenue	$282,528	$295,863	(4.5%)
Excluding: Foreign exchange decrease	5,015	—	
Americas revenue excluding effects of foreign exchange	**$287,543**	**$295,863**	**(2.8%)**
International revenue	$308,193	$319,180	(3.4%)
Excluding: Foreign exchange decrease	10,104	—	
International revenue excluding effects of foreign exchange	**$318,297**	**$319,180**	**(0.3%)**

Reconciliation of Expenses (Direct Operating and SG&A Expenses) excluding Effects of Foreign Exchange Rates to Expenses

(In thousands)	Three Months Ended March 31, 2016	2015	% Change
Consolidated expense	$470,495	$490,101	(4.0%)
Excluding: Foreign exchange decrease	14,287	—	
Consolidated expense excluding effects of foreign exchange	**$484,782**	**$490,101**	(1.1%)
Americas expense	$193,341	$201,871	(4.2%)
Excluding: Foreign exchange decrease	3,974	—	
Americas expense excluding effects of foreign exchange	**$197,315**	**$201,871**	(2.3%)
International expense	$277,154	$288,230	(3.8%)
Excluding: Foreign exchange decrease	10,313	—	
International expense excluding effects of foreign exchange	**$287,467**	**$288,230**	(0.3%)

Reconciliation of OIBDAN excluding Effects of Foreign Exchange Rates to OIBDAN

(In thousands)	Three Months Ended March 31, 2016	2015	% Change
Consolidated OIBDAN	$ 94,407	$ 98,114	(3.8%)
Excluding: Foreign exchange decrease	405	—	
OIBDAN excluding effects of foreign exchange	**$ 94,812**	**$ 98,114**	(3.4%)
Americas OIBDAN	$ 89,187	$ 93,992	(5.1%)
Excluding: Foreign exchange decrease	1,041	—	
Americas OIBDAN excluding effects of foreign exchange	**$ 90,228**	**$ 93,992**	(4.0%)
International OIBDAN	$ 31,039	$ 30,950	0.3%
Excluding: Foreign exchange decrease	(209)	—	
International OIBDAN excluding effects of foreign exchange	**$ 30,830**	**$ 30,950**	(0.4%)
Corporate OIBDAN	$(25,819)	$(26,828)	(3.8%)
Excluding: Foreign exchange decrease	(427)	—	
Corporate OIBDAN excluding effects of foreign exchange	**$(26,246)**	**$(26,828)**	(2.2%)

Reconciliation of Corporate Expenses excluding Non-cash compensation expenses to Corporate Expenses

(In thousands)	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	% Change
Corporate Expense	$28,239	$28,753	(1.8%)
Less: Non-cash compensation expense	(2,385)	(1,925)	
Less: Amortizaiton of system implementation costs	(35)	—	
	$25,819	**$26,828**	(3.8%)

Consolidated and Americas Outdoor Revenue, Operating expenses and OIBDAN, excluding Effects of Foreign Exchange Rates and results of Americas Outdoor markets sold

(In thousands)	Three Months Ended March 31, 2016	2015	% Change
Consolidated revenue	$590,721	$615,043	(4.0%)
Excluding: Revenue from Americas Outdoor markets sold	(2,470)	(22,300)	
Excluding: Foreign exchange decrease	15,119	—	
Consolidated revenue, excluding effects of foreign exchange and revenue from Americas Outdoor markets sold	**$603,370**	**$592,743**	1.8%
Consolidated operating expenses	$470,495	$490,101	(4.0%)
Excluding: Operating expenses from Americas Outdoor markets sold	(1,769)	(13,960)	
Excluding: Foreign exchange decrease	14,287	—	
Consolidated Operating expenses, excluding effects of foreign exchange and operating expenses from Americas Outdoor markets sold	**$483,013**	**$476,141**	1.4%
Consolidated OIBDAN	$ 94,407	$ 98,114	(3.8%)
Excluding: OIBDAN from Americas Outdoor markets sold	(701)	(8,340)	
Excluding: Foreign exchange decrease	405	—	
Consolidated OIBDAN, excluding effects of foreign exchange and OIBDAN from Americas Outdoor markets sold	**$ 94,111**	**$ 89,774**	4.8%
Americas Outdoor revenue	$282,528	$295,863	(4.5%)
Excluding: Revenue from Americas Outdoor markets sold	(2,470)	(22,300)	
Excluding: Foreign exchange decrease	5,015	—	
Americas Outdoor revenue, excluding effects of foreign exchange and revenue from Americas Outdoor markets sold	**$285,073**	**$273,563**	4.2%
Americas Outdoor operating expenses	$193,341	$201,871	(4.2%)
Excluding: Operating expenses from Americas Outdoor markets sold	(1,769)	(13,960)	
Excluding: Foreign exchange decrease	3,974	—	
Americas Outdoor Operating expenses, excluding effects of foreign exchange and operating expenses from Americas Outdoor markets sold	**$195,546**	**$187,911**	4.1%
Americas Outdoor OIBDAN	$ 89,187	$ 93,992	(5.1%)
Excluding: OIBDAN from Americas Outdoor markets sold	(701)	(8,340)	
Excluding: Foreign exchange decrease	1,041	—	
Americas Outdoor OIBDAN, excluding effects of foreign exchange and OIBDAN from Americas Outdoor markets sold	**$ 89,527**	**$ 85,652**	4.5%

Reconciliation of OIBDAN to Net Income (Loss)

(In thousands)	Three Months Ended March 31, 2016	2015	% Change
OIBDAN	$ 94,407	$ 98,114	(3.8%)
Non-cash compensation expense	2,385	1,925	
Depreciation and amortization	85,395	94,094	
Amortization of deferred system implementation costs	35	—	
Other operating income (expense), net	284,774	(5,444)	
Operating income	291,366	(3,349)	
Interest expense	93,873	89,416	
Interest income on Due from iHeartCommunications	12,713	15,253	
Equity in earnings (loss) of nonconsolidated affiliates	(415)	522	
Other (income) expense, net	(5,803)	19,938	
Income (loss) before income taxes	203,988	(57,052)	
Income tax benefit (expense)	(62,912)	24,099	
Consolidated net income (loss)	141,076	(32,953)	
Less: Amount attributable to noncontrolling interest	976	565	
Net income (loss) attributable to the Company	**$140,100**	**$(33,518)**	

About Clear Channel Outdoor Holdings, Inc.

Clear Channel Outdoor Holdings, Inc., (NYSE: CCO) is one of the world's largest outdoor advertising companies, with more than 625,000 displays in over 35 countries across five continents, including 43 of the 50 largest markets in the United States. Clear Channel Outdoor Holdings offers many types of displays across its global platform to meet the advertising needs of its customers. This includes a growing digital platform that now offers over 1,050 digital billboards across 28 markets in North America. Clear Channel Outdoor Holdings' International segment operates in 22 countries across Asia, Australia and Europe in a wide variety of formats. More information is available at www.clearchanneloutdoor.com and www.clearchannelinternational.com.

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Certain statements in this press release 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 Holdings, Inc. and its subsidiary Clear Channel International B.V. 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," "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. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this press release include, but are not limited to: weak or

uncertain global economic conditions; changes in general economic and political conditions in the United States and in other countries in which the Company currently does business; industry conditions, including competition; the level of expenditures on advertising; legislative or regulatory requirements; fluctuations in operating costs; technological changes and innovations; changes in labor conditions; capital expenditure requirements; risks of doing business in foreign countries; fluctuations in exchange rates and currency values; the outcome of pending and future litigation; taxes and tax disputes; changes in interest rates; shifts in population and other demographics; access to capital markets and borrowed indebtedness; the Company's ability to implement its business strategies; risks relating to the successful integration of the operations of acquired businesses; risks that the Company may not achieve or sustain anticipated cost savings from strategic revenue and efficiency initiatives; the impact of the Company's substantial indebtedness, including the effect of the Company's leverage on its financial position and earnings; the Company's ability to generate sufficient cash from operations or other liquidity-generating transactions to make payments on its indebtedness; the Company's relationship with iHeartCommunications, including its ability to elect all of the members of the Company's Board of Directors and its ability, as controlling stockholder, to determine the outcome of matters submitted to the stockholders; and the impact of these and additional factors on iHeartCommunications, the Company's primary direct or indirect external source of capital. Other unknown or unpredictable factors also could have material adverse effects on the Company's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release 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 press release. Other key risks are described in the Company's reports filed with the U.S. Securities and Exchange Commission, including the section entitled "Item 1A. Risk Factors" of Clear Channel Outdoor Holdings, Inc.'s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Except as otherwise stated in this press release, the Company does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

Exhibit 99.2

CLEAR CHANNEL INTERNATIONAL B.V.

CONSOLIDATED FINANCIAL STATEMENTS

Three months ended March 31, 2016 and 2015

FINANCIAL INFORMATION

FINANCIAL STATEMENTS

CLEAR CHANNEL INTERNATIONAL B.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In thousands)	March 31, 2016 (unaudited)	December 31, 2015
CURRENT ASSETS		
Cash and cash equivalents	$ 45,775	$ 47,869
Accounts receivable, net of allowance of $13,411 in 2016 and $12,623 in 2015	301,359	344,060
Prepaid expenses	56,101	46,905
Other current assets	30,759	28,688
Total Current Assets	433,994	467,522
PROPERTY, PLANT AND EQUIPMENT		
Property, plant and equipment, net	353,497	343,131
INTANGIBLE ASSETS AND GOODWILL		
Intangible assets, net	37,588	40,818
Goodwill	233,727	223,893
OTHER ASSETS		
Related party notes receivable	227,955	229,734
Other assets	53,808	42,242
Total Assets	$ 1,340,569	$ 1,347,340
CURRENT LIABILITIES		
Accounts payable	$ 74,531	$ 84,155
Accrued expenses	267,407	283,231
Deferred income	64,358	47,521
Current portion of long-term debt	2,220	2,077
Total Current Liabilities	408,516	416,984
Long-term debt	222,099	221,960
Related party subordinated notes payable	1,049,685	986,089
Other long-term liabilities	106,887	102,997
Commitments and contingencies (Note 5)		
SHAREHOLDER’S DEFICIT		
Noncontrolling interest	35,094	32,332
Parent Company’s net investment	(820,107)	(753,062)
Accumulated other comprehensive income	338,395	340,040
Total Shareholder’s Deficit	(446,618)	(380,690)
Total Liabilities and Shareholder’s Deficit	$ 1,340,569	$ 1,347,340

See Notes to Consolidated Financial Statements

CLEAR CHANNEL INTERNATIONAL B.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

(In thousands)	Three Months Ended March 31,	
	2016	2015
Revenue	$ 261,108	$ 273,914
Operating expenses:		
Direct operating expenses (excludes depreciation and amortization)	181,226	192,385
Selling, general and administrative expenses (excludes depreciation and amortization)	65,366	65,811
Corporate expenses (excludes depreciation and amortization)	5,382	7,845
Depreciation and amortization	23,929	29,280
Other operating income, net	228	768
Operating loss	(14,567)	(20,639)
Interest expense, net	9,638	17,171
Equity in loss of nonconsolidated affiliates	(777)	(33)
Other income (expense), net	(2,952)	1,225
Net loss before income taxes	(27,934)	(36,618)
Income tax expense	3,466	1,467
Consolidated net loss	(31,400)	(38,085)
Less amount attributable to noncontrolling interest	1,417	853
Net loss attributable to the Company	$ (32,817)	$ (38,938)
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	1,639	129,871
Unrealized holding gain (loss) on marketable securities	(5)	6
Other comprehensive income, net of tax	1,634	129,877
Comprehensive income (loss)	(31,183)	90,939
Less amount attributable to noncontrolling interest	1,345	(2,404)
Comprehensive income (loss) attributable to the Company	$ (32,528)	$ 93,343

See Notes to Consolidated Financial Statements

CLEAR CHANNEL INTERNATIONAL B.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(In thousands)	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Cash flows from operating activities:		
Consolidated net loss	$ (31,400)	(38,085)
Reconciling items:		
Depreciation and amortization	23,929	29,280
Deferred taxes	687	(1,138)
Provision for doubtful accounts	459	1,743
Share-based compensation	1,354	440
Gain on sale of operating assets	(228)	(768)
Equity in earnings of nonconsolidated affiliates	777	33
Noncash capitalized interest expense	8,796	—
Other reconciling items, net	2,928	(1,403)
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Decrease in accounts receivable	50,634	17,685
Decrease in accrued expenses	(24,120)	(20,507)
Increase (decrease) in accounts payable	(11,410)	2,346
Increase in deferred income	14,268	23,867
Changes in other operating assets and liabilities	(19,667)	(7,101)
Net cash provided by operating activities	17,007	6,392
Cash flows from investing activities:		
Purchases of property, plant and equipment	(19,098)	(8,222)
Proceeds from disposal of assets	642	372
(Increase) decrease in related party notes receivable, net	1,779	(887)
Other, net	(997)	(3,016)
Net cash used for investing activities	(17,674)	(11,753)
Cash flows from financing activities:		
Payments on long-term debt	(502)	(480)
Net transfers (to) from related parties	(2,062)	18,708
Decrease in related party notes payable	(549)	(756)
Dividends and other payments to noncontrolling interests	—	(2,343)
Other, net	(120)	—
Net cash (used in) provided by financing activities	(3,233)	15,129
Effect of exchange rate changes on cash	1,806	(3,700)
Net increase (decrease) in cash and cash equivalents	(2,094)	6,068
Cash and cash equivalents at beginning of period	47,869	43,938
Cash and cash equivalents at end of period	$ 45,775	$ 50,006
Cash paid for interest	—	—
Cash paid for income taxes	4,429	6,158

See Notes to Consolidated Financial Statements

CLEAR CHANNEL INTERNATIONAL B.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDER'S DEFICIT
(UNAUDITED)

(In thousands)	The Company	Non-controlling Interest	Consolidated
Balance, January 1, 2015	**$(1,117,047)**	**$ 36,986**	**$(1,080,061)**
Consolidated net loss	(38,938)	853	(38,085)
Foreign currency translation adjustments	132,275	(2,404)	129,871
Unrealized holding gain on marketable securities	6	—	6
Dividends and other payments to noncontrolling interests	—	(2,343)	(2,343)
Net transfers from related parties	18,708	—	18,708
Capitalization of interest on related party subordinated notes payable	(300,550)	—	(300,550)
Other, net	440	—	440
Balance, March 31, 2015	**$(1,305,106)**	**$ 33,092**	**$(1,272,014)**

(In thousands)	The Company	Non-controlling Interest	Consolidated
Balance, January 1, 2016	**$ (413,022)**	**$ 32,332**	**$ (380,690)**
Consolidated net loss	(32,817)	1,417	(31,400)
Foreign currency translation adjustments	294	1,345	1,639
Unrealized holding loss on marketable securities	(5)	—	(5)
Net transfers to related parties	(2,062)	—	(2,062)
Capitalization of interest on related party subordinated notes payable	(35,454)	—	(35,454)
Other, net	1,354	—	1,354
Balance, March 31, 2016	**$ (481,712)**	**$ 35,094**	**$ (446,618)**

See Notes to Consolidated Financial Statements

NOTE 1 – NATURE OF BUSINESS AND BASIS OF PRESENTATION

Nature of Business

Clear Channel Outdoor Holdings, Inc. ("CCOH" or the "Parent Company") is an outdoor advertising company, which owns and operates advertising display faces in the United States and internationally. CCOH has two reportable business segments: Americas and International. CCOH's International segment ("CCI") operates across 22 countries in Europe, Asia, Australia and New Zealand and provides advertising on street furniture and transit displays, billboards, mall displays, Smartbike programs, wallscapes and other displays, which are owned or operated under lease agreements. Clear Channel International B.V. ("CCIBV" or the "Company") is a subsidiary of the CCI business and consists of CCI operations primarily in Europe, Australia and Singapore. These consolidated financial statements represent the consolidated results of operations, financial position and cash flows of CCIBV.

History

On November 11, 2005, CCOH became a publicly traded company through an initial public offering ("IPO"), in which 10%, or 35.0 million shares, of CCOH's Class A common stock was sold. Prior to the IPO, CCOH was an indirect wholly-owned subsidiary of iHeartCommunications, Inc. ("iHeartCommunications"), a diversified media and entertainment company. On July 30, 2008, iHeartCommunications completed its merger (the "Merger") with a subsidiary of iHeartMedia, Inc. ("iHeartMedia"), a company formed by a group of private equity funds sponsored by Bain Capital Partners, LLC and Thomas H. Lee Partners, L.P. (together, the "Sponsors"). iHeartCommunications is now owned indirectly by iHeartMedia.

Agreements with iHeartCommunications

There are several agreements which govern the Company's relationship with CCOH, CCI and the CCOH relationship with iHeartCommunications related to corporate, employee, tax and other services. Certain of these costs, as applicable, are allocated to the Company from CCOH. iHeartCommunications has the right to terminate these agreements in various circumstances. As of the date of the issuance of these consolidated financial statements, no notice of termination of any of these agreements has been received from iHeartCommunications.

Basis of Presentation

These consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and have been derived from the accounting records of CCOH using the historical results of operations and historical bases of assets and liabilities of the Company. Assets and liabilities, revenues and expenses that pertain to the Company have been included in these consolidated financial statements. These consolidated financial statements include the results of operations in the following markets: Australia, Belgium, Denmark, Estonia, Finland, France, Holland, Hungary, Ireland, Italy, Latvia, Lithuania, New Zealand, Norway, Poland, Singapore, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

The consolidated financial statements include the accounts of the Company and its subsidiaries. Also included in the consolidated financial statements are entities for which the Company has a controlling financial interest or is the primary beneficiary. Investments in companies in which the Company owns 20 percent to 50 percent of the voting common stock or otherwise exercises significant influence over operating and financial policies of a company are accounted for using the equity method of accounting. All significant intercompany accounts have been eliminated.

The Company utilizes the services of CCOH and CCI for certain functions, such as certain legal, finance, internal audit, financial reporting, tax advisory, insurance, global information technology, environmental matters and human resources services, including various employee benefit programs. The cost of these services has been allocated to the Company and included in these consolidated financial statements. The Company's management considers these allocations to have been made on a reasonable basis. A complete discussion of the relationship with CCOH, including a description of the costs that have been allocated to the Company, is included in Note 6, *Related Party Transactions* to the consolidated financial statements.

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes including, but not limited to, legal, tax and insurance accruals. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

The consolidated financial statements included herein may not be indicative of the financial position, results of operations or cash flows had CCIBV operated as a separate entity during the periods presented or for future periods. As these consolidated financial statements present a portion of the businesses of CCOH, the net assets of CCIBV have been presented as CCOH's net investment in CCIBV. CCOH's investment in CCIBV includes the accumulated deficit of CCIBV net of cash transfers related to cash management functions performed by CCOH.

NOTE 2 – NEW ACCOUNTING PRONOUNCEMENTS

During the first quarter of 2015, the FASB issued ASU No. 2015-02,*Consolidation (Topic 810), Amendments to the Consolidation Analysis*. This new standard eliminates the deferral of FAS 167, which has allowed entities with interest in certain investment funds to follow the previous consolidation guidance in FIN 46(R) and makes other changes to both the variable interest model and the voting model. The standard is effective for annual periods, and for interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance did not have a material effect on the Company's consolidated financial statements.

During the second quarter of 2015, the FASB issued ASU No. 2015-03,*Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. This update simplifies the presentation of debt issuance costs as a deduction from the carrying value of the outstanding debt balance rather than showing the debt issuance costs as an asset. The standard is effective for annual periods, and for interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance resulted in the reclassification of debt issuance costs of $8.3 million and $8.5 million as of March 31, 2016 and December 31, 2015, respectively, which are now reflected as "Long-term debt fees" in Note 4.

During the third quarter of 2015, the FASB issued ASU 2015-14,*Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*. This update provides a one-year deferral of the effective date for ASU No. 2014-09, *Revenue from Contracts with Customers*. ASU No. 2014-09 provides guidance for the recognition, measurement and disclosure of revenue resulting from contracts with customers and will supersede virtually all of the current revenue recognition guidance under U.S. GAAP. The standard is effective for the first interim period within annual reporting periods beginning after December 15, 2017. The Company is currently evaluating the impact of the provisions of this new standard on its financial position and results of operations.

During the third quarter of 2015, the FASB issued ASU No. 2015-16,*Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*. This update eliminates the requirement for an acquirer in a business combination to account for measurement-period adjustments retrospectively. Instead, acquirers must recognize measurement-period adjustments during the period in which they determine the amounts, including the effect on earnings of any amounts they would have recorded in previous periods if the accounting had been completed at the acquisition date. The standard is effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. The adoption of this guidance did not have a material effect on the Company's consolidated financial statements.

During the first quarter of 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The new leasing standard presents significant changes to the balance sheets of lessees. Lessor accounting is updated to align with certain changes in the lessee model and the new revenue recognition standard which was issued in the third quarter of 2015. The standard is effective for annual periods, and for interim periods within those annual periods, beginning after December 15, 2018. The Company is currently evaluating the impact of the provisions of this new standard on its financial position and results of operations.

NOTE 3 – PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND GOODWILL

Property, Plant and Equipment

The Company's property, plant and equipment consisted of the following classes of assets at March 31, 2016 and December 31, 2015, respectively:

(In thousands)	March 31, 2016	December 31, 2015
Land, buildings and improvements	$ 52,381	$ 50,863
Structures	619,835	616,991
Furniture and other equipment	92,489	90,910
Construction in progress	38,601	33,090
	803,306	791,854
Less: accumulated depreciation	449,809	448,723
Property, plant and equipment, net	$353,497	$ 343,131

Total depreciation expense related to property, plant and equipment for the three months ended March 31, 2016 and 2015 was $20.3 million and $22.3 million, respectively.

Intangible Assets

The following table presents the gross carrying amount and accumulated amortization for each major class of intangible assets at March 31, 2016 and December 31, 2015, respectively:

	March 31, 2016		December 31, 2015	
(In thousands)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Transit, street furniture and contractual rights	$ 274,490	$ (237,708)	$ 276,384	$ (240,844)
Other	1,461	(655)	6,180	(902)
Total	$ 275,951	$ (238,363)	$ 282,564	$ (241,746)

Total amortization expense related to definite-lived intangible assets for the three months ended March 31, 2016 and 2015 was $3.6 million and $7.0 million, respectively.

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

(In thousands)	
2016	$10,715
2017	7,520
2018	3,771
2019	2,075
2020	1,734
2021	1,733
Thereafter	10,040

Goodwill

The following table presents the changes in the carrying amount of goodwill. The provisions of ASC 350-20-50-1 require the disclosure of cumulative impairment. As a result of the Merger, a new basis in goodwill was recorded in accordance with ASC 805-10. All impairments shown in the table below have been recorded subsequent to the Merger and, therefore, do not include any pre-Merger impairment.

(In thousands)	
Balance as of December 31, 2014	$232,539
Additions	10,998
Foreign currency	(19,644)
Balance as of December 31, 2015	$223,893
Foreign currency	9,834
Balance as of March 31, 2016	$233,727

The beginning balance as of December 31, 2014 is net of cumulative impairments of $229.3 million.

NOTE 4 – LONG-TERM DEBT

Long-term debt outstanding as of March 31, 2016 and December 31, 2015 consisted of the following:

(In thousands)	March 31, 2016	December 31, 2015
Clear Channel International B.V. Senior Notes	$225,000	$ 225,000
Other debt	9,764	9,794
Original issue discount	(2,119)	(2,208)
Long-term debt fees	(8,326)	(8,549)
Total debt	$224,319	$ 224,037
Less: current portion	2,220	2,077
Total long-term debt	$222,099	$ 221,960

On December 16, 2015, the Company issued $225.0 million in aggregate principal amount of Senior Notes due 2020 (the “Senior Notes”). The Senior Notes were issued at a discount and were priced at 99.012% of par, or $2.2 million total discount. As described in Note 2, the Company adopted new accounting guidance during the first quarter of 2016, which resulted in the reclassification of debt issuance costs of $8.3 million and $8.5 million as a deduction from the carrying value of outstanding debt at March 31, 2016 and December 31, 2015, respectively

The aggregate market value of the Company’s debt based on market prices for which quotes were available was approximately $229.5 million at March 31, 2016. Under the fair value hierarchy established by ASC 820-10-35, the market value of the Company’s debt is classified as Level 2.

NOTE 5 – COMMITMENTS, CONTINGENCIES AND GUARANTEES

Legal Proceedings

The Company and its subsidiaries are involved in certain legal proceedings arising in the ordinary course of business and, as required, have accrued an estimate of the probable costs for the resolution of those claims for which the occurrence of loss is probable and the amount can be reasonably estimated. These estimates have been developed in consultation with counsel and are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. It is possible, however, that future results of operations for any particular period could be materially affected by changes in the Company's assumptions or the effectiveness of its strategies related to these proceedings. Additionally, due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim or proceeding would not have a material adverse effect on the Company's financial condition or results of operations.

Although the Company is involved in a variety of legal proceedings in the ordinary course of business, a large portion of the Company's litigation arises in the following contexts: commercial disputes; employment and benefits related claims; governmental fines; and tax disputes.

On April 21, 2015, inspections were conducted at the premises of Clear Channel in Denmark and Sweden as part of an investigation by Danish competition authorities. Additionally, on the same day Clear Channel UK received a communication from the UK competition authorities, also in connection with the investigation by Danish competition authorities. The Company and its affiliates are cooperating with the national competition authorities.

Guarantees

As of March 31, 2016, the Company had outstanding bank guarantees of $53.5 million, of which $16.1 million were backed by cash collateral. Additionally, as of March 31, 2016, Parent Company had outstanding commercial standby letters of credit of $14.7 million held on behalf of the Company and its subsidiaries.

NOTE 6 – RELATED PARTY TRANSACTIONS

The Company has unsecured subordinated notes payable to and receivables from other wholly-owned subsidiaries of CCOH.

Related Party Subordinated Notes Payable

Related party subordinated notes payable totaled $1.0 billion and $1.0 billion at March 31, 2016 and December 31, 2015, respectively, consisted of:

The Company is the borrower of subordinated notes, which are payable to other wholly-owned subsidiaries of CCOH. These notes are subordinated and unsecured and bear interest at varying rates from 3.40% to 3.53% plus one to three-month EUR, GBP or USD LIBOR, with exception to the Other Related Party Notes Payable outstanding as of March 31, 2016, which bear interest at a fixed rate of 0.32%.

(In thousands)	March 31, 2016	December 31, 2015
Notes due to Clear Channel C.V.	$1,048,405	$ 984,826
Other Related Party Notes Payable	1,280	1,263
Total Related Party Notes Payable	$1,049,685	$ 986,089

During the first quarter of 2016, the Company capitalized $44.3 million in interest payable, which had been accrued in relation to related party subordinated notes payable. Of the amount capitalized, $8.8 million related to interest accrued during the three months ended March 31, 2016.

Related Party Notes Receivable

The Company, as lender, had two outstanding notes receivable balances with two related parties, CCO International Holdings B.V. and Clear Channel C.V., at March 31, 2016. The balances are unsecured and repayable on demand. The notes bear interest at fixed rates of 0.28% and 8.75%, respectively.

The balances outstanding at March 31, 2016 and December 31, 2015 on these Related Party Notes Receivable are as follows:

(In thousands)	March 31, 2016	December 31, 2015
Note due from Clear Channel C.V.	$222,777	$ 222,777
Note due from CCO International Holdings B.V.	5,178	6,957
Total Related Party Notes Receivable	$227,955	$ 229,734

Cash Management Arrangement

iHeartCommunications provides cash management services to the Company and Parent Company. It is iHeartCommunications' policy to permanently reinvest the earnings of its non-U.S. subsidiaries as these earnings are generally redeployed in those jurisdictions for operating needs and continued functioning of their businesses. The amount of any cash that is distributed is determined on a basis mutually agreeable to the Company and iHeartCommunications and not on a pre-determined basis. Excess cash from our operations, which is distributed to iHeartCommunications, is applied against principal or accrued interest on the notes payable to subsidiaries of Parent Company, including Clear Channel CV. See "Related Party Notes Payable" above.

Management Services

iHeartCommunications and CCOH provide management services to the Company, which include, among other things: (i) treasury and other financial related services; (ii) certain executive officer services; (iii) legal and related services; and (iv) other general corporate services. These services are charged to the Company based on actual direct costs incurred or allocated by iHeartCommunications and CCOH based on headcount, revenue or other factors on a pro rata basis. For the three months ended March 31, 2016 and 2015, the Company recorded $1.1 million and $1.2 million, respectively, for these services, which is included in Corporate expenses in the Statement of Comprehensive Income.

Royalty Fee

As part of a license agreement between Outdoor Management Services, Inc., an indirect wholly-owned subsidiary of CCOH, the Company is charged a royalty fee to license intellectual property, copyrights, trademarks and other intangible assets, which are held by iHM Identity, Inc., a direct wholly-owned subsidiary of iHeartCommunications. For the three months ended March 31, 2016 and 2015, the Company was charged a royalty fee of $3.7 million and $4.2 million, respectively, in relation to this agreement, which is included in Selling, general and administrative expenses in the Statement of Comprehensive Income.

Stewardship Fee

As described in Note 1, the Company is a business of CCOH, a publicly traded company. As a result, the Company incurs certain costs related to quarterly and annual reporting in order for Parent Company to comply with the Securities and Exchange Commission ("SEC") reporting requirements. In addition, the Company incurs costs related to the preparation of budgets, forecasts and other strategic initiatives of Parent Company. Such costs are charged back to CCOH on a quarterly basis ("Stewardship Fees") based on the time incurred by employees of the Company to perform the work. Stewardship fees charged to CCOH during the three months ended March 31, 2016 and 2015 were $5.5 million and $4.0 million, respectively, which are included as a reduction in Corporate expenses in the Statement of Comprehensive Income.

Tax Services Agreement

Pursuant to the tax services agreement CCOH entered into with iHeartCommunications, the operations of the Company are included in a consolidated federal income tax return filed by iHeartMedia. The Company's provision for income taxes has been computed on the basis that the operations of the Company are subject to current income taxes at the local country statutory rate where the income is being earned and in accordance with the rules established by the applicable jurisdiction taxation authorities.

NOTE 7 – INCOME TAXES

Significant components of the provision for income tax expense are as follows:

(In thousands)	Three Months Ended March 31,	
	2016	2015
Current tax expense	$ 2,779	$ 2,605
Deferred tax expense / (benefit)	687	(1,138)
Income tax expense	$ 3,466	$ 1,467

The effective tax rate for the three months ended March 31, 2016 and March 31, 2015 was (12.4%) and (4.0%), respectively. The effective rate was primarily impacted by certain nondeductible interest and other intercompany charges and the Company's inability to benefit from losses in certain jurisdictions. In addition, the effective tax rates were impacted by the timing and mix of earnings in the various jurisdictions in which the Company operates.

NOTE 8 — POSTRETIREMENT BENEFIT PLANS

Certain of the Company's subsidiaries participate in defined benefit or defined contribution plans that cover substantially all regular employees. The Company deposits funds under various fiduciary-type arrangements or provides reserves for these plans. Benefits under the defined benefit plans are typically based either on years of service and the employee's compensation (generally during a fixed number of years immediately before retirement) or on annual credits. The range of assumptions that are used for the defined benefit plans reflect the different economic environments within the various countries.

Defined Benefit Pension Plan Financial Information

The table below presents the components of net periodic cost recognized in the consolidated statement of comprehensive income:

(In thousands)	Three Months Ended March 31,	
	2016	2015
Service cost	$ 861	$ 1,216
Interest cost	1,107	1,328
Expected returns on plan assets	(1,698)	(1,796)
Employee contributions	(7)	—
Amortization of acruarial gains	430	113
Amortization of prior service costs	(46)	4
Total net periodic cost	$ 647	$ 865

Plan Contributions

It is the Company's general practice to fund amounts for pensions sufficient to meet the minimum requirements set forth in applicable employee benefits laws and local tax laws. From time to time, the Company contributes additional amounts as it deems appropriate. The Company contributed $0.5 million and $0.6 million in cash to defined benefit pension plans during the three months ended March 31, 2016 and 2015, respectively.

Defined Contribution Retirement Plans

The Company's employees participate in retirement plans administered as a service by third-party administrators. Contributions to these plans of $3.9 million and $4.1 million for the three months ended March 31, 2016 and 2015, respectively, were recorded as a component of operating expenses.

NOTE 9 — OTHER INFORMATION

Barter and Trade

Barter and trade revenues and expenses from continuing operations are included in consolidated revenue and selling, general and administrative expenses, respectively. Barter and trade revenues were $0.7 million and $2.7 million for the three months ended March 31, 2016 and 2015, respectively. Barter and trade expenses were $0.8 million and $0.7 million for the three months ended March 31, 2016 and 2015, respectively.

The following table discloses the components of "Other assets" at:

(In thousands)	March 31, 2016	December 31, 2015
Prepaid expenses	$ 9,518	$ 9,196
Deposits	11,567	11,307
Investments	4,439	4,367
Deferred income taxes	12,962	13,097
Other	15,322	4,275
Total other assets	$ 53,808	$ 42,242

The following table discloses the components of "Accrued expenses" at:

(In thousands)	March 31, 2016	December 31, 2015
Accrued employee compensation and benefits	$ 79,583	$ 77,743
Accrued rent and lease	85,910	100,641
Accrued taxes	19,097	21,409
Accrued other	82,817	83,438
Total accrued expenses	$267,407	$ 283,231

The following table discloses the components of "Other long-term liabilities" at:

(In thousands)	March 31, 2016	December 31, 2015
Unrecognized tax benefits	$ 15,775	$ 15,035
Asset retirement obligation	24,282	23,565
Postretirement benefit obligation (Note 8)	49,625	45,933
Other	17,205	18,464
Total other long-term liabilities	$106,887	$ 102,997

NOTE 10 — SUBSEQUENT EVENTS

In connection with the preparation of the financial statements and in accordance with Accounting Standards Codification 855-10, Subsequent Events – Overall, management has evaluated and reviewed the affairs of the Company for subsequent events that would impact the financial statements for the three months ended March 31, 2016 through May 4, 2016, the date the financial statements were available to be issued.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our results of operations and financial condition together with the consolidated financial statements and related notes included elsewhere in this document. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described under "Forward-Looking Statements." Actual results may differ materially from those contained in any forward-looking statements.

Format of Presentation

Management's discussion and analysis of our financial condition and results of operations ("MD&A") should be read in conjunction with the consolidated financial statements and related footnotes. Our discussion is presented on a consolidated basis. In this MD&A, references to (i) "we," "us" or "our" are to Clear Channel International B.V. together with its consolidated subsidiaries, (ii) "Issuer" are to Clear Channel International B.V. without any of its subsidiaries, (iii) "Parent Company" are to Clear Channel Outdoor Holdings, Inc., our indirect parent company and (iv) "iHeartCommunications" are to iHeartCommunications, Inc., the indirect parent of Parent Company.

Relationship with iHeartCommunications

There are several agreements which govern our relationship with Parent and Parent's relationship with iHeartCommunications including a Master Agreement, Management Services Agreement, Employee Matters Agreement and Tax Matters Agreement, which relate to corporate, employee, tax and other services provided by iHeartCommunications. iHeartCommunications has the right to terminate these agreements in various circumstances. As of May 4, 2016, no notice of termination of any of these agreements has been received from iHeartCommunications.

Under the Management Services Agreement, iHeartCommunications provides management services to Parent and its subsidiaries, including us. These services are allocated to us based on actual direct costs incurred or allocated by iHeartCommunications based on headcount, revenue or other factors on a pro rata basis. For the three months ended March 31, 2016 and 2015, we recorded approximately $1.1 million and $1.2 million, respectively, as a component of corporate expenses for these services.

Other Related Party Agreements

As part of a license agreement between Outdoor Management Services, Inc., an indirect wholly-owned subsidiary of Parent, we are charged a royalty fee to license intellectual property, copyrights, trademarks and other intangible assets, which are held by iHM Identity, Inc., a direct wholly-owned subsidiary of iHeartCommunications. For the three months ended March 31, 2016 and 2015, we were charged royalty fees of $3.7 million and $4.2 million, respectively, in relation to this agreement, which is included in selling, general and administrative expenses.

We are a subsidiary of Parent Company, a publicly traded company. As a result, we incur certain costs related to quarterly and annual reporting in order for Parent to comply with SEC reporting requirements. In addition, we incur costs related to the preparation of budgets, forecasts and other strategic initiatives of Parent. Such costs are charged back to Parent on a quarterly basis based on the time incurred by our employees to perform the work. The fees that were charged to Parent Company in relation to these services during the three months ended March 31, 2016 and 2015 were $5.5 million and $4.0, respectively, which are included as a reduction in corporate expenses.

Consolidated Results of Operations

The comparison of our results of operations for the three months ended March 31, 2016 and 2015 is as follows:

(U.S. dollars in thousands)	Three Months Ended March 31, 2016	2015	% Change
Revenue	$261,108	$273,914	(4.7%)
Operating expenses:			
Direct operating expenses (excludes depreciation and amortization)	181,226	192,385	(5.8%)
Selling, general and administrative expenses (excludes depreciation and amortization)	65,366	65,811	(0.7%)
Corporate expenses (excludes depreciation and amortization)	5,382	7,845	(31.4%)
Depreciation and amortization	23,929	29,280	(18.3%)
Other operating income, net	228	768	(70.3%)
Operating loss	(14,567)	(20,639)	(29.4%)
Interest expense, net	9,638	17,171	
Equity in loss of nonconsolidated affiliates	(777)	(33)	
Other income (expense), net	(2,952)	1,225	
Loss before income taxes	(27,934)	(36,618)	
Income tax expense	3,466	1,467	
Consolidated net loss	(31,400)	(38,085)	
Less amount attributable to noncontrolling interest	1,417	853	
Net loss attributable to the Company	$ (32,817)	$ (38,938)	

Consolidated Revenue

Revenue decreased $12.8 million compared to the same period of 2015. Excluding the $10.0 million impact from movements in foreign exchange rates, revenues decreased $2.8 million compared to the same period of 2015 primarily driven by lower revenue in the United Kingdom as a result of the London bus shelter contract not being renewed, and decreases in Switzerland, partially offset by revenue growth from new digital assets in Australia and new contracts and higher occupancy across several European countries, including France and Belgium.

Consolidated Direct Operating Expenses

Direct operating expenses decreased $11.2 million compared to the same period of 2015. Excluding the $7.7 million impact from movements in foreign exchange rates, direct operating expenses decreased $3.5 million compared to the same period of 2015 primarily as a result of lower rent expense due to lower revenue in the United Kingdom, partially offset by higher variable site lease and maintenance expenses in countries experiencing revenue growth.

Consolidated Selling, General and Administrative ("SG&A") Expenses

SG&A expenses decreased $0.4 million compared to the same period of 2015. Excluding the $2.0 million impact from movements in foreign exchange rates, SG&A expenses increased $1.6 million compared to the same period of 2015 primarily due to increased expenses in the United Kingdom.

Corporate Expenses

Corporate expenses decreased $2.5 million compared to the same period of 2015. Excluding the $0.4 million impact from movements in foreign exchange rates, corporate expenses decreased $2.1 million compared to the same period of 2015 primarily due to cost savings resulting from our strategic revenue and efficiency initiatives, as well as lower spending on such initiatives, partially offset by the impact of higher variable compensation expense.

Revenue and Efficiency Initiatives

Included in the amounts for direct operating expenses, SG&A and corporate expenses discussed above are expenses of $1.0 million and $2.9 million incurred in connection with our strategic revenue and efficiency initiatives during 2016 and 2015, respectively. The costs were incurred to improve revenue growth, enhance yield, reduce costs, and organize each business to maximize performance and profitability. These costs consist primarily of consolidation of locations and positions, severance related to workforce initiatives, consulting expenses and other costs incurred in connection with improving our businesses. These costs are expected to provide benefits in future periods as the initiative results are realized. Of these costs, during 2016, $0.4 million are reported within direct operating expenses, $0.5 million are reported within SG&A and $0.1 million are reported within corporate expense compared to $0.1 million, $0.6 million and $2.2 million, respectively, in 2015.

Depreciation and Amortization

Depreciation and amortization decreased $5.4 million during 2016 compared to 2015 primarily due to the $1.1 million impact of movements in foreign exchange rates and assets becoming fully depreciated or amortized.

Other Operating Income, Net

Other operating income, net of $0.2 million in 2016 and $0.8 million in 2015 primarily related to the net gains recognized from the disposal of operating and fixed assets.

Interest Expense, Net

Interest expense, net decreased $7.5 million in 2016 compared to 2015 primarily due to lower average outstanding balances on related party notes payable.

Equity in Earnings (Loss) of Nonconsolidated Affiliates

Equity in loss of nonconsolidated affiliates of $0.8 million for 2016 included the loss from our equity investments.

Income Tax Benefit (Expense)

Our operations are included in a consolidated income tax return filed by iHeartMedia. However, for purposes of our financial statements, our provision for income taxes was computed assuming that we filed separate consolidated income tax returns together with our subsidiaries.

The effective tax rates for the three months ended March 31, 2016, and March 31, 2015 were (12.4%) and (4.0%), respectively. The effective rates were primarily impacted by certain nondeductible interest and other intercompany charges and the Company's inability to benefit from losses in certain jurisdictions. In addition, the effective tax rates were impacted by the timing and mix of earnings in the various jurisdictions in which we operate.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The following discussion highlights our cash flow activities during the three months ended March 31, 2016 and 2015:

(U.S. dollars in thousands)	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Cash provided by (used for):		
Operating activities	$ 17,007	$ 6,392
Investing activities	(17,674)	(11,753)
Financing activities	(3,233)	15,129

Operating Activities

Cash provided by operating activities in 2016 was $17.0 million compared to $6.4 million in 2015. Our consolidated net loss included $38.7 million of non-cash items in 2016. Our consolidated net loss in 2015 included $28.2 million of non-cash items. Non-cash items affecting our net loss include depreciation and amortization, deferred taxes, provision for doubtful accounts, share-based compensation, loss on marketable securities, gain on disposal of operating assets, loss on equity method investees and other reconciling items, net as presented on the face of the consolidated statement of cash flows.

Investing Activities

Cash used for investing activities of $17.7 million in 2016 primarily reflected capital expenditures of $19.1 million related to purchases of billboard and street furniture advertising structures.

Cash used for investing activities of $11.8 million in the first three months of 2015 primarily reflected capital expenditures of $8.2 million primarily related to street furniture advertising and digital billboard structures.

Financing Activities

Cash used for financing activities of $3.2 million in 2016 primarily reflected the net transfers to related parties of $2.1 million,.

Cash provided by financing activities of $15.1 million in the first three months of 2015 primarily reflected net transfers from related parties of $18.7 million, partially offset by dividends paid to noncontrolling interests of $2.3 million.

Cash Paid for Interest on Related Party Subordinated Notes Payable and Long-term Debt

During the three months ended March 31, 2016 and 2015, we made no cash interest payments in relation to interest incurred on related party subordinated notes payable or long-term debt.

Anticipated Cash Requirements

Our primary sources of liquidity are cash on hand and cash flow from operations. Based on our current and anticipated levels of operations and conditions in our markets, we believe that cash on hand and cash flows from operations will enable us to meet our working capital, capital expenditure and other funding requirements. We believe our long-term plans, which include promoting outdoor media spending and capitalizing on our diverse geographic and product opportunities, including the continued deployment of digital displays, will enable us to continue to generate cash flows from operations sufficient to meet our liquidity and funding requirements long term. However, significant assumptions underlie this belief, including, among other things, that we will continue to be successful in implementing our business strategy and that there will be no material adverse developments in our business, liquidity or capital requirements. Our anticipated results are subject to significant uncertainty and may be affected by events beyond our control, including prevailing economic, financial and industry conditions. At March 31, 2016, we had $45.8 million of cash on our balance sheet, a portion of which is held by non-wholly owned subsidiaries or is otherwise subject to certain restrictions and not readily accessible to us. Our policy is to permanently reinvest the earnings of our subsidiaries as these earnings generally remain in those jurisdictions for operating needs and continued functioning of their businesses. However, if any excess cash held by us and our subsidiaries were needed to fund operations in the United States, Parent Company has the ability to cause us to make distributions and repatriate available funds.

Our ability to fund our working capital, capital expenditures and other obligations depends on our future operating performance and cash from operations. If our future operating performance does not meet our expectations or our plans materially change in an adverse manner or prove to be materially inaccurate, we may need additional financing. We may not be able to secure any such additional financing on terms favorable to us or at all.

We were in compliance with the covenants contained in our financing agreements as of March 31, 2016.

We frequently evaluate strategic opportunities both within and outside our existing lines of business. We expect from time to time to pursue acquisitions and may decide to dispose of certain businesses. These acquisitions or dispositions could be material.

Cash Management Arrangement

iHeartCommunications provides cash management services to us and Parent. It is iHeartCommunications' policy to permanently reinvest the earnings of its non-U.S. subsidiaries as these earnings are generally redeployed in those jurisdictions for operating needs and to maintain the continued function of such subsidiaries' businesses. The amount of any cash that is distributed is determined on a basis mutually agreeable to us and iHeart Communications, and not on a predetermined basis. Excess cash from our operations which is distributed to iHeartCommunications is applied against principal or accrued interest on the subordinated notes payable to subsidiaries of Parent Company, including Clear Channel C.V.

Senior Notes

As of March 31, 2016, we had $225.0 million aggregate principal amount outstanding of 8.75% Senior Notes due 2020.

The Senior Notes mature on December 15, 2020 and bear interest at a rate of 8.75% per annum, payable semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2016. The Senior Notes are guaranteed by certain of our existing and future subsidiaries. The Senior Notes are senior unsecured obligations that rank pari passu in right of payment to all of our unsubordinated indebtedness and the guarantees of the Senior Notes are senior unsecured obligations that rank pari passu in right of payment to all unsubordinated indebtedness of the guarantors of the Senior Notes.

We may redeem the Senior Notes at our option, in whole or part, at any time prior to December 15, 2017, at a price equal to 100% of the principal amount of the notes redeemed, plus a make-whole premium, plus accrued and unpaid interest to the redemption date. We may redeem the Senior Notes, in whole or in part, on or after December 15, 2017, at the redemption prices set forth in the indenture plus accrued and unpaid interest to the redemption date. At any time on or before December 15, 2017, we may elect to redeem up to 40% of the aggregate principal amount of the Senior Notes at a redemption price equal to 108.75% of the principal amount thereof, plus accrued and unpaid interest to the redemption date, with the net proceeds of one or more equity offerings.

The indenture governing the Senior Notes contains covenants that limit our ability and the ability of our restricted subsidiaries to, among other things: (i) pay dividends, redeem stock or make other distributions or investments; (ii) incur additional debt or issue certain preferred stock; (iii) transfer or sell assets; (iv) create liens on assets; (v) engage in certain transactions with affiliates; (vi) create restrictions on dividends or other payments by the restricted subsidiaries; and (vii) merge, consolidate or sell substantially all of our assets.

Related Party Notes Payable

As of March 31, 2016 and December 31, 2015, we had related party notes payable balances outstanding of $1.0 billion and $1.0 billion, respectively. The unsecured subordinated notes payable are owed to other wholly-owned subsidiaries of Parent Company and bear interest at 0.3%—3.53% plus three-month EUR, GBP or USD LIBOR. In December 2015, we entered into an agreement with Clear Channel C.V., whereby we were discharged from our obligations under several related party subordinated notes payable with an aggregate principal amount of $909.5 million (including accrued interest of $29.6 million).

Subsidiary Credit Facilities

Certain of our subsidiaries are the primary borrowers under various credit and overdraft facilities with European banks. These facilities are denominated primarily in Euros. As of March 31, 2016, there was $0.0 million outstanding under these facilities and there were approximately $4.8 million available for borrowings.

Commitments, Contingencies and Guarantees

We are currently involved in certain legal proceedings arising in the ordinary course of business and, as required, have accrued our estimate of the probable costs for resolution of those claims for which the occurrence of loss is probable and the amount can be reasonably estimated. These estimates have been developed in consultation with counsel and are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. It is possible, however, that future results of operations for any particular period could be materially affected by changes in our assumptions or the effectiveness of our strategies related to these proceedings. See “Business—Legal Proceedings”.

SEASONALITY

Typically, we experience our lowest financial performance in the first quarter of the calendar year, resulting in a loss from operations in that period. We typically experience our strongest performance in the second and fourth quarters of the calendar year. We expect this trend to continue in the future. Due to this seasonality and certain other factors, the results for the interim periods may not be indicative of results for the full year.

MARKET RISK

We are exposed to market risks arising from changes in market rates and prices, including movements in foreign currency exchange rates and inflation.

Foreign Currency Exchange Rate Risk

We have operations in several countries in Europe and in Australia, New Zealand and Singapore. Operations in these countries are measured in their local currencies, and our consolidated financial statements are presented in U.S. dollars. As a result, our financial results could be affected by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we have operations. We believe we mitigate a small portion of our exposure to foreign currency fluctuations with a natural hedge through borrowings in currencies other than the U.S. dollar. We estimate a 10% increase in the value of the U.S. dollar relative to foreign currencies would have increased our net loss for the three months ended March 31, 2016 by $3.1 million. A 10% decrease in the value of the U.S. dollar relative to foreign currencies during the three months ended March 31, 2016 would have decreased our net loss by corresponding amounts.

This analysis does not consider the implications that such currency fluctuations could have on the overall economic activity that could exist in such an environment in the United States or the foreign countries or on the results of operations of these foreign entities.

Inflation

Inflation is a factor in the economies in which we do business and we continue to seek ways to mitigate its effect. Inflation has affected our performance in terms of higher costs for wages, salaries and equipment. Although the exact impact of inflation is indeterminable, we believe we have offset these higher costs by increasing the effective advertising rates of most of our outdoor display faces.

SELECTED ISSUER, GUARANTOR AND NON-GUARANTOR FINANCIAL DATA

Certain of our subsidiaries organized under the laws of Belgium, England and Wales, the Netherlands, Sweden and Switzerland guarantee the Senior Notes. Certain of our subsidiaries organized under the other jurisdictions where we conduct operations do not guarantee the notes. The following tables set forth selected separate historical financial data for us, the guarantors and non-guarantor subsidiaries for the three months ended March 31, 2016 and 2015 and at March 31, 2016 and December 31, 2015. The selected historical financial data for the three months ended March 31, 2016 and 2015 and at March 31, 2016 and December 31, 2015 are derived from our unaudited consolidated financial statements and related notes included herein. Historical results are not necessarily indicative of the results to be expected for future periods.

We are not subject to the reporting requirements of the SEC. The financial information included herein is not intended to comply with the requirements of Regulation S-X under the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder. Specifically, we have not included any separate financial statements for the guarantors or a footnote to our consolidated financial statements showing financial information for the guarantors and the non-guarantor subsidiaries as would be required if we had registered the Senior Notes with the SEC. The information set forth below will be the only information presenting separate financial data for us, the guarantors and the non-guarantors that you will receive.

You should read the information presented below in conjunction with our historical consolidated financial statements and related notes herein, as well as the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

(In millions)

	Three Months Ended March 31, 2016					
			Non-Guarantor Subsidiaries			
	Issuer	Guarantor Subsidiaries	Europe	Non-Europe (1)	Eliminations	Consolidated
Results of Operations Data:						
Revenue	$ —	$ 100.9	$125.3	$ 34.9	$ —	$ 261.1
Operating expenses	0.1	93.6	129.3	29.0	—	252.0
Depreciation and amortization	—	8.2	12.4	3.3	—	23.9
Other operating (expense) income	—	(0.1)	0.3	—	—	0.2
Operating income (loss)	$ (0.1)	$ (1.0)	$ (16.1)	$ 2.6	$ —	$ (14.6)
Other Financial Data:						
Capital expenditures	$ —	$ 8.2	$ 4.8	$ 6.1	$ —	$ 19.1
Balance Sheet Data (at end of period):						
Cash and cash equivalents	$ 1.3	$ 20.5	$ 11.0	$ 13.0	$ —	$ 45.8
Current assets	1.3	142.7	227.0	63.0	—	434.0
Property, plant and equipment, net	—	116.5	181.9	55.1	—	353.5
Intercompany assets	(216.5)	410.8	197.1	48.2	(439.6)	—
Total assets	(215.2)	1,047.2	741.9	206.3	(439.6)	1,340.6
Current liabilities	5.8	147.5	216.1	39.1	—	408.5
Long-term debt, net of current maturities	214.6	—	—	7.5	—	222.1
Related party subordinated notes payable	—	1,049.7	—	—	—	1,049.7

(1) Includes subsidiaries organized under the laws of Australia, New Zealand and Singapore and certain other immaterial or dormant subsidiaries.

(In millions)	Three Months Ended March 31, 2015					
			Non-Guarantor Subsidiaries			
	Issuer	Guarantor Subsidiaries	Europe	Non-Europe (1)	Eliminations	Consolidated
Results of Operations Data:						
Revenue	$ —	$ 114.0	$127.2	$ 32.7	$ —	$ 273.9
Operating expenses	—	105.1	132.2	28.7	—	266.0
Depreciation and amortization	—	10.3	16.2	2.8	—	29.3
Other operating (expense) income	—	0.4	0.4	—	—	0.8
Operating income (loss)	$ —	$ (1.0)	$ (20.8)	$ 1.2	$ —	$ (20.6)
Other Financial Data:						
Capital expenditures	$ —	$ 2.9	$ 4.9	$ 0.4	$ —	$ 8.2
Balance Sheet Data (at December 31, 2015):						
Cash and cash equivalents	$ 2.0	$ 19.2	$ 15.4	$ 11.3	$ —	$ 47.9
Current assets	1.9	174.9	232.2	58.5	—	467.5
Property, plant and equipment, net	—	113.7	179.9	49.5	—	343.1
Intercompany assets	(157.2)	402.2	190.5	45.4	(480.9)	—
Total assets	(155.2)	1,067.8	727.6	188.0	(480.9)	1,347.3
Current liabilities	0.9	173.0	215.0	28.1	—	417.0
Long-term debt, net of current maturities	222.0	—	—	—	—	222.0
Related party subordinated notes payable	—	986.1	—	—	—	986.1

(1) Includes subsidiaries organized under the laws of Australia, New Zealand and Singapore and certain other immaterial or dormant subsidiaries.

FORWARD LOOKING STATEMENTS

This document includes “forward-looking statements.” Forward-looking statements include statements concerning future events or our future financial performance that is not historical information. Words such as “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts” and variations of such words or similar expressions that predict or indicate future events or trends, or that do not relate to historical matters, identify forward-looking statements. All forward-looking statements attributable to us apply only as of the date hereof. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will result or be achieved. Uncertainties and other factors that could cause actual results to differ materially from our expectations include, but are not limited to:

- risks associated with weak or uncertain global economic conditions and their impact on the capital markets;
- industry conditions, including competition;
- legislative or regulatory requirements;
- restrictions on outdoor advertising of certain products;
- our dependence on Clear Channel Outdoor Holdings, Inc.’s management team and key individuals;
- regulations and consumer concerns regarding privacy and data protection;
- the possibility of a breach of our security measures;
- environmental, health, safety and land use legislation and regulations;
- risks of doing business in multiple jurisdictions;
- fluctuations in exchange rates and currency values;
- our ability to obtain or retain key concessions and contracts;
- risks associated with many factors, including technological, general economic and political conditions in the countries in which we currently do business;
- the risk that we may not be able to integrate the operations of acquired businesses successfully;
- the restrictions imposed by the financing agreements of iHeartCommunications, Inc. and Clear Channel Outdoor Holdings, Inc.; and
- the restrictions imposed by other operating agreements between iHeartCommunications, Inc. and Clear Channel Outdoor Holdings, Inc.

The foregoing factors are not exhaustive and new factors may emerge or changes to the foregoing factors may occur that could impact our business. Except to the extent required by law, we undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.