CUMULUS MEDIA INC
Form S-4
July 12, 2011

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As filed with the Securities and Exchange Commission on July 12, 2011

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933
CUMULUS MEDIA INC.
(Exact name of registrant as specified in its charter)

Delaware	**4832**	**36-4159663**
(State of Incorporation)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305
(404) 949-0700

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Lewis W. Dickey, Jr.
Chairman, President and Chief Executive Officer
Cumulus Media Inc.
3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305
(404) 949-0700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

Mark L. Hanson, Esq. **Jones Day** **1420 Peachtree Street, N.E.** **Suite 800** **Atlanta, Georgia 30309** **(404) 521-3939**	**Hilary Glassman, Esq.** **Citadel Broadcasting Corporation** **261 Madison Avenue** **3rd Floor** **New York, NY 10016** **(212) 297-5860**	**Howard Chatzinoff, Esq.** **Raymond O. Gietz, Esq.** **Weil, Gotshal & Manges LLP** **767 Fifth Avenue** **New York, NY 10153** **(212) 310-8000**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement is declared effective and after all conditions to the merger of an indirect wholly-owned subsidiary of Cumulus Media Inc. (Cumulus Media) with and into Citadel Broadcasting Corporation (Citadel) (the merger) in accordance with the agreement and plan of merger relating thereto and described in more detail elsewhere herein (the merger agreement) are satisfied or waived.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box. o

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company þ

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) o

Exchange Act Rule 14d-1(d) (Cross-Border Third Party Tender Offer) o

CALCULATION OF REGISTRATION FEE

Title of Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Class A common stock, par value $.01 per share	180,362,411(1)	N/A	$431,124,121(2)	$50,054(3)
Class B common stock, par value $.01 per share(4)	180,362,411(5)	N/A	$431,124,121(2)	(6)
Warrants to purchase common stock(7)	180,362,411(8)	N/A	$431,124,121(2)	(9)

Pursuant to Rule 416, this registration statement also covers an indeterminate number of additional securities of Cumulus Media as may be issuable as a result of stock splits, stock dividends or similar transactions.

(1) Represents the maximum number of shares of Cumulus Media Class A common stock, par value $0.01 per share, issuable to holders of Citadel Class A common stock, par value $0.001 per share, Citadel Class B common stock, par value $0.001 per share (together, Citadel common stock) and warrants to purchase Citadel common stock, in the merger.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c), 457(f)(1) and 457(f)(3) promulgated under the Securities Act of 1933 (the Securities Act). The proposed maximum aggregate offering price is calculated based on the market value of 13,346,131 shares of Citadel Class A common stock

(which includes an estimated 8,951,373 shares issuable upon the deemed exercise of all potentially outstanding options to purchase shares of Citadel Class A common stock and 652,561 restricted shares of Citadel Class A common stock) and 42,278,864 shares of Citadel Class B common stock (which includes warrants to purchase 23,219,455 shares of Citadel Class B common stock) to be exchanged in the merger, as established by the last sale reported on July 7, 2011 with respect to the Citadel Class A common stock, and July 7, 2011 with respect to the Citadel Class B common stock, in each case on the OTC Link on the OTCQB tier, which sale price was $33.00 per share of Citadel Class A common stock and $33.10 per share of Citadel Class B common stock, less $1,408,728,600, which is the maximum amount of cash payable by Cumulus Media in exchange for such shares of Citadel common stock pursuant to the merger agreement.

(3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to $116.10 per $1,000,000 of the proposed maximum aggregate offering price.

(4) The Cumulus Media Class B common stock being registered hereby and issuable in the merger as provided for herein will be created pursuant to an amended and restated certificate of incorporation to be filed with the Secretary of State of the State of Delaware in connection with the completion of the merger and described in more detail herein.

(5) Represents the maximum number of shares of Cumulus Media Class B common stock, par value $0.01 per share, issuable to holders of Citadel common stock and warrants to purchase Citadel common stock in the merger.

(6) The maximum number of all classes of securities issuable in the merger is 180,362,411. If and to the extent any shares of Cumulus Media Class B common stock are issued in the merger, there would be a one-for-one reduction in the number of shares of Cumulus Media Class A common stock issued in the merger and, consequently, the registration fee payable thereunder should be reduced accordingly. Because the registration fee set out above contemplates the issuance of the maximum number of securities issuable in the merger all in the form of Class A common stock, no additional registration fee is payable in connection with the registration of the Cumulus Media Class B common stock.

(7) If Cumulus Media reasonably determines that the issuance of its Class A common stock or Class B common stock to a Citadel stockholder or warrant holder in the merger would result in a violation of the Communications Act or FCC rules and policies, it may issue to such stockholder or warrant holder warrants to purchase shares of its Class A common stock or Class B common stock.

(8) Represents the maximum number of warrants to purchase shares of Cumulus Media common stock issuable to holders of Citadel common stock and warrants to purchase common stock in the merger. The number of shares of Class A common stock set out above includes any number of shares which may underlie any warrants issued in the merger.

(9) If and to the extent any warrants to purchase shares of Cumulus Media common stock are issued in the merger, there would be a one-for-one reduction in the number of shares of Cumulus Media Class A common stock and/or Class B common stock issued in the merger and, consequently, the registration fee payable thereunder should be reduced accordingly. Because the registration fee set out above contemplates the issuance of the maximum number of securities issuable in the merger, no additional registration fee is payable in connection with the registration of the warrants.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this document is not complete and may be changed. Cumulus Media Inc. may not issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This document is not an offer to sell these securities and Cumulus Media Inc. is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 12, 2011

INFORMATION STATEMENT/PROXY STATEMENT/PROSPECTUS

PROPOSED MERGER YOUR VOTE IS IMPORTANT

, 2011

This document is a prospectus related to a proposed issuance of shares of Class A common stock (or, in certain instances, other securities) of Cumulus Media Inc., or Cumulus Media, pursuant to an Agreement and Plan of Merger, referred to as the merger agreement, entered into with, among others, Citadel Broadcasting Corporation, or Citadel, and pursuant to which, if the requisite stockholder and other approvals are obtained, Citadel will merge with an indirect wholly-owned subsidiary of Cumulus Media, which transaction is referred to as the merger. This document is also a proxy statement for Citadel to use in soliciting proxies for its annual meeting of stockholders, at which meeting Citadel s stockholders will vote on, among other things, adoption of the merger agreement, as well as an information statement for those Cumulus Media stockholders who did not enter into the stockholder approvals of Cumulus Media s proposed issuances of equity securities in the merger and related transactions, as well as certain related transactions described herein, that have already been obtained.

The boards of directors of Cumulus Media and Citadel have each agreed to the merger. This document is being sent to Citadel stockholders to ask them to vote in favor of the adoption of the merger agreement. The approval of Citadel s stockholders must be obtained before the merger can be completed. Cumulus Media has already obtained the necessary approvals for the issuance of various of its equity securities in the merger and certain related transactions described herein by stockholders holding the majority of its outstanding voting power, pursuant to the rules of the Nasdaq Stock Market and the General Corporation Law of the State of Delaware. As a result, no further vote of Cumulus Media s stockholders is being sought in connection herewith, although this document is being sent to all of Cumulus Media s stockholders in order to inform them of such approvals and of the proposed merger.

If the merger agreement is adopted by Citadel stockholders and the merger is completed, each share of Citadel Class A common stock and Citadel Class B common stock will be converted (and each warrant to purchase Citadel common stock will be adjusted) into the right to receive (i) $37.00 in cash, (ii) 8.525 shares of Cumulus Media Class A common stock, or (iii) a combination of cash and Cumulus Media Class A common stock, in each case subject to proration, with the actual number of shares to be issued, and amount of cash to be paid, dependent upon elections to be made by Citadel stockholders prior to the completion of the merger. In certain instances, Cumulus Media may issue to Citadel stockholders and warrant holders in the merger shares of a to-be-created class of its non-voting common stock, to be called Class B common stock, in lieu of an equal number of shares of its Class A common stock, or Cumulus Media may issue warrants exercisable for such number of its Class A common stock or Class B common stock. The implied value of the stock portion of the merger consideration will fluctuate as the market price of Cumulus Media Class A common stock fluctuates. You should obtain current stock price quotations for Cumulus Media Class A common stock and Citadel Class A common stock and Class B common stock before deciding how to vote with respect to the adoption of the merger agreement and what type of merger consideration to elect. Cumulus Media Class A common stock is quoted on the Nasdaq Global Select Market under the symbol CMLS and Citadel Class A common stock and Class B common stock are quoted by the OTC Link on the OTCQB tier under the symbols CDELA and CDELB, respectively.

The annual meeting of Citadel stockholders will be held on , 2011 at , local time, at . At the annual meeting, Citadel stockholders will be asked to vote on the adoption of the merger agreement, the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting, the election of two class I directors to Citadel s board of directors, the approval, on a non-binding advisory basis, of compensation that may be received by Citadel s named executive officers in connection with the merger, and the ratification of the appointment of Deloitte & Touche LLP to serve as Citadel s independent registered public accountants for the year ending December 31, 2011, as well as to consider and act upon such other business as may properly come before the Citadel annual meeting or any adjournment or postponement thereof. **Citadel s board of directors unanimously recommends that you vote FOR the adoption of the merger agreement; FOR the approval of the adjournment of the Citadel annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting; FOR the election of each of the two class I director nominees to Citadel s board of directors; FOR the approval on a non-binding, advisory basis of compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger; and FOR the ratification of the appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011.**

This information statement/proxy statement/prospectus is an important document containing answers to frequently asked questions and a summary description of the merger and the merger agreement (beginning on page), followed by more detailed information about Cumulus Media, Citadel, the transactions related to the merger which have been approved by Cumulus Media s stockholders, and the other matters to be voted upon by Citadel stockholders as part of the Citadel annual meeting. We urge you to read this document carefully and in its entirety. **In particular, you should consider the matters discussed under Risk Factors beginning on page of this document.**

We look forward to the successful merger of Cumulus Media and Citadel.

Lewis W. Dickey, Jr.	Farid Suleman
Chairman, President and Chief Executive Officer	President and Chief Executive Officer
Cumulus Media Inc.	Citadel Broadcasting Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this document or determined that this document is accurate or complete. Any representation to the contrary is a criminal offense.

This document is dated , 2011 and is first being mailed to stockholders of Cumulus Media and Citadel on or about , 2011.

CITADEL BROADCASTING CORPORATION
7690 W. Cheyenne Avenue, Suite 220
Las Vegas, Nevada 89129
(702) 804-5200

YOUR VOTE IS VERY IMPORTANT

To our Stockholders:

It is my pleasure to invite you to attend the 2011 Citadel Broadcasting Corporation (Citadel) annual meeting of stockholders to be held on , , 2011, at , at .

At the meeting, stockholders will vote on the matters set forth in the notice of the meeting that follows on the next page. All stockholders of record at the close of business on , 2011 are entitled to notice of, and to vote at, the annual meeting on certain matters as set forth in the notice of meeting that follows on the next page. Your vote is very important. We urge you to please vote your shares now whether or not you plan to attend the annual meeting. Accordingly, we encourage you to read the information statement/proxy statement/prospectus and cast your vote promptly via the Internet, by telephone or by mailing in the appropriate completed proxy card.

If you decide to attend the annual meeting, you will be able to vote in person, even if you have previously submitted your proxy.

We look forward to seeing you at the meeting and appreciate your continued support.

Sincerely,

Farid Suleman
President and Chief Executive Officer
Citadel Broadcasting Corporation

Las Vegas, Nevada
, 2011

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CITADEL BROADCASTING CORPORATION
7690 W. Cheyenne Avenue, Suite 220
Las Vegas, Nevada 89129
(702) 804-5200

NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON , 2011

NOTICE IS HEREBY GIVEN that the 2011 annual meeting of stockholders of Citadel Broadcasting Corporation, which we refer to as Citadel, will be held on , , 2011, at , at . Holders of Class A common stock at the close of business on , 2011 (the record date) will be asked to:

1. consider and vote upon the adoption of the Agreement and Plan of Merger, dated as of March 9, 2011, as it may be amended from time to time, among Citadel, Cumulus Media Inc., Cumulus Media Holdings Inc. (f/k/a Cadet Holding Corporation) and Cadet Merger Corporation (the merger agreement);

2. consider and vote upon the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting;

3. consider and vote upon the election of each of the two class I director nominees to Citadel s board of directors;

4. consider and vote on a non-binding, advisory basis to approve compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger;

5. consider and vote upon the ratification of the appointment of Deloitte & Touche LLP to serve as Citadel s independent registered public accountants for the year ending December 31, 2011; and

6. consider and act upon such other business as may properly come before the annual meeting or any adjournment or postponement thereof.

In addition, at the annual meeting, holders of Class B common stock as of the record date will be asked to consider and vote, together with holders of Class A common stock as of the record date as a single class, upon Proposals 1 and 5 above.

Please refer to the attached information statement/proxy statement/prospectus and the merger agreement for further information with respect to the business to be transacted at the 2011 annual meeting of Citadel s stockholders. Citadel expects to transact no other business at the meeting, except for business properly brought before the meeting and any adjournment or postponement thereof. Holders of record as of the record date of Citadel Class A common stock will be entitled to notice of and to vote at the annual meeting with regard to Proposals 1-5 described above. Holders of Citadel Class B common stock as of the record date will be entitled to notice of and to vote at the annual meeting, together with holders of Citadel Class A common stock as of the record date as a single class, with regard to Proposals 1 and 5 described above.

Citadel s board of directors unanimously recommends that you vote FOR the adoption of the merger agreement; FOR the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of

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the annual meeting; FOR the election of each of the two class I director nominees to Citadel s board of directors; FOR the approval on a non-binding, advisory basis of compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger; and FOR the ratification of the appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011.

YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN. Whether or not you plan on attending the annual meeting, we urge you to read the information statement/proxy statement/prospectus carefully and to please vote your shares as promptly as possible. You may vote your shares by proxy electronically via the Internet, by telephone, by sending in the appropriate paper proxy card or in person at the annual meeting.

All stockholders are cordially invited to attend the 2011 annual meeting. If you have any questions about this information statement/proxy statement/prospectus, you should contact: .

By Order of the Board of Directors

Las Vegas, Nevada
, 2011

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Cumulus Media Inc.
3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305

NOTICE OF APPROVALS GIVEN AND ACTIONS TO BE TAKEN

To the Stockholders of Cumulus Media Inc.:

WE ARE NOT ASKING YOU FOR YOUR PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY. THE ACTIONS DESCRIBED BELOW HAVE ALREADY BEEN APPROVED BY WRITTEN CONSENT OF HOLDERS OF A MAJORITY OF THE OUTSTANDING VOTING POWER OF CUMULUS MEDIA INC. PURSUANT TO THE RULES OF THE NASDAQ STOCK MARKET AND THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE. A VOTE OF THE REMAINING STOCKHOLDERS IS NOT NECESSARY.

This information statement/proxy statement/prospectus is being furnished in connection with the Agreement and Plan of Merger, dated as of March 9, 2011, by and among Cumulus Media Inc., which we refer to as Cumulus Media, Cumulus Media Holdings Inc. (f/k/a Cadet Holding Corporation), which we refer to as Holdco, Cadet Merger Corporation, which we refer to as Merger Sub, and Citadel Broadcasting Corporation, which we refer to as Citadel, as such agreement may be amended from time to time, and certain related transactions. If Citadel stockholders adopt the merger agreement and the merger is subsequently completed, Merger Sub will merge with and into Citadel and, subject to the limitations described below, each share of Citadel Class A common stock and Citadel Class B common stock will be converted (and each warrant to purchase Citadel common stock will be adjusted) into the right to receive (i) $37.00 in cash, (ii) 8.525 shares of Cumulus Media Class A common stock, or (iii) a combination of cash and Cumulus Media Class A common stock, in each case subject to proration. In certain instances, Cumulus Media may issue to Citadel stockholders and warrant holders in the merger shares of a to-be-created class of its non-voting stock, to be called Class B common stock, in lieu of an equal number of shares of its Class A common stock, or Cumulus Media may issue warrants exercisable for such number of shares of its Class A common stock or Class B common stock.

In connection with the merger agreement, we entered into, and subsequently amended and restated, an investment agreement, which we refer to as the Investment Agreement, with certain investors, whom we refer to as the Investors, pursuant to which the Investors have committed to purchase with cash up to an aggregate of $500.0 million in shares of our common stock, preferred stock or warrants to purchase common stock, at a purchase price per share (or warrant) of $4.34. Specifically, Crestview Radio Investors, LLC, an affiliate of Crestview Partners II, L.P., has agreed to purchase up to $250.0 million in shares of our Class A common stock and MIHI LLC, an affiliate of Macquarie Capital (USA) Inc., and UBS Securities LLC have each agreed to purchase up to $125.0 million in warrants, which will be immediately exercisable by U.S. persons (as defined herein), subject to the Communications Act of 1934, as amended, and FCC rules and policies, at an exercise price of $0.01 per share, for shares of our Class B common stock. In addition, Macquarie may, at its option, elect to receive the full amount of its investment in shares of a to-be-created class of perpetual, redeemable, non-convertible preferred stock of Cumulus Media.

As a part of the transactions contemplated by the Investment Agreement, our board of directors and the holders of a majority of our outstanding voting power approved a new equity incentive plan, pursuant to which we will be able to issue equity awards to our officers, directors, employees and other individuals. Upon the effectiveness of this new equity incentive plan, the remaining authorization for equity awards under our currently existing equity incentive plans will be canceled.

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In furtherance of the merger, equity investment, and the issuance of shares of our stock thereunder, our board of directors also approved and recommended that our stockholders adopt an amended and restated certificate of incorporation of Cumulus Media, which, among other things, creates the various classes of stock of Cumulus Media necessary and desirable to complete each of the foregoing transactions.

Pursuant to the rules of the Nasdaq Stock Market and the General Corporation Law of the State of Delaware, as applicable, the proposed issuance of equity securities in each of the merger and pursuant to the Investment Agreement, the adoption of a new equity incentive plan and the adoption of an amended and restated certificate of incorporation each requires the approval of holders of a majority of the outstanding voting power of Cumulus Media common stock. On March 9, 2011, BA Capital Company, L.P., Banc of America Capital Investors SBIC, L.P., DBBC, L.L.C., Lewis W. Dickey, Jr., John W. Dickey, David W. Dickey, Michael W. Dickey and Lewis W. Dickey, Sr., which together, on that date, owned a majority of the outstanding voting power of Cumulus Media (collectively, the Consenting Stockholders), executed written consents approving the issuance of the shares pursuant to each of the merger agreement and the Investment Agreement. Furthermore, on July 8, 2011, the Consenting Stockholders approved the adoption of our amended and restated certificate of incorporation and the adoption of our new equity incentive plan.

As a result of the foregoing, no further action on the part of Cumulus Media stockholders is required in connection with any of these transactions. However, pursuant to the requirements of Section 14(c) of the Securities Exchange Act of 1934 and Section 228(d) of the General Corporation Law of the State of Delaware, Cumulus Media is required to send to its stockholders a written information statement, which is satisfied by delivery of this document, at least 20 calendar days prior to the date upon which any of these transactions can become effective or occur, as applicable. This document is being mailed to Cumulus Media stockholders on or about , 2011.

By Order of the Board of Directors,

Richard S. Denning
Corporate Secretary

, 2011

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REFERENCES TO ADDITIONAL INFORMATION

This document incorporates by reference important business and financial information about each of Cumulus Media and Citadel from documents that each company has filed with the Securities and Exchange Commission (the SEC) but that are not being included in or delivered with this document. This information is available to you without charge upon your written or oral request. You may read and copy documents incorporated by reference in this information statement/proxy statement/prospectus, other than certain exhibits to those documents, and other information about each of Cumulus Media and Citadel that is filed with the SEC under the Securities and Exchange Act of 1934 (the Exchange Act) at the SEC s Public Reference Room at 100 F Street, N.E., Washington, DC 20549. You can also obtain such documents free of charge through the SEC s website (*www.sec.gov*) or by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

For information about Cumulus Media Inc.:		**For information about Citadel Broadcasting Corporation:**	
By Mail:	Cumulus Media Inc. 3280 Peachtree Road, NW Suite 2300 Atlanta, Georgia 30305 Attention: Joseph P. Hannan, SVP, Treasurer and CFO	By Mail:	Citadel Broadcasting Corporation 7690 W. Cheyenne Avenue, Suite 220 Las Vegas, Nevada 89129 Attention: Randy L. Taylor, CFO
By Telephone:	(404) 260-6600	By Telephone:	(702) 804-5200
By Internet:	www.cumulus.com	By Internet:	www.citadelbroadcasting.com

IF YOU WOULD LIKE TO REQUEST ANY DOCUMENTS, PLEASE DO SO BY , 2011 IN ORDER TO RECEIVE THEM BEFORE THE CITADEL ANNUAL MEETING.

For additional information on documents incorporated by reference in this document, please see Where You Can Find More Information on page . Please note that information contained on the websites of Cumulus Media or Citadel is not incorporated by reference in, nor considered to be part of, this information statement/proxy statement/prospectus.

The firm assisting Citadel with the solicitation of proxies:

Georgeson Inc.

Stockholders call toll-free: 888-624-7035
Banks and brokers call: 212-440-9800

ABOUT THIS DOCUMENT

Cumulus Media has supplied all information contained in or incorporated by reference into this information statement/proxy statement/prospectus relating to Cumulus Media. Citadel has supplied all information contained in or incorporated by reference into this information statement/proxy statement/prospectus relating to Citadel. Cumulus Media and Citadel have both contributed to information relating to the merger.

You should rely only on the information contained in or incorporated by reference into this document. No one has been authorized to provide you with information that is different from that contained in or incorporated by reference into this document. This document is dated , 2011. You should not assume that the information contained in this document is accurate as of any date other than the date hereof. You should not assume that the information contained in any document incorporated by reference herein is accurate as of any date other than the date of such other document. Any statement contained in a document incorporated or deemed to be incorporated by reference into this document will be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference into this document modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this document. Neither the mailing of this document to the respective stockholders of Cumulus Media and Citadel, nor the taking of any actions contemplated hereby by Cumulus Media or Citadel at any time will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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QUESTIONS AND ANSWERS

The questions and answers below highlight only selected information from this information statement/proxy statement/prospectus. They do not contain all of the information that may be important to you. Cumulus Media s board of directors is not soliciting votes of its stockholders on any of the matters to be undertaken by Cumulus Media and described herein. Citadel s board of directors is soliciting proxies from its stockholders to vote at the 2011 annual meeting of Citadel stockholders, to be held on , 2011 at , local time, at , and any adjournment or postponement of that meeting. You should read carefully the entire information statement/proxy statement/prospectus and the additional documents incorporated by reference into this information statement/proxy statement/prospectus to fully understand the matters to be acted upon and the voting procedures for Citadel s annual meeting.

Frequently Used Terms

This document generally avoids the use of technical defined terms, but a few frequently used terms may be helpful for you to have in mind at the outset. This document refers to:

Cumulus Media Class A common stock and Cumulus Media Class B common stock, together as Cumulus Media common stock ;

Cumulus Media Inc., a Delaware corporation, as Cumulus Media ;

Cumulus Media Holdings Inc. (f/k/a Cadet Holding Corporation), a Delaware corporation and wholly-owned subsidiary of Cumulus Media, as Holdco ;

Cadet Merger Corporation, a Delaware corporation and a wholly-owned subsidiary of Holdco, as Merger Sub ;

Citadel Broadcasting Corporation, a Delaware corporation, and its consolidated subsidiaries, together as Citadel ;

Citadel Class A common stock and Citadel Class B common stock, together as Citadel common stock ;

Cumulus Media Partners, LLC and its consolidated subsidiaries, collectively as CMP ;

the merger of Merger Sub into Citadel and the conversion of shares of, and adjustment of warrants to purchase, Citadel common stock into the right to receive cash and/or shares of Cumulus Media Class A common stock (or in certain instances, shares of Cumulus Media Class B common stock or warrants in lieu thereof), as the merger ;

the Agreement and Plan of Merger, dated March 9, 2011 (as it may be amended from time to time), among Cumulus Media, Holdco, Merger Sub, and Citadel, as the merger agreement ;

the Investment Agreement, dated as of March 9, 2011, and as amended and restated as of April 22, 2011 (as it may be further amended from time to time) pursuant to which (i) Crestview Radio Investors, LLC (Crestview), an affiliate of Crestview Partners II, L.P., (ii) an affiliate of Macquarie Capital (USA) Inc. (Macquarie) and (iii) UBS Securities LLC (UBS Securities and together with Crestview and Macquarie, the Investors), have agreed to invest up to an aggregate of $500.0 million in Cumulus Media s equity securities described below or warrants to purchase the same, the proceeds of which will be used to pay a part of the cash portion of the purchase price for, and which investment is conditioned on, among other things, the closing of the merger, as the Investment Agreement ;

the commitment the Investors have pursuant to the Investment Agreement to purchase for cash up to an aggregate of $500.0 million in shares of Cumulus Media common stock, preferred stock or warrants to purchase common stock, at a purchase price per share (or warrant) of $4.34, as the Equity Investment ;

the Federal Communications Commission, as the FCC ;

applications that have been or will be filed with the FCC to obtain FCC Approval (defined below) for the transfers of control or assignment of the FCC Authorizations held by Cumulus Media and Citadel required for the consummation of the merger agreement, as the FCC Applications ;

any action by the FCC (including action duly taken by the FCC s staff pursuant to delegated authority) granting its consent to the transfer of control or assignment to Merger Sub, Holdco or Cumulus Media (or any affiliate of Merger Sub, Holdco or Cumulus Media) of the FCC Authorizations (as defined below) as proposed in the FCC Applications, as the FCC Approval ;

all licenses, permits, approvals, construction permits, and other authorizations issued or granted by the FCC to Citadel or any Citadel subsidiary or Cumulus Media or any Cumulus Media subsidiary, as applicable, including any and all auxiliary and/or supportive transmitting and/or receiving facilities, boosters, and repeaters, together with any and all renewals, extensions, or modifications thereof and additions thereto between the date of the merger agreement and the effective time of the merger, as the FCC Authorizations ;

the Communications Act of 1934, as amended, as the Communications Act ;

the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, as the HSR Act or the Hart-Scott-Rodino Act ; and

the General Corporation Law of the State of Delaware, as the DGCL.

Questions and Answers for Citadel Stockholders

Q: Why have I received this information statement/proxy statement/prospectus?

A: This document is being delivered to you as both a proxy statement of Citadel and a prospectus of Cumulus Media. It is a proxy statement because Citadel s board of directors is soliciting proxies from its stockholders to vote on the adoption of the merger agreement at Citadel s 2011 annual meeting of stockholders as well as the other matters set forth in the notice of the meeting and described in this information statement/proxy statement/prospectus, and your proxy will be used at the meeting or at any adjournment or postponement of the meeting. It is a prospectus because Cumulus Media will issue Cumulus Media common stock and/or warrants to the Citadel common stockholders and warrant holders in the merger. On or about , 2011 Citadel intends to mail to its stockholders of record as of the close of business on , 2011 printed versions of these materials.

Your vote is important. Citadel encourages you to vote as soon as possible.

Q: What matters are to be voted on at the Citadel annual meeting?

A: At the Citadel annual meeting, holders of Citadel Class A common stock as of the close of business on , 2011 (the record date) will be asked to:

1. consider and vote upon the adoption of the merger agreement;

2. consider and vote upon the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting;

3. consider and vote upon the election of each of the two class I director nominees to Citadel s board of directors;

4. consider and vote on a non-binding, advisory basis to approve compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger;

5. consider and vote upon the ratification of the appointment of Deloitte & Touche LLP to serve as Citadel s independent registered public accountants for the year ending December 31, 2011; and

6. consider and act upon such other business as may properly come before the annual meeting or any adjournment or postponement thereof.

In addition, at the Citadel annual meeting, holders of Citadel Class B common stock as of the record date will be asked to consider and vote, together with holders of Citadel Class A common stock as of the record date as a single class, upon Proposals 1 and 5 described above.

Q: What is the recommendation of Citadel s board of directors with respect to each Proposal?

A: Citadel s board of directors unanimously recommends a vote:

1. **FOR** the adoption of the merger agreement;

2. **FOR** the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting;

3. **FOR** the election of each of the class I director nominees to Citadel s board of directors;

4. **FOR** the approval on a non-binding, advisory basis of compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger; and

5. **FOR** the ratification of the appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011.

Q: Will any other matters be presented for a vote at the Citadel annual meeting?

A: At this time, Citadel is not aware of any other matters that will be presented for a vote at the Citadel annual meeting. However, if any other matters properly come before the annual meeting, the proxies will have the discretion to vote upon such matters in accordance with their best judgment.

Q: When and where is the Citadel annual meeting?

A: The Citadel annual meeting will be held at , local time, on , 2011, at .

Q: Who can attend the Citadel annual meeting?

A: You are entitled to attend the Citadel annual meeting only if you are a Citadel stockholder of record or a beneficial owner as of the record date, or you hold a valid proxy for the annual meeting.

If you are a Citadel stockholder of record and wish to attend the annual meeting, please so indicate on the appropriate proxy card or as prompted by the telephone or Internet voting system. Your name will be verified against the list of Citadel stockholders of record prior to your being admitted to the annual meeting.

If a bank, broker or other nominee is the record owner of your Citadel shares, you will need to have proof that you are the beneficial owner to be admitted to the annual meeting. A recent statement or letter from your bank or broker confirming your ownership as of the record date, or presentation of a valid proxy from a bank, broker or other nominee that is the record owner of your Citadel shares, would be acceptable proof of your beneficial ownership.

You should be prepared to present photo identification for admittance. If you do not provide photo identification or comply with the other procedures outlined above upon request, you may not be admitted to the annual meeting.

Q: Who can vote at the Citadel annual meeting?

A: Holders of record at the close of business as of the record date of Citadel Class A common stock will be entitled to notice of and to vote at the Citadel annual meeting with regard to Proposals 1-5 described above. Holders of Citadel Class B common stock as of the record date will be entitled to notice of and to vote at the Citadel annual meeting, together with holders of Citadel Class A common stock as of the record date as a single class, with regard to Proposals 1 and 5 described above. With respect to Proposal 3, each holder of Citadel Class A common stock as of the record date is entitled to one vote per share with respect to each individual director nominee, and need not cast a vote considering both individual director nominees together as a group. Except as described in the previous sentence, each of the shares of Citadel Class A common stock issued and outstanding on the record date is entitled to one vote at the Citadel annual meeting with regard to each of Proposals 1-5 described above, and each of the shares of Citadel Class B

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common stock issued and outstanding on the record date is entitled to one vote at the Citadel annual meeting with regard to each of Proposals 1 and 5 described above.

Q: What is a quorum?

A: In order for business to be conducted at the Citadel annual meeting, a quorum must be present. A majority of the aggregate outstanding shares of Citadel Class A common stock and Class B common stock must be represented, either in person or by proxy, to constitute a quorum at the Citadel annual meeting. Citadel shares represented by valid proxies will be treated as present at the Citadel annual meeting for purposes of determining a quorum, without regard to whether the proxy is noted as casting a vote or abstaining. Citadel shares represented by broker non-votes will be treated as present for purposes of determining a quorum. Citadel shares voted by a broker on any issue other than a procedural motion will be considered present for all quorum purposes, even if the shares are not voted on every matter.

Q: How do I vote my shares?

A: You may vote your Citadel shares by proxy electronically via the Internet, by telephone, by sending in the appropriate paper proxy card or in person at the Citadel annual meeting. You can specify how you want your Citadel shares voted on each Proposal by marking the appropriate boxes on the appropriate proxy card or indicating your vote on each Proposal via the telephone or Internet. Please review the voting instructions on the proxy card and read the entire text concerning the Proposals in this information statement/proxy statement/prospectus prior to voting.

Whether you vote your proxy electronically over the Internet, by telephone or by mail, Citadel will treat your proxy the same way. The individuals appointed as proxy holders will be Farid Suleman, Randy Taylor and Hilary Glassman. The Citadel shares represented by valid proxies that Citadel receives in time for the Citadel annual meeting will be voted as specified in such proxies. Valid proxies include all properly executed, written paper proxy cards received pursuant to this solicitation that are not later revoked. Executed but unvoted proxies will be voted in accordance with the recommendations of Citadel s board of directors.

Q: Why are there two different proxy cards attached to this information statement/proxy statement/prospectus?

A: There are two different proxy cards attached to this information statement/proxy statement/prospectus because holders of Citadel Class A common stock and holders of Citadel Class B common stock who wish to complete a proxy card must complete a card which relates to the class of stock that they hold. Thus, one of the attached proxy cards relates to Citadel Class A common stock, and the other to Citadel Class B common stock. It is important that each stockholder use only the correct proxy card(s) to record his or her votes. Use of the wrong proxy card could invalidate your vote, so please be careful to use the right card when you cast your vote. If you have any questions about the voting procedures, please read the information statement/proxy statement/prospectus carefully, as it explains these matters more fully. You may also call Georgeson Inc. (the Proxy Solicitor) directly with any particular questions you may have. The telephone number of the Proxy Solicitor is 888-624-7035.

Q: How do I vote if I am a beneficial stockholder?

A: If you are a beneficial stockholder, meaning you hold your Citadel shares in street name, you have the right to direct your bank or nominee on how to vote the shares. You should complete a voting instruction card provided to you by your bank, broker or nominee or provide your voting instructions by Internet or telephone, if made available by your bank, broker or other nominee. If you wish to vote in person at the meeting, you must first obtain from the holder of record a proxy issued in your name.

Q: Can I change my vote after I have delivered my proxy?

A: Yes. You can change your vote at any time before your proxy is voted at the Citadel annual meeting. If you are a holder of record you can do so by:

filing a written notice of revocation with the Secretary, Citadel Broadcasting Corporation, 7690 W. Cheyenne Avenue, Suite 220, Las Vegas, Nevada 89129;

submitting a new proxy before the Citadel annual meeting;

by voting by telephone or via Internet at a later date (in which case only the last vote is counted); or

attending the Citadel annual meeting and voting in person. Attendance at the Citadel annual meeting will not in and of itself constitute a revocation of a proxy.

For shares held beneficially by you, you may change your vote only by submitting new voting instructions to your broker or nominee. If the Citadel annual meeting is postponed or adjourned, it will not affect the ability of stockholders of record as of the record date to exercise their voting rights or to revoke any previously granted proxy using the methods described above.

Q: What is householding and how does it affect me?

A: Some banks and brokers may be participating in the practice of householding proxy statements and annual reports. This means that only one copy of this information statement/proxy statement/prospectus may have been sent to multiple stockholders in your household. Citadel will promptly deliver a separate copy of either or both documents to you if you write or call Citadel at the following address or phone number: Georgeson Inc., Attention: , phone: 888-624-7035.

Q: What if I receive more than one set of proxy cards or more than one e-mail instructing me to vote?

A: If you receive more than one set of proxy cards or more than one e-mail instructing you to vote, your shares are registered in more than one name or are registered in different accounts. Please complete, date, sign and return each appropriate proxy card, and respond to each e-mail, to ensure that all your shares are voted.

Q: Who is the inspector of election?

A: Citadel s board of directors has appointed a representative of The Bank of New York Mellon to act as Inspector of Election at the Citadel annual meeting.

Q: What are the costs for soliciting proxies for the Citadel annual meeting?

A: Cumulus Media and Citadel will each pay one-half of the costs and expenses incurred in connection with the filing, printing and mailing of this document. Citadel will reimburse brokers, banks, institutions and others holding common stock of Citadel as nominees for their expenses in sending proxy solicitation material to the beneficial owners of such common stock of Citadel and obtaining their proxies. Management has retained Georgeson Inc. to assist in soliciting proxies for a fee of up to $7,500, plus reasonable out-of-pocket expenses. Solicitation of proxies by mail may be supplemented by telephone and other electronic means, advertisements and personal solicitation by the directors, officers or employees of Citadel. No additional compensation will be paid to Citadel s directors, officers or employees for solicitation.

Q: As a Citadel stockholder, why am I electing Citadel directors, ratifying the appointment of an independent registered public accounting firm for Citadel and considering other proposals when I am being asked to adopt the merger agreement?

A: Delaware law requires Citadel to hold a meeting of its stockholders each year. Citadel is observing this requirement by holding the meeting to elect directors to Citadel s board of directors, ratify the appointment of

Deloitte & Touche LLP as Citadel s independent registered public accounting firm for 2011 and consider certain other proposals. The Citadel directors elected at the Citadel annual meeting will serve as directors of Citadel following the meeting through the earliest of the effective time of the merger, Citadel s 2014 annual meeting of stockholders, or his or her death, removal, retirement or resignation. At the effective time of the merger, the individuals serving as Citadel directors immediately prior to the effective time of the merger will no longer be Citadel directors. Deloitte & Touche LLP will not continue to conduct an independent audit of Citadel following the merger. The election of the nominees for director, the ratification of the selection of Deloitte & Touche LLP as Citadel s independent registered public accounting firm and the other proposals are not conditions to completion of the merger.

Q: What is the merger transaction upon which I am being asked to vote?

A: Holders of Citadel Class A common stock and Citadel Class B common stock as of the record date are being asked to vote, as a single class, to adopt the merger agreement, pursuant to which Citadel will merge with Merger Sub, with Citadel surviving as an indirect wholly-owned subsidiary of Cumulus Media.

Q: Why is Citadel proposing the merger?

A: In the course of reaching its decision to approve the merger agreement and the transactions contemplated thereby, Citadel s board of directors considered a number of factors in its deliberations. For detail on these, please see The Merger Recommendation of Citadel s Board of Directors and Citadel s Reasons for the Merger on page .

Q: What stockholder approvals are needed for Citadel?

A: Proposal 1 requires the affirmative vote of a majority of the outstanding shares of Citadel Class A common stock and Citadel Class B common stock as of the record date, voting together as a single class, to be approved. Proposal 5 requires the affirmative vote of a majority of the votes cast at the Citadel annual meeting by holders of Citadel Class A common stock and Citadel Class B common stock as of the record date, voting together as a single class, to be approved.

Proposals 2 and 4 require the affirmative vote of a majority of the votes cast at the annual meeting by holders of Citadel Class A common stock as of the record date to be approved. Proposal 3 requires the affirmative vote of a plurality of the votes at the annual meeting by holders of Citadel Class A common stock as of the record date for each director nominee to be approved.

As of , 2011, the record date for determining stockholders of Citadel entitled to vote at the Citadel annual meeting, there were outstanding shares of Citadel Class A common stock and outstanding shares of Citadel Class B common stock. On that date, there were total shares of Citadel common stock outstanding and entitled to vote at the Citadel annual meeting, held by approximately holders of record.

Q: What will I receive for my Citadel shares in the proposed merger?

A: Citadel stockholders may make one of the following elections regarding the type of merger consideration they wish to receive in exchange for their shares of Citadel common stock in the merger:

a cash election to receive $37.00 in cash for each share of Citadel common stock, subject to proration; or

a share election to receive 8.525 shares of Cumulus Media Class A common stock, subject to proration, and also subject to the right of Cumulus Media, in the exercise of its reasonable determination, to issue shares of Cumulus Media Class B common stock or warrants to acquire Cumulus Media Class A common stock or Cumulus Media Class B common stock if it reasonably determines that the issuance of Cumulus Media Class A common stock or Cumulus Media Class B common stock would cause Cumulus Media to be in violation of the Communications Act or FCC rules and policies.

The form of merger consideration that Citadel stockholders actually receive may be adjusted as a result of the proration procedures pursuant to the merger agreement as described in this information statement/proxy statement/prospectus under The Merger Citadel Stockholders and Warrant Holders Making Cash and Stock Elections Proration Procedures on page . These proration procedures are designed to ensure that Cumulus

Media does not (i) pay cash in excess of (a) $1,408,728,600, *plus* (b) the product of (1) the number of shares of Citadel Class A common stock issued upon the exercise of Citadel stock options prior to closing and (2) $30.00, *minus* (c) the cash value of dissenting shares (the Cash Consideration Cap), or (ii) issue in excess of 151,485,282 shares of Cumulus Media common stock, *plus* (b) the product of (1) the number of shares of Citadel Class A common stock issued upon exercise of Citadel stock options prior to closing and (2) 3.226 (the Stock Consideration Cap).

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Q: What will I receive for my Citadel warrants in the proposed merger?

A: Citadel warrant holders will have the right to elect to have their warrants adjusted to become the right to receive upon exercise:

$37.00 in cash for each share of Citadel common stock underlying such warrant, subject to proration; or

8.525 shares of Cumulus Media Class A common stock, subject to proration, and also subject to the right of Cumulus Media, in the exercise of its reasonable determination, to issue shares of Cumulus Media Class B common stock or warrants to acquire Cumulus Media Class A common stock or Cumulus Media Class B common stock if it determines that the issuance of its Class A common stock or Cumulus Media Class B common stock would cause Cumulus Media to be in violation of the Communications Act or FCC rules and policies.

The form of merger consideration that Citadel warrant holders actually receive may be adjusted as a result of the proration procedures pursuant to the merger agreement as described in this information statement/proxy statement/prospectus under The Merger Citadel Stockholders and Warrant Holders Making Cash and Stock Elections Proration Procedures on page . These proration procedures are designed to ensure that Cumulus Media does not pay cash in excess of the Cash Consideration Cap or issue shares of Cumulus Media common stock in excess of the Stock Consideration Cap.

Q: How will Cumulus Media determine if a Citadel stockholder or warrant holder will receive Cumulus Media Class A common stock or Cumulus Media Class B common stock (or warrants to purchase shares of Cumulus Media Class A common stock or Cumulus Media Class B common stock) in the merger?

A: Shares of Cumulus Media Class B common stock (or warrants to purchase shares of Cumulus Media Class A common stock or Cumulus Media Class B common stock) will be issued by Cumulus Media to a Citadel stockholder or warrant holder if Cumulus Media reasonably determines that the issuance of its Class A common stock to such stockholder would result in the violation of the Communications Act or FCC rules and policies.

To assist Cumulus Media in determining whether it can issue shares of Cumulus Media Class A common stock without violating the Communications Act or FCC rules and policies in connection with an election to receive cash or stock consideration in the merger, each Citadel stockholder and warrant holder will be required to complete an ownership certification and a related FCC worksheet.

Q: What are the principal differences between Class A common stock and Class B common stock?

A: Cumulus Media Class A common stock and Class B common stock are generally equivalent in all respects, except that shares of Cumulus Media Class B common stock generally are not entitled to vote on matters put to a vote of Cumulus Media stockholders.

Q: How and when do I make a cash election or a stock election?

A: You should carefully review and follow the instructions accompanying the form of election provided together with this information statement/proxy statement/prospectus. To make a cash election or a stock election, Citadel stockholders and warrant holders of record must properly complete, sign and send the form of election and stock certificates (or evidence of shares in book-entry form) representing their Citadel shares to , the exchange agent, at the following address:

By mail:	*By overnight courier:*	*By hand:*	*By facsimile transmission:* (for eligible institutions only) (Tel.) *To confirm facsimile only:* (Tel.)

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Questions regarding the cash or share elections should be directed to , the exchange agent, at .

The exchange agent must receive the form of election and any stock certificates (or evidence of shares in book-entry form) representing Citadel common stock or a guarantee of delivery as described in the instructions accompanying the form of election, by the election deadline. **Unless otherwise designated on the election form, the election deadline will be 5:00 p.m., New York City time, (i) ten business days preceding the anticipated merger closing date, or (ii) on such other date as Citadel and Cumulus Media mutually agree**. Citadel and Cumulus Media will publicly announce the anticipated election deadline at least five business days prior to the election deadline.

If you hold Citadel shares in street name through a bank, broker or other nominee and you wish to make an election, you should seek instructions from the financial institution holding your shares concerning how to make your election.

Q: If I beneficially own Citadel shares held pursuant to the Citadel Broadcasting Corporation 2010 Equity Incentive Plan as of the record date, will I be able to vote on the adoption of the merger agreement and elect whether to receive cash or stock consideration?

A: Yes. Holders who beneficially own Citadel shares held pursuant to the Citadel Broadcasting Corporation 2010 Equity Incentive Plan (as it may be amended, supplemented or modified) (the Citadel Plan) as of the record date may vote on the adoption of the merger agreement and may elect whether to receive cash or stock consideration by following the instructions accompanying the form of election provided together with this information statement/proxy statement/prospectus.

Q: Can I change my election after the form of election has been submitted?

A: Yes, you may revoke your election prior to the election deadline by submitting a written notice of revocation to the exchange agent or by submitting new election materials. Revocations must specify the name in which your shares are registered on the stock transfer books of Citadel and such other information as the exchange agent may request. If you wish to submit a new election, you must do so in accordance with the election procedures described in this information statement/proxy statement/prospectus and the form of election. If you instructed a broker to submit an election for your shares, you must follow your broker s directions for changing those instructions. **Whether you revoke your election by submitting a written notice of revocation or by submitting new election materials, the notice or materials must be received by the exchange agent by the election deadline in order for the revocation to be valid**.

Q: May I transfer Citadel shares and/or warrants after I make my election?

A: No. Citadel stockholders and warrant holders who have made elections will be unable to sell or otherwise transfer their shares after making the election, unless the election is properly revoked before the election deadline or unless the merger agreement is terminated.

Q: What if I do not send a form of election or it is not received?

A: If the exchange agent does not receive a properly completed form of election from you before the election deadline, together with any stock certificates (or evidence of shares in book-entry form) representing the shares you wish to exchange for cash or shares of Cumulus Media common stock, properly endorsed for transfer, book-entry transfer shares or a guarantee of delivery and any additional documents required by the procedures set forth in the form of election, then you will have no control over the type of merger consideration you receive.

Citadel stockholders or warrant holders not making an election will receive the consideration choice selected for the majority of Citadel shares and warrants for which an election was properly made (or deemed made) and, as a result, your Citadel shares may be exchanged for cash consideration or stock consideration consistent with the proration procedures contained in the merger agreement and described under The Merger Citadel Stockholders and Warrant Holders Making Cash and Stock Elections Proration Procedures on page . **You bear the risk of delivery and should send any form of election by courier or by hand to the appropriate addresses shown in the form of election**.

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If you do not make a valid election with respect to the Citadel shares or warrants you own of record, after completion of the merger, you will receive written instructions from the exchange agent on how to exchange your Citadel shares or warrants for the shares of Cumulus Media common stock and/or cash that you are entitled to receive in the merger as a non-electing Citadel stockholder or warrant holder.

Q: May I submit a form of election even if I do not vote to adopt the merger agreement?

A: Yes. You may submit a form of election even if you vote against the adoption of the merger agreement or abstain with respect to the adoption of the merger agreement.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this information statement/proxy statement/prospectus, please respond by completing, signing and dating the appropriate proxy card or voting instruction card and returning in the enclosed postage-paid envelope, or, if available, by submitting your voting instruction by telephone or through the Internet, as soon as possible so that your shares may be represented and voted at the Citadel annual meeting. If you hold shares registered in the name of a broker, bank or other nominee, that broker, bank or other nominee has enclosed, or will provide, a voting instruction for use in directing your broker, bank or other nominee how to vote those shares.

Q: Should I send in my stock certificates (or evidence of shares in book-entry form) with my proxy card or my form of election?

A: **Please do NOT send your Citadel stock certificates (or evidence of shares in book-entry form) with your proxy card**. You should send in your Citadel stock certificates (or evidence of shares in book-entry form) to the exchange agent with your form of election.

If you wish to make an election with respect to your Citadel shares, prior to the election deadline, you should send your completed, signed form of election together with your Citadel stock certificates (or evidence of shares in book-entry form), if any, properly endorsed for transfer, or a guarantee of delivery to the exchange agent as described in the form of election. If your shares are held in street name, you should follow your broker s instructions for making an election with respect to your shares.

Q: Why am I being asked to consider and approve on a non-binding, advisory basis compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger?

A: The SEC recently has adopted new rules that require Citadel to seek a non-binding, advisory vote with respect to certain compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger (also known as golden parachute compensation).

Q: What will happen if Citadel stockholders do not approve the compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger?

A: Approval of the compensation that may be paid or become payable to Citadel s named executive officers in connection with the merger is not a condition to completion of the merger. The vote with respect to the compensation that may be received by the named executive officers that is based on or otherwise relates to the merger is an advisory vote and will not be binding on Citadel. Therefore, if the merger is approved by the stockholders and completed, this golden parachute compensation will still be payable, if triggered, to the named executive officers, whether or not this vote on compensation is approved by the stockholders.

Q: If my shares are held in street name by a broker, bank or other nominee, will my broker, bank or other nominee vote my shares for me?

A: If you hold your shares in street name and do not provide voting instructions to your broker, your shares will not be voted on Proposals 1-4 (to the extent you would otherwise be entitled to vote on such proposals) because your broker does not have discretionary authority to vote on these Proposals. You should follow the directions your broker, bank or other nominee provides. Citadel shares that are not voted because you do not properly instruct your broker, bank or other nominee will have the effect of a vote against Proposal 1. Citadel shares that are not voted because you do not properly instruct your broker, bank or other nominee will have no effect on the outcome of Proposals 2, 3 or 4. Proposal 5, the ratification of the selection of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011, is a discretionary matter and brokers will be permitted to vote uninstructed shares as to such matter.

Q: What if I do not vote?

A: If you fail to respond with a vote on Proposal 1, or if you respond and indicate that you are abstaining from voting on such Proposal, it will have the same effect as a vote against Proposal 1. To the extent you are entitled to vote on any of Proposals 2-5, if you fail to respond with a vote on any of such proposals, or if you respond and indicate that you are abstaining from voting on any of such proposals, it will have no effect on the outcome of Proposals 2-5.

Q: Am I entitled to appraisal rights under the DGCL instead of receiving cash consideration for my shares of Citadel common stock?

A: Yes. As a holder of Citadel common stock, you are entitled to exercise appraisal rights under Section 262 of the DGCL in connection with the merger if you take certain actions and meet certain conditions. See The Merger Appraisal Rights on page . In addition, a copy of Section 262 of the DGCL is attached to this information statement/proxy statement/prospectus as Annex G.

Q: What are the tax consequences to Citadel stockholders of the merger?

A: The receipt of the merger consideration in exchange for Citadel common stock in the merger will be a fully taxable transaction. Please review carefully the information under The Merger Material U.S. Federal Income Tax Consequences of the Merger on page , for a description of the material U.S. federal income tax consequences of the merger. The tax consequences to you will depend on your own situation. Please consult your tax advisors as to the specific tax consequences to you of the merger, including the applicability and effect of U.S. federal, state, local and foreign income and other tax laws in light of your particular circumstances.

Q: When is the merger expected to be completed?

A: Citadel expects the merger to be completed by the end of 2011. However, Citadel cannot be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

As more fully described in this information statement/proxy statement/prospectus and in the merger agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include, among others, receipt of the requisite approval of Citadel stockholders, the expiration or termination of the waiting period under the HSR Act, the receipt of the FCC Approval, the approval for listing on the Nasdaq Stock Market of the Cumulus Media Class A common stock to be issued as stock consideration in the merger, the absence of any law or order prohibiting the merger or having certain material adverse effects on one or more of the parties to the merger, the correctness of all representations and warranties made by the parties in the merger agreement and performance by the parties of their obligations under the merger agreement (subject in each case to certain materiality standards).

Q: Are there risks associated with the merger that I should consider in deciding how to vote?

A:

Yes. There are a number of risks related to the merger and the other transactions contemplated by the merger agreement that are discussed in this information statement/proxy statement/prospectus and in the documents incorporated by reference or referred to in this information statement/proxy statement/prospectus. Please read with particular care the detailed description of the risks described in Risk Factors beginning on page and in Citadel and Cumulus Media SEC filings referred to in Where You Can Find More Information on page .

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Q: Where can I find the voting results of the Citadel annual meeting?

A: The preliminary voting results will be announced at the Citadel annual meeting. In addition, within four business days following the Citadel annual meeting, Citadel intends to file the final voting results with the SEC on Form 8-K. If the final voting results have not been certified within that four-day period, Citadel will report the preliminary voting results on Form 8-K at that time and will file an amendment to the Form 8-K to report the final voting results within four days of the date that the final results are certified.

Q: Who can help answer my questions?

A: If you have any questions about the Citadel annual meeting, the matters to be voted upon, including the merger, or questions about how to submit your proxy or make an election, or if you need additional copies of this information statement/proxy statement/prospectus, the form of election or the enclosed proxy card or voting instruction card, you should contact .

Questions and Answers for Cumulus Media Stockholders

Q: Why have I received this information statement/proxy statement/prospectus?

A: You have received this document because Cumulus Media s board of directors is required to provide you a notice of certain stockholder approvals that have been received, and of certain actions to be taken, by Cumulus Media.

Q: What actions are going to be taken by Cumulus Media?

A: Assuming the merger agreement is approved and adopted by Citadel s stockholders, and the merger is thereafter completed, Cumulus Media will pay cash and issue shares of Cumulus Media s Class A common stock (or in certain instances, shares of Cumulus Media Class B common stock or warrants in lieu of Cumulus Media common stock) in the merger, issue its equity securities pursuant to the Investment Agreement, be able to issue equity awards under a new equity incentive plan and amend and restate its certificate of incorporation.

Q: Are Cumulus Media stockholders being asked to vote on any of these matters?

A: No. Certain stockholders of Cumulus Media, including Lewis W. Dickey, Jr., Cumulus Media s Chairman, President and Chief Executive Officer and John W. Dickey, Jr., Cumulus Media s Executive Vice President and Co-Chief Operating Officer, and the brother of Lewis W. Dickey, Jr., who, at all relevant times, collectively held a majority of the voting power of Cumulus Media s outstanding common stock, have previously executed written stockholder consents approving each of these actions. Pursuant to the rules of the Nasdaq Stock Market and the DGCL, as applicable, no further action by Cumulus Media stockholders is required to effectuate these transactions.

Q: How many shares of Cumulus Media Class A common stock are going to be issued in the merger?

A: Pursuant to the merger agreement, Cumulus Media has agreed to issue up to 151,485,282 shares of Cumulus Media Class A common stock (plus an additional number of shares based on the number of shares of Citadel common stock that are issued upon the exercise of stock options to acquire Citadel common stock prior to the closing date of the merger), with the exact number of shares of Cumulus Media Class A common stock to be issued dependent upon elections to be made by the holders of Citadel common stock (and warrants to purchase Citadel common stock).

Q: In what instances would Cumulus Media issue shares of its Class B common stock or warrants in lieu of shares of Cumulus Media Class A common stock in the merger?

A: If Cumulus Media reasonably determines that the issuance of Cumulus Media Class A common stock to any Citadel stockholders would result or would be likely to result in the violation of the Communications Act or FCC rules and policies, Cumulus Media will issue an equal number of shares of Cumulus Media Class B common stock (or, in its discretion, warrants to purchase shares of Cumulus Media Class A common stock or shares of Cumulus Media Class B common stock) to those stockholders.

Q: What are the principal differences between Cumulus Media Class A common stock and Cumulus Media Class B common stock?

A: Cumulus Media Class A common stock and Class B common stock are generally equivalent in all respects, except that shares of Cumulus Media Class B common stock generally are not entitled to vote on matters put to a vote of Cumulus Media stockholders.

Q: Why is Cumulus Media issuing shares of its stock pursuant to the Investment Agreement?

A: Cumulus Media is issuing shares of its stock pursuant to the Investment Agreement in order to obtain cash to pay a portion of the cash purchase price to complete the merger.

Q: How many shares of Cumulus Media stock are going to be issued under the Investment Agreement?

A: Pursuant to the Investment Agreement, the Investors have committed to purchase for cash up to an aggregate of $500.0 million in shares of Cumulus Media common stock, preferred stock, or warrants to purchase common stock, at a purchase price per common share (or warrant) of $4.34. As a result, Cumulus Media may issue up to 115,207,373 shares of Cumulus Media common stock, or warrants to purchase shares of Cumulus Media common stock pursuant to the Investment Agreement. Depending on the amount of cash elected to be received by Citadel stockholders in the merger, the Investors commitments may be reduced in accordance with the Investment Agreement, subject to a minimum aggregate investment of $395.0 million. In addition, under certain circumstances where Cumulus Media does not require Macquarie s full investment to consummate the merger, Macquarie may elect to reduce its investment to the extent not so required.

Q: What class of Cumulus Media stock is going to be issued pursuant to the Investment Agreement?

A: Crestview has agreed to purchase up to $250.0 million in shares of Cumulus Media Class A common stock, and Macquarie and UBS Securities each have agreed to purchase up to $125.0 million in warrants, which will be immediately exercisable by U.S. persons, subject to the Communications Act and FCC rules and policies, at an exercise price of $0.01 per share, for shares of Cumulus Media Class B common stock. Macquarie may, at its option, elect to receive up to the full amount of its investment in shares of a newly created class of perpetual redeemable, non-convertible preferred stock, and will also be permitted to syndicate up to $45.0 million of its commitment to one or more third parties, subject to certain limitations set forth in the Investment Agreement. UBS Securities may syndicate all or any portion of its commitment to one or more third parties, subject to the same limitations set forth in the Investment Agreement. Third parties who are U.S. persons to whom Macquarie or UBS Securities syndicate a portion of their respective commitments may purchase shares of Cumulus Media Class A common stock instead of warrants.

Q: What other rights do the Investors have under the Investment Agreement?

A: Cumulus Media has agreed to enter into a registration rights agreement with the Investors pursuant to which Cumulus Media has agreed under certain circumstances and at certain times to file one or more registration statements with the SEC relating to the shares of Cumulus Media Class A common stock and Cumulus Media Class B common stock that the Investors, or third parties to whom Macquarie or UBS Securities may syndicate such shares, may acquire pursuant to the Investment Agreement, or upon the conversion of Cumulus Media Class B common stock or exercise of warrants for shares of Cumulus Media common stock. Cumulus Media has also agreed to enter into a stockholders agreement (the Stockholders Agreement) with the Investors and certain other stockholders, which will provide for certain rights and obligations of the parties relating to the nomination and election of directors and limitations on the acquisition and disposition of shares of Cumulus Media common stock, among other things.

Q: Why is Cumulus Media adopting a new equity incentive plan?

A: Pursuant to the terms and conditions of the Investment Agreement, Cumulus Media was required to approve and adopt a new equity incentive plan, and agreed that, in connection therewith, the remaining authorizations for equity awards under Cumulus Media s existing equity incentive plans would be cancelled.

Q: Why is Cumulus Media amending and restating its certificate of incorporation?

A: Cumulus Media is amending and restating its certificate of incorporation primarily to, among other things, provide for and set out the rights and limitations of various classes of securities which may be issuable in the merger and pursuant to the Investment Agreement, to increase the number of shares of stock Cumulus Media is authorized to issue in order to maintain flexibility for future business developments, to reclassify the current Cumulus Media Class D common stock as Cumulus Media Class B common stock, and to set out therein certain provisions regarding the governance of Cumulus Media.

Q: Are there risks associated with these matters that I should be aware of?

A: Yes. You should consider the risk factors set out in the section entitled Risk Factors beginning on page of this document.

Q: Does Cumulus Media have any other significant transactions pending of which I should be aware?

A: On January 31, 2011, Cumulus Media entered into a share exchange agreement pursuant to which it agreed to acquire the 75% of the equity interests in CMP that it does not currently own. Cumulus Media has managed CMP s business pursuant to a management agreement since 2006. This transaction is expected to be completed in August 2011.

For the three months ended March 31, 2011 and the year ended December 31, 2010, CMP had net revenues of $39.1 million and $188.7 million, respectively.

Q: Do I have dissenter s rights or appraisal rights in connection with any of these transactions?

A: Holders of shares of Cumulus Media common stock are not entitled to any dissenter s rights or appraisal rights under the DGCL in connection with the merger or the related transactions.

Q: Who can help answer my questions?

A: If you have any questions about any of these matters, including the merger, or if you need additional copies of this document, you should contact:

Cumulus Media Investor Relations
3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305
Telephone: (404) 260-6600 or email jp.hannan@cumulus.com

SUMMARY

This summary highlights selected information described in more detail elsewhere in this document and the documents incorporated herein by reference, and may not contain all of the information that is important to you. To understand the merger, the related transactions being undertaken by Cumulus Media and the other matters to be voted on by Citadel stockholders at the Citadel annual meeting more fully, and to obtain a more complete description of the legal terms of the merger agreement, you should carefully read this entire document, including the Annexes, and the documents to which Cumulus Media and Citadel refer you. Please see Where You Can Find More Information on page .

Citadel Annual Meeting (See page)

The Citadel annual meeting will be held at , on , 2011, starting at , local time.

Holders of record at the close of business on , 2011 (the record date), of Citadel Class A common stock will be entitled to notice of and to vote at the Citadel annual meeting with regard to Proposals 1-5. Holders of Citadel Class B common stock as of the record date will be entitled to notice of and to vote at the Citadel annual meeting, together with holders of Citadel Class A common stock as of the record date as a single class, with regard to Proposals 1 and 5. On the record date there were total shares of Citadel common stock outstanding and entitled to vote at the Citadel annual meeting, held by approximately holders of record. Each of the shares of Citadel Class A common stock issued and outstanding on the record date is entitled to one vote at the Citadel annual meeting with regard to Proposals 1-5, and each of the shares of Citadel Class B common stock issued and outstanding on the record date is entitled to one vote at the Citadel annual meeting with regard to Proposals 1 and 5.

As of the record date, Citadel directors and executive officers, as a group, owned and were entitled to vote shares of Citadel Class A common stock, or approximately % of the outstanding Citadel Class A common stock, and shares of Citadel Class B common stock, or approximately % of the outstanding Citadel Class B common stock, and together with Citadel Class A common stock, approximately % of the outstanding shares of Citadel common stock. Citadel currently expects that its directors and executive officers will vote their shares in favor of Proposals 1, 2, 4 and 5, and in favor of each of the director nominees in Proposal 3, but none of Citadel s directors or executive officers have entered into any agreement obligating them to do so.

The Transactions

Cumulus Media and Citadel, among others, have entered into the merger agreement. Cumulus Media stockholders are receiving these documents to inform them of the receipt by Cumulus Media of stockholder approval to issue the shares as contemplated by the merger agreement, to issue the shares pursuant to the Investment Agreement, to approve a new equity incentive plan and to amend and restate Cumulus Media s certificate of incorporation.

Citadel stockholders are receiving this document in connection with Citadel s solicitation of proxies for its annual meeting of stockholders. At Citadel s annual meeting, its stockholders will be asked to vote to approve, among other things, the merger agreement.

Structure of the Merger (See page)

Subject to the terms and conditions of the merger agreement and in accordance with the DGCL, at the effective time of the merger, Merger Sub will be merged with and into Citadel, with Citadel surviving the merger and becoming a wholly-owned indirect subsidiary of Cumulus Media. The effect of the merger will be that Citadel will be acquired by Cumulus Media and shares of Citadel common stock will no longer be publicly traded.

The Parties

Cumulus Media Inc. (See page)

Cumulus Media Inc.
3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305
(404) 949-0700

Cumulus Media Inc., headquartered in Atlanta, Georgia, is the second largest radio broadcaster in the United States based on station count, controlling or operating approximately 346 radio stations in 68 U.S. media markets at March 31, 2011. In combination with its affiliate, CMP, Cumulus Media is the fourth largest radio broadcast company in the United States based on net revenues as of March 31, 2011.

Cumulus Media Holdings Inc. (f/k/a Cadet Holding Corporation) (See page)

Cumulus Media Holdings Inc.
3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305
(404) 949-0700

Cumulus Media Holdings Inc., a Delaware corporation, is a wholly-owned subsidiary of Cumulus Media that, upon consummation of the merger, will become the direct holding company of Citadel. Holdco was formed by Cumulus Media solely in contemplation of the merger, has not commenced any operations, has only nominal assets and has no liabilities or contingent liabilities, nor any outstanding commitments other than as set forth in the merger agreement.

Cadet Merger Corporation (See page)

Cadet Merger Corporation
3280 Peachtree Road, N.W.
Suite 2300
Atlanta, Georgia 30305
(404) 949-0700

Cadet Merger Corporation, a Delaware corporation, is an indirect wholly-owned subsidiary of Cumulus Media and a direct wholly-owned subsidiary of Holdco. Merger Sub was formed by Cumulus Media to complete the merger. Merger Sub has not commenced any operations, has only nominal assets and has no liabilities or contingent liabilities, nor any outstanding commitments other than as set forth in the merger agreement. In the merger, Merger Sub will merge with and into Citadel and Merger Sub will cease to exist.

Citadel Broadcasting Corporation (See page)

Citadel Broadcasting Corporation
7690 W. Cheyenne Avenue
Suite 220

Las Vegas, Nevada 89129
(702) 804-5200

Citadel Broadcasting Corporation, headquartered in Las Vegas, Nevada, is the third largest radio broadcasting company in the United States based on net radio revenue as of March 31, 2011, behind Clear Channel Communications, Inc. and CBS Corporation. Citadel operates in two reportable segments. Radio stations serving the same geographic area (i.e., principally a city or combination of cities) that are owned and/or operated by Citadel are referred to as a market, and Citadel aggregates the geographic markets in which it operates into one reportable segment (Radio Markets). Citadel s primary business segment is the Radio

Markets segment, which, as of March 31, 2011, consisted of 225 owned and operated radio stations located in over 50 markets across the United States. Citadel also owns and operates Citadel Media (Radio Network), one of the largest radio networks in the country, which produces and distributes a variety of radio programming and formats that are syndicated across approximately 4,000 station affiliates and 9,000 program affiliations, and is a separate reportable segment.

Cumulus Media s Board of Directors Reasons for the Merger (See page)

In the course of reaching its decision to approve the merger agreement and the transactions contemplated thereby, the Cumulus Media board of directors considered a number of factors in its deliberations. Those factors are described in The Merger Cumulus Media s Reasons for the Merger on page .

Citadel Board of Directors Reasons for the Merger (See page)

In the course of reaching its decision to approve the merger agreement and the transactions contemplated thereby, Citadel s board of directors considered a number of factors in its deliberations. Those factors are described in The Merger Recommendation of Citadel s Board of Directors and Citadel s Reasons for the Merger on page .

The Merger Agreement (See page)

A copy of the merger agreement is attached as Annex A to this document. Cumulus Media and Citadel encourage you to read the entire merger agreement carefully because it is the principal document governing the merger.

Merger Consideration (See page)

Upon completion of the merger, each share of Citadel common stock outstanding immediately prior to completion of the merger (other than shares held by Citadel stockholders who validly exercise appraisal rights under the DGCL with respect to such shares) will be canceled and automatically converted into the right to receive (i) $37.00 in cash, (ii) 8.525 shares of Cumulus Media Class A common stock, or (iii) a combination of cash and Cumulus Media Class A common stock, in each case subject to proration. The proration procedures are designed to ensure that Cumulus Media does not pay cash in excess of the Cash Consideration Cap or issue shares in excess of the Stock Consideration Cap.

Based on the closing price of Cumulus Media Class A common stock on the Nasdaq Global Select Market on March 9, 2011, the last trading day prior to the public announcement of the merger, the exchange ratio represented approximately $37.00 in cash or $43.48 in value of Cumulus Media Class A common stock for each share of Citadel common stock. Based on the closing price of Cumulus Media Class A common stock on the Nasdaq Global Select Market on , 2011, the latest practicable date before the date of this document, the exchange ratio represented approximately $37.00 in cash or $ in value of Cumulus Media Class A common stock for each share of Citadel common stock. Cumulus Media will not issue any fractional shares of Cumulus Media Class A common stock in the merger. Holders of Citadel common stock who would otherwise be entitled to a fractional share of Cumulus Media Class A common stock will receive a cash payment in lieu of fractional shares. Shares of Cumulus Media Class A common stock outstanding before the merger is completed will remain outstanding and will not be exchanged, converted or otherwise changed in the merger.

If Cumulus Media determines that the issuance of Cumulus Media Class A common stock to a holder of Citadel common stock or warrants would, or would be reasonably likely to, cause Cumulus Media to violate the Communications Act or FCC rules and policies, then, in lieu of the issuance of such shares, Cumulus Media may issue to such stockholder or warrant holder an equal number of shares of Cumulus Media Class B common stock or, in its discretion, warrants to acquire an equal number of shares of Cumulus Media Class A common stock or Cumulus Media Class B common stock.

Shares of Cumulus Media Class A common stock and Cumulus Media Class B common stock (and warrants therefor) are treated equally for accounting purposes, with the distinctions relating only to certain

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voting restrictions and conversion mechanisms utilized to ensure compliance with the Communications Act and FCC rules and policies.

Treatment of Citadel Warrants in the Merger (See page)

In the merger, holders of warrants to purchase Citadel Class B common stock will have the right to choose between having such Citadel warrants adjusted at the effective time of the merger into the right to receive upon exercise of such Citadel warrant either $37.00 in cash or 8.525 shares of Cumulus Media Class A common stock, subject to the same proration as described above. These proration limitations are designed to ensure that Cumulus Media does not pay cash in excess of the Cash Consideration Cap or issue shares of Cumulus Media Class A common stock or Cumulus Media Class B common stock, or warrants therefor, in excess of the Stock Consideration Cap in the merger.

Treatment of Citadel Stock Options and Citadel Restricted Stock in the Merger (See page)

Citadel Stock Options. At least twenty business days prior to the consummation of the merger, each unvested and outstanding option to purchase shares of Citadel Class A common stock under the Citadel Plan will become fully vested and exercisable and shall terminate upon the consummation of the merger. If any option is not exercised on or prior to the date that is ten business days prior to the consummation of the merger, upon the consummation of the merger such outstanding option will be deemed exercised for that number of shares of Citadel Class A common stock equal to (x) the number of shares of Citadel Class A common stock subject to such option minus (y) the number of shares of Citadel Class A common stock subject to such option which, when multiplied by the fair market value (as defined in the Citadel Plan) of a share of Citadel Class A common stock as of the day that is one business day before the date the merger is consummated, is equal to the aggregate exercise price of such option. Pursuant to the merger agreement, each resulting share of Citadel Class A common stock will be converted into the right to receive the type of consideration selected for the majority of Citadel shares and warrants for which an election was properly made (or deemed made), subject to proration as described above; provided, that any resulting fractional shares will be converted into a cash amount equal to the product obtained by multiplying the fractional interest by $4.34.

Citadel Restricted Stock. Upon the consummation of the merger, each restricted stock award outstanding immediately prior to the consummation of the merger will be converted into a right to receive cash or Cumulus Media Class A common stock or Cumulus Media Class B common stock, or warrants therefor, determined in accordance with the terms of the merger agreement and at the election of the holder on the same terms and conditions as were applicable to such award immediately prior to the consummation of the merger and will be payable at the time such restricted stock award vests. In addition, upon consummation of the merger, each restricted stock award will vest in full upon the termination by Citadel of service thereto by the holder without cause (as such term is defined in the Citadel Plan) or by the holder for good reason (as such term is defined in the Citadel Plan assuming no other agreement or arrangement supersedes such definition). Pursuant to the merger agreement, each resulting fractional share of Cumulus Media Class A common stock will be rounded down to the nearest whole share and any fractional share of Cumulus Media Class A common stock not awarded due to such rounding will be converted into a cash amount, payable at the time such restricted stock award vests, equal to the product obtained by multiplying the fractional interest by $4.34.

Opinion of Cumulus Media s Financial Advisor (See page)

On March 9, 2011, at a meeting of the Cumulus Media board of directors held to evaluate the merger agreement and the transactions contemplated thereby, Moelis & Company (Moelis) delivered its oral opinion, which was later confirmed in writing, that based upon and subject to the conditions and limitations and qualifications set forth in its written opinion, as of March 9, 2011, the exchange ratio resulting from the merger and the Equity Investment was fair, from a financial point of view, to Cumulus Media.

The full text of Moelis written opinion, dated March 9, 2011, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion is attached as Annex C to this information statement/proxy statement/prospectus and is incorporated herein by reference. Moelis opinion is limited solely to the fairness of the exchange ratio and the Equity Investment from a financial point of view as of the date of the opinion and does not address Cumulus Media s underlying business decision to effect the transactions contemplated by the merger agreement or the relative merits of the merger as compared to any alternative business strategies or transactions that might be available to Cumulus Media. Moelis opinion does not constitute a recommendation to any Cumulus Media stockholder as to how such stockholder should act with respect to the merger or any other matter. Cumulus Media stockholders are encouraged to read Moelis opinion, and the description thereof, carefully and in its entirety. You are urged to read the opinion in its entirety. See The Merger Opinion of Cumulus Media s Financial Advisor on page .

Co-Financial Advisors to the Citadel Board of Directors (See page)

Citadel retained Lazard Frères & Co. LLC (Lazard), and J.P. Morgan Securities LLC (J.P. Morgan and, together with Lazard, the Co-Financial Advisors) as financial advisors in connection with evaluation of a range of possible transactions including the merger and, if requested, to render an opinion to the board of directors of Citadel as to the fairness, from a financial point of view, to holders of Citadel common stock of the consideration to be paid to such holders in any transaction within the scope of their respective engagement letters. As a result of J.P. Morgan providing a commitment with respect to the financing of the merger, only Lazard rendered an opinion to the board of directors of Citadel as to fairness.

Opinion of Lazard to the Citadel Board of Directors (See page)

Lazard rendered its oral opinion to the Citadel board of directors, subsequently confirmed in writing, that, as of March 9, 2011, and based upon and subject to the assumptions, procedures, factors, qualifications and other matters and limitations set forth in Lazard s opinion, the consideration to be paid to holders of Citadel common stock (other than Merger Sub, Citadel (with respect to treasury shares) and such holders who are entitled to and properly demand an appraisal of their shares of Citadel common stock) in the merger was fair from a financial point of view to such holders. For purposes of its opinion, with the consent of Citadel, Lazard assumed that all Citadel warrants had been exercised for shares of Citadel Class B common stock pursuant to the terms of the Citadel warrants. In addition, for purposes of its opinion, with the consent of Citadel, Lazard treated the shares of Citadel Class A common stock as equivalent to the shares of Citadel Class B common stock from a financial point of view.

The full text of Lazard s written opinion, dated March 9, 2011, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with Lazard s opinion, is attached to this information statement/proxy statement/prospectus as Annex B. Lazard provided its opinion to the Citadel board of directors in connection with its evaluation of the merger. Lazard s opinion is not a recommendation as to how any holder of Citadel common stock should vote or act with respect to the merger or any matter relating thereto. Lazard will receive a fee for its services, a portion of which has already been paid, and a significant portion of which will be payable upon consummation of the merger. Cumulus Media and Citadel encourage you to read the opinion, which is attached to this information statement/proxy statement/prospectus as Annex B, and the description thereof in the section titled The Merger Co-Financial Advisors to the Citadel Board of Directors Opinion of Lazard to the Citadel Board of Directors beginning on page , carefully and in their entirety.

Interests of Certain Citadel Directors and Officers in the Merger (See page)

You should be aware that Citadel s executive officers and directors have economic interests in the merger that are different from, or in addition to, those of Citadel s stockholders generally. These interests include, but are not limited to: the treatment of equity awards held by executive officers and directors (including the acceleration of vesting of stock options and the treatment of restricted stock); the payment of pro-rated annual bonuses to executive officers at the target level of achievement for the year in which the merger is consummated; the potential acceleration of supplemental retirement benefits for Mr. Suleman; the potential payment of severance and other benefits to executive officers; and the potential payment of tax gross-ups to certain executive officers.

Accounting Treatment of the Merger (See page)

The merger of the two companies will be accounted for by Cumulus Media as a business combination under the acquisition method of accounting.

Material U.S. Federal Income Tax Consequences of the Merger (See page)

If you are a Citadel stockholder that is a U.S. holder, the merger is generally expected to be treated as a taxable transaction to you, and you are generally expected to recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference, if any, between (i) the sum of (a) the fair market value, at the time of the merger, of any Cumulus Media Class A common stock, Cumulus Media Class B common stock, or warrants therefor, received in the merger, plus (b) the amount of any cash received in the merger and (ii) your adjusted tax basis in the shares of Citadel common stock you own immediately prior to the merger.

Any such gain or loss will generally be long-term capital gain or loss if the U.S. holder s holding period in the shares of Citadel common stock immediately prior to the merger is more than one year. The amount and character of gain or loss must be calculated separately for each identifiable block of shares of Citadel common stock surrendered. For U.S. holders that are individuals, long-term capital gain is generally taxed at preferential U.S. federal rates (currently 15%). The deductibility of capital losses is subject to certain limitations. Each U.S. holder is urged to consult its tax advisor regarding the manner in which gain or loss should be calculated as a result of the merger.

The U.S. holder s tax basis in any shares of Cumulus Media Class A common stock, Cumulus Media Class B common stock, or warrants therefor, received in the merger will equal the fair market value of such shares or warrants at the time of the merger and the holding period for such shares or warrants will begin on the date immediately following the merger.

The U.S. federal income tax consequences described above may not apply to all holders of Citadel common stock. Your tax consequences will depend on your individual situation. Accordingly, Cumulus Media and Citadel strongly urge you to consult your own tax advisor for a full understanding of the particular tax consequences of the merger to you, including the applicability and effect of state, local and non-U.S. tax laws.

Board of Directors and Management After the Merger (See page)

At the effective time of the merger, the board of directors of the surviving corporation will consist of the directors of Merger Sub. Also at the effective time, the officers of the surviving corporation will consist of the officers of Merger Sub.

Conditions to the Completion of the Merger (See page)

Cumulus Media and Citadel currently expect to complete the merger by the end of 2011, subject to receipt of required stockholder and regulatory approvals and the satisfaction of waiver of the conditions to the merger. As more fully described in this document and in the merger agreement, each party s obligation to complete the merger depends on a number of conditions being satisfied or, where legally permissible, waived, including the following:

- the adoption by the Citadel stockholders of the merger agreement;

the authorization of the shares of Cumulus Media Class A common stock for listing on the Nasdaq Stock Market;

the expiration or termination of any applicable waiting periods under the HSR Act;

the granting of FCC Approval without any conditions which would have a material adverse effect on Cumulus Media and Citadel on a combined basis after the merger is completed;

the effectiveness of the registration statement for the issuance of Cumulus Media s securities in the merger;

the passing of 20 business days from the time this document was mailed to Cumulus Media stockholders; and

the absence of any legal injunction, restraint or prohibition on the consummation of the merger.

The obligation of Cumulus Media, Holdco and Merger Sub to complete the merger is subject to the following additional conditions:

the accuracy of the representations and warranties of Citadel, subject to certain materiality standards as described under The Merger Agreement, on page , and receipt of a certificate signed on behalf of Citadel by its Chief Executive Officer or Chief Financial Officer to that effect;

the performance by Citadel in all material respects of its obligations under the merger agreement and receipt of a certificate signed on behalf of Citadel by its Chief Executive Officer or Chief Financial Officer to that effect; and

the absence of a material adverse effect on Citadel.

The obligation of Citadel to complete the merger is subject to the following additional conditions:

the accuracy of the representations and warranties of Cumulus Media, Holdco and Merger Sub, subject to certain materiality standards as described under The Merger Agreement, on page , and receipt of a certificate signed on behalf of Cumulus Media, Holdco and Merger Sub by the Chief Executive Officer or Chief Financial Officer of Cumulus Media to that effect;

the performance by Cumulus Media, Holdco and Merger Sub in all material respects of their obligations under the merger agreement and receipt of a certificate signed on behalf of Cumulus Media, Holdco and Merger Sub by the Chief Executive Officer or Chief Financial Officer of Cumulus Media to that effect; and

the absence of a material adverse effect on Cumulus Media, Holdco and Merger Sub.

Regulatory Approvals Required to Complete the Merger (See page)

Cumulus Media and Citadel have agreed to cooperate and use reasonable best efforts to obtain all regulatory approvals required to complete the transactions contemplated by the merger agreement. For an acquisition meeting certain size thresholds, such as the merger, the HSR Act requires the parties to file notification and report forms with the Federal Trade Commission, referred to in this document as the FTC, and the Antitrust Division of the United States Department of Justice, referred to in this document as the DOJ, to observe specified waiting period requirements before consummating the acquisition, and to obtain prior approval of the FCC. The FCC could rely on any petitions or other objections that are filed, or its own initiative, to deny an FCC Application, to require changes in the transaction documents relating to those FCC Applications, including divestiture of radio stations and other assets, or impose other conditions to the grant of any of the FCC Applications. For these and other reasons, there can be no assurance that the FCC will grant the FCC Approval. Cumulus Media and Citadel intend to file required notifications with the Antitrust Division of the DOJ and the FTC. The waiting period under the HSR Act is expected to expire on , unless each party receives notice of termination of the waiting period before that date or unless the reviewing agency extends the period by issuing a request for additional information (a Second Request). The termination of the waiting period upon the issuance of a Second Request may be subject to compliance with certain conditions.

Under the Communications Act, the FCC must approve the assignments and transfers of control required by the merger of Citadel (which has 228 full-power radio broadcast stations licensed to indirect wholly-owned subsidiaries of Citadel) with a subsidiary of Cumulus Media (which has 305 full-power radio broadcast stations licensed to an indirect wholly-owned subsidiary of Cumulus Media), which may include the 34 radio stations licensed to subsidiaries of CMP (which will become a wholly-owned subsidiary of Cumulus Media pursuant to the CMP Acquisition). Cumulus Media and Citadel filed FCC Applications on behalf of their respective subsidiaries with the FCC in March 2011. Those FCC Applications included proposals to assign certain radio stations currently held by each of Cumulus Media, CMP and Citadel to an independently-owned and operated trust in order to assure the FCC that, after the merger, Cumulus Media would be in compliance with provisions of the Communications Act and FCC rules that limit the number of radio stations a party may own in a particular market.

Termination of the Merger Agreement (See page)

The merger agreement may be terminated without completing the merger, whether before or after a meeting of Citadel stockholders to vote on the merger, as follows:

- by the mutual consent of Citadel and Cumulus Media;
- by either Citadel or Cumulus Media, if:
  - the merger has not been consummated by March 8, 2012 (or June 8, 2012, if all conditions have been satisfied by March 8, 2012 other than those pertaining to the HSR Act or the FCC Approval);
  - a governmental entity has issued a final and non-appealable law or order or taken any other final and non-appealable action enjoining or prohibiting the merger;
  - Citadel s stockholders do not adopt the merger agreement, which includes the merger, payment of the merger consideration and the other transactions contemplated by the merger agreement; or
  - the FCC issues a decision which denies the FCC Applications for FCC Approval or designates them for an evidentiary hearing.
- by Citadel:
  - upon a breach of any material covenant or agreement of Cumulus Media, Holdco or Merger Sub, or any failure of any representations or warranties of Cumulus Media, Holdco or Merger Sub to be true and accurate that constitutes, in the aggregate, a material adverse effect on Cumulus Media (ignoring for such purposes any reference to material adverse effect or materiality contained in such representation or warranty), which, in each case, is incapable of being cured or will not have been cured within 30 days of receiving written notice of such breach or failure, to be true and accurate, as applicable;
  - prior to Citadel s stockholders adopting the merger agreement, in order to concurrently enter into an alternative transaction agreement with respect to a superior proposal; or
  - if the merger has not been consummated by the termination date.
- by Cumulus Media:
  - upon a breach of any material covenant or agreement of Citadel, or any failure of representations or warranties of Citadel to be true and accurate that constitutes, in the aggregate, a material adverse effect on Citadel (ignoring for such purposes any reference to material adverse effect or materiality contained in such representation or warranty), which, in each case is incapable of being cured or will not have been cured within 30 days of receiving written notice of such breach or failure to be true and accurate, as applicable; or

if Citadel withdraws or modifies its recommendation to Citadel stockholders, fails to call and conduct a meeting of Citadel stockholders to vote on the adoption of the merger agreement or materially breaches its obligation under the merger agreement not to solicit alternative transaction proposals.

Expenses and Termination Fees Relating to the Merger (See page)

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, except that Cumulus Media and Citadel will each pay one-half of the costs and expenses incurred in connection with the filing, printing and mailing of this document and all fees required by the FCC for the filing of the FCC Applications. Cumulus Media will pay the fees, costs and expenses incurred in connection with all filings pursuant to the HSR Act.

Following termination of the merger agreement under specified circumstances, Cumulus Media, Crestview and Macquarie may each be required to pay Citadel a portion of a termination fee of $60.0 million and, under certain circumstances, Cumulus Media may be required to pay Citadel an additional termination fee of $20.0 million. Following termination of the merger agreement under specified other circumstances, Citadel may be required to pay Cumulus Media a termination fee of up to $80.0 million.

Comparison of the Rights of Holders of Cumulus Media Common Stock and Citadel Common Stock (See page)

As a result of the merger, the holders of Citadel common stock who elect to receive stock in the merger, or who receive stock in the merger as a result of proration as provided for in the merger agreement, will generally become holders of Cumulus Media Class A common stock. Each of Cumulus Media and Citadel is a Delaware corporation governed by the DGCL, but the rights of Cumulus Media stockholders from and after the merger will be governed by a third amended and restated certificate of incorporation of Cumulus Media (the Third Amendment and Restatement), which will be filed with the Delaware Secretary of State in connection with the completion of the merger and is described in more detail elsewhere herein, and the amended and restated by-laws of Cumulus Media (the Cumulus Media Bylaws), while the rights of Citadel stockholders are currently governed by the fourth amended and restated certificate of incorporation of Citadel (the Citadel Charter) and amended and restated bylaws of Citadel (the Citadel Bylaws). This document includes summaries of the material differences between the rights of Citadel stockholders and Cumulus Media stockholders arising because of difference in the certificates of incorporation and bylaws of the two companies.

Appraisal Rights in Connection with the Merger (See page)

Under the DGCL, any Citadel stockholder who does not wish to accept the merger consideration and who does not vote in favor of the adoption of the merger agreement has the right to dissent from the merger and seek an appraisal of, and to be paid the fair value (exclusive of any element of value arising from the accomplishment or expectation of the merger) for his or her share of Citadel common stock, so long as the stockholder complies with the provisions of Section 262 of the DGCL. A person having a beneficial interest in shares of Citadel common stock held of record in the name of another person, such as a broker or nominee, must act promptly to cause the record holder to follow the steps summarized in this document and in a timely manner to perfect appraisal rights.

Cumulus Media stockholders are not entitled to any appraisal rights in connection with the merger.

The Equity Investment (See page)

Concurrently with the execution of the merger agreement, Cumulus Media entered into the Investment Agreement with Crestview and Macquarie, which agreement has subsequently been amended and restated to add UBS Securities as a party. Pursuant to the Investment Agreement, the Investors have committed to purchase for cash up to an aggregate of $500.0 million in shares of Cumulus Media common stock, preferred stock, or warrants to purchase Cumulus Media common stock, at a purchase price per share (or warrant) of $4.34. Specifically, Crestview has agreed to purchase up to $250.0 million in shares of Cumulus Media s Class A common stock and Macquarie and UBS Securities have each agreed to purchase up to $125.0 million in warrants, which will be immediately exercisable by U.S. persons, subject to the Communications Act and FCC rules and policies, at an exercise price of $0.01 per share, for shares of Cumulus Media Class B common stock. Macquarie may, at its option, elect to instead receive shares of a newly created class of perpetual redeemable non-convertible preferred stock. Macquarie and UBS Securities will also be permitted to syndicate up to $45.0 million and $125.0 million, respectively, of their respective commitments to one or more third party investors, subject to certain limitations set forth in the Investment Agreement. Third parties who are U.S. persons to whom Macquarie or UBS Securities syndicate a portion of their respective commitments may purchase shares of Cumulus Media Class A common stock instead of warrants. If the merger consideration is not paid at the Cash Consideration Cap, the Investors commitments will be reduced in accordance with the Investment Agreement, subject to a minimum aggregate investment of $395.0 million. In addition, under certain circumstances where Cumulus Media does not require Macquarie s full investment to consummate the merger, Macquarie may elect to reduce its investment to the extent not so required.

In connection with entering into the Investment Agreement, Cumulus Media has agreed to enter into a registration rights agreement with the Investors pursuant to which Cumulus Media will agree, under certain circumstances and at certain times, to file one or more registration statements with the SEC relating to the shares of Cumulus Media Class A common stock or Cumulus Media Class B common stock that the Investors, or third parties to whom Macquarie or UBS Securities may syndicate such shares, may acquire pursuant to the Investment Agreement, or upon the conversion of Cumulus Media Class B common stock or exercise of warrants for shares of Cumulus Media Class A common stock or Class B common stock. Cumulus Media, the Investors and certain of Cumulus Media s other stockholders have also agreed to enter into the Stockholders Agreement, which will provide for certain rights and obligations of the parties thereto, including relating to the nomination and election of directors and limitations on the acquisition of additional shares, or disposition of shares, of Cumulus Media stock, among other things. Specifically, the Stockholders Agreement will acknowledge that, as of the closing of the Equity Investment, in accordance with the Cumulus Media Bylaws, Cumulus Media s board of directors will be set at seven directors. The two vacancies on the Cumulus Media board of directors created thereby will be filled with individuals designated by Crestview, one of whom will be appointed as the lead director of the board. Thereafter, under the Stockholders Agreement, Crestview will be entitled to designate two individuals for nomination to Cumulus Media s board of directors, one of which will be appointed as the lead director of Cumulus Media s board of directors, and each of the Dickeys, as a group, the BofA Entities, and Blackstone FC Communications Partners L.P. (Blackstone), will be entitled to designate one individual for nomination to Cumulus Media s board of directors (with the two remaining directors initially to be Cumulus Media s two current independent directors). Further, the parties to the Stockholders Agreement (other than Cumulus Media) will agree to support such individuals (or others as may be designated by the relevant stockholders) as nominees to be presented to Cumulus Media s stockholders for approval at subsequent stockholder meetings for the term set out in the Stockholders Agreement. As used herein, the Dickeys means, collectively, Lewis W. Dickey, Jr., Cumulus Media s Chairman, President and Chief Executive Officer, John W. Dickey, Cumulus Media s Executive Vice President and Co-Chief Operating Officer and the brother of Lewis W. Dickey, Jr., their brothers David W. Dickey and Michael W. Dickey, and their father, Lewis W. Dickey, Sr., and the BofA Entities means, together, BA Capital Company, L.P. (BA Capital) and Banc of America Capital Investors SBIC, L.P. (BACI).

Adoption of the 2011 Equity Incentive Plan (See page)

In accordance with the Investment Agreement, Cumulus Media s board of directors and stockholders have approved a new equity incentive plan pursuant to which Cumulus Media will be able to issue equity awards representing up to 35 million shares of Cumulus Media common stock. Upon the effectiveness of this new equity incentive plan, the remaining authorization for equity awards under Cumulus Media s currently existing equity incentive plans will be canceled. Upon the closing of the merger, Cumulus Media expects that it will issue to certain of its officers and employees stock options exercisable for up to 23 million shares of Cumulus Media common stock, with each option having an exercise price of $4.34 per share. Specific awards will be issued in amounts authorized by the compensation committee of Cumulus Media s board of directors and, for the initial issuances under the equity incentive plan, approved by a majority (in commitment amount) of the Investors.

Amendment and Restatement of Cumulus Media s Certificate of Incorporation (See page)

In connection with the completion of the merger, Cumulus Media will amend and restate its certificate of incorporation. The amendment and restatement will be undertaken primarily to increase the authorized number of shares to provide sufficient authorized shares to complete the merger and to provide greater flexibility in Cumulus Media s capital structure following the merger, to eliminate certain rights of the holder of Cumulus Media Class C common stock, to modify the current Cumulus Media Class B common stock and its related consent rights and to reclassify the current Cumulus Media Class D common stock as Cumulus Media Class B common stock. Cumulus Media has obtained the approval of the holders of a majority of its outstanding voting power to such amendment and restatement.

RISK FACTORS

In addition to the other information included in and incorporated by reference into this information statement/proxy statement/prospectus, including the matters addressed under the caption Cautionary Statement Regarding Forward-Looking Statements on page , you should carefully read and consider the following risk factors in evaluating the proposals to be voted on at the Citadel annual meeting and in determining whether to vote for adoption of the merger agreement. Please also refer to the additional risk factors of each of Cumulus Media and Citadel identified in the periodic reports and other documents incorporated by reference into this information statement/proxy statement/prospectus. See Where You Can Find More Information beginning on page .

Risks Relating to the Merger

Cumulus Media may not realize the expected benefits of the merger because of integration difficulties and other challenges.

The success of the merger will depend, in part, on Cumulus Media s ability to realize the anticipated synergies and cost savings from integrating Citadel s business with its existing business. The integration process may be complex, costly and time-consuming. The difficulties of integrating the operation of Citadel s business include, among others:

- failure to implement Cumulus Media s business plan for the combined business;
- unanticipated issues in integrating logistics, information, communications and other systems;
- unanticipated changes in applicable laws and regulations;
- the impact on Cumulus Media s internal controls and compliance with the regulatory requirements under the Sarbanes-Oxley Act of 2002; and
- unanticipated issues, expenses and liabilities.

Cumulus Media may not accomplish the integration of Citadel s business smoothly, successfully or within the anticipated costs or time frame. The diversion of the attention of management from Cumulus Media s current operations to the integration effort and any difficulties encountered in combining operations could prevent Cumulus Media from realizing the full benefits anticipated to result from the merger and could adversely affect its business. In addition, the integration efforts could divert the focus and resources of the management of Cumulus Media and Citadel from other strategic opportunities and operational matters during the integration process.

If Cumulus Media is unable to finance the merger, the merger will not be completed and Cumulus Media, Crestview and Macquarie will each be obligated to pay Citadel a portion of a termination fee of $60.0 million and, under certain circumstances, Cumulus Media may be required to pay Citadel an additional termination fee of $20.0 million (which portion, in Cumulus Media s case, in the aggregate, could be up to $47.2 million) under the merger agreement.

Cumulus Media currently has obtained commitments for up to $500.0 million in equity financing and up to $2.415 billion in senior secured credit facilities, the proceeds of which Cumulus Media intends to use, in part, to pay the cash portion of the consideration payable in connection with the merger. Cumulus Media has not, however, entered into the definitive agreements for this financing. In the event Cumulus Media is unable to enter into such definitive agreements on the proposed terms, alternative financing may not be available on acceptable terms in a timely manner, or at all. If alternative financing becomes necessary and Cumulus Media is unable to secure such alternative financing, the merger will not be completed.

In the event of a termination of the merger agreement due to Cumulus Media s inability to obtain the necessary financing to complete the merger, Cumulus Media, Crestview and Macquarie will each be obligated to pay Citadel a portion of a termination fee of $60.0 million and, under certain circumstances, Cumulus Media may be required to pay Citadel an additional termination fee of $20.0 million (which, in Cumulus

Media s case, in the aggregate, could be up to $47.2 million) under the merger agreement, which could have a material adverse effect on Cumulus Media s operating results and financial condition.

Cumulus Media will take on substantial additional long-term indebtedness in connection with the merger and other pending transactions, which will increase the risks Cumulus Media now faces with its current indebtedness.

Cumulus Media intends to finance the merger, and refinance CMP s and Citadel s existing indebtedness, with up to $2.415 billion in senior secured debt financing. As a result, Cumulus Media will have long-term indebtedness that will be substantially greater than its long-term indebtedness prior to the merger and refinancing. This new indebtedness will increase the related risks Cumulus Media now faces with its current indebtedness.

Citadel is subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the pending merger on Citadel employees and customers may have an adverse effect on Citadel. These uncertainties may impair Citadel s ability to attract, retain and motivate key personnel until the merger is completed, and could cause customers and others that deal with Citadel to defer decisions concerning Citadel, or to seek to change existing business relationships with Citadel. If key employees depart because of uncertainty about their future roles and the potential complexities of integration, Citadel s business, or the combined company s business following the merger, could be harmed. In addition, the merger agreement restricts Citadel from making acquisitions or dispositions and taking other specified actions without the consent of Cumulus Media until the merger occurs. These restrictions may prevent Citadel from pursuing attractive business opportunities or addressing other developments that may arise prior to the completion of the merger.

Failure to complete the merger could negatively affect the stock price and the future business and financial results of Citadel.

Consummation of the merger is conditioned, among other things, on the receipt of the requisite approval of Citadel stockholders, the expiration or termination of the waiting period under the HSR Act, the receipt of the FCC Approval, the approval for listing on the Nasdaq Stock Market of the Cumulus Media common stock to be issued in the merger, the absence of any law or order prohibiting the merger or having certain material adverse effects on one or more of the parties to the merger, the correctness of all representations and warranties made by the parties in the merger agreement and performance by the parties of their obligations under the merger agreement (subject in each case to certain materiality standards).

There is no assurance that Citadel and Cumulus Media will receive the necessary stockholder or regulatory approvals or satisfy the other conditions to the completion of the merger. If the merger is not completed for any reason, Citadel will be subject to several risks, including the following:

- Citadel may be required to pay significant transaction costs related to the merger, including under certain circumstances, a termination fee of up to $80.0 million payable to Cumulus Media, and many of Citadel s costs relating to the merger (such as legal, accounting, and a portion of Citadel s financial advisory fees) are payable by Citadel whether or not the merger is completed;

- The current market price of Citadel s common stock and warrants may reflect a market assumption that the merger will occur, and a failure to complete the merger could result in a negative perception by the market of Citadel generally and a resulting decline in the market price of Citadel common stock and warrants;

- There may be substantial disruption to Citadel s business and a distraction of its management and employees from day-to-day operations, because matters related to the merger (including integration planning) may require substantial commitments of time and resources, which could otherwise have been devoted to other opportunities that could have been beneficial; and

Citadel would continue to face the risks that it currently faces as an independent company, as further described herein.

If the merger is not completed, the risks described above may materialize and materially adversely affect Citadel s business, financial results, financial condition, and stock price.

The merger agreement limits Citadel s ability to pursue alternatives to the merger and contains provisions that could affect the decisions of a third party considering making an alternative acquisition proposal to the merger.

The merger agreement prohibits Citadel from soliciting, initiating or encouraging alternative merger or acquisition proposals with any third party. These provisions may limit Citadel s ability to pursue a proposal from a third party. Under the terms of the merger agreement, Citadel will be required to pay to Cumulus Media a termination fee of up to $80.0 million if the merger agreement is terminated under certain circumstances. This termination fee of $80.0 million would be payable in certain circumstances involving a material breach of certain material covenants or agreements that is a consequence of a knowing or intentional act or failure to act by Citadel or one of its executive officers with actual knowledge that such action or inaction would cause certain conditions necessary for consummation of the merger under the merger agreement to not be satisfied. In addition, the merger agreement limits the ability of Citadel to initiate, solicit, encourage or facilitate certain acquisition or merger proposals from a third party. These provisions could affect the decision by a third party to make a competing acquisition proposal, including the structure, pricing and terms proposed by a third party seeking to acquire or merge with Citadel. Please see The Merger Agreement No-Solicitation of Alternative Proposals on page .

There may be a long delay between the receipt of Citadel stockholder approval for the merger and the closing of the transaction, during which time Citadel will lose the ability to consider and pursue alternative acquisition proposals, which might otherwise be superior to the merger.

Following Citadel s stockholders approval, the merger agreement prohibits Citadel from taking any actions to review, consider or recommend any alternative acquisition proposals, including those that could be superior to Citadel stockholders, when compared to the merger. Given the potentially long delay between stockholder approval and antitrust clearance and FCC Approval, the time during which Citadel could be prevented from reviewing, considering or recommending such proposals could be significant.

Citadel stockholders may not receive the form of merger consideration that they elect for all their shares and may receive in part a form of consideration that has lower value.

The merger agreement contains proration provisions that are designed to ensure that Cumulus Media does not (i) pay cash in excess of the Cash Consideration Cap or (ii) issue a number of shares in excess of the Stock Consideration Cap. The value of the stock consideration at the time of the merger may be higher than the value of the cash consideration at such time, or vice versa. If elections are made by Citadel stockholders to receive more cash or more shares of Cumulus Media common stock than these maximum numbers, either those electing to receive cash or those electing to receive shares of Cumulus Media common stock, respectively, will have the consideration of the type they selected reduced by a pro rata amount, and will receive a portion of their consideration in the form that they did not elect to receive. Accordingly, it is likely that a substantial number of Citadel stockholders will not receive a portion of the merger consideration in the form that they elect and that the consideration they do receive will have a lower value than what they elected to receive.

Because the exchange ratio is fixed, the market value of Cumulus Media common stock issued to you may be less than the value of your shares of Citadel common stock.

Citadel stockholders who receive shares in the merger will receive a fixed number of shares of Cumulus Media common stock rather than a number of shares with a particular fixed market value. The market values of Cumulus

Media common stock and Citadel common stock at the time of the merger may vary significantly from their respective values on the date the merger agreement was executed, the date of this information statement/proxy statement/prospectus or the date on which Citadel stockholders vote on the merger agreement. Because the exchange ratio will not be adjusted to reflect any changes in the market value of Cumulus Media or Citadel common stock, the market value of Cumulus Media common stock issued in the merger and Citadel common stock surrendered in the merger may be higher or lower than the values of such shares on such earlier dates, and may be higher or lower than the $37.00 to be paid to Citadel stockholders in the cash portion of the merger. Stock price changes may result from a variety of factors, including changes in businesses and operations, and other factors that are beyond the control of Cumulus Media and Citadel, including changes in business prospects, regulatory considerations and general and industry specific market and economic conditions. Neither Cumulus Media nor Citadel is permitted to terminate the merger agreement solely because of changes in the market price of either party s common stock.

Officers and directors of Citadel have certain interests in the merger that are different from, or in addition to, interests of Citadel stockholders. These interests may be perceived to have affected their decision to support or approve the merger.

Citadel s executive officers and directors have economic interests in the merger that are different from, or in addition to, those of Citadel s stockholders generally. These interests include, but are not limited to: the treatment of equity awards held by executive officers and directors (including the acceleration of vesting of stock options and the treatment of restricted stock); the payment of pro-rated annual bonuses to executive officers at the target level of achievement for the year in which the merger is consummated; the potential acceleration of supplemental retirement benefits for Mr. Suleman; the potential payment of severance and other benefits to executive officers; and the potential payment of tax gross-ups to certain executive officers. Citadel s board of directors was aware of and considered those interests, among other matters, in reaching its decisions to adopt and approve the merger agreement, the merger and the transactions contemplated by the merger agreement. Please see The Merger Interests of Certain Persons in the Merger on page .

Cumulus Media is required to obtain various Federal regulatory approvals for the merger, including approval of the FCC, the DOJ and the FTC, which approval and termination or expiration of waiting periods may be subject to Cumulus Media s compliance with certain conditions.

Completion of the merger requires prior approval of the FCC, the DOJ and the FTC and may require approvals by other governmental agencies as well. As part of the FCC approval process, Cumulus Media and Citadel have filed the FCC Applications. The Communications Act and FCC rules allow members of the public and other interested parties to file petitions to deny or other objections with the FCC with respect to the grant of the FCC Applications. As of the deadline for filing petitions to deny the FCC Applications, two minor comments were filed by third parties. The FCC could rely on any petitions or other objections that have been filed, or its own initiative, to deny an FCC Application, to require changes in the transaction documents relating to those FCC Applications, including divestiture of radio stations and other assets, or impose other conditions to the grant of any of the FCC Applications. For these and other reasons, there can be no assurance that the FCC will grant the FCC Approval. Any changes necessary to obtain the FCC Approval may have a material adverse effect on Cumulus Media s business, financial condition and results of operations before or after the merger. In addition, completion of the merger requires that the parties file a notification and report form with the FTC and DOJ, and observe specified waiting period requirements before consummating the acquisition. Cumulus Media and Citadel intend to file such required notifications with the Antitrust Division of the DOJ and the FTC. The waiting period under the HSR Act is expected to expire on , unless each party receives notice of termination of the waiting period before that date or unless the reviewing agency extends the period by issuing a Second Request. The termination of the waiting period upon the issuance of a Second Request may be subject to compliance with certain conditions.

The merger may be completed on different terms from those contained in the merger agreement.

Prior to the completion of the merger, the parties may amend or alter the terms of the merger agreement, including with respect to, among other things, the merger consideration to be received by Citadel stockholders; assets to be acquired; or any covenants or agreements with respect to the parties respective operations during the pendency thereof (certain of these changes, including those with respect to the merger consideration to be received by Citadel stockholders, can only be made prior to the requisite stockholder approval). Any such amendments or alterations may have negative consequences to stockholders of Cumulus Media and/or Citadel including, among other things, reducing the cash available for operations or to meet respective obligations or restricting or limiting assets or operations of either of Cumulus Media or Citadel, any of which could also have a material adverse effect on such company s business, financial condition and results of operations.

Cumulus Media may be required to issue preferred stock in connection with the Equity Investment with terms that could negatively impact its liquidity.

Pursuant to the terms of the Investment Agreement, Macquarie may, at its option, subscribe to purchase up to $125.0 million in initial liquidation value of shares of a newly created series of perpetual redeemable non-convertible preferred stock instead of shares of Cumulus Media common stock. The preferred stock would be transferable, other than to specified competitors of Cumulus Media. Third parties to whom Macquarie syndicates its commitment may not purchase any such preferred stock. Dividends on this preferred stock would accrue at a rate of 10% per annum for the first six months after the closing of the Equity Investment, 14% per annum thereafter until the second anniversary of the closing of the Equity Investment, 17% per annum plus the positive change in LIBOR from the closing of the Equity Investment to each even-numbered anniversary thereof (the LIBOR Increase Amount) per annum thereafter until the fourth anniversary of the closing of the Equity Investment, and 20% plus the LIBOR Increase Amount per annum thereafter. If Macquarie elects to purchase Cumulus Media preferred stock instead of Cumulus Media common stock, the requirement that Cumulus Media pay dividends, either in cash or through the issuance of additional shares of preferred stock, could materially impact Cumulus Media s liquidity position and may require Cumulus Media to dedicate a significant portion of its cash flows to servicing dividend requirements. This would reduce the amount of cash flow available for working capital, capital expenditures and servicing Cumulus Media s indebtedness.

The unaudited pro forma financial information in this information statement/proxy statement/prospectus may not be reflective of Cumulus Media s operating results and financial condition following the merger.

The unaudited pro forma financial information included in this information statement/proxy statement/prospectus is derived from Cumulus Media s, CMP s and Citadel s separate historical consolidated financial statements. The preparation of this pro forma information is based upon available information and certain assumptions and estimates that Cumulus Media currently believes are reasonable, including certain assumptions with respect to Cumulus Media s stock price and interest rates at the closing of the merger, the amount of cash and Cumulus Media common stock Citadel stockholders will elect to receive in the merger, whether and to what extent Macquarie elects to invest in warrants exercisable for Class B common stock, or a newly created class of perpetual redeemable non-convertible preferred stock, the number of warrants to purchase Class B common stock issued to UBS Securities and the assumption that the radio stations Cumulus Media expects to be required to divest in order to obtain FCC Approval and the remedies, if any, that may be required by the HSR Act will not be material to Cumulus Media s financial position or results of operations. These assumptions and estimates may not prove to be accurate, and this pro forma financial information may not necessarily reflect what Cumulus Media s results of operations and financial position would have been had the merger and related transactions been completed if these assumptions were accurate, or occurred during the periods presented, or what Cumulus Media s results of operations and financial position will be in the future.

If the merger is completed, the loss of affiliation agreements by Citadel s Radio Network could materially adversely affect Cumulus Media s actual results of operations as presented on a Citadel Pro Forma Basis or an Overall Pro Forma Basis.

Upon consummation of the merger, Cumulus Media will own Citadel s Radio Network, which has approximately 4,000 station affiliates and 9,000 program affiliations. The Radio Network receives advertising inventory from its affiliated stations, either in the form of standalone advertising time within a specified time period or commercials inserted by the Radio Network into its programming. In addition, primarily with respect to satellite radio providers, Citadel receives a fee for providing such programming. The loss of network affiliation agreements of the Radio

Network could adversely affect Cumulus Media s actual financial condition and results of operations as compared to those presented on a Citadel Pro Forma basis and an Overall Pro Forma Basis by reducing the reach of Citadel s network programming and, therefore, its attractiveness to advertisers. Renewal on less favorable terms may also adversely affect Cumulus Media s actual results of operations as compared to those presented on a Citadel Pro Forma Basis and an Overall Pro Forma Basis (each as defined herein) through reduction of advertising revenue.

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Closing of the merger may trigger change in control provisions in certain agreements to which Cumulus Media or Citadel are parties.

The closing of the merger may trigger change in control provisions in certain agreements to which Cumulus Media or Citadel are parties. If Cumulus Media or Citadel are unable to negotiate waivers of those provisions, the counterparties may exercise their rights and remedies under the agreements (including terminating the agreements or seeking monetary damages). Even if Cumulus Media or Citadel were able to negotiate waivers, the counterparties may require a fee for such waiver or seek to renegotiate the agreements on materially less favorable terms prior to such change in control.

Former Citadel stockholders who become stockholders of Cumulus Media will be governed by the Third Amendment and Restatement and Cumulus Media Bylaws.

Citadel stockholders who receive Cumulus Media common stock in the merger will become Cumulus Media stockholders and their rights as stockholders will be governed by the Third Amendment and Restatement, Cumulus Media Bylaws and the DGCL. As a result, there will be material differences between the current rights of Citadel stockholders and the rights they can expect to have as Cumulus Media stockholders. Please see Comparison of Rights of Holders of Cumulus Media Common Stock and Citadel Common Stock on page .

Purported stockholder class action complaints have been filed against Citadel, Cumulus Media and the members of Citadel s board of directors, as well as against Merger Sub and Holdco, challenging the merger, and an unfavorable judgment or ruling in these lawsuits could prevent or delay the consummation of the merger and result in substantial costs.

On March 14, 2011, Citadel, its board of directors and Cumulus Media were named in a putative stockholder class action complaint filed in the District Court of Clark County, Nevada, by a purported Citadel stockholder. On March 23, 2011, these same defendants, as well as Holdco and Merger Sub, were named in a second putative stockholder class action complaint filed in the same court by another purported Citadel stockholder. The complaints allege that Citadel s directors breached their fiduciary duties by approving the merger for allegedly inadequate consideration and following an allegedly unfair sale process. The complaint in the first action also alleges that Citadel s directors breached their fiduciary duties by allegedly withholding material information relating to the merger. The two complaints further allege that Citadel and Cumulus Media aided and abetted the Citadel directors alleged breaches of fiduciary duties, and the complaint filed in the second action alleges, additionally, that Holdco and Merger Sub aided and abetted these alleged breaches of fiduciary duties. The complaints seek, among other things, a declaration that the action can proceed as a class action, an order enjoining the completion of the merger, rescission of the merger, attorneys fees, and such other relief as the court deems just and proper. The complaint filed in the second action also seeks rescissory damages. On June 23, 2011, the court consolidated the two Nevada actions and appointed lead counsel. On May 6, 2011, two purported common stockholders of Citadel filed a putative class action complaint against Citadel, its board of directors, Cumulus Media, Holdco, and Merger Sub in the Court of Chancery of the State of Delaware. The complaint alleges that Citadel s directors breached their fiduciary duties to Citadel s stockholders by approving the merger for allegedly inadequate consideration and following an allegedly unfair sale process and that the remaining defendants aided and abetted these alleged breaches. The complaint seeks, among other things, an order enjoining the merger, a declaration that the action is properly maintainable as a class action, and rescission of the merger agreement, as well as attorneys fees and costs. Citadel and Cumulus Media intend to vigorously defend against these actions.

Each of Cumulus Media and Citadel is obliged under certain circumstances to indemnify and hold harmless each of its respective directors and officers from and against any and all claims and liabilities to which such director or officer shall have become subject by reason of being a director or officer of such company, to the full extent permitted under

Delaware law. An adverse outcome in any lawsuit could prevent or delay the consummation of the merger and result in substantial costs to Citadel and/or Cumulus Media. It is also possible that other similar lawsuits may be filed in the future. Neither Cumulus Media nor Citadel can reasonably estimate any possible loss from current or future litigation.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This information statement/proxy statement/prospectus contains and incorporates by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. For purposes of federal and state securities laws, forward-looking statements are all statements other than those of historical fact and are typically identified by the words believes, expects, anticipates, continues, intends, likely plans, potential, should, will, and similar expressions, whether in the negative or the affirmative. These statements include statements regarding the intent, belief or current expectations of each of Cumulus Media and Citadel and their respective subsidiaries, their directors and their officers with respect to, among other things, future events, including the merger and the transactions contemplated by the merger agreement, their respective financial results and financial trends expected to impact each of Cumulus Media and Citadel.

Forward-looking statements may be subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements reflect the views of each of Cumulus Media and Citadel with respect to current events and financial performance as of the date they were made. Such forward-looking statements are and will be, as the case may be, subject to change and subject to many risks, uncertainties and factors relating to Cumulus Media s and Citadel s respective operations and business environment, which may cause the actual results of Cumulus Media and/or Citadel to be materially different from any future results, expressed or implied, by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following:

- the financial performance of Cumulus Media and Citadel through the date of the completion of the merger;
- the inability to satisfy any of the closing conditions set forth in the merger agreement, including the possibility that Cumulus Media and/or Citadel may be unable to obtain stockholder or regulatory approvals required for the merger, or that any regulatory approval is conditioned on factors that could materially adversely affect the expected benefits to be derived from the merger;
- the occurrence of an event, change or other circumstance that could give rise to termination of the merger agreement, including a termination under circumstances that could require payment of a termination fee;
- the failure to obtain the necessary debt financing set forth in the commitment letters received in connection with the merger;
- the failure to obtain the necessary equity financing set forth in the Investment Agreement entered into in connection with the merger;
- the failure of the merger to close for any reason;
- the amount of the actual costs, fees, expenses and charges related to the merger and the final terms of the financings that will be obtained for the merger;
- the possibility that the merger may involve unexpected costs;
- diversion of the attention of management of each of Cumulus Media and Citadel from their respective ongoing business concerns;

the effect of the announcement of the merger on customer relationships, operating results and the businesses of the companies generally;

any significant delay in the expected completion of the merger;

the possibility that problems may arise in successfully integrating the businesses of Cumulus Media and Citadel;

the possibility that the combined company may be unable to achieve cost-cutting synergies or achieve them within the expected time period;

the possibility that the combined company may be unable to achieve certain expected revenue results, including as a result of unexpected factors or events;

the possibility that the respective businesses of Cumulus Media and/or Citadel may suffer as a result of uncertainty surrounding the merger;

the possibility that the industry may be subject to future regulatory or legislative actions;

the ability to maintain contracts and leases that are critical to Cumulus Media s and/or Citadel s operations;

the ability to attract, motivate and/or retain key executives and associates;

the ability to execute Cumulus Media s and/or Citadel s business plans and strategy;

general economic or business conditions affecting the radio broadcasting industry being less favorable than expected, including the impact of decreased spending by advertisers;

increased competition in the radio broadcasting industry;

the ability to renew FCC Authorizations and comply with the Communications Act and FCC rules and policies;

the impact of current or pending legislation and regulations, antitrust considerations, and pending or future litigation or claims;

the outcome of any legal proceedings that have been or may be instituted against Cumulus Media and/or Citadel relating to the merger agreement;

general economic and business conditions that may affect Cumulus Media and/or Citadel before or the combined company following the merger;

the impact of Citadel s chapter 11 proceedings that may affect Citadel before, or the combined company following, the merger;

changes in government regulations;

changes in policies or actions or in regulatory bodies;

changes in uncertain tax positions and tax rates;

changes in the financial markets;

changes in capital expenditure requirements;

changes in market conditions that could impair Cumulus Media s or Citadel s goodwill or intangible assets;

changes in interest rates; and

other risks and uncertainties.

Cumulus Media and Citadel caution you not to place undue reliance on the forward-looking statements, which speak only as of the date of this information statement/proxy statement/prospectus in the case of forward-looking statements contained in this information statement/proxy statement/prospectus, or the dates of the documents incorporated by reference in this information statement/proxy statement/prospectus in the case of forward-looking statements made in those incorporated documents. Except as may be required by law, neither Cumulus Media nor Citadel has any obligation to update or alter these forward-looking statements, whether as a result of new information, future events or otherwise.

Cumulus Media and Citadel expressly qualify in their entirety all forward-looking statements attributable to Cumulus Media or Citadel or any person acting on either of their respective behalf by the cautionary statements contained or referred to in this section.

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INFORMATION ABOUT CUMULUS MEDIA

Cumulus Media Inc.

Cumulus Media owns and manages FM and AM radio station clusters serving mid-sized markets throughout the United States. Through its investment in CMP, Cumulus Media also manages radio station clusters serving large-sized markets throughout the United States. Cumulus Media is currently the second largest radio broadcasting company in the United States based on the number of stations owned or managed. As of March 31, 2011, Cumulus Media owned or managed 312 radio stations (including under local marketing agreements (LMAs)) in 60 United States media markets and operated the 34 radio stations in eight markets, including San Francisco, Dallas, Houston and Atlanta, that are owned by CMP. Under LMAs, Cumulus Media currently provides sales and marketing services for 12 radio stations in the United States in exchange for a management or consulting fee. In addition to entering into LMAs, Cumulus Media has in the past, and expects that it will from time to time in the future enter into management or consulting agreements that provide it with the ability, as contractually specified, to assist current owners in the management of radio station assets that Cumulus Media has contracted to purchase, subject to FCC approval. In such arrangements, Cumulus Media generally receives a contractually specified management fee or consulting fee in exchange for the services provided. In summary, Cumulus Media owns and manages directly or through its investment in CMP, a total of 346 stations in 68 United States markets as of March 31, 2011.

For the three months ended March 31, 2011 and the year ended December 31, 2010, Cumulus Media had net revenues of $57.9 million and $263.3 million, Station Operating Income of $20.3 million and $103.5 million, and Adjusted EBITDA of $12.8 million and $87.5 million, respectively.

Cumulus Media is a Delaware corporation, organized in 2002, and successor by merger to an Illinois corporation with the same name that had been organized in 1997.

Pending Transactions

Cumulus Media s recently announced pending transactions in connection with the proposed expansion of its broadcasting operations include:

- the merger and the related assumption of outstanding debt, which will be refinanced as part of the Global Refinancing (defined herein);

- the CMP Acquisition (defined herein), pursuant to which Cumulus Media agreed to acquire the remaining 75% of the equity interests of CMP that it does not currently own in exchange for the issuance of shares of Cumulus Media common stock;

- the Equity Investment; and

- the financing transaction necessary to complete the merger, which is referred to herein as the Global Refinancing, pursuant to which Cumulus Media intends to refinance an aggregate of $1.4 billion (as of March 31, 2011) in outstanding senior and subordinated indebtedness of each of (i) Cumulus Media (other than Cumulus Media s recently issued $610.0 million of 7.75% senior notes due 2019 (the 2019 Notes)), (ii) CMP Susquehanna Corporation, an indirectly wholly-owned subsidiary of CMP (CMPSC), and (iii) Citadel, as well as preferred stock of Radio Holdings (defined herein), all pursuant to a debt commitment letter (the Debt Commitment) that provides for up to $2.415 billion in senior secured financing pursuant to the Acquisition

Credit Facility (defined herein).

CMP Acquisition

On January 31, 2011, Cumulus Media entered into an Exchange Agreement (the Exchange Agreement) with affiliates of Bain Capital Partners LLC (Bain), Blackstone and Thomas H. Lee Partners (THL and, together with Bain and Blackstone, the CMP Sellers). Pursuant to the Exchange Agreement, Cumulus Media agreed to (i) acquire all of the outstanding equity interests of CMP that it currently does not own in exchange for 3,315,238 shares of Cumulus Media Class A common stock and 6,630,476 shares of Cumulus Media

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Class D common stock (the CMP Acquisition) and (ii) enter into an agreement with holders of currently outstanding warrants (the Radio Holdings Warrants) to purchase 3,740,893 shares of common stock of CMP Susquehanna Radio Holdings Corp., an indirect wholly-owned subsidiary of CMP (Radio Holdings), which agreement would amend the Radio Holdings Warrants to provide that, upon the closing of the CMP Acquisition, in lieu of being exercisable for shares of common stock of Radio Holdings, the Radio Holdings Warrants would instead be exercisable for an aggregate of 8,267,968 shares of Cumulus Media Class D common stock. As a result of the transactions contemplated by the Exchange Agreement, CMP will become Cumulus Media s wholly-owned subsidiary, and holders of the Radio Holdings Warrants will be entitled to acquire shares of Cumulus Media common stock rather than shares of stock of Cumulus Media s subsidiary.

For the three months ended March 31, 2011 and the year ended December 31, 2010, CMP had net revenues of $39.1 million and $188.7 million, respectively.

The Global Refinancing

In connection with the merger agreement and the Investment Agreement, Cumulus Media obtained the Debt Commitment from a group of banks affiliated with certain of the initial purchasers of the 2019 Notes (the 2019 Notes Offering), pursuant to which they have committed to provide financing for Cumulus Media to complete the merger and the Global Refinancing. In accordance with the Debt Commitment, Cumulus Media expects to enter into a credit facility with a syndicate of lenders, agents and arrangers, including JPMorgan Chase Bank, N.A., UBS Loan Finance LLC, MIHI LLC (an affiliate of Macquarie), Royal Bank of Canada and ING Capital LLC (ING Capital) as lenders and agents, and J.P. Morgan, UBS Securities, Macquarie, RBC Capital Markets, LLC and ING Capital as joint lead arrangers and joint book-runners, and ING Capital as co-syndication agent (the Acquisition Credit Facility).

Cumulus Media currently expects that the Acquisition Credit Facility will provide senior secured financing of $2.415 billion, consisting of:

- a $2.040 billion term loan facility, with a maturity date that is seven years from the closing of the merger; and

- a $375.0 million revolving credit facility, with a maturity date that is five years from the closing of the merger.

Cumulus Media s expected borrowings under each of the term loan facility and the revolving credit facility at the closing of the merger will depend upon the aggregate amount of cash the Citadel stockholders elect to receive pursuant to the merger agreement, whether the CMP Acquisition is closed prior to the closing of the merger, the amount of cash on hand at Cumulus Media, CMP and Citadel at the closing of the merger, and any debt reduction occurring prior thereto from cash from operations, all of which will depend on the timing of such closing.

The Debt Commitment also included commitments from the lenders for $500.0 million in senior unsecured bridge financing (the Acquisition Bridge Facility). As a result of the 2019 Notes Offering, Cumulus Media has eliminated the need to borrow under the Acquisition Bridge Facility, and the lenders commitments thereunder have been accordingly reduced to zero. The Debt Commitment continues to provide the lenders with the right, under certain circumstances, to reallocate a portion of the amount expected to be borrowed as part of the term loan under the Acquisition Credit Facility to the Acquisition Bridge Facility.

Cumulus Media currently anticipates that, in connection with the consummation of the merger and the Global Refinancing, and as a result of its use of the proceeds of the 2019 Notes Offering to repay the $575.8 million outstanding as of March 31, 2011, under the term loan facility of Cumulus Media s existing credit agreement (the Existing Credit Agreement) and, assuming that Cumulus Media completes the CMP Acquisition as planned prior to completing the merger, Cumulus Media will utilize proceeds from the Equity Investment and the Global Refinancing as follows:

between approximately $1.153 billion and $1.504 billion to fund the cash portion of the purchase price in the merger (depending on exercise of cash or stock elections under the merger agreement);

approximately $659.9 million (based on amounts outstanding at March 31, 2011) to repay all amounts outstanding under the credit facilities of CMPSC (the CMPSC Credit Agreement), the 9.875% Senior Subordinated Notes due 2014 of CMPSC (the CMP 9.875% Notes) and the Variable Rate Senior Secured Notes due 2014 of CMPSC (the CMP 2014 Notes), and to redeem in accordance with their terms all outstanding shares of preferred stock of Radio Holdings, with an aggregate redemption value of approximately $38.9 million (collectively, the CMP Refinancing);

approximately $787.2 million (based on amounts outstanding at March 31, 2011) to repay all amounts outstanding, including any accrued interest and the premiums thereon, under Citadel s existing credit agreement (the Citadel Credit Facilities) and its senior notes due 2018 (the Citadel Senior Notes); and

approximately $146.7 million to pay estimated fees and expenses related to the merger, the Equity Investment and the Acquisition Credit Facility.

The actual timing of each of these proposed and pending transactions will depend upon a number of factors, including the various conditions set forth in the respective transaction agreements. There can be no assurance that any of such pending or proposed transactions will be consummated or that, if any of such transactions is consummated, the timing or terms thereof will be as described herein and as presently contemplated.

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INFORMATION ABOUT CITADEL

Citadel Broadcasting Corporation, headquartered in Las Vegas, Nevada, is the third largest radio broadcasting company in the United States based on net radio revenue as of March 31, 2011, behind Clear Channel Communications, Inc. and CBS Corporation. Citadel operates in two reportable segments. Radio stations serving the same geographic area (i.e., principally a city or combination of cities) that are owned and/or operated by Citadel are referred to as a market, and Citadel aggregates the geographic markets in which it operates into one reportable segment. Citadel s primary business segment is the Radio Markets segment, which, as of March 31, 2011, consisted of 225 owned and operated radio stations located in over 50 markets across the United States. Citadel also owns and operates Radio Network, one of the largest radio networks in the country, which produces and distributes a variety of radio programming and formats that are syndicated across approximately 4,000 station affiliates and 9,000 program affiliations, and is a separate reportable segment.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables present selected historical consolidated financial data for Cumulus Media as of and for the three months ended March 31, 2011 and 2010 and the fiscal years ended December 31, 2010, 2009, 2008, 2007 and 2006. The information should be read in conjunction with Cumulus Media s consolidated financial statements and the related notes thereto and the information under the heading Management s Discussion and Analysis of Financial Conditions and Results of Operations set forth in its quarterly report on Form 10-Q for the quarterly period ended March 31, 2011 and its annual report on Form 10-K for the fiscal year ended December 31, 2010, each of which is incorporated by reference into this document. The information as of and for the fiscal years ended December 31, 2007 and 2006 should be read in conjunction with Cumulus Media s consolidated financial statements and related notes thereto, each of which is not incorporated by reference into this document.

The following tables also present selected historical consolidated financial data for Citadel as of and for the three months ended March 31, 2011 and 2010, as of and for the fiscal years ended December 31, 2009, 2008, 2007 and 2006, as of December 31, 2010, and for the periods from January 1, 2010 through May 31, 2010 and from June 1, 2010 through December 31, 2010. This information should be read in conjunction with Citadel s consolidated financial statements and the related notes thereto and the information under the heading Management s Discussion and Analysis of Financial Condition and Results of Operations set forth in Citadel s quarterly report on Form 10-Q for the quarterly period ended March 31, 2011 and Citadel s annual report on Form 10-K for the fiscal year ended December 31, 2010, each of which is incorporated by reference in this document. The information as of and for the fiscal years ended December 31, 2007 and 2006 should be read in conjunction with Citadel s consolidated financial statements and related notes thereto, each of which is not incorporated by reference into this document.

As a result of Citadel s emergence from Chapter 11 proceedings and its adoption of fresh-start accounting, Citadel s selected historical consolidated financial information for periods prior to May 31, 2010 (the Fresh-Start Date) and shown in the Predecessor columns below, will not be comparable to financial information for periods following Citadel s emergence from Chapter 11 proceedings shown in the Successor columns below. In addition, Citadel s results of operations for the period from January 1, 2010 through May 31, 2010 and the period from June 1, 2010 through December 31, 2010 are not necessarily indicative of its operating results to be expected for a full fiscal year.

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Cumulus Media:

	Three Months Ended March 31, 2011 (Unaudited)	Three Months Ended March 31, 2010 (Unaudited)	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007	Year Ended December 31, 2006(4)
	(Dollars in thousands, except per share data)						
Statement of Operations Data:							
Net revenues	$ 57,858	$ 56,358	$ 263,333	$ 256,048	$ 311,538	$ 328,327	$ 334,321
Station operating expenses (excluding depreciation, amortization and LMA fees)	37,555	39,926	159,807	165,676	203,222	210,640	214,089
Depreciation and amortization	2,123	2,517	9,098	11,136	12,512	14,567	17,420
LMA fees	581	529	2,054	2,332	631	755	963
Corporate general and administrative (including non-cash stock compensation expense)	8,129	4,066	18,519	20,699	19,325	26,057	41,012
Gain on exchange of assets or stations	(15,158)			(7,204)		(5,862)	(2,548)
Realized loss on derivative instrument	40	584	1,957	3,640			
Impairment of intangible assets and goodwill(1)			671	174,950	498,897	230,609	63,424
Other operating expense					2,041	2,639	
Operating income (loss)	24,588	8,736	71,227	(115,181)	(425,090)	(151,078)	(39)
Interest expense, net	(6,318)	(8,829)	(30,307)	(33,989)	(47,262)	(60,425)	(42,360)
Terminated transaction (expense) income			(7,847)		15,000		
Losses on early extinguishment of debt						(986)	(2,284)
Other (expense) income, net	(2)	(53)	108	(136)	(10)	117	(98)
Income tax (expense) benefit	(2,149)	2	(3,779)	22,604	117,945	38,000	5,800
					(22,252)	(49,432)	(5,200)

Equity losses in affiliate							
Net income (loss)	$ 16,119	$ (144)	$ 29,402	$ (126,702)	$ (361,669)	$ (223,804)	$ (44,181)
Basic income (loss) per common share	$ 0.38	$ (0.01)	$ 0.70	$ (3.13)	$ (8.55)	$ (5.18)	$ (0.87)
Diluted income (loss) per common share	$ 0.37	$ (0.01)	$ 0.69	$ (3.13)	$ (8.55)	$ (5.18)	$ (0.87)
Other Data:							
Station Operating Income(2)	$ 20,303	$ 16,432	$ 103,526	$ 90,372	$ 108,316	$ 117,687	$ 120,232
Station Operating Income margin(3)	35.1%	29.2%	39.3%	35.3%	34.8%	35.8%	36.0%
Cash flows related to:							
Operating activities	$ 10,026	$ 12,095	$ 42,738	$ 28,691	$ 76,654	$ 46,057	$ 65,322
Investing activities	(1,786)	(451)	(2,425)	(3,060)	(6,754)	(29)	(19,217)
Financing activities	(18,619)	(12,918)	(43,723)	(62,410)	(49,183)	(16,134)	(48,834)
Capital expenditures	(502)	(431)	(2,353)	(3,110)	(6,069)	(4,789)	(9,211)

	March 31, 2011 (Unaudited)	**December 31, 2010**	**2009**	**2008**	**2007**	**2006(4)**
	(Dollars in thousands, except per share data)					
Balance Sheet Data:						
Total assets	$ 318,876	$ 319,636	$ 334,064	$ 543,519	$ 1,060,542	$ 1,333,147
Long-term debt (including current portion)	573,269	591,008	633,508	696,000	736,300	731,250
Total stockholders (deficit) equity	$ (324,403)	$ (341,309)	$ (372,512)	$ (248,147)	$ 119,278	$ 337,007

(1) Impairment charge recorded in connection with Cumulus Media s interim and annual impairment testing under Accounting Standards Codification (ASC) 350. See Note 4, Intangible Assets and Goodwill, in the notes to Cumulus Media s audited consolidated financial statements incorporated by reference in this information statement/proxy statement/prospectus for further discussion.

(2) Station Operating Income consists of operating income before depreciation and amortization, LMA fees, non-cash stock compensation, other corporate general and administrative expenses excluding non-cash stock compensation expense, any gain on exchange of assets or stations, any realized loss on derivative instrument, impairment of intangible assets and goodwill, costs associated with Cumulus Media s terminated attempt to purchase radio station WTKE-FM in Holt, Florida (in 2008 and 2007). Station Operating Income should not be considered in isolation or as a substitute for net (loss) income, operating (loss) income, cash flows from operating activities or any other measure for determining Cumulus Media s operating performance or liquidity that is calculated in accordance with accounting principles generally accepted in the United States (GAAP). Cumulus Media excludes depreciation and amortization due to the insignificant investment in tangible assets required to operate its stations and the relatively insignificant amount of intangible assets subject to amortization. Cumulus Media excludes LMA fees from this measure, even though they require a cash commitment, due to the insignificance and temporary nature of such fees. Corporate expenses, despite representing an additional significant cash commitment, are excluded in an effort to present the operating performance of Cumulus Media s stations exclusive of the corporate resources employed. Cumulus Media excludes terminated transaction costs due to the temporary nature of such costs. Finally, Cumulus Media excludes non-cash stock compensation, any gain or loss on exchange of assets or stations, any realized gain or loss on derivative instrument, and impairment of intangible assets and goodwill from the measure as they do not represent cash payments for activities related to the operation of the stations. Cumulus Media believes that this is important to investors because it highlights the gross margin generated by Cumulus Media s station portfolio.

Cumulus Media believes that Station Operating Income is the most frequently used financial measure in determining the market value of a radio station or group of stations and to compare the performance of radio station operators. Cumulus Media has observed that Station Operating Income is commonly employed by firms that provide appraisal services to the broadcasting industry in valuing radio stations. Further, in connection with Cumulus Media s historical acquisitions, it has used Station Operating Income as its primary metric to evaluate and negotiate the purchase price to be paid. Given its relevance to the estimated value of a radio station, Cumulus Media believes, and its experience indicates, that investors consider the measure to be extremely useful in order to determine the value of Cumulus Media s portfolio of stations. Additionally, Station Operating Income is one of the measures that Cumulus Media s management uses to evaluate the performance and results of its stations. Cumulus Media s management uses the measure to assess the performance of its station managers and Cumulus Media s board of directors uses it to determine the relative performance of Cumulus Media s executive management. As a result, in disclosing Station Operating Income, Cumulus Media is providing investors with an analysis of its performance that is consistent with that which is utilized by Cumulus Media s management and Cumulus Media s board of directors.

Station Operating Income is not a recognized term under GAAP and does not purport to be an alternative to operating income from continuing operations as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Additionally, Station Operating Income is not intended to be a measure of free cash flow available for dividends, reinvestment in Cumulus Media s business or other Cumulus Media discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. Station Operating Income should be viewed as a supplement to, and not a substitute for, results of operations presented on the basis of GAAP. Cumulus Media compensates for the limitations of using Station Operating Income by using it only to supplement its GAAP results to provide a more complete understanding of the factors and trends affecting Cumulus Media s business than GAAP results alone. Station Operating Income has its limitations as an analytical tool, and investors should not consider it in isolation or as a substitute for analysis of Cumulus Media s results as reported under GAAP. Moreover, because not all companies use identical calculations, these

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presentations of Station Operating Income may not be comparable to other similarly titled measures of other companies.

A reconciliation of Station Operating Income to operating income (loss), net (the most closely comparable measure prepared in accordance with GAAP) is presented below.

	Three Months Ended March 31,		Year Ended December 31,				
	2011	2010	2010	2009	2008	2007	2006(4)
	(Unaudited)						
	(Dollars in thousands)						
Operating income (loss)	$ 24,588	$ 8,736	$ 71,227	$ (115,181)	$ (425,090)	$ (151,078)	$ (39)
Depreciation and amortization	2,123	2,517	9,098	11,136	12,512	14,567	17,420
LMA fees	581	529	2,054	2,332	631	755	963
Non-cash stock compensation	589	(101)	2,451	2,879	4,663	9,212	24,447
Corporate general and administrative	7,540	4,167	16,068	17,820	14,662	16,845	16,565
Gain on exchange of assets or stations	(15,158)			(7,204)		(5,862)	(2,548)
Realized loss on derivative instrument	40	584	1,957	3,640			
Impairment of intangible assets and goodwill			671	174,950	498,897	230,609	63,424
Other operating expense					2,041	2,639	
Station Operating Income	$ 20,303	$ 16,432	$ 103,526	$ 90,372	$ 108,316	$ 117,687	$ 120,232

(3) Station Operating Income margin is defined as Station Operating Income as a percentage of net revenues.

(4) Cumulus Media recorded certain immaterial adjustments to the 2006 consolidated financial data.

Citadel:

	Successor	Predecessor	Successor		Predecessor
			Period from	Period from	

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010	June 1, 2010 through December 31, 2010	January 1, 2010 through May 31, 2010	2009	Years Ended December 31, 2008	2007	2006
	(Unaudited)							
			(Dollars in thousands, except per share amounts)					
Operating data:(1)								
Net revenue	$ 160,022	$ 165,028	$ 444,142	$ 295,424	$ 723,620	$ 863,121	$ 719,757	$ 432,930
Operating expenses:								
Cost of revenue, exclusive of depreciation and amortization shown separately below	68,522	68,978	164,594	116,103	306,648	353,014	254,727	120,270
Selling, general and administrative	46,192	46,631	113,637	78,582	203,871	227,517	195,611	126,558
Corporate general and administrative expenses	14,452	5,160	26,394	8,929	26,320	32,049	44,642	30,287
Local marketing agreement fees	99	269	379	455	1,027	1,334	1,326	1,268
Asset impairment and disposal charges(2)					985,653	1,208,208	1,612,443	174,049
Depreciation and amortization	23,043	6,855	58,564	11,365	35,599	45,264	30,678	16,740
Non-cash amounts related to contractual obligations(3)						21,440		

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	Successor	Predecessor	Successor	Predecessor				
	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010	Period from June 1, 2010 through December 31, 2010	Period from January 1, 2010 through May 31, 2010	2009	Years Ended December 31, 2008	2007	200(
	(Unaudited)							
	(Dollars in thousands, except per share amounts)							
, net(4)	7,284	(2)	7,486	854	6,841	(1,688)	(3,900)	(1,
operating ses:	159,592	127,891	371,054	216,288	1,565,959	1,887,138	2,135,527	468,
ating income	430	37,137	73,088	79,136	(842,339)	(1,024,017)	(1,415,770)	(35,
ganization , net(5)		13,480		(1,014,077)	4,556			
est expense, net	12,411	10,521	45,365	17,771	190,175	211,818	100,741	32,
guishment of 6)			20,969		(428)	(114,736)		
-off of deferred cing costs and discount upon guishment of and other debt d fees(6)			984		814	11,399	555	
) income before ne taxes	(11,981)	13,136	5,770	1,075,442	(1,037,456)	(1,132,498)	(1,517,066)	(68,
ne tax (benefit) ise	(5,343)	1,656	7,553	5,737	(254,097)	(162,679)	(231,830)	(20,
oss) income cable to non shares	$ (6,638)	$ 11,480	$ (1,783)	$ 1,069,705	$ (783,359)	$ (969,819)	$ (1,285,236)	$ (48,
oss) income per :								
	$ (0.15)	$ 0.04	$ (0.04)	$ 4.02	$ (2.97)	$ (3.69)	$ (6.61)	$ ((
ed	$ (0.15)	$ 0.04	$ (0.04)	$ 3.99	$ (2.97)	$ (3.69)	$ (6.61)	$ ((
ends declared nare	$	$	$	$	$	$	$ 0.18	$ (

al distribution red per share	$	$	$	$	$	$	$ 2.4631	$
hted average non shares anding:								
	45,625	266,085	45,625	266,041	263,989	262,812	194,374	111,
ed	45,625	268,005	45,625	267,961	263,989	262,812	194,374	111,
r data:								
flow provided sed in):								
ating activities	$ 36,872	$ 48,489	$ 93,636	$ 44,587	$ 65,653	$ 130,852	$ 171,923	$ 136,
ting activities	441	(5,830)	(278)	(11,152)	(10,148)	(9,838)	(1,588)	(41,
cing activities	(3,680)	(41)	(72,480)	(130)	(16,698)	(302,701)	26,239	(95,
al expenditures	1,558	2,164	6,671	3,409	7,761	8,920	12,345	11,
nt tax expense fit)	272	280	1,496	587	(8,580)	13,489	3,512	2,
red tax fit) expense	(5,615)	1,376	6,057	5,150	(245,517)	(176,168)	(235,342)	(22,

	Successor		Predecessor			
	March 31,	December 31,	December 31,			
	2011	2010	2009	2008	2007	2006
	(Unaudited)					
	(Dollars in thousands)					
Balance sheet data:						
Cash and cash equivalents	$ 145,257	$ 111,624	$ 57,441	$ 18,634	$ 200,321	$ 3,747
Intangible assets, net(2)	1,858,682	1,883,389	960,058	1,963,973	3,211,303	1,967,204
Total assets	2,407,445	2,408,114	1,417,989	2,432,970	3,843,435	2,173,696
Long-term debt and other liabilities (including current portion)	803,065	808,428	2,243,025	2,206,918	2,532,527	751,021
Liabilities subject to compromise(7)			2,270,418			
Stockholders equity (deficit)	1,280,050	1,274,657	(1,071,858)	(298,948)	627,239	1,124,308
Working capital(8)	249,166	227,632	201,443	106,141	324,497	50,438
Working capital with liabilities subject to compromise(8)			(2,068,975)			

(1) Citadel s selected consolidated historical financial data includes the operating results, acquired assets and assumed liabilities of Citadel s consummation of the separation of the ABC Radio Network business and 22 ABC radio stations (collectively, the ABC Radio Business) from The Walt Disney Company and its subsidiaries subsequent to June 12, 2007, the closing date of its acquisition by Citadel.

(2) Citadel performed its 2010 annual evaluation of FCC licenses and goodwill as of October 1, the annual testing date. Based on the results of Citadel s 2010 annual impairment evaluation, the fair values of its FCC Authorizations more likely than not exceeded their carrying values and, therefore, no impairment of these assets had occurred as of the date of the annual test. Citadel conducted impairment tests during the years ended December 31, 2009, 2008, 2007 and 2006, which resulted in non-cash impairment charges of $933.1 million, $1,197.4 million, $1,591.5 million and $174.0 million, respectively, on a pre-tax basis, to reduce the carrying amounts of its FCC Authorizations and goodwill. Asset impairment charges of $42.6 million, on a pre-tax basis, were recognized by Citadel during the year ended December 31, 2009 to reduce the carrying amounts of its customer and affiliate relationships to their estimated fair values. Additionally, Citadel recognized non-cash impairment and disposal charges of $10.0 million, $10.8 million and $20.9 million during the years ended December 31, 2009, 2008 and 2007, respectively, to write down the carrying amounts of certain stations to be divested by it to their estimated fair market values.

(3) Operating income for 2008 reflects a non-cash charge of approximately $21.4 million primarily due to Citadel s settlement with its previous national representation firm. Under the terms of the settlement, Citadel s new representation firm settled Citadel s obligations under the settlement agreement with its previous representation firm and entered into a new long-term contract with Citadel.

(4) Other, net of approximately $7.3 million for the three months ended March 31, 2011 includes approximately $6.5 million in costs related to the merger. For the period from June 1, 2010 through December 31, 2010, other, net of $7.5 million includes approximately $6.0 million of bankruptcy-related expenses incurred by the Successor. Other, net of approximately $6.8 million for 2009 includes $9.0 million of bankruptcy-related costs for financial advisory services and legal expenditures, offset by income due to a contract adjustment related to the ABC Radio Business of approximately $2.4 million.

(5) Reorganization costs associated with the Predecessor s bankruptcy filing in December 2009 were $13.5 million for the three months ended March 31, 2010. This amount represented $11.4 million in professional fees paid for legal, consulting, and other related services and $2.1 million to adjust the liability related to rejected executory contracts to their estimated allowed claim amounts. Included in

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reorganization items during the period from January 1, 2010 through May 31, 2010 were (a) adjustments resulting from the application of fresh-start accounting to reflect the revaluation of assets and liabilities upon Citadel s emergence from bankruptcy, resulting in a net gain of $921.8 million, (b) the restructuring of Citadel s capital structure and resulting discharge of pre-petition debt in accordance with Citadel s second modified joint plan of reorganization (the Emergence Plan), resulting in a gain of $139.8 million and (c) expenses incurred related to certain emergence-related items, legal, consulting and other professional services, and amounts resulting from the rejection of certain executory contracts of $47.5 million. The reorganization items incurred during the year ended December 31, 2009 represent primarily $4.1 million for the write-off of deferred financing costs and $0.5 million in professional fees incurred by the Predecessor. Beginning on the Fresh-Start Date, continuing expenses related to the remaining bankruptcy matters are recorded in other, net in the Successor s statement of operations.

(6) During the period from June 1, 2010 through December 31, 2010, Citadel repaid the principal balance outstanding under a term loan, dated as of June 3, 2010, among Citadel, the several lenders party thereto and JPMorgan Chase Bank, N.A. (the Emergence Term Loan Facility) with the proceeds from the issuance of the Citadel Senior Notes and borrowings under a separate term loan agreement, along with cash on hand. Pursuant to the terms of the Emergence Term Loan Facility, a prepayment penalty of $38.0 million was incurred; this was netted against the write off of the unamortized balance of the valuation adjustment of $17.1 million, which resulted in loss on extinguishment of debt of $21.0 million. In connection with this repayment, Citadel also wrote off the unamortized balance of deferred financing costs of $1.0 million. On June 12, 2007, the Predecessor entered into a senior credit and term facility (the Predecessor Senior Credit and Term Facility) and used the proceeds to repay the outstanding balance of Citadel s then-existing senior credit facility. As a result, Citadel wrote off $0.6 million of deferred financing costs. The Predecessor Senior Credit and Term Facility was amended in 2008 and 2009, which, among other things, permitted Citadel to make voluntary prepayments of the Predecessor Senior Credit and Term Facility, subject to certain conditions. In connection with these modifications and the related prepayments, during the years ended December 31, 2009 and 2008, Citadel wrote off $0.2 million and $3.5 million of debt issuance costs, respectively. Additionally, in connection with the fourth amendment to the Predecessor Senior Credit and Term Facility in March 2009, Citadel recognized expense of $0.6 million related to costs paid to third parties, and Citadel wrote off $0.6 million in debt issuance costs related to the third amendment to the Predecessor Senior Credit and Term Facility in November 2008, which permanently reduced the aggregate revolving credit commitments available. In connection with the repurchase of a portion of Citadel s convertible subordinated notes, Citadel also wrote off approximately $2.3 million of debt issuance costs and $5.0 million of debt discount during the year ended December 31, 2008. Also in 2008, Citadel recognized gains of approximately $58.4 million and $56.3 million, both net of transaction fees, related to the early extinguishment of a portion of its Predecessor Senior Credit and Term Facility and the repurchase of a portion of its convertible subordinated notes, respectively. The repurchase of a portion of the convertible subordinated notes during the year ended December 31, 2009 resulted in a gain of $0.4 million.

(7) Liabilities subject to compromise consist of pre-petition claims that were expected to be restructured or impaired pursuant to the Emergence Plan and include primarily the balance of Citadel s senior debt as of December 31, 2009.

(8) Working capital is calculated using current assets less current liabilities not subject to compromise. Working capital with liabilities subject to compromise is calculated using current assets less current liabilities and liabilities subject to compromise.

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UNAUDITED SELECTED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following unaudited selected pro forma condensed consolidated financial information is based on the historical consolidated financial statements of each of Cumulus Media and Citadel, each of which are incorporated by reference in this information statement/proxy statement/prospectus.

The following unaudited selected pro forma condensed consolidated financial information is intended to provide you with information about how each of the CMP Acquisition and the merger, and the related refinancing transactions, might have affected Cumulus Media s historical consolidated financial statements if such transactions had closed as of January 1, 2010, in the case of the statements of operations information and as of March 31, 2011, in the case of the balance sheet information.

The unaudited selected pro forma condensed consolidated financial information is presented on:

a CMP Pro Forma Basis, giving effect to the 2019 Notes Offering and the CMP Acquisition (including certain developments in CMP s business);

a Citadel Pro Forma Basis, giving effect to the 2019 Notes Offering, the merger and the Global Refinancing (excluding any portion thereof related to the refinancing of CMP Debt); and

an Overall Pro Forma Basis, giving effect to the 2019 Notes Offering, the CMP Acquisition (including certain developments in CMP s business), the merger and the Global Refinancing.

Pursuant to the merger agreement, Cumulus Media has agreed to issue to holders of Citadel common stock (including holders of warrants to acquire Citadel common stock) up to 151,485,282 shares of Cumulus Media common stock (plus an additional number of shares based upon the number of shares of common stock that are issued upon the exercise of stock options to purchase shares of Citadel common stock prior to the closing date of the merger and have agreed to pay to holders of Citadel common stock (including holders of warrants to acquire Citadel common stock) up to $1,408.7 million in cash (plus an additional amount based upon the number of Citadel shares of common stock that are issued upon the exercise of stock options to purchase shares of Citadel common stock prior to the closing of the merger, less the cash value of any dissenting shares), with the actual number of shares to be issued, and amount of cash to be paid, dependent upon elections to be made by Citadel stockholders prior to the completion of the merger. For purposes of this unaudited selected pro forma condensed consolidated financial information, Cumulus Media has assumed that the merger consideration will consist of $1,258.2 million in cash and the issuance of 114,872,375 shares of Cumulus Media Class A common stock (which represents the arithmetic mean, or midpoint, of the amount of cash which would be payable, and the number of shares of Cumulus Media Class A common stock which would be issuable to holders of Citadel common stock based on the Cash Consideration Cap and the Stock Consideration Cap), which shares have an assumed aggregate value of $390.6 million (based on an assumed price per share of Cumulus Media Class A common stock of $3.40, the closing price of such common stock on the Nasdaq Global Select Market on June 20, 2011, the most recent practicable date). If Citadel stockholders and warrant holders make elections such that the merger consideration is payable at the Cash Consideration Cap, Cumulus Media would potentially draw an additional $70.0 million under the revolving credit facility from that shown as borrowed under the mid-point model presented in the following unaudited selected pro forma condensed consolidated financial information, which would have resulted in additional interest expense of $0.6 million for the three months ended March 31, 2011 and $2.6 million for the twelve months ended December 31, 2010.

Each of the CMP Acquisition and the merger will be accounted for as a business combination using the acquisition method of accounting and, accordingly, is expected to result in the recognition of assets acquired and liabilities assumed at fair value. However, as of the date of this information statement/proxy statement/prospectus, Cumulus Media has not performed the valuation studies necessary to estimate the fair values of the assets Cumulus Media expects to acquire and the liabilities Cumulus Media expects to assume to reflect the allocation of purchase price to the fair values of such amounts.

For purposes of preparing the pro forma adjustments to reflect the CMP Acquisition, Cumulus Media has estimated the fair values of the indefinite-lived intangible assets based on information available as of December 31, 2010. For purposes of preparing the pro forma adjustments to reflect the merger, Cumulus Media has carried forward the net book value of the tangible assets and indefinite-lived and definite-lived intangible assets from those appearing in Citadel s consolidated financial statements as of December 31, 2010, which are incorporated by reference into this information statement/proxy statement/prospectus, as Cumulus Media does not have any independent third-party valuations or other valuation studies estimating the value of these intangible assets. However, due to Citadel s application of fresh-start accounting upon its emergence from bankruptcy on June 3, 2010, Citadel s tangible and intangible assets were adjusted to fair value during 2010. For each of the CMP Acquisition and the merger, the excess of the consideration expected to be transferred over the fair value of the net assets expected to be acquired has been presented as an adjustment to goodwill. Cumulus Media has not estimated the fair value of other assets expected to be acquired or liabilities expected to be assumed, including, but not limited to, current assets, property and equipment, current liabilities, other miscellaneous liabilities and other finite-lived intangible assets and related deferred tax liabilities. A final determination of these fair values will be based upon appraisals prepared by independent third parties and on the actual tangible and identifiable intangible assets and liabilities that exist as of the closing date of each respective acquisition. The actual allocations of the consideration transferred may differ materially from the allocation assumed in this unaudited selected pro forma condensed consolidated financial information.

The presentation of financial information on an Overall Pro Forma Basis for the year ended December 31, 2010 includes the combined results of operations of Citadel for its predecessor and successor periods. In connection with its emergence from bankruptcy on June 3, 2010 and in accordance with accounting guidance on reorganizations, Citadel adopted fresh-start accounting as of May 31, 2010. See the footnotes to Citadel s audited historical financial statements incorporated by reference into this information statement/proxy statement/prospectus, for more information. Historical financial results of Citadel are presented for the Predecessor entity for periods prior to Citadel s emergence from bankruptcy and for the Successor entity for periods after Citadel s emergence from bankruptcy. As a result, financial results of periods prior to Citadel s adoption of fresh-start accounting are not comparable to financial results of periods after that date. The combined operating results of Citadel including the Successor and Predecessor periods in 2010 are not necessarily indicative of the results that may be expected for a full fiscal year. Presentation of the combined financial information of the Predecessor and Successor for the twelve months ended December 31, 2010 is not in accordance with GAAP. However, Citadel believes that the combined financial information is useful for management and investors to assess Citadel s ongoing financial and operational performance and trends.

The unaudited pro forma condensed consolidated financial information below is based upon currently available information and estimates and assumptions that Cumulus Media believes are reasonable as of the date hereof. These estimates and assumptions relate to matters including, but not limited to, Cumulus Media s stock price at the date of closing of each of the CMP Acquisition and the merger (assumed to be $3.40 per share, the closing price of Cumulus Media s common stock on the Nasdaq Global Select Market on June 20, 2011, the most recent practicable date), which will be used to determine a portion of the final purchase price consideration, the LIBOR rate in effect for borrowings at the date of closing of the Global Refinancing, which will be used to determine the interest rate on borrowings under the Acquisition Credit Facility, and the form of the investment in Cumulus Media equity securities made by MIHI LLC pursuant to the Investment Agreement, which is assumed to be common stock, all of which will impact, among other things, Cumulus Media s available cash, interest expense and stockholders equity. Cumulus Media has also assumed that, in connection with obtaining FCC or other federal regulatory approvals required to complete the merger, any radio stations that Cumulus Media may be required to divest would not be material to its consolidated financial position or results of operations and, as a result, it has not made a provision in this unaudited pro forma condensed consolidated financial information for any such divestitures.

Any of the factors underlying these estimates and assumptions may change or prove to be materially different, and the estimates and assumptions may not be representative of facts existing at the closing date of either the CMP Acquisition or the merger. The unaudited pro forma condensed consolidated financial information is presented for illustrative and informational purposes only and is not intended to represent or be indicative of what Cumulus Media s financial condition or results of operations would have been had the transactions described above occurred on or as of the dates indicated. The unaudited pro forma condensed consolidated financial information also should not be considered representative of Cumulus Media s future financial condition or results of operations. In addition to the pro forma adjustments to Cumulus Media s historical consolidated financial statements, various other factors are expected to have an effect on Cumulus Media s financial condition and results of operations, both before and after the closing of each of the CMP Acquisition or the merger and related financing transactions.

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You should read the unaudited selected pro forma condensed consolidated financial information in conjunction with the information under the heading Management s Discussion and Analysis of Financial Condition and Results of Operations, in each of Cumulus Media s and Citadel s respective Annual Reports on Form 10-K for the fiscal year ended December 31, 2010 and Quarterly Reports on Form 10-Q for the three months ended March 31, 2011, each of which is incorporated by reference in this information statement/proxy statement/prospectus, and the information under the heading Index to Unaudited Pro Forma Condensed Consolidated Financial Information, which is included elsewhere in this information statement/proxy statement/prospectus. You should also read this information in conjunction with each of Cumulus Media s and Citadel s consolidated financial statements and the related notes, which are incorporated by reference in this information statement/proxy statement/prospectus, and the consolidated financial statements and the related notes of CMP, which are included elsewhere in this information statement/proxy statement/prospectus.

	Three Months Ended March 31, 2011			Year Ended December 31, 2010		
	CMP Pro Forma Basis	Citadel Pro Forma Basis	Overall Pro Forma Basis	CMP Pro Forma Basis	Citadel Pro Forma Basis	Overall Pro Forma Basis
	(Dollars in thousands)					
Statement of Operations Data:						
Net revenues	$ 94,222	$ 217,880	$ 254,244	$ 441,008	$ 1,002,899	$ 1,180,574
Station operating expenses (excluding depreciation, amortization and LMA fees)	59,748	152,269	174,462	256,824	632,723	729,740
Depreciation and amortization	3,796	25,166	26,839	15,894	99,231	106,027
LMA fees	581	680	680	2,054	2,888	2,888
Corporate general and administrative (including non-cash stock compensation expense)	9,150	22,581	23,602	21,778	60,342	63,601
Gain (loss) on exchange of assets or stations	(15,158)	(14,992)	(14,992)	29	1,130	1,159
Realized loss on derivative instrument	40	40	40	1,957	1,957	1,957
Impairment of intangible assets and goodwill(1)				671	671	671
Other operating (expense) income	(6)	7,118	7,112		7,210	7,210
Operating income	36,071	25,018	36,501	141,801	196,747	267,321
Interest expense, net	(16,839)	(31,484)	(38,754)	(70,835)	(124,940)	(154,947)
Terminated transaction expense				(7,847)	(7,847)	(7,847)

Other income (expense), net				107	108	107
Income tax (expense) benefit	(2,384)	8,041	6,570	(14,153)	(3,295)	(17,668)
Net income (loss)	$ 16,848	$ 1,575	$ 4,317	$ 49,073	$ 60,773	$ 86,966

	As of March 31, 2011		
	CMP Pro Forma Basis	Citadel Pro Forma Basis	Overall Pro Forma Basis
		(Dollars in thousands)	
Balance Sheet Data:			
Total assets	$ 1,196,614	$ 3,122,457	$ 3,938,343
Long-term debt (including current portion)	1,230,984	2,287,161	2,908,145
Total stockholders (deficit) equity	(213,896)	391,096	477,943

(1) Impairment charge recorded in connection with Cumulus Media s interim and annual impairment testing under ASC 350. See Note 4, Intangible Assets and Goodwill, in the notes to Cumulus Media s audited consolidated financial statements incorporated by reference in this information statement/proxy statement/prospectus for further discussion.

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COMPARATIVE PER SHARE DATA

The following table shows, for the three months ended March 31, 2011 and the year ended December 31, 2010, historical and pro forma equivalent per share data for Citadel common stock and historical and pro forma combined per share data for Cumulus Media Class A common stock. The information in the table is derived from each of Cumulus Media s and Citadel s respective historical consolidated financial statements incorporated by reference herein, as well as the unaudited pro forma condensed consolidated financial information included elsewhere herein.

The Citadel pro forma equivalent information shows the effect of the merger from the perspective of an owner of Citadel common stock. The information was computed by multiplying the Citadel Pro Forma Basis combined (loss) income from continuing operations per share and Citadel Pro Forma Basis book value as of and for the respective period by the exchange ratio of 8.525 shares of Cumulus Media Class A common stock for each share of Citadel common stock in the merger, so that the per share amounts equate to the respective values for one share of Citadel common stock. For all periods presented, dividends are not included in the calculations as none were declared or paid. In the following tables, for all periods subsequent to Citadel s adoption of fresh-start accounting, the Citadel common stock columns include the outstanding number of shares of both Citadel s Class A common stock and Class B common stock and include warrants to purchase Citadel common stock, as all such components of Citadel s equity are treated equally for accounting purposes, and the distinctions relate solely to certain voting restrictions and conversion mechanisms in order to allow Citadel to comply with applicable FCC rules and policies. Furthermore, the pro forma equivalent and pro forma combined computations in the table below assume that Cumulus Media issues only shares of its Class A common stock to Citadel stockholders in the merger, which will be treated equally with Cumulus Media s Class B common stock (and warrants) for accounting purposes, with the distinctions relating only to certain voting restrictions and conversion mechanisms in order to allow Cumulus Media to comply with applicable FCC rules and policies. These computations exclude any potential impact, on a pro forma basis, of the completion of the CMP Acquisition, and also do not include any potential benefit to Citadel stockholders from receiving any amount of cash as a component of the merger consideration.

The Citadel Pro Forma Basis combined data below is presented for illustrative purposes only. The Citadel Pro Forma Basis adjustments to the statements of operations data are based on the assumption that the merger was consummated on January 1, 2010 in the case of the data for the three months ended March 31, 2011 and for the year ended December 31, 2010. The Citadel Pro Forma Basis adjustments to the balance sheet are based on the assumption that the merger was consummated on each of the respective dates presented below.

Actual financial condition and results of operations may have been different had the companies always been combined. You should not rely on this information as being indicative of the historical financial condition and results of operations that would have actually been achieved or of the future results of the combined company.

You should read the information below together with the historical financial statements and related notes of each of Cumulus Media and Citadel, which are incorporated by reference in this information statement/proxy statement/prospectus, as well as with the information under the heading Index to Unaudited Pro Forma

Condensed Consolidated Financial Information, included elsewhere herein. See Where You Can Find More Information beginning on page .

	Citadel Common Stock			Cumulus Media Class A Common Stock				
	Historical		**Citadel Pro Forma Basis Equivalent**		**Historical**		**Citadel Pro Forma Basis Combined**
(Loss) Income from Continuing Operations Per Share							
Basic							
Three Months Ended March 31, 2011	$ (0.15)	$	0.09	$	0.38	$	0.01
Year Ended December 31, 2010	(a)	$	3.34	$	0.70	$	0.39
Diluted							
Three Months Ended March 31, 2011	$ (0.15)	$	0.09	$	0.37	$	0.01
Year Ended December 31, 2010	(a)	$	3.32	$	0.69	$	0.39
Cash Dividends Declared Per Share							
Three Months Ended March 31, 2011							
Year Ended December 31, 2010	(a)						
Book Value Per Share							
March 31, 2011	$ 56.22	$	21.34	$	(8.99)	$	2.50
December 31, 2010	$ 56.22		N/A	$	(9.60)		N/A

(a) As a result of Citadel s emergence from Chapter 11 proceedings and its adoption of fresh-start accounting, historical information relating to Citadel common stock during the year ended December 31, 2010 is shown for the Predecessor for the period from January 1, 2010 through May 31, 2010, and for the Successor for the period from June 1, 2010 through December 31, 2010.

		Citadel Common Stock Historical
Loss (Income) from Continuing Operations Per Share		
Basic		
Successor-Period from June 1, 2010 through December 31, 2010	$	(0.04)
Predecessor-Period from January 1, 2010 through May 31, 2010	$	4.02
Diluted		
Successor-Period from June 1, 2010 through December 31, 2010	$	(0.04)
Predecessor-Period from January 1, 2010 through May 31, 2010	$	3.99
Cash Dividends Declared Per Share		
Successor-Period from June 1, 2010 through December 31, 2010	$	
Predecessor-Period from January 1, 2010 through May 31, 2010	$	

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COMPARATIVE MARKET VALUE OF SECURITIES

Cumulus Media Class A common stock is quoted on the Nasdaq Global Select Market under the symbol CMLS. Citadel Class A common stock and Citadel Class B common stock are each quoted by the OTC Link on the OTCQB tier under the symbols CDELA and CDELB, respectively. The following table shows the closing prices of each of Cumulus Media Class A common stock, Citadel Class A common stock and Citadel Class B common stock as reported on March 9, 2011, the last trading day prior to the public announcement of the merger, and on , 2011, the latest practicable date prior to the date of this information statement/proxy statement/prospectus. This table also shows the implied value of the merger consideration for each share of Citadel Class A common stock and Class B common stock, which was calculated by multiplying the closing price of Cumulus Media Class A common stock on the relevant date by the exchange ratio of 8.525 shares of Cumulus Media Class A common stock for each share of Citadel common stock. For purposes of this table, Cumulus Media assumed the issuance only of shares of Cumulus Media Class A common stock to Citadel stockholders in the merger, which shares have a publicly quoted market price, and which will be treated equally with Cumulus Media s Class B common stock (and warrants) for accounting purposes, with the distinctions relating only to certain voting restrictions and conversion mechanisms in order to allow Cumulus Media to comply with applicable FCC rules and policies. These computations also do not include any potential benefit to Citadel stockholders from receiving any amount of cash as a component of merger consideration.

	Closing Price of Cumulus Media Class A Common Stock	Closing Price of Citadel Class A Common Stock	Closing Price of Citadel Class B Common Stock	Implied Value of Merger Consideration
As of March 9, 2011	$ 5.10	$ 34.00	$ 34.37	$ 43.48
As of , 2011	$	$	$	$

The market price of Cumulus Media Class A common stock and Citadel Class A common stock and Citadel Class B common stock will fluctuate prior to Citadel s annual meeting and before the merger is completed, which will affect the implied value of the merger consideration to Citadel stockholders. You should obtain current market quotations for the shares before making any decisions with respect to the merger.

CITADEL ANNUAL MEETING

Information Statement/Proxy Statement/Prospectus

This information statement/proxy statement/prospectus is being furnished to Citadel stockholders in connection with the solicitation of proxies by Citadel s board of directors in connection with the annual meeting of Citadel stockholders.

This information statement/proxy statement/prospectus and the enclosed proxy card(s) are first being sent to Citadel stockholders on or about , 2011.

Date, Time and Place of the Citadel Annual Meeting

The Citadel annual meeting is to be held on , 2011, at , at .

Purpose of the Citadel Annual Meeting

At the Citadel annual meeting, holders of Citadel Class A common stock as of the record date will be asked to:

1. consider and vote upon the adoption of the merger agreement;

2. consider and vote upon the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting;

3. consider and vote upon the election of two class I director nominees to Citadel s board of directors;

4. consider and vote on a non-binding, advisory basis to approve compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger;

5. consider and vote upon the ratification of the appointment of Deloitte & Touche LLP to serve as Citadel s independent registered public accountants for the year ending December 31, 2011; and

6. consider and act upon such other business as may properly come before the annual meeting or any adjournment or postponement thereof.

In addition, at the Citadel annual meeting, holders of Citadel Class B common stock as of the record date will be asked to consider and vote, together with holders of Citadel Class A common stock as of the record date as a single class, upon Proposals 1 and 5 described above.

At this time, Citadel is not aware of any other matters that will be presented for a vote at the annual meeting. However, if any other matters properly come before the annual meeting, the proxies will have the discretion to vote upon such matters in accordance with their best judgment.

Voting Electronically or by Telephone

If your shares of common stock of Citadel are registered directly in your name on the records of The Bank of New York Mellon, you are considered a stockholder of record and will receive proxy materials from Citadel. If your shares are held through a broker, bank or other financial institution, you are considered the beneficial owner of shares held in street name and will receive proxy materials from your broker, bank or other institution.

Whether or not you plan to attend the Citadel annual meeting, your vote is important, and Citadel encourages you to vote promptly. You can ensure your shares are represented at the annual meeting by promptly submitting your proxy by Internet or by voting by telephone or marking, signing, dating and returning the appropriate proxy card in the envelope provided. Each valid proxy received in time will be voted at the annual meeting according to the choice specified, if any. A proxy may be revoked at any time before the proxy is voted, as outlined below.

Record Date and Voting

Holders of record, at the close of business on , 2011, of Citadel Class A common stock will be entitled to notice of and to vote at the Citadel annual meeting with regard to Proposals 1-5 described above. Holders of Citadel Class B common stock as of the record date will be entitled to notice of and to vote at the annual meeting, together with holders of Citadel Class A common stock as of the record date as a single class, with regard to Proposals 1 and 5 described above. On the record date there were total shares of Citadel common stock outstanding and entitled to vote at the annual meeting, held by approximately holders of record. Each of the shares of Citadel Class A common stock issued and outstanding on the record date is entitled to one vote at the annual meeting with regard to Proposals 1-5, and each of the shares of Citadel Class B common stock issued and outstanding on the record date is entitled to one vote at the annual meeting with regard to Proposals 1 and 5.

In order for business to be conducted at the Citadel annual meeting, a quorum must be present. For all matters, a majority of the shares of Citadel Class A common stock and Citadel Class B common stock, voting together as a single class, issued and outstanding as of the close of business on the record date and entitled to vote at the annual meeting, present in person or represented by proxy, constitutes a quorum. If a broker or other record holder of shares returns a proxy card indicating that it does not have discretionary authority to vote as to a particular matter, those shares will be treated as not entitled to vote on that matter. Abstentions and broker non-votes will be counted as shares present for purposes of determining whether a quorum is present.

If your proxy card is properly executed and received by Citadel in time to be voted at the Citadel annual meeting, the shares represented by your proxy (including those given through the Internet or by telephone) will be voted in accordance with the instructions that you mark on your proxy card. Executed but unvoted proxies will be voted in accordance with the recommendations of Citadel s board of directors.

Vote by Citadel s Directors and Executive Officers

As of the record date, Citadel directors and executive officers, and their affiliates, as a group, owned and were entitled to vote shares of Citadel Class A common stock, or approximately % of the outstanding Citadel Class A common stock, and shares of Citadel Class B common stock, or approximately % of the outstanding Citadel Class B common stock, and together with Citadel Class A common stock, approximately % of the outstanding shares of Citadel common stock. Citadel currently expects that its directors and executive officers will vote their shares in favor of Proposals 1, 2, 4 and 5, and in favor of each of the director nominees in Proposal 3, but none of Citadel s directors or executive officers have entered into any agreement obligating them to do so.

Vote Required

Proposal 1 requires the affirmative vote of a majority of the outstanding shares of Citadel Class A common stock and Class B common stock as of the record date, voting together as a single class, to be approved. Proposal 5 requires the affirmative vote of a majority of the votes cast at the annual meeting by holders of Citadel Class A common stock and Class B common stock as of the record date, voting together as a single class, to be approved.

Proposals 2 and 4 require the affirmative vote of a majority of the votes cast at the annual meeting by holders of Citadel Class A common stock as of the record date to be approved. Proposal 3 requires the affirmative vote of a plurality of the votes at the annual meeting by holders of Citadel Class A common stock as of the record date to be approved. With respect to each director nominee, Proposal 3 requires the affirmative vote of a plurality of the votes cast in person or by proxy at the Citadel annual meeting by holders of Citadel Class A common stock as the record date to be approved.

Adoption of merger agreement. The affirmative vote of the holders of a majority of the outstanding shares of Citadel Class A common stock and Class B common stock outstanding as of the record date, voting together as a single class, is required to adopt the merger agreement. The required vote of Citadel stockholders

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on the merger agreement is based upon the number of outstanding shares of Citadel common stock, and not the number of shares that are actually voted. Brokers do not have discretionary authority to vote on this Proposal. The failure to submit a proxy card or to vote by Internet, telephone or in person at the annual meeting of Citadel stockholders or the abstention from voting by Citadel stockholders, or the failure of any Citadel stockholder who holds shares in street name through a bank or broker to give voting instructions to such bank or broker (a broker non-vote), will have the same effect as a vote against the adoption of the merger agreement.

Approval of the adjournment of Citadel s annual meeting. The affirmative vote of a majority of the votes cast by holders of Citadel Class A common stock outstanding as of the record date at the annual meeting is required to approve the Proposal to adjourn the annual meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the annual meeting to adopt the merger agreement. The required vote of holders of Citadel Class A common stock to approve the Proposal to adjourn the annual meeting of Citadel stockholders, if necessary, to solicit additional proxies is based on the number of shares that are actually voted, not on the number of outstanding shares of Citadel Class A common stock. Brokers do not have discretionary authority to vote on this Proposal. The failure to submit a proxy card or to vote by Internet, telephone or in person at the annual meeting of Citadel s stockholders or the abstention from voting by holders of Citadel Class A common stock, or a broker non-vote, will have no effect on the Proposal to adjourn the annual meeting of Citadel s stockholders, if necessary, to solicit additional proxies.

Election of directors. The affirmative vote of a plurality of the shares of Citadel Class A common stock represented in person or by proxy at the Citadel annual meeting is required to elect each of the two class I director nominees to Citadel s board of directors. Brokers do not have the discretionary authority to vote on the election of directors. Abstentions and broker non-votes will not be counted as votes cast and, therefore, will have no effect in determining whether a director has received a plurality for his or her election.

Advisory vote on golden parachute compensation. The affirmative vote of a majority of the votes cast by the holders of Citadel Class A common stock outstanding as of the record date at the Citadel annual meeting is required to approve on a non-binding, advisory basis compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger. While Citadel s board of directors intends to carefully consider the vote resulting from this Proposal, the vote is advisory, and therefore not binding on Citadel, its compensation committee or its board of directors. Brokers do not have discretionary authority to vote on this Proposal. Abstentions and broker non-votes will not be counted as votes cast and, therefore, will have no effect on this Proposal.

Ratification of appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants. The affirmative vote of a majority of the votes cast by holders of Citadel Class A common stock and Citadel Class B common stock outstanding as of the record date, voting together as a single class, at the Citadel annual meeting is required to ratify the appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011. The ratification of the selection of Deloitte & Touche LLP as Citadel s independent registered public accounting firm for 2011 is deemed to be a discretionary matter and brokers will be permitted to vote uninstructed shares as to such matter. Abstentions will not be counted as votes cast and, therefore, will have no effect on this Proposal.

Other matters. As of the date of this information statement/proxy statement/prospectus, Citadel s board of directors knows of no matters that will be presented for consideration at the Citadel annual meeting other than as described in this information statement/proxy statement/prospectus. If any other matters properly come before the Citadel annual meeting or any adjournments or postponements of the meeting and are voted upon, the enclosed proxies will confer discretionary authority on the individuals named as proxies to vote the shares represented by such proxy as to any other matters. The individuals named as proxies intend to vote in accordance with their best judgment as to any other matters. The affirmative vote of a majority of the votes cast by Citadel Class A common stock outstanding as of the record date at the Citadel annual meeting is required for the approval of any other matters.

Recommendation of Citadel s Board of Directors

Citadel s board of directors recommends votes:

1. **FOR** the adoption of the merger agreement;

2. **FOR** the approval of the adjournment of the annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the annual meeting;

3. **FOR** the election of each of the class I director nominees to Citadel s board of directors;

4. **FOR** the approval on a non-binding, advisory basis of compensation that may be paid or become payable to Citadel s named executive officers that is based on or otherwise relates to the merger; and

5. **FOR** the ratification of the appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011.

Citadel s board of directors did not, and does not, make any recommendation as to whether or to what extent any Citadel stockholder or warrant holder should elect cash or stock consideration in the merger. Citadel stockholders and warrant holders should carefully read this information statement/proxy statement/prospectus in its entirety for more detailed information concerning the merger agreement and the merger. In particular, Citadel stockholders and warrant holders are directed to the merger agreement, which is attached as Annex A hereto.

Revocability of Proxies

You may change or revoke your proxy at any time before the Citadel annual meeting by:

delivering written notice of revocation to the Secretary, Citadel Broadcasting Corporation, 7690 W. Cheyenne Avenue, Suite 220, Las Vegas, Nevada 89129, in time for the Secretary to receive it before the annual meeting;

voting again by Internet, telephone or mail (provided that such new vote is received in a timely manner pursuant to the instructions above); or

voting in person at the annual meeting.

The last vote that Citadel receives from you will be the vote that is counted.

Inspector of Election

Citadel s board of directors has appointed a representative of The Bank of New York Mellon to act as Inspector of Election at the Citadel annual meeting.

Attending the Citadel Annual Meeting

You are entitled to attend the Citadel annual meeting only if you are a stockholder of record of Citadel or you hold your shares of Citadel beneficially in the name of a bank, broker, or other nominee as of the record date, or you hold a valid proxy for the annual meeting.

If you are a stockholder of record of Citadel and wish to attend the Citadel annual meeting, please so indicate on the appropriate proxy card or as prompted by the telephone or Internet voting system. Your name will be verified against the list of stockholders of record prior to your being admitted to the annual meeting.

If a bank, broker or other nominee is the record owner of your shares of Citadel, you will need to have proof that you are the beneficial owner to be admitted to the Citadel annual meeting. A recent statement or letter from your bank or broker confirming your ownership as of the record date, or presentation of a valid proxy from a bank, broker or other nominee that is the record owner of your shares, would be acceptable proof of your beneficial ownership.

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You should be prepared to present photo identification for admittance. If you do not provide photo identification or comply with the other procedures outlined above upon request, you may not be admitted to the annual meeting.

Voting Procedures

You may vote your shares by proxy electronically via the Internet, by telephone, by sending in the appropriate paper proxy card or in person at the Citadel annual meeting.

Whether you vote your proxy electronically over the Internet, by telephone or by mail, Citadel will treat your proxy the same way. The individuals appointed as proxyholders will be Farid Suleman, Randy Taylor and Hilary Glassman. The shares of common stock of Citadel represented by valid proxies that are received in time for the Citadel annual meeting will be voted as specified in such proxies. Valid proxies include all properly executed, written paper proxy cards received pursuant to this solicitation that are not later revoked. Executed but unvoted proxies will be voted in accordance with the recommendations of Citadel s board of directors.

Proxy Solicitations

Citadel is soliciting proxies for the Citadel annual meeting from Citadel stockholders. Citadel will reimburse brokers, banks, institutions and others holding common stock of Citadel as nominees for their expenses in sending proxy solicitation material to the beneficial owners of such common stock of Citadel and obtaining their proxies.

Stockholder Proposals

Any stockholders who intend to present proposals at Citadel s 2012 annual meeting of stockholders, and who wish to have such proposals included in Citadel s proxy statement for the 2012 annual meeting, must ensure that such proposals are received by the Secretary of Citadel not later than a reasonable time before , 2012. Such proposals must meet the requirements set forth in the rules and regulations of the SEC in order to be eligible for inclusion in Citadel s 2012 proxy solicitation material. Any proposals should be sent to the Secretary, Citadel Broadcasting Corporation, 7690 W. Cheyenne Avenue, Suite 220, Las Vegas, Nevada 89129. In the event the merger is completed before that date, it is not expected that Citadel would hold a 2012 annual meeting of stockholders.

Results of the Citadel Annual Meeting

The preliminary voting results will be announced at the Citadel annual meeting. In addition, within four business days following the Citadel annual meeting, Citadel intends to file the final voting results with the SEC on Form 8-K. If the final voting results have not been certified within that four business day period, Citadel will report the preliminary voting results on Form 8-K at that time and will file an amendment to the Form 8-K to report the final voting results within four days of the date that the final results are certified.

CITADEL DIRECTORS AND EXECUTIVE OFFICERS

On December 20, 2009, Citadel and certain of its subsidiaries filed voluntary petitions in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court) seeking relief under the provisions of chapter 11 of title 11 of the United States Code (collectively, the Chapter 11 Proceedings). Upon emergence from the Chapter 11 Proceedings on June 3, 2010, a new board of directors was appointed, except for Mr. Suleman, Citadel s chief executive officer, who continued to serve as Citadel s chief executive officer and a member of Citadel s board of directors. The following table sets forth the names and ages of Citadel s executive officers and directors.

Name	Age	Position
Farid Suleman	59	President, Chief Executive Officer and Director
Judith A. Ellis	62	Chief Operating Officer
Randy L. Taylor	48	Senior Vice President and Chief Financial Officer
Patricia Stratford	48	Senior Vice President Finance and Administration and Assistant Secretary
Hilary E. Glassman	49	Senior Vice President, General Counsel and Corporate Secretary
John L. Sander	69	Chairman of the Board of Directors
William M. Campbell, III	51	Director
Jonathan Mandel	59	Director
Gregory Mrva	41	Director
Doreen A. Wright	54	Director

Directors

Biographical information for each of Citadel s directors is discussed in connection with Citadel s discussion of Proposal 3, on page .

Executive Officers

Listed below is biographical information for each person who is currently an executive officer of Citadel.

Farid Suleman has been Citadel s President and Chief Executive Officer and a member of its board of directors since March 2002. Mr. Suleman was also the Chairman of the board from March 2002 through June 2010. From February 2001 to February 2002, Mr. Suleman was President and Chief Executive Officer of Infinity Broadcasting Corp., a radio and outdoor advertising company. He was Executive Vice President, Chief Financial Officer, Treasurer and a director of Infinity Broadcasting from September 1998 to February 2001 when Infinity Broadcasting was acquired by Viacom Inc. From February 1994 until February 2007, Mr. Suleman was a director of Westwood One, Inc. Mr. Suleman was a special limited partner of Forstmann Little & Co., a private equity firm, from March 2002 until June 2007.

Judith A. Ellis has been Citadel s Chief Operating Officer since February 2003. From 1997 until joining Citadel, Ms. Ellis served as Senior Vice President/Market Manager for Emmis Communications Corporation, which owns and operates radio and magazine entities.

Randy L. Taylor has been Citadel s Senior Vice President and Chief Financial Officer, and principal financial and accounting officer, since February 29, 2008. From February 1, 2008 until February 29, 2008, Mr. Taylor served as Citadel s Acting Chief Financial Officer and acting principal financial and accounting officer. From November 2006 until February 2008, Mr. Taylor served as Citadel s Vice President, Finance Principal Accounting Officer. From January 2001 until September 2005, Mr. Taylor served as Citadel s Vice President Finance and Corporate Secretary. From September 2005 until September 2006, Mr. Taylor served as Vice President Corporate Controller for Bally Technologies, Inc., a diversified, worldwide gaming device company.

Patricia Stratford has been Citadel s Senior Vice President Finance and Administration and Assistant Secretary since May 2006. From September 2005 until May 2006, Ms. Stratford served as Citadel s Acting

Chief Financial Officer, and was Citadel s Vice President, Finance Administration from August 2003 until October 1, 2005. Prior to joining Citadel, Ms. Stratford served as Director Finance Administration and Benefits for Infinity Broadcasting Corporation from January 1999 until July 2003.

Hilary E. Glassman has been Citadel s Senior Vice President, General Counsel and Corporate Secretary since February 2011. From July 2005 until July 2010, Ms. Glassman served as Senior Vice President, General Counsel and Secretary for Frontier Communications Corporation, a communications services provider. From February 2003 until July 2005, Ms. Glassman was associated with Sandler O Neill & Partners, L.P., an investment bank with a specialized financial institutions practice, first as Managing Director, Associate General Counsel and then as Managing Director, Deputy General Counsel. From February 2000 until February 2003, Ms. Glassman was Vice President and General Counsel of Newview Technologies, Inc. (formerly e-Steel Corporation), a privately-held software company.

Other Matters Concerning Directors and Executive Officers

SEC regulations require Citadel to describe certain legal proceedings, including bankruptcy and insolvency filings involving its directors or executive officers or companies of which a director or executive officer was an executive officer at the time of filing. Each of the executive officers listed above, other than Ms. Glassman, served as an officer of Citadel at the time Citadel filed for protection under Chapter 11 of the Bankruptcy Code in December of 2009. Further, Mr. Suleman, Citadel s chief executive officer, served as Chairman of the board at the time Citadel filed for protection under Chapter 11 of the Bankruptcy Code in December of 2009.

Effective December 31, 2009, Citadel s radio music license agreements with the two largest performance rights organizations, American Society of Composers, Authors and Publishers (ASCAP) and Broadcast Music, Inc. (BMI) expired. The Radio Music License Committee (RMLC), which negotiates music licensing fees for most of the radio industry with ASCAP and BMI, had reached an agreement with these organizations on a temporary fee schedule that reflects a provisional discount of 7.0% against 2009 fee levels. The temporary fee reductions became effective in January 2010. Absent an agreement on longer-term fees between the RMLC and ASCAP and BMI, the U.S. District Court in New York has the authority to make an interim and permanent fee ruling for the new contract period. In May 2010 and June 2010 the U.S. District Court s judges charged with determining the licenses fees ruled to further reduce interim fees paid to ASCAP and BMI, respectively, down approximately another 11.0% from the previous temporary fees negotiated with the RMLC. When the license fee negotiations are finalized, the rate will be retroactive to January 1, 2010, and the amounts could be greater or less than the temporary fees and could be material to Citadel s financial results and cash flows. John Sander is currently the Chairman of the board of directors of both Citadel and BMI.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS OF CITADEL

Ownership of Citadel Class A common stock

The following table sets forth information regarding the beneficial ownership of Citadel Class A common stock. The table includes:

- each person or group who is known by Citadel to own beneficially more than 5% of Citadel s Class A common stock;

- each of Citadel s current directors and nominees for election as a director;

- each current executive officer of Citadel named in the summary compensation table in this information statement/proxy statement/prospectus and each other person who served as an executive officer in 2010; and

- all such directors and all executive officers as a group.

Beneficial ownership of shares is determined under rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power. Except as noted by footnote, and subject to community property laws where applicable, Citadel believes, based on the information provided to it, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of Citadel s Class A common stock shown as beneficially owned by them. The number of shares and the percentages of beneficial ownership of Citadel Class A common stock assume the conversion of all shares of Citadel Class B common stock (including shares underlying Citadel special warrants) into Citadel Class A common stock, and the exercise of all options, warrants and other securities convertible into Citadel Class A common stock currently exercisable or exercisable within 60 days of June 29, 2011. The percentages of beneficial ownership of Citadel Class A common stock and Class B common stock, voting together as a single class, assume for each person the exercise of all options, warrants and other securities convertible into Citadel Class A common stock or Class B common stock currently exercisable or exercisable within 60 days of June 29, 2011 by such person.

Percentage of beneficial ownership is based on 4,394,758 shares of Citadel Class A common stock and 19,059,409 shares of Citadel Class B common stock outstanding as of June 29, 2011, as well as 23,219,455 warrants to purchase Citadel common stock (including 285,932 reserved warrants). Unless otherwise indicated, the address for each holder listed below is c/o Citadel Broadcasting Corporation, 7690 W. Cheyenne Avenue, Suite 220, Las Vegas, Nevada 89129.

	Class A Common Stock Beneficially Owned		Class A and Class B Common Stock Beneficially Owned
Name and Address	**Number of Class A Shares**	**Percentage of Class A Shares**	**Percentage of Class A and B Common Stock, Voting Together as a Single Class**
Pentwater Capital Management LP(1)	2,055,319	33.29%	4.40%
Third Point LLC(2)	312,165	7.10%	0.67%
Farid Suleman(3)	843,197	16.10%	1.77%
John L. Sander(3)	21,082	0.48%	0.05%
William M. Campbell, III(3)	21,082	0.48%	0.05%
Jonathan Mandel(3)	21,082	0.48%	0.05%
Gregory Mrva(3)	21,082	0.48%	0.05%
Doreen A. Wright(3)	21,082	0.48%	0.05%
Judith A. Ellis(3)(4)	67,355	1.52%	0.14%
Jacquelyn J. Orr(3)	0	0.00%	0.00%
Randy L. Taylor(3)(4)	49,484	1.12%	0.11%
Patricia Stratford(3)(4)	37,950	0.86%	0.08%
Hilary E. Glassman(4)	10,000	0.23%	0.02%
	1,113,396	20.44%	2.33%

All board members and executive officers as a group (11 persons)

(1) Information obtained solely by reference to the Schedule 13G filings made with the SEC on March 4, 2011 and April 1, 2011 by Pentwater Capital Management LP. The address of Pentwater Capital Management LP is 227 West Monroe Suite 4000, Chicago, IL 60606. The number of shares and the percentages of beneficial ownership of Citadel Class A common stock assume the conversion of all shares of Citadel Class B common stock (including shares underlying Citadel special warrants) into Citadel Class A common stock, and the exercise of all options, warrants and other securities convertible into Citadel Class A common stock currently exercisable or exercisable within 60 days of June 29, 2011.

(2) Information obtained solely by reference to the Schedule 13G filed with the SEC on February 11, 2011 by Third Point LLC, which serves as investment manager or adviser to a variety of hedge funds and managed accounts. Third Point LLC reported that such shares are indirectly beneficially owned by Mr. Daniel S. Loeb, the Chief Executive Officer of Third Point LLC, by virtue of such position. Third Point LLC and

Mr. Loeb each disclaims beneficial ownership of such shares. The address of Third Point LLC is 390 Park Avenue, New York, NY 10022.

(3) In August 2010, Citadel issued nonvested shares of Class A common stock to certain members of its senior management and its board of directors pursuant to the Emergence Plan. In early November 2010, these members of Citadel s senior management and its board of directors elected to voluntarily forfeit the shares of restricted stock granted by Citadel. On November 19, 2010, Citadel issued stock options, which are governed by the Citadel Plan, to certain members of its senior management and its board of directors as noted above. Each option is exercisable into one share of Class A common stock, and each holder s options vest in three equal portions annually. The first tranche vested on June 3, 2011, and the remaining two tranches are scheduled to vest equally on each of June 3, 2012 and June 3, 2013. 75% of the options have a strike price of $28.00, 25% of the options have a strike price of $32.00 and all of the options expire on November 19, 2020.

(4) In May 2011, Citadel issued nonvested restricted shares of Class A common stock to certain members of its senior management. The nonvested restricted shares granted to Ms. Glassman vest in three equal installments on each of February 15, 2012, February 15, 2013 and February 15, 2014; provided, that, if the merger is consummated before February 15, 2014, half of the unvested restricted shares of common stock will vest upon the consummation of the merger and the remaining half of the unvested restricted shares of common stock will vest on the date that is six months following the date of the merger, in each case subject to Ms. Glassman s continued employment on the applicable vesting date. The nonvested restricted shares granted to each of Ms. Ellis, Ms. Stratford and Mr. Taylor vest in full on May 26, 2013; provided, that, if the merger is consummated before May 26, 2013, half of the unvested restricted shares of common stock will vest upon the consummation of the merger and the remaining half of the unvested restricted shares of common stock will vest on the date that is six months following the date of the merger, in each case subject to such individual s continued employment on the applicable vesting date.

Ownership of Citadel Class B common stock

The following table sets forth information regarding the beneficial ownership of Citadel Class B common stock. The table includes:

- each person or group who is known by Citadel to own beneficially more than 5% of Citadel s Class B common stock;
- each of Citadel s current directors and nominees for election as a director;
- each current executive officer of Citadel named in the summary compensation table in this information statement/proxy statement/prospectus and each other person who served as an executive officer in 2010; and
- all such Citadel directors and all executive officers as a group.

Beneficial ownership of shares is determined under rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power. Except as noted by footnote, and subject to community property laws where applicable, Citadel believes based on the information provided to it that the persons and entities named in the table below have sole voting and investment power with respect to all shares of Citadel s Class B common stock shown as beneficially owned by them. The number of shares and the percentages of beneficial ownership of Citadel Class B common stock assume the exercise of all options, warrants (including Citadel special warrants) and other securities exchangeable or convertible for or exercisable into Citadel Class B common stock currently exercisable or exercisable within 60 days of June 29, 2011. The percentage of beneficial ownership of

Citadel Class B common stock is based on 19,059,409 shares of Citadel Class B common stock outstanding as of June 29, 2011. Unless otherwise indicated, the address for each holder listed below is c/o Citadel Broadcasting Corporation, 7690 W. Cheyenne Avenue, Suite 220, Las Vegas, Nevada 89129.

	Class B Common Stock Beneficially Owned	
Name and Address:	**Number of Class B Shares**	**Percentage of Class B Shares**
Pentwater Capital Management LP(1)	1,780,000	9.34%
Farid Suleman	0	0%
John L. Sander	0	0%
William M. Campbell, III	0	0%
Jonathan Mandel	0	0%
Gregory Mrva	0	0%
Doreen A. Wright	0	0%
Judith A. Ellis	0	0%
Jacquelyn J. Orr	0	0%
Randy L. Taylor	0	0%
Patricia Stratford	0	0%
Hilary E. Glassman	0	0%
All board members and executive officers as a group (11 persons)	0	0%

(1) Information obtained solely by reference to the Schedule 13G filed with the SEC on March 4, 2011 by Pentwater Capital Management LP. The address of Pentwater Capital Management LP is 227 West Monroe Suite 4000, Chicago, IL 60606. The number of shares and the percentages of beneficial ownership of Citadel Class B common stock assume the exercise of all options, warrants and other securities convertible into Citadel Class B common stock currently exercisable or exercisable within 60 days of June 29, 2011.

CITADEL SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires Citadel s executive officers and directors and persons who own more than 10% of the common stock of Citadel to file reports of ownership and changes in ownership of common stock of Citadel with the SEC. Based solely on a review of copies of such reports and written representations from the reporting persons, Citadel believes that during the year ended December 31, 2010, its executive officers, directors, and greater than 10% stockholders filed on a timely basis all reports due under Section 16(a) of the Exchange Act, except for the reports on Form 3 filed by Paul N. Saleh, William M. Campbell, III, John L. Sander, Jonathan Mandel, Gregory Mrva and Doreen A. Wright in connection with their appointment to Citadel s board of directors.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS AND DIRECTOR INDEPENDENCE OF CITADEL

Policies and Procedures for Review, Approval or Ratification of Related Transactions

Citadel s directors, officers, employees, agents and representatives are expected to adhere to Citadel s Code of Business Conduct and Ethics. In addition, Citadel s Chief Executive Officer, President, Chief Operating Officer, Chief Financial

Officer, Chief Accounting Officer, Senior Vice President of Finance & Administration, General Counsel and any other senior officers in such similar capacities are also expected to adhere to Citadel s Supplemental Code of Ethics for Principal Executives and Senior Financial Officers. The Code of Business Conduct and Ethics and the Supplemental Code of Ethics for Principal Executives and Senior Financial Officers are available free of charge on Citadel s website at http://www.citadelbroadcasting.com under Investor Relations where stockholders can click on the link to Corporate Governance and the Code of Business Conduct and Ethics and Senior Officer Code of Ethics.

Any waiver of Citadel s Code of Business Conduct and Ethics for executive officers or directors may be made only by Citadel s board of directors and must be promptly disclosed to stockholders and others, as required by applicable law. Any transaction which involves an amount exceeding $120,000 and Citadel or its affiliates and one of Citadel s executive officers or directors must be pre-approved by the audit committee. All related party transactions will be reviewed by the audit committee after the close of the fiscal quarter during which the transactions commenced.

Certain Relationships and Related Transactions

In June 2001, Citadel was capitalized by four partnerships affiliated with Forstmann Little & Co. (FL&Co.) and members of Citadel s management to acquire Citadel Communications Corporation, which was then a publicly owned company. Citadel financed the acquisition by issuing its common stock to the Forstmann Little partnerships and members of management, by incurring indebtedness under a new credit facility and by issuing an aggregate of $500.0 million of subordinated debentures to two of the Forstmann Little partnerships. These partnerships immediately distributed the subordinated debentures to their respective limited partners. On February 18, 2004, Citadel prepaid all of the outstanding subordinated debentures with the net proceeds from the offering of 9,630,000 shares of common stock and the issuance of $330.0 million of convertible subordinated notes.

Since the merger involving Citadel, Alphabet Acquisition Corp. (a wholly-owned subsidiary of Citadel), The Walt Disney Company, and ABC Radio Holdings, Inc. (formerly known as ABC Chicago FM Radio, Inc.), a wholly-owned subsidiary of The Walt Disney Company, which became effective on June 12, 2007, neither FL&Co. nor any of its affiliated partnerships has any contractual right to designate a nominee for election to Citadel s board of directors. In addition, Citadel is no longer obligated to solicit proxies in favor of any nominees recommended by FL&Co., nor must it take any action to cause any nominees recommended by FL&Co. to be elected.

Prior to Citadel s emergence from the Chapter 11 Proceedings, Citadel was obligated to reimburse FL&Co. for expenses paid on Citadel s behalf and receive reimbursements from FL&Co. for expenses paid by Citadel on FL&Co. s behalf, including travel and related expenses, and office and other miscellaneous expenses. Since 2008, Citadel reimbursed FL&Co. and/or FL&Co. reimbursed Citadel less than $0.1 million annually.

Certain of Citadel s former directors and current and former officers have or have had relationships with FL&Co. Theodore J. Forstmann, a former member of Citadel s board of directors, is the senior partner of FL&Co. Two of Citadel s other former directors, Mr. Forstmann s brother, J. Anthony Forstmann, and Michael A. Miles are special limited partners of FL&Co. Mr. Miles also serves on the Forstmann Little advisory board and is an investor in certain portfolio companies of Forstmann Little. Another of Citadel s former directors, Wayne T. Smith, is a limited partner of two of the funds that own shares of Citadel s common stock. Mr. Smith also is a director of 24 Hour Fitness Worldwide, Inc., a majority of the stock of which is controlled by certain affiliated partnerships of FL&Co. As a result of their relationships with FL&Co., Messrs. Theodore J. Forstmann, J. Anthony Forstmann, Miles and Smith have an economic interest in certain of the Forstmann Little partnerships and their portfolio investments, including Citadel. However, only Mr. Theodore J. Forstmann has any voting or investment power over the shares of Citadel s common stock, arising from his position as senior partner of FL&Co. Another former director, Herbert J. Siegel, serves as a director of IMG Worldwide, Inc., a majority of the stock of which is controlled by certain affiliated partnerships of FL&Co. As a result of these relationships, when conflicts between the interests of the Forstmann Little partnerships and the interests of Citadel s other stockholders arise, these directors and officers may not be disinterested. Under Delaware law, although Citadel s directors and officers have a duty of loyalty to Citadel, transactions that Citadel enters into in which a director or officer has a conflict of interest are generally permissible so long as the material facts as to the director s or officer s relationship or interest as to the transaction are disclosed to Citadel s board of directors and a majority of Citadel s disinterested directors approves the transaction, or the transaction is otherwise fair to Citadel.

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Employment Agreements

As required by the Emergence Plan on June 3, 2010, Citadel entered into employment agreements with each of Mr. Suleman, Mr. Taylor, Ms. Orr, Ms. Ellis and Ms. Stratford. On December 16, 2010, Citadel entered into a separation agreement with Ms. Orr pursuant to which she resigned from all positions with Citadel and its affiliates, effective as of January 31, 2011. The payments and other benefits provided for in the separation agreement are in full discharge of any and all liabilities and obligations of Citadel to Ms. Orr. For more information regarding these agreements, see Citadel s Compensation Discussion and Analysis Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control on page .

Director Independence

Prior to June 3, 2010, Citadel s board of directors (the Pre-Emergence Board of Directors) consisted of J. Anthony Forstmann, Theodore J. Forstmann, Michael A. Miles, Michael J. Regan, Thomas V. Reifenheiser, Herbert J. Siegel, Wayne T. Smith and Farid Suleman. In assessing the independence of the directors in office prior to June 3, 2010, the board of directors affirmatively determined that both members of the nominating/corporate governance committee: Michael A. Miles and Herbert J. Siegel (who served through May 22, 2009); all members of the Audit Committee: Michael J. Regan, Thomas V. Reifenheiser, and Wayne T. Smith; and all three individuals who served on the compensation committee: Michael A. Miles, Herbert J. Siegel (who served through May 22, 2009) and Wayne T. Smith, each qualified as independent under the New York Stock Exchange (NYSE) and the SEC s corporate governance rules, and that Citadel s then-Chairman and Chief Executive Officer, Farid Suleman, did not qualify as independent under either set of rules.

In making its determination regarding the independence of each of those directors, Citadel s Pre-Emergence Board of Directors considered each of the relationships identified under Certain Relationships and Related Transactions on page . With respect to each person identified as independent, the Pre-Emergence Board of Directors determined that those relationships did not affect the individual s independence because, as applicable, he or she had not made any commitment to the affiliated partnerships of FL&Co. and none of the rights of an advisory board member or of a special limited partner or of service on the board of directors of a FL&Co. affiliate were contingent in any way on or affected by his or her service as a director or member of Citadel s board of directors.

On June 3, 2010, the board of directors was reconstituted to consist of (i) Citadel s Chief Executive Officer, Farid Suleman; (ii) William M. Campbell, III; (iii) Gregory Mrva; (iv) Paul N. Saleh; (v) Jonathan Mandel; (vi) John L. Sander; and (vii) Doreen A. Wright. Mr. Saleh subsequently resigned from the board of directors.

As part of the Emergence Plan, each of Citadel s directors, other than its chief executive officer, was nominated by lenders representing 75% in amount of the senior claims bound under a plan support agreement, effective as of December 20, 2009. Each such nominee met with Citadel s chief executive officer prior to his or her appointment to Citadel s board of directors. Pursuant to the requirements of the Emergence Plan, each of Citadel s directors, other than its chief executive officer, meets the independence standards set forth in the listing requirements of NYSE and the SEC s corporate governance rules. Citadel s Chief Executive Officer, Farid Suleman, does not qualify as independent under either set of requirements.

CITADEL CORPORATE GOVERNANCE

Citadel has taken the following measures to comply with the rules and regulations of the SEC regarding corporate governance practices:

adopted governance guidelines for the board of directors;

adopted procedures for Citadel s non-management directors to meet in executive sessions;

adopted a Code of Business Conduct and Ethics that is applicable to all of Citadel s directors, officers, employees, agents and representatives;

adopted a Supplemental Code of Ethics for Principal Executives and Senior Financial Officers that is applicable to Citadel s Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, Chief Accounting Officer, Senior Vice President of Finance & Administration, General Counsel and any other senior officers in such similar capacities;

adopted a policy on reporting of improper financial practices to address accounting or auditing concerns;

adopted an audit committee charter, incorporating the applicable requirements of the Sarbanes-Oxley Act of 2002, as amended (Sarbanes-Oxley), SEC, and the related regulations;

adopted a compensation committee charter, incorporating the applicable requirements of Sarbanes-Oxley, regulations of any applicable stock exchange, and related regulations;

adopted a nominating/corporate governance committee charter, incorporating the applicable regulations of any applicable stock exchange, and related regulations; and

adopted a Securities Trading Policy to ensure that persons subject to the reporting requirements of Section 16 of the Exchange Act will be able to comply with all applicable filing requirements in a timely manner.

Citadel s Corporate Governance Guidelines, Code of Business Conduct and Ethics, Supplemental Code of Ethics for Principal Executive and Senior Financial Officers, nominating/corporate governance committee charter, audit committee charter and compensation committee charter are available on Citadel s website at www.citadelbroadcasting.com under Investor Relations where stockholders can click on Corporate Governance, or upon the request of the stockholder by writing to Citadel s Secretary at 7960 W. Cheyenne Avenue, Suite 220, Las Vegas, Nevada 89129. The information that appears on Citadel s website is not part of, and is not incorporated into, this information statement/proxy statement/prospectus.

Any interested party that wishes to communicate directly with Citadel s non-management directors may do so by writing to the following address:

Citadel Broadcasting Corporation
Attn: Non-Management Directors
7960 W. Cheyenne Avenue, Suite 220
Las Vegas, Nevada 89129

or by utilizing Citadel s on-line service, Report-it, at http://www.reportit.net. Use Citadel as the user name and Radio as the password, and follow the instructions provided to create a report. Once submitted to the Report-it service, a copy of your report will be sent to a non-management member of the board of directors for review. All such communications are anonymous, unless you otherwise choose to use your name. The independent members of Citadel s board of directors have instructed that communications will be distributed as appropriate to Citadel s board of directors depending upon the facts and circumstances outlined in the communication.

Board Leadership Structure

Prior to June 3, 2010, Citadel s Chief Executive Officer, Farid Suleman, also served as the Chairman of Citadel s board of directors. Upon emergence from the Chapter 11 Proceedings, Citadel s board of directors was reconstituted and John L. Sander was appointed as Chairman. Citadel s Chief Executive Officer, Farid Suleman, continues to serve as a director.

Citadel s board of directors believes that the combination of Mr. Suleman as Chief Executive Officer, together with Mr. Sander as Chairman, is currently the appropriate leadership structure for Citadel. The chief executive officer and the chairman provide leadership to the board of directors as a whole in setting its strategic priorities. In his position as chief executive officer, Mr. Suleman has primary responsibility for the day-to-day operations of Citadel and, accordingly, is able to effectively communicate the board of directors strategic findings and guidance to management. In his position as Chairman, Mr. Sander presides at all meetings of independent directors and acts as a liaison between the chief executive officer and the independent directors regarding the operations of Citadel and stockholder inquiries relating to the board of directors and management. At this time, Mr. Suleman is the sole member of the board of directors that is not independent.

While the initial decision to separate the chairmanship and chief executive officer positions was made in connection with the Emergence Plan, Citadel s board of directors is comfortable with its existing leadership structure, given the supermajority of independent directors, a strong committee structure and the fact that Citadel s chief executive officer does not serve on any board committees. Citadel s board of directors reviews its leadership structure from time to time as appropriate.

Role of Board of Directors in the Oversight of Risk

Citadel s board of directors believes an important part of its responsibilities is to oversee Citadel s overall risk assessment processes and management thereof. Management periodically reports to the board of directors regarding various categories of business risks. Citadel s board of directors also utilizes its committees to oversee specific risks and receives regular reports from the committees on the areas of risk for which they have oversight.

MEETINGS AND COMMITTEES OF CITADEL S BOARD OF DIRECTORS

During the year ended December 31, 2010, there were a total of 16 meetings of Citadel s board of directors, of which 12 were held after Citadel s emergence from the Chapter 11 Proceedings with the newly appointed board of directors. Each member of Citadel s board of directors attended at least 75% of all meetings of Citadel s board of directors, and all committees of the board of directors on which he or she served during 2010.

During the year ended December 31, 2010, Citadel s board of directors had three standing committees: the nominating/corporate governance committee, the audit committee and the compensation committee, and it did not have any other standing committees. During the year ended December 31, 2010, the nominating/corporate governance committee held 2 meetings, both of which were held after Citadel s emergence from the Chapter 11 Proceedings, the audit committee held 4 meetings, of which 2 were held after Citadel s emergence from the Chapter 11 Proceedings, and the compensation committee held 11 meetings, of which 10 were held after Citadel s emergence from the Chapter 11 Proceedings.

Citadel does not have a policy regarding board members attendance at the Citadel annual meeting of stockholders but encourages attendance. Due to the Chapter 11 Proceedings, there was not an annual meeting of Citadel stockholders held in 2010.

Citadel s Nominating/Corporate Governance Committee

The purpose and general duties of Citadel s nominating/corporate governance committee are to assist Citadel s board of directors in discharging its responsibilities to:

- identify criteria for selection of Citadel board members;
- find qualified individuals for membership on Citadel s board of directors;
- recommend to Citadel s board of directors nominees for the next annual meeting of Citadel stockholders;
- select and recommend candidates to fill any vacancies on Citadel s board of directors;

develop and recommend to the board of directors the Corporate Governance Guidelines for Citadel s board of directors;

provide oversight of Citadel s and Citadel s board of directors corporate governance affairs; and

provide oversight of the evaluation of Citadel s board of directors and management.

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Citadel s nominating/corporate governance committee will identify candidates who are eligible under the qualification standards set forth in the Corporate Governance Guidelines to serve as members of Citadel s board of directors and, after consultation with the Chairman of the board of directors, recommend candidates to be nominated by the board of directors for election by Citadel stockholders or to be appointed by the board of directors to fill vacancies. In evaluating a director in anticipation of nomination for reelection to Citadel s board of directors, the committee s reviews the qualifications and independence of the director. In recommending candidates for election to Citadel s board of directors, the committee may consider the following criteria:

- experience in corporate or business management, such as serving as an officer or former officer of a publicly-held company;
- experience in the media, communication and/or radio broadcasting industries;
- experience as a board member of another publicly-held company;
- academic expertise in the media, communication and/or radio broadcasting industries or in specific areas of Citadel s operations; and
- financial experience necessary to assist Citadel in meeting its corporate governance requirements.

As of December 31, 2010, the nominating/corporate governance committee consisted of William M. Campbell, III (Chairman), Gregory Mrva and Jonathan Mandel, each of whom is independent under NYSE rules and applicable SEC rules and regulations.

Stockholders may propose nominees for consideration by Citadel s board of directors by submitting names and supporting information to the nominating/corporate governance committee. Citadel s nominating/corporate governance committee will evaluate such nominees in the same manner it evaluates all nominees. In recommending candidates for election to the board of directors, Citadel s nominating/corporate governance committee may consider the criteria outlined above as well as the diverse backgrounds of each of the candidates.

Citadel s Audit Committee

Citadel s audit committee is primarily responsible for oversight of the integrity of the financial reporting process and Citadel s financial statements, including oversight of the financial statements and disclosure matters, Citadel s relationship with its independent registered public accountants, Citadel s internal audit function and compliance responsibilities. As part of these responsibilities, Citadel s audit committee, among other things:

- appoints, retains and replaces Citadel s independent registered public accountants;
- reviews the compensation of and services performed by Citadel s independent registered public accountants, including non-audit services (if any);
- reviews and discusses the preparation of quarterly and annual financial reports with Citadel s management and independent registered public accountants;
- discusses codification requirements with Citadel s independent registered public accountants and the evaluation of their independence;

reviews and discusses major issues regarding Citadel s accounting principles, financial statement presentations, and the adequacy of Citadel s internal controls with management and the independent registered public accountants;

reviews and discusses the initial adoption of, and all significant changes to, critical accounting policies and practices used by Citadel with the independent registered public accountants;

evaluates the qualifications, performance and independence of Citadel s independent registered public accountants;

- reviews the significant reports to management prepared by the internal auditing department and any management responses; and

- reviews reports and disclosures of insider and affiliated party transactions.

The members of Citadel s audit committee as of December 31, 2010 were Gregory Mrva and William M. Campbell, III, each of whom is independent under NYSE rules and applicable SEC rules and regulations. Citadel s board of directors has determined that Gregory Mrva is an audit committee financial expert, as defined by the SEC rules. Doreen Wright was appointed as a member of Citadel s audit committee in March 2011. Prior to his resignation as of November 16, 2010, Paul N. Saleh served as Chairman of Citadel s audit committee. Following Mr. Saleh s resignation, Mr. Mrva served as interim Chairman and was then appointed Chairman in 2011.

Report of Citadel s Audit Committee

Citadel s audit committee reviewed and discussed with both management and its independent registered public accountants all financial statements, including any significant transactions or issues, prior to their filing with the SEC. In connection with Citadel s December 31, 2010 financial statements, Citadel s audit committee (i) reviewed and discussed the audited financial statements with management, including any significant transactions or issues; and (ii) discussed with the independent registered public accountants the matters required by SAS 61, as amended by the Public Company Accounting Oversight Board in Rule 3200T. Citadel s audit committee also discussed with Deloitte & Touche LLP Deloitte & Touche LLP s independence, including a consideration of the compatibility of non-audit services with such independence, and the letter from Deloitte & Touche LLP required by Public Company Accounting Oversight Board Rule 3526, Communication with Audit Committees Concerning Independence. Based upon these reviews and discussions, Citadel s audit committee recommended that Citadel s board of directors include the audited financial statements in Citadel s Annual Report filed with the SEC on Form 10-K for the fiscal year ended December 31, 2010.

Submitted by:	Gregory Mrva (Chairperson) William M. Campbell, III Doreen Wright

Citadel s Compensation Committee

Citadel s compensation committee is responsible for discharging the board of directors duties and responsibilities relating to the compensation of Citadel s directors and executive officers and overseeing Citadel s various employee welfare and benefits plans. These duties include:

- discussing, reviewing and determining the compensation of Citadel s chief executive officer and other senior executives;

- reviewing and recommending Citadel s compensation plans;

- modifying Citadel s existing compensation plans;

- making awards under Citadel s compensation plans; and performing such other functions as are designated in Citadel s compensation committee charter or commonly performed by compensation committees.

The compensation arrangements for 2010 for Citadel s named executive officers, the process for structuring and paying compensation to Citadel s named executive officers for 2010 and the goals, purposes and intentions of the 2010 compensation arrangements for Citadel s named executives were largely administered in accordance with the Emergence Plan. The role of the compensation committee and Citadel s processes and procedures relative to the determination of executive compensation is discussed further under Citadel s Compensation Discussion and Analysis on page .

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The members of Citadel s compensation committee as of December 31, 2010 were Doreen A. Wright (Chairperson), Jonathan Mandel and John L. Sander each of whom is independent under NYSE rules and applicable SEC rules and regulations.

Citadel s compensation committee has retained a third party firm, Towers Watson, as its compensation consultant to provide advice that will assist in the continual development and evaluation of compensation policies and the compensation committee s determinations of compensation awards. The role of the outside consultant is to provide independent, third-party advice and expertise in executive compensation issues. The outside consultant, however, is not consulted by the compensation committee on all executive compensation issues, but is consulted as the compensation committee deems appropriate in its business judgment. In addition, Towers Watson provided some additional valuation related services to Citadel during the year ended December 31, 2010.

In addition, Citadel s compensation committee has appointed Loeb & Loeb LLP to act as its legal advisor. The role of the outside legal advisor is to provide legal advice and expertise on various legal issues. The outside legal advisor, however, is not consulted by the compensation committee on all legal issues, but is consulted as the compensation committee deems appropriate in its business judgment. Loeb & Loeb did not provide any additional services to Citadel or its affiliates during the year ended December 31, 2010 other than serving as legal advisor to the independent members of the board of directors.

Compensation Committee Interlocks and Insider Participation

None of the members of Citadel s compensation committee in place prior to Citadel s emergence from the Chapter 11 Proceedings or its compensation committee in place as of December 31, 2010 is or has been an officer or employee of Citadel, and none of Citadel s executive officers has served on the compensation committee or board of any entity that employed any member of Citadel s pre-emergence or post-emergence compensation committees or the board of directors.

Compensation Committee Report

Citadel s compensation committee has reviewed and discussed Citadel s Compensation Discussion and Analysis contained in this information statement/proxy statement/prospectus with Citadel s management. Based on its review and discussion with management, the compensation committee has recommended to the board of directors that Citadel s Compensation Discussion and Analysis be included in Citadel s Annual Report on Form 10-K for the year ended December 31, 2010 and this information statement/proxy statement/prospectus.

Submitted by:	Doreen A. Wright (Chairperson)
	Jonathan Mandel
	John L. Sander

The Code of Business Conduct and Ethics and the Supplemental Code of Ethics for Principal Executives and Senior Financial Officers

On May 3, 2011, Citadel adopted and implemented the Citadel Broadcasting Corporation Code of Business Conduct and Ethics, which replaces its prior code of business conduct and ethics. The Code of Business Conduct and Ethics applies to all directors, officers, employees, agents and representatives of Citadel. It establishes the principles and policies for professional behavior in the workplace. On May 3, 2011, Citadel also adopted the Supplemental Code of Ethics for Principal Executives and Senior Financial Officers, which replaced its prior supplemental code of ethics for principal executives and senior financial officers. The Supplemental Code applies to the Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, Chief Accounting Officer, Senior Vice President of Finance & Administration, General Counsel and any other senior officers in such similar capacities. The Supplemental Code of Ethics for Principal Executives and Senior Financial Officers is intended to supplement Citadel s Code of Business Conduct and Ethics, establishing additional requirements and standards applicable to principal executives and senior financial officers.

A summary of the revisions reflected in the May 3, 2011 Code of Business Conduct and Ethics and Supplemental Code of Ethics for Principal Executives and Senior Financial Officers can be found on Citadel s website at http://www.citadelbroadcasting.com under Investor Relations where stockholders can click on the link to Corporate Governance and the Updates to Code of Business Conduct and Ethics and Senior Officer Code of Ethics.

Citadel will disclose any future amendments to, or waivers from, provisions of the codes, its committee charters and its policies and standards on its website as promptly as practicable, as may be required under applicable SEC rules.

CITADEL S COMPENSATION DISCUSSION AND ANALYSIS

For 2010, Citadel s named executive officers were:

Farid Suleman, Chief Executive Officer

Judith A. Ellis, Chief Operating Officer

Randy L. Taylor, Senior Vice President and Chief Financial Officer

Patricia Stratford, Senior Vice President Finance and Administration and Assistant Secretary; and

Jacquelyn J. Orr, Vice President, General Counsel and Secretary

On December 16, 2010, Citadel entered into a separation agreement with Ms. Orr pursuant to which she resigned from all positions with Citadel and its affiliates, effective as of January 31, 2011. For a description of the separation, see Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control Other Named Executive Officers Employment Arrangements on page .

2010 Background

As part of the Chapter 11 Proceedings, Citadel entered into new employment and incentive arrangements with its named executive officers. The agreements implementing these arrangements were filed with the Bankruptcy Court and became part of Citadel s Emergence Plan. Neither Citadel s pre-emergence compensation committee nor the Pre-Emergence Board of Directors participated in any material manner in these negotiations because the representatives of Citadel s future equity holders wished to negotiate these arrangements directly with Citadel s named executive officers. While the pre-emergence compensation committee and Pre-Emergence Board of Directors formally approved these arrangements in connection with their overall approval of the Emergence Plan, such approvals were procedural in nature.

All of the 2010 compensation arrangements for Citadel s named executive officers were structured and implemented pursuant to the agreements that were part of the Emergence Plan (the 2010 Employment Agreements). The process for structuring and paying compensation to Citadel s named executive officers for 2010 and the goals, purposes and intentions of the 2010 compensation arrangements for Citadel s named executives were also largely administered in accordance with the Emergence Plan. In addition, the Citadel Broadcasting Corporation Supplemental Executive Retirement Plan (the SERP) for Mr. Suleman was implemented pursuant to his 2010 Employment Agreement. See Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control on page and Equity Compensation Plans In Effect Following the Emergence Date 2010 Equity Incentive Plan on page for a description of the material terms of the 2010 Employment Agreements and the Citadel

Plan as approved by the Bankruptcy Court. As a result, the ability of the compensation committee to independently review and/or establish compensation arrangements for Citadel s named executive officers in 2010 was sharply reduced or eliminated.

Accordingly, this Compensation, Discussion and Analysis describes the 2010 compensation arrangements for Citadel s named executive officers, but is necessarily limited by the fact that virtually all of the arrangements were structured and implemented in connection with the Emergence Plan. The 2010 Employment Agreements also contain provisions relating to the compensation of Citadel s named executive officers through the year ending December 31, 2012, including minimum base salary and performance objectives that will limit, to a certain extent, the role of Citadel s compensation committee during the next several years.

Executive Compensation Program s Philosophy and Objectives for 2010

After June 3, 2010, the philosophy and objectives of Citadel s executive compensation program were to execute and implement the 2010 Employment Agreements. As noted in more detail below, these contractual arrangements specify virtually all aspects of the 2010 compensation for Citadel s named executive officers and left little discretion to the compensation committee to implement a program that achieves a compensation philosophy or objectives independently established by the compensation committee.

Once Citadel s compensation committee determines it has discretion to implement an executive compensation program, it expects to formulate a program that would seek to closely align compensation paid to Citadel s named executive officers with Citadel s performance on both a short-term and long-term basis and to use compensation to assist Citadel in attracting, motivating and retaining key executives critical to its long-term success, and which is performance-based and competitive with the various labor markets and industries in which Citadel competes for talent.

What the Executive Compensation Program Was Designed to Reward

As noted above, Citadel s 2010 compensation program was designed to reward Citadel s named executive officers for achieving the goals and metrics determined in connection with the Emergence Plan. In subsequent years, Citadel s compensation program will seek to align Citadel s named executive officers incentives with stockholder value creation by rewarding the achievement of measurable corporate and individual performance objectives through annual and long-term cash and equity incentives.

How Citadel Structures a Named Executive Officer s Total Compensation

Role of the Compensation Committee, Named Executive Officers and Outside Advisors

As a general matter, Citadel s compensation committee is appointed by Citadel s board of directors to discharge the board s duties and responsibilities relating to the compensation of Citadel s directors and executive officers and oversee Citadel s various employee welfare and benefits plans, including to discuss, review and determine the compensation of Citadel s chief executive officer and other senior executives; to review and recommend Citadel s compensation plans; to modify existing compensation plans; to make awards under such plans and to perform such other functions as are designated in the compensation committee charter or commonly performed by compensation committees. Under its charter, the compensation committee meets at such times as it deems necessary to fulfill its responsibilities, has the resources and authority necessary and appropriate to discharge its responsibilities, including the authority to retain compensation consultants and other experts, and has the sole authority to approve the fees and other terms of retention of such consultants or other experts. Additionally, the compensation committee may delegate authority to act upon specific matters within determined parameters to one or more members of the board of directors and/or officers of Citadel, consistent with the Citadel Bylaws, the Citadel Charter and the Citadel Plan and applicable law, and any such person or group must report any action to the full compensation committee at its next meeting.

Citadel s compensation committee typically approves all compensation and awards to Citadel s named executive officers. Generally, on its own initiative, the compensation committee reviews the performance and compensation of the chief executive officer, chief operating officer and chief financial officer and, following discussions of those individuals and on the recommendation of Mr. Suleman (except in the case of his own compensation), and, where it deems appropriate, with an outside advisor, establishes their compensation levels. For the remaining named executive officers, Citadel s chief executive officer makes recommendations to the compensation committee that the compensation committee will generally approve, with minor adjustments, after it conducts its own independent review.

Citadel s compensation committee has retained a third party firm, Towers Watson, as its compensation consultant to provide advice that will assist in the continual development and evaluation of compensation plans, policies and the compensation committee s determinations of compensation awards. The role of the outside consultant is to provide independent, third-party advice and expertise in executive compensation issues. The outside consultant, however, is not consulted by the compensation committee on all executive compensation issues, but is consulted as the compensation committee deems appropriate in its business judgment.

In addition, Citadel s compensation committee has appointed Loeb & Loeb LLP to act as its legal advisor. The role of the outside legal advisor is to provide legal advice and expertise on various legal issues. The outside legal advisor, however, is not consulted by the compensation committee on all legal issues, but is consulted as the compensation committee deems appropriate in its business judgment. Loeb & Loeb LLP also acts as counsel to the independent members of the board of directors.

With respect to compensation decisions made in 2010, however, Citadel s compensation committee believed that it was required to implement the 2010 Employment Agreements and related compensation matters that were approved by the Bankruptcy Court in connection with Citadel s emergence from the Chapter 11 Proceedings. Accordingly, for 2010, the compensation committee believed its role was to review and understand these arrangements and implement them in accordance with their terms.

Elements of Compensation, Why Citadel Chooses to Pay Each Element and Its 2010 Practices

The compensation for Citadel s named executive officers for 2010 consisted of a base salary, an annual cash bonus, long-term equity awards in the form of stock options, miscellaneous welfare and other employee benefits and, in the case of Citadel s chief executive officer, a supplemental retirement benefit. As noted above, the specific terms of each named executive officer s compensation in 2010 were governed by the applicable 2010 Employment Agreement. The 2010 compensation arrangements for Citadel s named executive officers were structured and implemented pursuant to the agreements negotiated in connection with the Emergence Plan.

Base Salary for Citadel s Named Executive Officers

Purpose. In general, the level of base salary is intended to provide appropriate base pay to Citadel s named executive officers, taking into account the competitive employment market for comparable positions, as well as each individual s job responsibilities, experience, historical contribution to Citadel s success and unique value and, when appropriate, the recommendations of Citadel s chief executive officer (except in the case of his own compensation).

Calendar Year 2010 Decisions. For 2010, the base salaries for Citadel s named executive officers were paid in two distinct time periods. Prior to Citadel s emergence from the Chapter 11 Proceedings, Citadel s named executive officers were paid a base salary established by the pre-emergence compensation committee. The pre-emergence level of base salary for each of Citadel s named executive officers reflected a previously agreed upon voluntary 10% salary reduction for its chief executive officer and 5% salary reduction for each other named executive officer. In light of the Chapter 11 Proceedings, the pre-emergence compensation committee did not deem it necessary or appropriate to increase or decrease base salary levels during the Chapter 11 Proceedings.

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After June 3, 2010, each of Citadel s named executive officers was paid the base salary set forth in his or her 2010 Employment Agreement. Set forth below is a chart showing the pre- and post-emergence annualized base salary levels of each of Citadel s named executive officers.

	Pre-Emergence Annualized Base Salary Level (Reflects Voluntary Reduction by Executive)	Post-Emergence Annualized Base Salary Level
F. Suleman Chief Executive Officer	$ 1,125,000	$ 1,250,000
R. Taylor Chief Financial Officer	$ 380,000	$ 400,000
J. Ellis Chief Operating Officer	$ 475,000	$ 500,000
P. Stratford SVP Finance and Administration	$ 190,000	$ 200,000
J. Orr General Counsel, VP and Secretary	$ 332,500	$ 350,000

Considerations. Prior to Citadel s emergence from the Chapter 11 Proceedings, the salaries for Citadel s named executive officers, where not specified by contract, were determined by the pre-emergence compensation committee based on a variety of factors, including: the competitive employment market for comparable positions, as well as each individual s job responsibilities, experience, historical contribution to Citadel s success and unique value and the recommendations of its chief executive officer (except in the case of his own compensation). After June 3, 2010, each of Citadel s named executive officers was paid the base salary set forth in his or her 2010 Employment Agreement. The 2010 compensation arrangements for Citadel s named executive officers were structured and implemented pursuant to the agreements negotiated in connection with the Bankruptcy Court-approved Emergence Plan and specified the base salaries of Citadel s named executive officers during the term of the 2010 Employment Agreements. As long as the compensation arrangements for Citadel s named executive officers are governed by the 2010 Employment Agreements, the base salaries for its named executive officers cannot be lower than the amounts summarized in the table above. Beginning in 2011, Citadel will review the base salaries of its named executive officers and, consistent with the terms of the 2010 Employment Agreements, will be entitled to increase such salaries in its discretion, after considering the factors noted above, among others it deems appropriate. In February 2011, the compensation committee determined not to increase the base salary of any named executive officer at that time, but to consider base salary increases at a later meeting if deemed appropriate.

Annual Bonus Incentives for Citadel s Named Executive Officers

Purpose. Citadel s compensation program for its named executive officers generally provides for an annual bonus that is linked to achievement of Citadel s established performance goals and is also designed to reward performance of objectives and accomplishments of its named executive officers beyond purely financial measures. The objective of the program is to create incentives for Citadel s named executive officers to excel in the performance of their functional responsibilities and to contribute generally to Citadel s overall success.

Calendar Year 2010 Decisions. The target bonus levels for each of Citadel s named executive officers and the performance criteria required to be achieved to earn an annual bonus for 2010 are set forth in each named executive officer s 2010 Employment Agreement. Set forth below is a chart showing the applicable target bonus and 2010 performance criteria for each of Citadel s named executive officers.

	Target Bonus	Performance Criteria

F. Suleman	Chief Executive Officer	$ 2,000,000	$232.4 million of consolidated EBITDA
R. Taylor	Chief Financial Officer	$ 200,000(1)	$232.4 million of consolidated EBITDA
J. Ellis	Chief Operating Officer	$ 200,000	$232.4 million of consolidated EBITDA
P. Stratford	SVP Finance and Administration	$ 125,000	$232.4 million of consolidated EBITDA
J. Orr	General Counsel, VP and Secretary	$ 200,000(1)	$232.4 million of consolidated EBITDA

(1) In addition, the pre-emergence compensation committee agreed to an additional bankruptcy emergence bonus of $150,000 for both Mr. Taylor and Ms. Orr, paid upon Citadel s emergence from the Chapter 11 Proceedings.

For purposes of determining satisfaction of the above performance criteria, EBITDA is calculated on a consolidated basis in a manner consistent with Citadel s internal accounting procedures and adjusted to exclude the effects of acquisitions and dispositions and restructuring or reorganization costs related to any bankruptcy proceedings. Pursuant to the terms of each 2010 Employment Agreement, actual bonus awards for the year ended December 31, 2010 were determined and paid. At a meeting in February 2011, the compensation committee determined to approve additional cash incentive compensation of $50,000 for both Ms. Ellis and Mr. Taylor and $25,000 for Ms. Stratford. At his own suggestion, Mr. Suleman was not considered for an increased bonus opportunity. Pursuant to the separation agreement, Ms. Orr received a lump sum payment equal to $200,000 on January 31, 2011, representing a payment with respect to Ms. Orr s bonus for 2010.

Considerations. The 2010 compensation arrangements for Citadel s named executive officers were structured and implemented pursuant to the 2010 Employment Agreements negotiated in connection with the Emergence Plan. The 2010 Employment Agreements specify the method for determining the bonuses for Citadel s named executive officers through 2012. During this period, the compensation committee retains discretion to increase target bonus levels for each named executive officer, but may not lower target bonus levels below the 2010 levels.

Long-Term Incentive Compensation

For a description of the Citadel Plan, please see Equity Compensation Plans In Effect Following the Emergence Date 2010 Equity Incentive Plan on page .

Purpose. Citadel s compensation program for its named executive officers generally provides for the grant of incentive awards designed to compensate and reward executives over a multi-year period. These incentive awards typically take the form of equity-related awards with specified, multi-year vesting conditions. To realize any value, these awards require Citadel s named executive officers to satisfy the specified vesting conditions. In addition, since these awards are typically tied to the value of Citadel s common stock, the economic interests of Citadel s named executive officers are subject to the same fluctuations as are stockholders, thus aligning the interests of Citadel s named executive officers and stockholders.

Calendar Year 2010 Decisions. The 2010 Employment Agreements required Citadel to grant its named executive officers stock appreciation rights, pursuant to a form of award agreement that had been negotiated in connection with the Bankruptcy Court-approved Emergence Plan, which generally provide for ratable vesting over a three year period if the named executive officer remains employed by Citadel. After June 3, 2010, Citadel s compensation committee reviewed these long-term incentive arrangements and determined that Citadel s interests would be better served by granting its named executive officers restricted shares of its common stock under the terms of the Citadel Plan (i.e., shares of common stock subject to forfeiture if specified vesting conditions were not achieved) in lieu of stock appreciation rights. In response to a lawsuit filed by one of Citadel s stockholders claiming that Citadel s compensation committee lacked the authority to alter the long-term compensation arrangements previously negotiated in connection with the Bankruptcy Court-approved Emergence Plan, these restricted stock grants were voluntarily forfeited by the officers and directors and were rescinded by Citadel. Thereafter, in November 2010, Citadel instead granted its officers and directors options to purchase stock, the terms of which were governed by the parameters previously negotiated in connection with the Bankruptcy Court-approved Emergence Plan. On November 19, 2010, Citadel, upon the recommendation of the compensation committee with the approval of the board of directors (other than Mr. Suleman), issued a total of 3,266,629 options to purchase common stock to its directors and named executive officers, 75% of which had an exercise price equal to $28.00 per share and the remaining 25% of which had an exercise price equal to $32.00 per share. The fair value of Citadel s Class A common stock on the grant date was $25.00 per share. The options issued to Citadel s named executive officers and directors vest in three equal portions annually. The first tranche vested on June 3, 2011, and the remaining two tranches are scheduled to vest equally on each of June 3, 2012 and June 3, 2013. Upon certain events related to the termination of employment of Citadel s named executive officers, termination of service of Citadel s directors or the change in control of Citadel, the options vest in full as more fully described in Summary of Citadel

Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control Equity Arrangements on page and Compensation of Post-Emergence Board of Directors.

Calendar Year 2011 Awards. On May 26, 2011, each of the named executive officers (other than Mr. Suleman and Ms. Orr) along with Hilary Glassman (Citadel s new General Counsel, Senior Vice President) received grants of restricted stock under the Citadel Plan in the following amounts in accordance with the terms of the merger agreement, (i) Mr. Taylor received a grant of 14,000 shares of restricted stock, (ii) Ms. Ellis received a grant of 23,000 shares of restricted stock, (iii) Ms. Stratford received a grant of 13,000 shares of restricted stock and (iv) Ms. Glassman received a grant of 10,000 shares of restricted stock. Each restricted stock award, other than the award granted to Ms. Glassman, vests in full on May 26, 2013, provided that if the merger is consummated, half of the unvested portion of the award will vest upon the consummation of the merger and the remainder will vest on the date that is six months following the date the merger is consummated. The restricted stock award granted to Ms. Glassman vests in three equal annual installments beginning on February 15, 2012, provided that if the merger is consummated, half of the unvested portion of the award will vest upon the consummation of the merger and the remainder will vest on the date that is six months following the date the merger is consummated. In addition, pursuant to the terms of the awards, the Citadel Plan and the merger agreement, if applicable, each restricted stock award will vest in full upon specified terminations of employment of such executive officer. The restricted stock awards entered into with Ms. Ellis and Ms. Stratford contain provisions providing that if any payment, distribution or benefit to Ms. Ellis or Ms. Stratford, whether pursuant to the restricted stock award or otherwise would result in excise taxes imposed on the executive officer under Section 4999 of the Code, then any payment, distribution or benefit provided pursuant to the restricted stock agreement will be reduced in order to avoid the imposition of such excise taxes solely to the extent such a reduction puts the executive officer in a more favorable after-tax position than if no such reduction had occurred.

Considerations. In the future, the compensation committee expects to determine the number of incentive awards granted to Citadel s named executive officers on an individual, discretionary basis. The compensation committee believes the level of long-term incentive compensation generally should be determined based on any contractual requirements (such as pursuant to an existing employment agreement); total compensation provided to named executive officers; the goals of the compensation program described above; discussions with outside advisors; market data on total compensation packages; the value of long-term incentive grants at targeted external companies; total stockholder return; share usage and stockholder dilution; and, except in the case of the awards to Mr. Suleman, the recommendations of Mr. Suleman. The compensation committee has discretion to reduce the amount of any future incentive compensation on the basis of individual or companywide performance, and to claw back any incentive compensation paid if it is determined that such payments were based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria.

Benefits and Perquisites

Citadel provides named executive officers with perquisites and other benefits that Citadel s board of directors and compensation committee believe are reasonable and consistent with the overall executive compensation program to better enable Citadel to attract and retain superior employees for key positions. The compensation committee periodically reviews the level of perquisites and other personal benefits provided to named executive officers. With limited exceptions, named executive officers receive perquisites and benefits that are substantially the same as those offered to Citadel s other officers. Citadel may also make available to Mr. Suleman use of a private aircraft for business purposes. Mr. Suleman and Ms. Ellis are provided with use of company vehicles and/or parking for business use, Mr. Taylor is provided with parking for business purposes, and Mr. Suleman is also provided with use of a driver for business purposes.

Named executive officers also participate in Citadel s other benefit plans on the same terms as Citadel s other employees. These plans include medical, vision and dental insurance, life and disability insurance, and flexible spending accounts relating to health care and dependents. Named executive officers participate in Citadel s 401(k) retirement savings plan and on a case-by-case basis are reimbursed for work-related transportation costs. For additional information on the benefits and/or perquisites available to named executive officers, see the text following the 2010 Summary Compensation Table below.

Severance, Retirement and Change in Control Benefits

Each of the 2010 Employment Agreements specifies severance and/or change in control benefits. In addition, the 2010 Employment Agreement for Citadel s chief executive officer provides for a supplemental retirement benefit. Citadel adopted the SERP that satisfies its obligations under its chief executive officer s 2010 Employment Agreement. For a description of Mr. Suleman s SERP, see Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control Mr. Suleman s Employment Arrangements on page .

On December 16, 2010, Citadel entered into a separation agreement with Jacquelyn J. Orr, Citadel s General Counsel, Vice President and Secretary, pursuant to which she agreed to resign from all positions with Citadel and its affiliates, effective as of January 31, 2011. In consideration for a release of claims from Ms. Orr and Ms. Orr s continued agreement to confidentiality, non-disclosure and non-solicitation covenants, Citadel has paid Ms. Orr (i) a lump sum payment equal to $550,000 on December 31, 2010 and (ii) a lump sum payment equal to $200,000 on January 31, 2011, representing a payment with respect to Ms. Orr s bonus for 2010. In addition, Ms. Orr and her dependents are eligible to continue to participate in Citadel s medical, dental and vision plans through January 31, 2012 at Citadel s expense. The payments and other benefits provided for in the separation agreement are in full discharge of any and all liabilities and obligations of Citadel to Ms. Orr. Pursuant to the separation agreement, Ms. Orr was entitled to continue to receive her base salary at the then current rate (i.e., $350,000) as well as the employee benefits provided by her employment agreement, until January 31, 2011.

Policy Regarding Citadel s Tax Deduction

Citadel typically seeks to structure its compensation programs such that compensation paid thereunder will be tax deductible by Citadel to the maximum extent possible. Section 162(m) of the Code limits Citadel s ability to deduct for tax purposes compensation in excess of $1.0 million that is paid to its principal executive officer or any one of its three highest paid executive officers, other than its principal executive officer or principal financial officer, who are employed by Citadel on the last day of its taxable year. However, the statute exempts qualifying performance-based compensation from the deduction limit if certain requirements are met and also provides grandfathering rules for compensation paid pursuant to certain plans. Citadel s compensation committee believes, however, that stockholder interests are best served by not restricting the compensation committee s discretion and flexibility in crafting compensation programs and in making certain compensation awards, even though such programs or awards may result in certain non-deductible compensation expenses.

2010 Summary Compensation Table

The total compensation earned by each of Citadel s named executive officers for the fiscal year ended December 31, 2010, is presented below on a combined basis, by adding the total compensation of such named executive officer for the period from January 1, 2010 through May 31, 2010, which is referred to as the Predecessor period, and the period from June 1, 2010 through December 31, 2010, which is referred to as the Successor period.

Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(1)	All Other Compensation ($)	T
an,	2010	1,186,955	2,000,000	(2)	27,446,064(3)	2,554(4)	30,
ive officer	2009	1,135,417	2,000,000(6)			90(7)	3,
xecutive officer)	2008	1,250,000		4,819,642(8)		12,248(9)	6,
lis,	2010	489,391	250,000(10)	(2)	1,443,734(11)	2,554(4)	2,
ing officer	2009	477,084	200,000(6)			90(7)	
	2008	500,000	100,000	152,500(12)		2,340(13)	
Orr,(14)	2010	342,574	350,000(22)	(2)	1,154,993(15)	550,104(16)(14)	2,
nt, general	2009	324,948	200,000(6)			90(7)	
secretary	2008	315,625	56,250(17)	42,700(18)		2,340(13)	
tford,	2010	195,756	150,000(10)	(2)	812,102(19)	2,554(4)	1,
president	2009	190,833	125,000(6)			90(7)	
administration	2008	193,750		42,700(18)		2,340(13)	
ylor,(20)	2010	385,179	400,000(10)(22)	(2)	1,154,993(15)	2,554(4)	1,
president	2009	337,000	200,000(6)			90(7)	
chief financial	2008	306,667		73,200(21)		2,340(13)	

(1) The amounts reported in these columns for each named executive officer reflect the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. See option grants detailed in the Grants of Plan-Based Awards Table.

(2) In August 2010, in connection with Citadel s emergence from the Chapter 11 Proceedings, each named executive officer was awarded shares of unvested restricted stock as summarized in the table below. These awards were subsequently forfeited and such awards were rescinded by Citadel in November 2010 and accordingly are not included in the total compensation for 2010.

	Shares	Stock Price	Grant Date Fair Value
Farid Suleman	1,901,042	$ 23.00	$ 43,723,966
Judith A. Ellis	100,000	23.00	2,300,000
Jacquelyn J. Orr	80,000	23.00	1,840,000
Patricia Stratford	56,250	23.00	1,293,750
Randy L. Taylor	80,000	23.00	1,840,000

(3) Option award compensation is based on 2,529,591 options granted on November 19, 2010, of which 75% have an exercise price of $28.00 and a grant date fair value of $11.08 per option and 25% have an exercise price of $32.00 and a grant date fair value of $10.16 per option.

(4) Included in other compensation is $2,450 for matching contributions to the Citadel Broadcasting Company 401(k) Retirement Savings Plan and $104 in premiums for term life insurance.

(5) Does not reflect the grant date fair value of the unvested restricted stock voluntarily forfeited by each named executive officer, as disclosed in footnote (2) above.

(6) The Bankruptcy Court approved the payment of the following 2009 bonuses in 2010: $2.0 million to Mr. Suleman; $200,000 to Ms. Ellis; $200,000 to Mr. Taylor; $200,000 to Ms. Orr; and $125,000 to Ms. Stratford.

(7) Included in all other compensation is $90 premium for term life insurance.

(8) Stock award compensation of $4,819,642 is comprised of $3,440,000 related to 2,000,000 shares of restricted stock with solely time-based vesting conditions and $1,379,642 related to 2,000,000 shares of

restricted stock with both performance-based and time-based vesting conditions. Effective April 1, 2009, Mr. Suleman voluntarily cancelled both (i) the 2,000,000 shares of restricted stock with time-based vesting conditions and (ii) the 2,000,000 shares of restricted stock with performance-based and time-based vesting conditions. Therefore, the equity compensation of $4,819,642 reflected above under stock award was not received by Mr. Suleman. Thus, excluding these equity grants, the actual compensation received by Mr. Suleman for 2008 was $1,262,248.

(9) Included in all other compensation is $9,908 representing the value of personal benefit of use of the corporate aircraft, $2,250 for matching contributions to the Citadel Broadcasting Company 401(k) Retirement Savings Plan and $90 premium for term life insurance.

(10) Includes an additional $50,000, $50,000 and $25,000 bonus above the contractual minimums for Mr. Taylor, Ms. Ellis and Ms. Stratford, respectively, in recognition of their efforts both pre- and post-bankruptcy during 2010.

(11) Option award compensation is based on 133,063 options granted on November 19, 2010 at a closing stock price of $25.00, of which 75% have an exercise price of $28.00 and a grant date fair value of $11.08 per option and 25% have an exercise price of $32.00 and a grant date fair value of $10.16 per option.

(12) Stock award compensation is related to 125,000 shares of restricted stock granted on June 27, 2008 at a closing stock price of $1.22 with performance-based vesting conditions. However, in November 2009, Ms. Ellis voluntarily cancelled 41,667 shares that were scheduled to vest during 2009. Therefore, $50,834 of equity compensation related to the cancelled shares that is reflected in the $152,500 above under stock award was not received by Ms. Ellis. Excluding the compensation related to the cancelled shares, her actual compensation related to stock awards for 2008 was $101,666.

(13) Included in other compensation is $2,250 for matching contributions to the Citadel Broadcasting Company 401(k) Retirement Savings Plan and $90 in premiums for term life insurance.

(14) On December 16, 2010, Citadel entered into a separation agreement with Ms. Orr pursuant to which she agreed to resign from all positions with Citadel and its affiliates, effective as of January 31, 2011. Citadel paid Ms. Orr a lump sum payment equal to $550,000 on December 31, 2010.

(15) Option award compensation is based on 106,451 options granted on November 19, 2010, of which 75% have an exercise price of $28.00 and a grant date fair value of $11.08 per option and 25% have an exercise price of $32.00 and a grant date fair value of $10.16 per option. All of Ms. Orr s outstanding option awards were unvested and forfeited as of January 31, 2011.

(16) Included in all other compensation is $104 premium for term life insurance.

(17) As Ms. Orr s bonus was paid on a cycle running from May 2007 to May 2008, she was paid a bonus of $56,250 in 2008 from the prior year s award.

(18) Stock award compensation is related to 35,000 shares of restricted stock granted on June 27, 2008 at a closing price of $1.22.

(19) Option award compensation is based on 74,848 options granted on November 19, 2010, of which 75% have an exercise price of $28.00 and a grant date fair value of $11.08 per option and 25% have an exercise price of $32.00 and a grant date fair value of $10.16 per option.

(20) Mr. Taylor was appointed chief financial officer effective February 29, 2008.

(21) Stock award compensation was related to 60,000 shares of restricted stock granted on June 27, 2008 at a closing price of $1.22.

(22) Includes an additional bankruptcy emergence bonus of $150,000 for both Mr. Taylor and Ms. Orr agreed by the pre-emergence compensation committee, paid upon Citadel s emergence from the Chapter 11 Proceedings.

Grants of Plan-Based Awards Table

The table below summarizes the plan-based awards that were made in 2010:

Name	Grant Date	Approval Date	Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Share)	Grant Date Fair Value of Stock and Option Awards ($)
Farid Suleman	11/19/2010	11/19/2010	1,897,194(2)(3)	28.00	21,020,910
	11/19/2010	11/19/2010	632,397(2)	32.00	6,425,154
Judith A. Ellis	11/19/2010	11/19/2010	99,798(2)	28.00	1,105,762
	11/19/2010	11/19/2010	33,265(2)	32.00	337,972
Jacquelyn J. Orr	11/19/2010	11/19/2010	79,838(2)	28.00	884,605
	11/19/2010	11/19/2010	26,613(2)	32.00	270,388
Patricia Stratford	11/19/2010	11/19/2010	56,137(2)	28.00	621,998
	11/19/2010	11/19/2010	18,711(2)	32.00	190,104
Randy L. Taylor	11/19/2010	11/19/2010	79,838(2)	28.00	884,605
	11/19/2010	11/19/2010	26,613(2)	32.00	270,388

(1) In connection with Citadel s emergence from the Chapter 11 Proceedings, on August 18, 2010, each named executive officer was awarded shares of unvested restricted stock as summarized in the table below. These awards were subsequently forfeited and such awards were rescinded by Citadel in November 2010 and accordingly are not included in the total compensation for 2010.

	Shares	Stock Price	Grant Date Fair Value
Farid Suleman	1,901,042	$ 23.00	$ 43,723,966
Judith A. Ellis	100,000	23.00	2,300,000
Jacquelyn J. Orr	80,000	23.00	1,840,000
Patricia Stratford	56,250	23.00	1,293,750
Randy L. Taylor	80,000	23.00	1,840,000

(2) Reflects stock options granted under the Citadel Plan during 2010. Options vest in three equal portions annually. The first tranche vested on June 3, 2011, and the remaining two tranches are scheduled to vest equally on each of June 3, 2012 and June 3, 2013. All of Ms. Orr s outstanding option awards were unvested and forfeited as of January 31, 2011. Upon certain events related to the termination of employment of the named executive officers or the change in control of Citadel the options vest in full as more fully described in Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in

Control Equity Arrangements on page .

(3) Pursuant to an understanding between the Chief Executive Officer, the several lenders party to the Emergence Term Loan Facility and creditors committee, the Chief Executive Officer was to receive approximately half of the equity awards available for grant upon Citadel s emergence from the Chapter 11 Proceedings.

Citadel Employment Agreements

As required in the Emergence Plan, on June 3, 2010, Citadel entered into employment agreements with each of Mr. Suleman, Mr. Taylor, Ms. Orr, Ms. Ellis and Ms. Stratford. On December 16, 2010, Citadel entered into a separation agreement with Ms. Orr pursuant to which she has resigned from all positions with Citadel and its affiliates, effective as of January 31, 2011. The payments and other benefits provided for in the separation agreement are in full discharge of any and all liabilities and obligations of Citadel to Ms. Orr. For more information regarding these agreements, see Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control below.

Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control

Each Citadel named executive officer is a party to an employment agreement with Citadel that provides for minimum amounts of compensation and for payments and benefits upon certain terminations of employment. In addition, each named executive officer has received stock options that vest in full in the event of their termination due to death or disability, by Citadel without cause or by them with good reason or upon a change in control of Citadel (as such terms are defined in the Citadel Plan). Upon a change in control, any unvested options shall immediately become vested, provided the named executive officer has remained continuously employed by Citadel through such date.

On May 26, 2011, each of the named executive officers (other than Mr. Suleman and Ms. Orr) along with Hilary Glassman (Citadel s new General Counsel, Senior Vice President) received certain grants of restricted stock under the Citadel Plan in accordance with the terms of the merger agreement. Each restricted stock award, other than the award granted to Ms. Glassman, vests in full on May 26, 2013, provided that if the merger is consummated, half of the unvested portion of the award will vest upon the consummation of the merger and the remainder will vest on the date that is six months following the date the merger is consummated. The restricted stock award granted to Ms. Glassman vests in three equal annual installments beginning on February 15, 2012, provided that if the merger is consummated, half of the unvested portion of the award will vest upon the consummation of the merger and the remainder will vest on the date that is six months following the date the merger is consummated. In addition, pursuant to the terms of the awards, the Citadel Plan and the merger agreement, if applicable, each restricted stock award will vest in full upon specified terminations of employment of such executive officer.

Mr. Suleman s Employment Arrangements

Mr. Suleman is party to an employment agreement with Citadel, dated June 3, 2010, that has a five year term and is subject to automatic one-year extensions unless either party provides prior written notice of his or its intention not to extend the term of employment under the agreement. Under this agreement, Mr. Suleman is entitled to receive an annual base salary equal to that in effect on June 3, 2010 (i.e., $1,250,000), and an annual performance-based bonus. His target bonus for 2010 is $2,000,000. For the years ended December 31, 2010, 2011 and 2012, Mr. Suleman s annual performance-based bonus will be paid if Citadel s consolidated EBITDA for the applicable calendar year equals or exceeds its projected consolidated EBITDA for such year, adjusted to exclude the effects of acquisitions, dispositions and restructuring or reorganization costs related to any bankruptcy proceedings. For the year ended December 31, 2010, the projected consolidated EBITDA target was $232.4 million (and the actual bonus award related to such target was determined and paid), and for the years ended December 31, 2011 and 2012, the projected consolidated EBITDA targets are $237.1 million and $239.0 million, respectively. For subsequent years, the board of directors will establish, in good faith after consultation with Citadel s chief executive officer, objective, reasonably obtainable performance goals. Mr. Suleman s target bonus for years subsequent to 2010 cannot be less than $2,000,000 and may be increased in the board s good faith discretion.

Under Mr. Suleman s employment agreement, Mr. Suleman is also entitled to participate in Citadel s health and welfare benefit plans. In addition, within 30 days following June 3, 2010, Mr. Suleman is also entitled to a grant of stock appreciation rights which generally vest in three ratable annual installments commencing on the first anniversary of the grant date. In lieu of stock appreciation rights, in August 2010, Mr. Suleman was awarded shares of unvested restricted stock. This award was subsequently forfeited and such award was rescinded by Citadel in November 2010. The forfeited restricted stock award was replaced with an award of stock options. See Grants of Plan-Based Awards Table on page . The board of directors will also consider in good faith additional annual equity grants.

Mr. Suleman is entitled to certain severance payments and benefits if he terminates his employment for good reason (as such term is defined in his employment agreement and which includes the ability to terminate his employment within 30 days following a change in control) or if Citadel terminates his employment without cause (as such term is defined in his employment agreement). If Mr. Suleman terminates his employment for good reason or if Citadel terminates his employment without cause, Mr. Suleman is entitled to the following payments from Citadel: (i) a pro rata portion (based on the number of days he was employed during the calendar year in which such termination of employment occurs) of the annual bonus that he would have received for the year in which the termination of employment occurs based on actual Citadel performance, payable at the same time bonuses are paid to other executive officers, (ii) an amount equal to three times the sum of (x) his annual base salary and (y) target bonus for the year in which such termination of employment occurs, payable in a lump sum and (iii) accrued benefits including unpaid salary through the date of termination, any earned but unpaid annual bonus, accrued and unused vacation and/or sick days, any amounts or benefits due and owing to Mr. Suleman under Citadel s benefit plans and any unreimbursed business expenses incurred by Mr. Suleman prior to the date of termination, payable in a lump sum. Mr. Suleman and his eligible dependents would also be entitled to continue to participate in Citadel s welfare benefit plans for a period of two years at Citadel s expense. In addition, any unvested equity awards, including any unvested stock options, held by Mr. Suleman would vest in full and all vested stock appreciation rights then held by Mr. Suleman shall remain exercisable for the two year period following the date of his termination (or, if sooner, the expiration of the stock appreciation right). All such payments and benefits, other than the accrued benefits, are subject to Mr. Suleman s execution of a general release of claims in favor of Citadel within 60 days following the termination date and, other than with respect to the accrued benefits and the continued participation in welfare benefit plans, may be subject to a six month delay in accordance with the requirements of Section 409A of the Code.

If any payments to Mr. Suleman pursuant to the terms of his employment agreement or otherwise would result in excise taxes imposed on Mr. Suleman under Section 4999 of the Code then Mr. Suleman may be entitled to a gross-up payment so that he retains an amount of the gross-up payment equal to the sum of (i) the excise tax imposed on his payments and (ii) the product of any deductions disallowed because of the inclusion of the gross-up payment in his adjusted gross income and the applicable marginal rate of federal income taxation for the calendar year in which his gross-up payment is to be made, subject to a potential six month delay in accordance with the requirements of Section 409A of the Code; provided, if the parachute value (as defined in his employment agreement) of all payments does not exceed an amount equal to three hundred and ten percent (310%) of his base amount (as defined in his employment agreement), then no gross-up payment shall be made and the amounts payable to him under his employment agreement shall be reduced so that the parachute value of all payments, in the aggregate, equals the safe harbor amount (as defined in his employment agreement); provided, further, that such reduction shall only be made if such reduction results in a more favorable after-tax position for him.

Under Mr. Suleman s employment agreement, Mr. Suleman is subject to customary restrictive covenants, including non-disclosure of confidential information, non-solicitation of employees, and noncompetition. Generally, Mr. Suleman is bound by these covenants only during the term of his employment (non-disclosure of confidential information continues in perpetuity); provided, however, that Citadel may, at its option, elect to pay Mr. Suleman continued base salary for an additional 12 months following his termination by Citadel for cause or by Mr. Suleman without good reason, in which case these covenants will continue to apply during such 12-month period.

In the event that Mr. Suleman s employment is terminated by Citadel for cause, by Mr. Suleman without good reason, or due to death or disability, Mr. Suleman is entitled to his accrued benefits including unpaid salary through the date of termination, any earned but unpaid annual bonus, accrued and unused vacation and/or sick days, any amounts or benefits due and owing to Mr. Suleman under Citadel s benefit plans and any unreimbursed business expenses incurred by Mr. Suleman prior to the date of termination, payable in a lump sum.

In addition, Citadel was required by Mr. Suleman s employment agreement to establish a non-qualified retirement benefit program meeting minimum terms and conditions outlined in the agreement. On August 19, 2010, the compensation committee adopted, approved and ratified the SERP for Mr. Suleman, the SERP s only eligible participant. On August 20, 2010, Citadel executed and entered into the SERP, effective as of June 3, 2010. The SERP provides for a lump sum cash payment to Mr. Suleman by Citadel upon his

attainment of age 65 or, if sooner, upon his termination of employment for any reason. Such payment may be subject to a six month delay in accordance with the requirements of Section 409A of the Code.

The amount of the lump sum cash payment to Mr. Suleman upon his attainment of age 65 will be equal to the product of (A) Mr. Suleman s Vested Percentage (as defined in the SERP) and (B) an amount equal to the excess of the present value of a single life annuity paying Mr. Suleman four percent (4%) times his Years of Service, as defined in the SERP, up to a maximum of 25 years, times Mr. Suleman s Final Average Compensation (as defined in the SERP), up to a maximum of one hundred percent (100%) of Mr. Suleman s Final Average Compensation, less the sum of (x) the present value of any benefits accrued under any other Citadel-sponsored retirement plan that are attributable to contributions by Citadel and its affiliates (other than salary deferral contributions) and (y) the accumulated value of any prior distributions under the SERP.

The amount of the lump sum cash payment to Mr. Suleman upon his separation from service shall be equal to the amount of the lump sum cash payment to him upon his attainment of age 65; provided that if Mr. Suleman s separation from service occurs prior to the date that Mr. Suleman reaches age 65, the benefit payable shall be reduced by four percent (4%) per year for each year (or fraction thereof) prior to his attainment of age 65 that such benefit would be paid.

Other Named Executive Officers Employment Arrangements

Each of Mr. Taylor, Ms. Ellis and Ms. Stratford is also party to an employment agreement with Citadel (collectively the Other Employment Agreements), each of which is substantially similar to each other. Prior to entering into the separation agreement described below, Ms. Orr was a party to an employment agreement on substantially the same terms as the Other Employment Agreements.

The Other Employment Agreements each have a three year term, subject to automatic one-year extensions unless either party to such agreement provides prior written notice of his, her, or its intention not to extend the term of employment under the agreement. Under the Other Employment Agreements, these executives are entitled to receive an annual base salary equal to that in effect on June 3, 2010 (i.e., Mr. Taylor $400,000; Ms. Ellis $500,000; Ms. Stratford $200,000), and an annual performance-based bonus. The target bonuses for 2010 are as follows: Mr. Taylor $200,000; Ms. Ellis $200,000; Ms. Stratford $125,000. Prior to her termination of employment Ms. Orr was entitled to receive an annual base salary of $350,000 and a target annual performance-based bonus of $200,000 pursuant to her employment agreement. For the years ended December 31, 2010, 2011 and 2012, each of these executive officer s annual performance-based bonus will be paid if Citadel s consolidated EBITDA for the applicable calendar year equals or exceeds its projected consolidated EBITDA for such year, adjusted to exclude the effects of acquisitions, dispositions and restructuring or reorganization costs related to any bankruptcy proceedings. For the year ended December 31, 2010, the projected consolidated EBITDA target was $232.4 million (and the actual bonus award related to such target was determined and paid for each named executive officer), and for the years ended December 31, 2011 and 2012, the projected consolidated EBITDA targets are $237.1 million and $239.0 million, respectively. For subsequent years, the board of directors will establish, in good faith after consultation with Citadel s chief executive officer, objective, reasonably obtainable performance goals. Each of these executive officer s target bonus for years subsequent to 2010 cannot be less than his or her 2010 target bonus and may be increased in the board s good faith discretion.

Under the Other Employment Agreements, each of these executives is also entitled to participate in Citadel s health and welfare benefit plans (excluding the non-qualified retirement benefit plan mentioned above, which is solely for Mr. Suleman s benefit). Similarly, Ms. Orr was entitled to participate in Citadel s health and welfare benefit plans prior to her termination of employment pursuant to the terms of her employment agreement. In addition, within 30 days following June 3, 2010, each of these executives, including Ms. Orr, was entitled to a grant of stock appreciation rights which generally vest in three ratable annual installments commencing on the first anniversary of the grant date. In lieu of stock appreciation rights, in August 2010, each of these executives was awarded shares of unvested restricted stock. These awards were subsequently forfeited and such awards were rescinded by Citadel in November 2010. The forfeited restricted stock awards were replaced with awards of stock options. See Grants of Plan-Based Awards Table on page . The board of directors will also consider in good faith additional annual equity grants.

If Mr. Taylor, Ms. Ellis or Ms. Stratford terminates his or her employment for good reason, or if Citadel terminates his or her employment without cause (as such terms are defined in their respective employment agreements), he or she is entitled to the following payments from Citadel: (i) a pro rata portion (based on the number of days he or she was employed during the calendar year in which such termination of employment occurs) of the annual bonus that he or she would have received for the year in which the termination of employment occurs based on actual Citadel performance, payable at the same time bonuses are paid to other executive officers, (ii) an amount equal to two times the sum of (x) his or her annual base salary and (y) target bonus for the year in which such termination of employment occurs, payable in a lump sum and (iii) accrued benefits including unpaid salary through the date of termination, any earned but unpaid annual bonus, accrued and unused vacation and/or sick days, any amounts or benefits due and owing to the executive officer under Citadel s benefit plans and any unreimbursed business expenses incurred by the executive officer prior to the date of termination, payable in a lump sum. The executive officer and his or her eligible dependents would also be entitled to continue to participate in Citadel s welfare benefit plans for a period of two years at Citadel s expense. In addition, any unvested equity awards, including any unvested stock options, held by the executive would vest in full and all vested stock appreciation rights then held by the executive shall remain exercisable for the two year period following the date of his termination (or, if sooner, the expiration of the stock appreciation right). The foregoing payments and benefits, other than the accrued benefits, are subject to the executive s execution of a general release of claims in favor of Citadel within 60 days following the termination date and all or a portion of such payments and benefits, other than the accrued benefits and the continued participation in welfare benefit plans, may be subject to a six month delay in accordance with the requirements of Section 409A of the Code. Pursuant to the terms of the Other Employment Agreements, good reason does not include the occurrence of a change in control of Citadel. Prior to the effectiveness of her separation agreement, Ms. Orr was provided with substantially similar severance benefits pursuant to the terms of her employment agreement.

In addition, each of Mr. Taylor, Ms. Ellis and Ms. Stratford may terminate his or her employment (i) within 90 days following Mr. Suleman s ceasing to serve as Citadel s chief executive officer by reason of his termination by Citadel without cause or his resignation with good reason (each as defined in Mr. Suleman s employment agreement), and upon such termination would be entitled to a lump sum payment equal to one times his or her annual base salary and a pro rata target bonus (based on the number of days he or she was employed during the calendar year in which such termination of employment occurs) and (ii) within 90 days following Mr. Suleman s ceasing to serve as Citadel s chief executive officer by reason of his voluntary resignation from Citadel without good reason, and upon such termination would be entitled to a lump sum payment equal to 1/2 times his or her annual base salary and a lump sum payment equal to the pro rata target bonus. The foregoing payments and benefits, other than the accrued benefits, are subject to the executive s execution of a general release of claims in favor of Citadel within 60 days following the termination date and all or a portion of such payments and benefits, other than the accrued benefits and the continued participation in welfare benefit plans, may be subject to a six month delay in accordance with the requirements of Section 409A of the Code. Prior to the effectiveness of her separation agreement, Ms. Orr was provided with substantially similar severance benefits pursuant to the terms of her employment agreement.

Mr. Taylor and, prior to the effectiveness of her separation agreement, Ms. Orr, have the same rights to potential gross-up payment as previously described with respect to Mr. Suleman.

Under the Other Employment Agreements and Ms. Orr s employment agreement, each of these executives is also subject to customary restrictive covenants, including non-disclosure of confidential information, non-solicitation of employees, and noncompetition. Generally, these executives are bound by these covenants only during the term of his or her employment (non-disclosure of confidential information continues in perpetuity), though Citadel may, at its option, elect to pay the applicable executive continued base salary for an additional 12 months following his or her termination by Citadel for cause or by the applicable executive without good reason, in which case these covenants will continue to apply during such 12-month period.

In the event that Mr. Taylor, Ms. Ellis or Ms. Stratford is terminated by Citadel for cause, by the executive without good reason, or due to death or disability, the executive is entitled to his or her accrued benefits including unpaid salary through the date of termination, any earned but unpaid annual bonus, accrued and unused vacation and/or sick days, any amounts or benefits due and owing to the executive under Citadel s benefit plans and any unreimbursed business expenses incurred by the executive prior to the date of termination, payable in a lump sum. Prior to the effectiveness of her separation agreement, Ms. Orr was provided with substantially similar severance benefits pursuant to the terms of her employment agreement.

On December 16, 2010, Citadel entered into a separation agreement with Ms. Orr pursuant to which she agreed to resign from all positions with Citadel and its affiliates, effective as January 31, 2011. In consideration for a release of claims from Ms. Orr and Ms. Orr s continued agreement to confidentiality, non-disclosure and non-solicitation covenants, Citadel has paid Ms. Orr (i) a lump sum payment equal to $550,000 on December 31, 2010 and (ii) a lump sum payment equal to $200,000 on January 31, 2011, representing a payment with respect to Ms. Orr s bonus for 2010. In addition, Ms. Orr and her dependents are eligible to continue to participate in Citadel s medical, dental and vision plans through January 31, 2012 at Citadel s expense. The payments and other benefits provided for in the separation agreement are in full discharge of any and all liabilities and obligations of Citadel to Ms. Orr. Pursuant to the separation agreement, Ms. Orr was entitled to continue to receive her base salary at the then current rate (i.e., $350,000) as well as the employee benefits provided by her employment agreement, until January 31, 2011.

Equity Arrangements

Mr. Suleman, Mr. Taylor, Ms. Ellis, Ms. Orr and Ms. Stratford have received stock options that vest in full in the event of their termination due to death or disability, by Citadel without cause or by them with good reason or upon a change in control of Citadel (as such terms are defined in the Citadel Plan). Upon a change in control, any unvested options shall immediately become vested, provided the named executive officer has remained continuously employed by Citadel through such date. In the event of a termination of employment due to death or disability the option will remain exercisable until the earlier of the first anniversary of the date of termination and the tenth anniversary of the date of grant. In the event of a termination of employment for any reason other than due to death or disability or by Citadel for cause the option, to the extent it is vested on the date of termination, will remain exercisable until the earlier of the second anniversary of the date of termination and the tenth anniversary of the date of grant. In the event of a termination of employment by Citadel for cause the option, whether vested or unvested, will be forfeited. All of Ms. Orr s outstanding option awards were unvested and forfeited as of January 31, 2011.

For a description of the grants of restricted stock made on May 26, 2011 to each of the named executive officers (other than Mr. Suleman and Ms. Orr) along with Hilary Glassman (Citadel s new General Counsel, Corporate Secretary and Senior Vice President) under the Citadel Plan in accordance with the terms of the merger agreement, see Elements of Compensation, Why Citadel Chooses to Pay Each Element and Its 2010 Practices Long-Term Incentive Compensation Calendar Year 2011 Awards on page .

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The following table summarizes the potential payments to Citadel s named executive officers upon termination assuming that such events occurred as of December 31, 2010.

	Severance Amounts ($)(10)	Benefits ($)	Accelerated Vesting of Restricted Stock and Options ($)(1)	Total ($)
Farid Suleman(2)				
Death or disability	2,000,000		4,268,687(3)	6,268,687
Termination by Citadel without cause or by the executive with good reason(4)	11,750,000	16,700	4,268,687(3)	16,035,387
Termination by Citadel for cause or by the executive without good reason(5)	2,000,000			2,000,000
Change in control(11)	11,750,000	16,700	4,268,687(3)	16,035,387
Judith A. Ellis(6)(7)				
Death or disability	200,000		224,546(3)	424,546
Termination by Citadel without cause or by the executive with good reason	1,600,000	16,700	224,546(3)	1,841,246
Termination by Citadel for cause or by the executive without good reason(5)	200,000			200,000
Change in control(11)	1,600,000	16,700	224,546(3)	1,841,246
Jacquelyn J. Orr(6)(7)(8)				
Death or disability	200,000		179,636(3)	379,636
Termination by Citadel without cause or by the executive with good reason	1,300,000	16,700	179,636(3)	1,496,336
Termination by Citadel for cause or by the executive without good reason(5)	200,000			200,000
Change in control(11)	1,300,000	16,700	179,636(3)	1,496,336
Patricia Stratford(6)(7)				
Death or disability	125,000		126,308(3)	251,308
Termination by Citadel without cause or by the executive with good reason	775,000	16,700	126,308(3)	918,008
Termination by Citadel for cause or by the executive without good reason(5)	125,000			125,000
Change in control(11)	775,000	16,700	126,308(3)	918,008
Randy L. Taylor(6)(7)(9)				
Death or disability	200,000		179,636(3)	379,636
Termination by Citadel without cause or by the executive with good reason	1,832,264	16,700	179,636(3)	2,028,600
Termination by Citadel for cause or by the executive without good reason(5)	200,000			200,000
Change in control(11)	1,832,264	16,700	179,636(3)	2,028,600

(1)

The amounts reported in this column reflect the aggregate fair market value of unvested stock option awards held by the executives on December 31, 2010 that would accelerate upon such termination or change in control, as applicable, based on the option exercise price and the stock price of Citadel s Class A common stock as of December 31, 2010.

(2) Pursuant to the SERP, Mr. Suleman will be paid $11.8 million as a lump sum cash payment upon separation from service as further described under Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control on page and Pension Benefits at 2010 Fiscal Year End on page .

(3) Pursuant to the applicable 2010 Employment Agreement and/or applicable award agreement, if the executive is terminated without cause or the executive terminates his or her employment for good reason (as such terms are defined in the executives applicable agreements), or in the event of the executive s death or disability or a change of control of Citadel, any unvested portion of the stock option award shall immediately become vested.

(4) Pursuant to Mr. Suleman s employment agreement, the occurrence of a change in control (as such term is defined in the executive s employment agreement) of Citadel is considered to be a good reason for termination.

(5) In the event of a termination by Citadel for cause or by the executive without good reason, Citadel may continue to pay the executive his or her base salary, at the rate in effect immediately prior to termination, for a period of twelve months if Citadel elects to extend the executive s non-compete period for twelve months following the date of termination.

(6) In the event Mr. Suleman s employment is terminated by Citadel without cause or by Mr. Suleman with good reason (each as defined in Mr. Suleman s employment agreement), each of the executives named below may terminate his or her employment with Citadel and shall solely be entitled to receive a lump sum payment equal to one times his or her base salary and a lump sum payment equal to a pro rata portion of his or her target bonus. The potential severance payments for each such executive upon termination, assuming a termination occurred as of December 31, 2010, are summarized in the table below:

Judith A. Ellis	$ 700,000
Jacquelyn J. Orr	550,000
Patricia Stratford	325,000
Randy L. Taylor	600,000

(7) In the event Mr. Suleman voluntarily resigns without good reason, each of the executives named below may terminate his or her employment with Citadel and shall solely be entitled to receive a lump sum payment equal to one-half times his or her annual base salary and a lump sum payment equal to a pro rata portion of his or her target bonus. The potential severance payments for each such executive upon termination, assuming a termination occurred as of December 31, 2010, are summarized in the table below:

Judith A. Ellis	$ 450,000
Jacquelyn J. Orr	375,000
Patricia Stratford	225,000
Randy L. Taylor	400,000

(8) The amounts set forth in this table show severance amounts that Ms. Orr was entitled to receive pursuant to her employment agreement. The separation agreement between Citadel and Ms. Orr became effective on December 24, 2010 and superseded the terms of Ms. Orr s employment agreement, except for the restrictive covenants and certain other specified provisions contained therein. The separation agreement is more fully described under Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control on page .

(9) If terminated by Citadel without cause or by the executive with good reason under circumstances which caused Mr. Taylor s severance payments and benefits to be considered parachute payments (within the meaning of Section 280G of the Code), Mr. Taylor would be entitled to a gross-up payment for excise taxes imposed under

Section 4999 of the Code. Included in the severance amount is approximately $0.4 million, which represents Citadel s estimate of the gross-up payment due to Mr. Taylor.

(10) Certain of the severance amounts shown in the table represent the payment of a pro rata portion of each individual s bonus pursuant to his or her respective employment agreement (in this case, a full-year payment).

(11) The amounts set forth in the Severance Amounts and Benefits columns reflect the payments and benefits the executives would receive upon termination by Citadel without cause or by the executive with good reason in connection with a change in control.

Outstanding Equity Awards Table at 2010 Fiscal Year End

The table below summarizes the awards under the Citadel Plan for each named executive officer that were issued on or following June 3, 2010 and outstanding as of December 31, 2010.

	Option Awards(2)				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
Farid Suleman		1,897,194(1)	1,897,194	28.00	11/19/2020
		632,397(1)	632,397	32.00	11/19/2020
Judith A. Ellis		99,798(1)	99,798	28.00	11/19/2020
		33,265(1)	33,265	32.00	11/19/2020
Jacquelyn J. Orr		79,838(1)	79,838	28.00	11/19/2020
		26,613(1)	26,613	32.00	11/19/2020
Patricia Stratford		56,137(1)	56,137	28.00	11/19/2020
		18,711(1)	18,711	32.00	11/19/2020
Randy L. Taylor		79,838(1)	79,838	28.00	11/19/2020
		26,613(1)	26,613	32.00	11/19/2020

(1) Stock options vest in three equal portions annually. The first tranche vested on June 3, 2011, and the remaining two tranches are scheduled to vest equally on each of June 3, 2012 and June 3, 2013. Upon certain events related to the termination of employment of the named executive officers or the change in control of Citadel, the options vest in full as more fully described in Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control Equity Arrangements on page .

(2) All option and stock awards granted prior to June 3, 2010 were cancelled in connection with Citadel s emergence from the Chapter 11 Proceedings.

Citadel Option Exercises and Stock Vested

All option and stock awards outstanding as of June 3, 2010 were cancelled in connection with Citadel s emergence from the Chapter 11 Proceedings. The table below summarizes vesting of shares of nonvested stock during the year ended December 31, 2010, prior to Citadel s emergence from the Chapter 11 Proceedings. No shares of nonvested stock vested following June 3, 2010.

	Vesting Date	Stock Awards Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Judith A. Ellis	3/22/2010	(1)	
Jacquelyn J. Orr	3/22/2010	8,333	292
Patricia Stratford	3/22/2010	8,333	292
Randy L. Taylor	3/22/2010	2,500	88

(1) Ms. Ellis voluntarily cancelled 33,333 shares of performance-based restricted stock that were scheduled to vest on March 22, 2010.

There were no exercises of stock options during the year ended December 31, 2010.

Citadel s Equity Compensation Plan In Effect Prior to the Emergence Date

Prior to June 3, 2010, nonvested shares of Citadel s common stock and stock options to purchase shares of Citadel s common stock were generally granted under the Citadel Broadcasting Corporation Amended and Restated 2002 Stock Option and Award Plan (the 2002 Long-Term Incentive Plan) and the Walt Disney Company Rollover Equity Agreement (the ABC Rollover Plan). As of May 31, 2010, approximately 7,500,000 stock options and 1,400,000 nonvested shares were outstanding and the total number of shares of common stock that were authorized, reserved, and available for issuance under the 2002 Long-Term Incentive Plan and the ABC Rollover Plan was approximately 10,600,000 and 8,900,000, respectively, excluding shares underlying outstanding grants. Pursuant to the Emergence Plan, the 2002 Long-Term Incentive Plan and the ABC Rollover Plan were terminated as of June 3, 2010 and all share-based payments previously issued and reserved for issuance thereunder were canceled as of June 3, 2010.

Equity Compensation Plans In Effect Following the Emergence Date

The tables below summarize the number of shares of Citadel s common stock to be issued upon exercise or vesting of outstanding grants of Citadel s equity plan-based awards.

Plan Category	**Number of Shares to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (#)**	**Weighted Average Exercise Price of Outstanding Options, Warrants and Rights ($)**
Equity Compensation Plans Approved by Stockholders None		
Equity Compensation Plans Not Approved by Stockholders		
2010 Equity Incentive Plan (1)	3,266,629	29.00
Total	3,266,629	

Plan Category	**Number of Shares to be Issued Upon Vesting of Nonvested Shares or Nonvested Share Units (#)**	**Weighted Average Grant Date Fair Value ($)**
Equity Compensation Plans Approved by Stockholders None		
Equity Compensation Plans Not Approved by Stockholders		
2010 Equity Incentive Plan (1)	1,206,625	23.00
Total	1,206,625	

(1) The 2010 Equity Incentive Plan was adopted by Citadel via approval of the Bankruptcy Court, effective as of June 3, 2010.

As of December 31, 2010, the total number of shares of common stock that remain authorized, reserved, and available for issuance under the Citadel Plan was approximately 5,500,000, not including shares underlying outstanding grants, which can be issued in the form of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards and other stock awards, cash payments and such other forms as the compensation committee of the board of directors in its discretion deems appropriate, including any combination of the above.

2010 Equity Incentive Plan

Citadel adopted the Citadel Plan via approval of the Bankruptcy Court, effective as of June 3, 2010. The Citadel Plan provides for grants of nonqualified stock options, incentive stock options, stock appreciation rights, performance awards, restricted stock units, restricted stock and other stock awards (collectively, the Awards). Citadel s directors, officers and other employees and its subsidiaries, as well as others performing

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consulting services for Citadel, will be eligible for grants under the Citadel Plan. The purpose of the Citadel Plan is to further Citadel s growth and profitability by increasing incentives and encouraging share ownership of directors, employees and other service providers.

As of December 31, 2010, the total number of shares of Citadel s Class A common stock and Class B common stock that remained authorized, reserved, and available for issuance under the Citadel Plan was approximately 5,500,000, not including shares underlying outstanding grants.

Administration

The Citadel Plan is administered by the compensation committee, which has all powers and discretion necessary or appropriate to administer the Citadel Plan and to control its operations, including, but not limited to, the full and final authority in its discretion to (a) determine which Eligible Individuals (as defined in the Citadel Plan) are eligible to receive Awards and to grant such Awards, (b) prescribe the form, amount, timing and other terms and conditions of each Award, (c) interpret the Citadel Plan and Award Agreements (as defined in the Citadel Plan), (d) reconcile any technical inconsistency(ies) in the Citadel Plan and/or any Award Agreement and (e) make all decisions and determinations required pursuant to the Citadel Plan and/or any Award Agreement or as the compensation committee deems necessary or advisable to administer the Citadel Plan. All determinations, decisions and interpretations of the compensation committee pursuant to the provisions of the Citadel Plan or any Award Agreement are final, conclusive and binding on all persons, and shall be given the maximum deference permitted by law. The compensation committee may delegate all or any part of its authority and powers under the Citadel Plan to one or more members of the board of directors and/or officers of Citadel. In addition, a supplemental equity plan committee composed of one director has the authority to make grants of up to 50,000 shares of restricted stock in the aggregate to individuals other than executive officers of Citadel.

Available Shares

The aggregate number of shares of common stock available for delivery pursuant to Awards granted under the Citadel Plan is 10,000,000 shares, which may be either authorized and unissued shares of Citadel s common stock or shares of common stock held in or acquired for Citadel s treasury. Approximately 5,000,000 shares have been authorized for issuance in connection with Citadel s emergence from the Chapter 11 Proceedings and the remaining approximately 5,000,000 shares will be reserved for future issuances. To the extent shares subject to an Award are not issued or delivered by reason of (i) the expiration, cancellation, forfeiture or other termination of an Award, (ii) the withholding of such shares in satisfaction of applicable taxes or (iii) the settlement of all or a portion of an Award in cash, then such shares will again be available for issuance under the Citadel Plan. The aggregate number of shares available for issuance under the Citadel Plan is subject to adjustment in connection with certain types of corporate events, including, but not limited to, a recapitalization, extraordinary dividend, stock split, spin-off or merger.

Subject to adjustment as provided for in the Citadel Plan, (i) the maximum number of shares with respect to which incentive stock options may be granted is 10,000,000, (ii) the maximum number of shares that may be subject to stock options or stock appreciation rights granted to any participant during the term of the Citadel Plan is 10,000,000, (iii) the maximum number of shares that may be subject to performance awards granted to any participant during the term of the Citadel Plan is 10,000,000 and (iv) the maximum amount that can be paid out in cash to any participant in respect of any cash-settled Performance Award granted to such participant during the term of the Citadel Plan that is not expressed in the form of share equivalents is the Fair Market Value of 10,000,000 shares as of the date of grant.

Shares of Citadel Class A common stock or Class B common stock may be delivered pursuant to Awards granted under the Citadel Plan.

Eligibility for Participation

Members of Citadel s board of directors, as well as Citadel s employees and consultants or any of its subsidiaries are eligible to receive Awards under the Citadel Plan. The selection of participants is within the sole discretion of Citadel s compensation committee.

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Award Agreement

Awards granted under the Citadel Plan must be evidenced by a written award agreement that specifies the number of shares to which the Award pertains, the conditions to exercise (in the case of a stock option or stock appreciation right), the period of restriction (in the case of restricted stock and restricted stock units), and such other terms and conditions as the compensation committee shall determine in its sole discretion.

Awards Under the Citadel Plan

The following types of Awards are available under the Citadel Plan:

Stock Options

The compensation committee may grant nonqualified stock options and incentive stock options (only to eligible employees) to purchase shares of common stock. The compensation committee will determine the number of shares subject to each option, the term of each option (which may not exceed ten years (or five years in the case of an incentive stock option granted to a ten percent stockholder)), the exercise price, the vesting schedule (if any), and the other material terms of each option. The exercise price with respect to an incentive stock option granted to a ten percent stockholder may not be less than 110% of the fair market value of a share on the date of grant. Options will be exercisable at such time or times and subject to such terms and conditions as determined by the compensation committee at grant and the exercisability of such options may be accelerated by the compensation committee in its sole discretion.

Stock Appreciation Rights

A stock appreciation right is a right to receive a payment in shares of Citadel common stock or cash (as determined by Citadel s compensation committee) equal in value to the excess of the fair market value of one share of Citadel common stock on the date of exercise over the base price per share established in connection with the grant of the stock appreciation right. The term of each stock appreciation right may not exceed ten years. In the case of a stock appreciation right issued in tandem with a stock option, the base price per share covered by the stock appreciation right will be the exercise price per share of the related option in the case of a tandem stock appreciation right. In all other cases, the base price per share covered by a stock appreciation right will be at least equal to the fair market value of a share of Citadel s common stock on the date of grant of such stock appreciation right. Unless otherwise provided in an Award Agreement, participants holding stock appreciation rights shall be entitled to receive dividend-equivalent payments and other distributions paid with respect to each share covered by the stock appreciation right provided any such payment(s) will be subject to the same vesting requirements as the applicable stock appreciation right and will be paid at the time the applicable stock appreciation right becomes vested.

Restricted Stock and Restricted Stock Units

Citadel s compensation committee may award shares of restricted stock and restricted stock units. Each restricted stock unit represents a notional unit interest equal in value to a share of Citadel s common stock to be paid at such times and subject to such conditions as may be specified in the applicable Award Agreement. The applicable Period of Restriction (as defined in the Citadel Plan) for an Award of restricted stock or restricted stock units will be set forth in the applicable Award Agreement. Except as otherwise provided by Citadel s compensation committee, participants holding shares of restricted stock may exercise full voting rights with respect to such shares during the Period of Restriction. Participants holding restricted stock and restricted stock units are also entitled to receive all dividends and other distributions paid with respect to such Awards provided any such dividends or other distributions will be subject to the same vesting requirements as the underlying Award(s) and shall be paid at the time any such Award vests.

Performance Awards

Citadel s compensation committee may grant a performance award to a participant payable upon the attainment of specific performance goals. Performance awards may be payable upon the attainment of the relevant performance goals either in cash or in shares of Citadel restricted stock (based on the then current fair market value of such shares), as determined by the compensation committee, in its sole discretion.

The performance goals applicable to a performance award must be specified in the applicable Award Agreement and may be based on such factors including (i) revenue, (ii) earnings per share (basic and diluted), (iii) net income per share (iv) share price, (v) pre-tax profits, (vi) net earnings, (vii) net income, (viii) operating income, (ix) cash flow (including, without limitation, operating cash flow, free cash flow, discounted cash flow, return on investment and cash flow in excess of cost of capital), (x) earnings before interest, taxes, depreciation and amortization, (xi) earnings before interest and taxes, (xii) sales, (xiii) total stockholder return relative to assets, (xiv) total stockholder return relative to peers, (xv) financial returns (including, without limitation, return on assets, return on net assets, return on equity and return on investment), (xvi) cost reduction targets, (xvii) customer satisfaction, (xviii) customer growth, (xix) gross margin, (xx) revenue growth, (xxi) market share, (xxii) book value per share, (xxiii) expenses and expense ratio management, (xxiv) any combination of the foregoing or (xxv) such other criteria as the compensation committee may determine.

The foregoing criteria shall have any reasonable definitions that the compensation committee may specify, which may include or exclude extraordinary, unusual or non-recurring items, effects of accounting changes, acquisition expenses, effects of divestures and such other criteria as specified by the compensation committee.

Other Stock Awards

Citadel s compensation committee may grant other stock-based awards payable in, valued in whole or in part by reference to, or otherwise based on or related to shares, including, but not limited to, shares awarded purely as a bonus and not subject to any restrictions or conditions, shares in payment of amounts due under an incentive or performance plan sponsored by Citadel or a subsidiary, performance units, dividend equivalent units, stock equivalent units and deferred stock units. The vesting conditions applicable to any such Award will be set forth in the applicable Award Agreement. Unless otherwise determined by the compensation committee at the time of an Award and subject to the provisions of the Citadel Plan and applicable Award Agreement, participants holding other stock-based awards will be entitled to receive all dividends and other distributions paid with respect to such Awards, provided any such dividends and other distributions will be subject to the same vesting requirements as the underlying Award and will be paid at the time the Award becomes vested.

Change in Control

Pursuant to the Citadel Plan, the compensation committee may provide, in an Award Agreement or otherwise, that in the event of a Change in Control (as defined in the Citadel Plan), unless the right to accelerated vesting, the lapse of restrictions or risks of forfeiture, or accelerated delivery or receipt of cash provided for herein is waived or deferred by a participant and Citadel by written notice prior to the Change in Control, all restrictions and risks of forfeiture on Awards (other than those imposed by law or regulation) shall lapse, and all deferral or vesting periods relating to Awards shall immediately expire. In the event of a Change in Control, Citadel s board of directors can unilaterally implement or negotiate a procedure with any party to the Change in Control pursuant to which all participants unexercised options may be cashed out as part of the purchase transaction, without requiring exercise, for the difference between the purchase price and the applicable exercise price.

Stockholder Rights

Except as otherwise specifically provided for in the Citadel Plan, a participant has no rights as a stockholder with respect to shares covered by any Award unless and until the participant becomes the record holder of such shares.

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Amendment and Termination

Citadel s board of directors, in its sole discretion, may amend, suspend or terminate the Citadel Plan, or any part thereof, at any time and for any reason, subject to any requirement of stockholder approval required by applicable law, rule or regulation; provided, however, the board of directors may amend the Citadel Plan and any Award Agreement without stockholder approval as necessary to avoid the imposition of any taxes under Section 409A of the Code. Subject to the preceding sentence, the amendment, suspension or termination of the Citadel Plan shall not, without the consent of the participant, materially adversely alter or impair any rights or obligations under any Award theretofore granted to such participant. Notwithstanding the foregoing, Citadel s compensation committee may, but shall not be required to, amend or modify any Award to the extent necessary to avoid the imposition of taxes under Section 409A of the Code. Citadel intends to administer the Citadel Plan and all Awards granted thereunder in a manner that complies with Section 409A of the Code, however, it shall not be responsible for any additional tax imposed pursuant to Section 409A of the Code, nor will it indemnify or otherwise reimburse any participant for any liability incurred as a result of Section 409A of the Code. No Award may be granted pursuant to the Citadel Plan during any period of suspension or after termination of the Citadel Plan.

Transferability

Awards granted under the Citadel Plan are generally nontransferable (other than by will or the laws of descent and distribution); provided, however, that except as provided by in the relevant Award Agreement, a participant may transfer, without consideration, an Award other than an incentive stock option to one or more members of his or her Immediate Family (as defined in the Citadel Plan), to a trust established for the exclusive benefit of one or more members of his or her Immediate Family, to a partnership in which all the partners are members of his or her Immediate Family, or to a limited liability company in which all the members are members of his or her Immediate Family; provided, further, that any such Immediate Family, and any such trust, partnership and limited liability company, shall agree to be and shall be bound by the terms of the Citadel Plan, and by the terms and provisions of the applicable Award Agreement and any other agreements covering the transferred Awards. All rights with respect to an Award granted to a participant shall be available during his or her lifetime only to the participant and may be exercised only by the participant or the participant s legal representative.

Pension Benefits at 2010 Fiscal Year End

Citadel was required by Mr. Suleman s employment agreement to establish a non-qualified retirement benefit program meeting minimum terms and conditions outlined in the agreement. On August 19, 2010, the compensation committee adopted, approved and ratified the SERP for Mr. Suleman, the SERP s only eligible participant, effective as of June 3, 2010. The SERP provides for a lump sum cash payment to Mr. Suleman upon his attainment of the age of 65 or, if sooner, upon his separation from service within the meaning of Section 409A of the Code. For a further description of the SERP, see Summary of Citadel Employment Arrangements, Equity Arrangements and Potential Payments Upon Termination or Change in Control Mr. Suleman s Employment Arrangements on page .

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($)

Farid Suleman	Citadel Broadcasting Corporation Supplemental Executive Retirement Plan	8.75	11,476,773

Citadel Compensation Risk Management

With respect to the 2010 executive compensation for Citadel s named executive officers, the mix and design of the elements of Citadel s compensation arrangements for the named executive officers (such as base

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salary, long-term performance bonus and multi-year time equity grants) were established in connection with the Emergence Plan.

Citadel s board of directors and compensation committee have assessed the risks associated with Citadel s compensation arrangements for its named executive officers and other employees and believe that such arrangements are reasonable and competitive, do not encourage management to assume excessive risks and align management s interests with those of Citadel s stockholders and are not reasonably likely to have a material adverse effect on Citadel.

Director Compensation Table at 2010 Fiscal Year End

The tables below summarize information concerning the compensation of Citadel s directors for the fiscal year ended December 31, 2010. The tables below do not include information with respect to Citadel s Chief Executive Officer, Mr. Suleman, as he is also a named executive officer of Citadel and is not compensated for his service as a director.

On June 3, 2010, the following directors departed Citadel s board of directors in connection with Citadel s emergence from the Chapter 11 Proceedings and pursuant to the Emergence Plan: (i) J. Anthony Forstmann; (ii) Theodore J. Forstmann; (iii) Michael Miles; (iv) Michael J. Regan; (v) Thomas Reifenheiser; and (vi) Wayne T. Smith.

On June 3, 2010, pursuant to the Emergence Plan, Citadel s board of directors was reconstituted to consist of (i) Farid Suleman (Citadel s Chief Executive Officer); (ii) William M. Campbell, III; (iii) Gregory Mrva; (iv) Paul N. Saleh; (v) Jonathan Mandel; (vi) John L. Sander (Chairman); and (vii) Doreen A. Wright. On November 16, 2010, Paul N. Saleh resigned from the board of directors.

Compensation of Pre-Emergence Board of Directors

Directors who are also Citadel employees do not receive compensation for their service as members of Citadel s board of directors or board committees. Effective May 24, 2006, in consideration for his services as a member of Citadel s board of directors, each director received an annual fee of $50,000, $2,500 for each committee meeting he attended and $5,000 annually if he served as a committee chairperson. Citadel did not compensate committee members for every meeting attended; rather, compensation was paid to committee members based upon attendance at certain predetermined meetings.

Name	Fees Earned or Paid in Cash ($)	Total ($)
J. Anthony Forstmann	25,000	25,000
Theodore J. Forstmann		
Michael A. Miles	30,000	30,000
Michael J. Regan	32,500	32,500
Thomas V. Reifenheiser	30,000	30,000
Wayne T. Smith	32,500	32,500

Compensation of Post-Emergence Board of Directors

Directors who are also Citadel employees do not receive compensation for their service as members of Citadel s board of directors or board committees. Effective June 3, 2010, in consideration for his or her services as a member of the board of directors, each Citadel director receives an annual retainer fee of $75,000. The director who serves as the Chairman of the board of directors receives an additional annual fee of $50,000, and each director who serves as a committee chairperson receives an additional annual fee of $15,000. Effective October 1, 2010, the annual retainer and the fee for serving as a committee chairperson were increased to $100,000 and $20,000, respectively. The additional fee for serving as Chairman of Citadel s board of directors remained the same at $50,000. All fees are paid by Citadel, quarterly in advance. Citadel does not compensate board or committee members on the basis of the number of meetings attended.

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Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	Option Awards ($)	Total ($)
William M. Campbell, III	59,500		686,208(2)	745,708(4)
Jonathan Mandel	49,583		686,208(2)	735,791(4)
Gregory Mrva	49,583		686,208(2)	735,791(4)
Paul Saleh(3)	59,500			59,500(4)
John L. Sander	78,472		686,208(2)	764,680(4)
Doreen A. Wright	59,500		686,208(2)	745,708(4)

(1) In August 2010, in connection with Citadel s emergence from the Chapter 11 Proceedings, each director was awarded shares of unvested restricted stock as summarized in the table below. These awards were subsequently forfeited in November 2010.

	Shares	Stock Price	Grant Date Fair Value
John L. Sander (Chairman)	47,530	$ 23.00	$ 1,093,190
William M. Campbell, III	47,530	23.00	1,093,190
Jonathan Mandel	47,530	23.00	1,093,190
Gregory Mrva	47,530	23.00	1,093,190
Paul N. Saleh(3)	47,530	23.00	1,093,190
Doreen A. Wright	47,530	23.00	1,093,190

(2) Option award compensation is based on 63,245 options granted on November 19, 2010 at a closing stock price of $25.00, of which 75% have an exercise price of $28.00 and a grant date fair value of $11.08 per option and 25% have an exercise price of $32.00 and a grant date fair value of $10.16 per option. In the event of a termination of service due to death or disability or a change in control (as such term is defined in the Citadel Plan) of Citadel (subject to continued service through the date of such change in control) any unvested portion of the option award shall immediately become vested. In the event of a termination of service due to death or disability the option will remain exercisable until the earlier of the first anniversary of the date of termination and the tenth anniversary of the date of grant. In the event of a termination of service for any reason other than due to death or disability or by Citadel for cause (as such term is defined in the Citadel Plan) the option, to the extent it is vested on the date of termination, will remain exercisable until the earlier of the second anniversary of the date of termination and the tenth anniversary of the date of grant. In the event of a termination of service by Citadel for cause the option, whether vested or unvested, will be forfeited.

The aggregate number of stock option awards held by each member of the board of directors as of December 31, 2010 is as follows:

John L. Sander (Chairman)	63,245
William M. Campbell, III	63,245
Jonathan Mandel	63,245

Gregory Mrva	63,245
Doreen A. Wright	63,245

(3) Mr. Saleh resigned from Citadel s board of directors effective on November 16, 2010.

(4) Does not reflect the grant date fair value of the unvested restricted stock voluntarily forfeited by each director, as disclosed in footnote (1) above.

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PROPOSALS SUBMITTED TO CITADEL STOCKHOLDERS

Adoption of the Agreement and Plan of Merger

(Item 1 on the Citadel Proxy Card)

This information statement/proxy statement/prospectus is being furnished to Citadel s stockholders as part of the solicitation of proxies by Citadel s board of directors for use at the Citadel annual meeting to consider and vote on the Proposal to adopt the merger agreement. If Citadel s stockholders fail to adopt the merger agreement, the merger will not occur. Holders of Citadel common stock should read this document carefully in its entirety, including the annexes, for more detailed information concerning the merger agreement and the merger. A copy of the merger agreement is attached to this information statement/proxy statement/prospectus as Annex A.

Citadel s board of directors, after careful consideration, deemed it advisable and in the best interests of Citadel and its unaffiliated stockholders that Citadel enter into the merger agreement, determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable, fair (both substantively and procedurally) to and in the best interests of Citadel and its unaffiliated stockholders and recommended that Citadel s stockholders adopt the merger agreement at the Citadel annual meeting.

The affirmative vote of the holders of at least a majority of the outstanding shares of Citadel common stock, voting together as a single class, as of the record date entitled to vote is required to adopt the merger agreement.

Citadel s board of directors recommends that its stockholders vote FOR the adoption of the merger agreement.

Adjournment Proposal

(Item 2 on the Citadel Proxy Card)

The Citadel annual meeting may be adjourned to another time or place, if necessary or appropriate, to permit, among other things, further solicitation of proxies if necessary to obtain additional votes in favor of the adoption of the merger agreement.

If, at the Citadel annual meeting, the number of Citadel common shares present or represented and voting in favor of the adoption of the merger agreement is insufficient to approve such Proposal, Citadel intends to move to adjourn the Citadel annual meeting in order to solicit additional proxies for the adoption of the merger agreement.

In this adjournment Proposal, Citadel is asking its stockholders to authorize the holder of any proxy solicited by Citadel s board of directors to vote in favor of granting discretionary authority to proxy holders, and each of them individually, to adjourn the Citadel annual meeting to another time and place for the purpose of soliciting additional proxies. If Citadel stockholders approve the Citadel adjournment Proposal, Citadel could adjourn the Citadel annual meeting and any adjourned session of the Citadel annual meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from Citadel stockholders who have previously voted.

Citadel s board of directors recommends that holders of Citadel Class A common stock vote FOR the Citadel adjournment Proposal, if necessary, to solicit additional proxies.

Election of Class I Directors

(Item 3 on the Citadel Proxy Card)

As of June 3, 2010, Citadel s board of directors had seven members and, as of the date hereof, is composed of five independent directors, Citadel s chief executive officer, and one vacancy. Citadel s board of directors is currently divided into three classes. Of the six directors currently sitting on Citadel s board of directors, two are Class I directors, two are Class II directors, and two are Class III directors. The current terms of the Class I, Class II and Class III directors expire in 2011, 2012 and 2013, respectively. The open director seat is for a Class III director. At each annual meeting of Citadel stockholders, successors to the class of directors whose term expires at that annual meeting are normally elected for a three-year term and until their respective successors are elected and qualified. A director may only be removed with cause by the affirmative vote of the holders of a majority of the outstanding shares of capital stock as of the record date entitled to vote in the election of directors, voting together as a single class.

The Citadel directors elected at the Citadel annual meeting will serve as directors of Citadel following the meeting through the earliest of the effective time of the merger, Citadel s 2014 annual meeting of stockholders, or his or her death, resignation, retirement or removal. At the effective time of the merger, the individuals serving as Citadel directors immediately prior to the effective time of the merger will no longer be Citadel directors.

Director-Nominees

Name	Age	Position
Jonathan Mandel	59	Director (Class I)
Gregory Mrva	41	Director (Class I)

Jonathan Mandel has been a member of Citadel s board of directors since the June 3, 2010. Mr. Mandel is Chairman of the board of Proximic, a privately funded company that provides advisory services for targeting online content and improving advertising placement. Since 2009, Mr. Mandel has served as a management advisor for Progress Partners, which offers strategic advisory and investment banking services to early and mid-stage companies in technology, digital media, and clean energy, and Progress Ventures, a related investing fund, as well as Rho Ventures, a multi-stage venture capital firm and Coriolis Ventures, a related investing entity. Mr. Mandel also currently serves in various board capacities for eXelate, a digital advertising research software company; Indoor Direct, a holding company with interests in a restaurant entertainment and advertising network; Loop Analytics, a mobile strategy company; the International Radio and Television Foundation; John A. Reisenbach Foundation, a charitable organization for New York s media and advertising communities; and the New York chapter of the Juvenile Diabetes Research Foundation. From November 2006 until February 2009, Mr. Mandel served as the Chief Executive Officer of NielsenConnect at Nielsen Company, Inc. From February 2002 until joining NielsenConnect, Mr. Mandel was at MediaCom Worldwide, Inc., serving in the positions of Chairman of MediaCom U.S.; Chief Global Buying Officer of MediaCom Worldwide; and Co-Chief Executive Officer of MediaCom Latino.

Qualifications: Mr. Mandel brings over 36 years of experience in the media and advertising industries, with particular expertise in the media research and media planning/purchase space. Mr. Mandel also has substantial experience as a company director.

Gregory Mrva has been a member of Citadel s board of directors since the June 3, 2010. Since August 2010, Mr. Mrva has served as the Managing Director Head of Internet at Barclays Capital, Investment Banking. From June 2005 until February 2010, Mr. Mrva served as Vice President of Strategy, Mergers and Acquisitions and Corporate Development at Yahoo! Inc. From 2003 to June 2005, Mr. Mrva served as Investment Professional with the Technology Group at Texas Pacific Group, a private equity firm, and from 2001 to 2002 he served as Investment Professional with the Enterprise Software Group at Partech International, a venture capital firm.

Qualifications: Mr. Mrva offers extensive experience in the areas of finance and technology. Mr. Mrva has developed significant strategic expertise gained in part through his years in venture capital, private equity and investment banking.

Citadel s board of directors recommends that holders of Citadel Class A common stock vote FOR the election of each of the nominees to serve as Class I directors on Citadel s board of directors.

Incumbent Directors

The remaining incumbent directors, whose terms of office are not expiring, are as follows:

Name	Age	Position
William M. Campbell, III	51	Director (Class II)
Doreen A. Wright	54	Director (Class II)
John L. Sander	69	Director (Class III)
Farid Suleman	59	Director (Class III)

The current terms of the Class II and Class III directors expire on the dates of Citadel s 2012 and 2013 annual meetings of stockholders, respectively, or when their respective successors are elected and qualified.

William M. Campbell, III has been a member of Citadel s board of directors since the June 3, 2010. Since October 2010, Mr. Campbell has served as President of Akoo International, Inc., a social music television network. He currently serves as a director of ePals, Inc., an education technology company; CalArts, a center for the study of performing and visual arts; the Jane Goodall Institute, a nonprofit entity; and Converse College Board of Trustees. From 1998 until 2007, Mr. Campbell served as a director of Education Management Corporation, a provider of private post-secondary education in North America. From March 2009 until June 2009, Mr. Campbell served as President and Chief Executive Officer of Panavision Inc. and from 2008 to 2009 as President and Chief Executive Officer of 5CTV, a global media company. From May 2002 to February 2007, Mr. Campbell served as President of Discovery Networks, Inc. and from 1998 to 2002 he served as President of Miramax Television. He served as Executive Vice President of CBS Entertainment from 1995 to 1998.

Qualifications: Mr. Campbell has 24 years of media industry experience, providing him with extensive insight into the operations of a media company. In addition, his prior leadership roles allow him to provide insight on management and operational initiatives to Citadel s board of directors.

Doreen A. Wright has been a member of Citadel s board of directors since June 3, 2010. From June 2001 to July 2008, Ms. Wright served as Senior Vice President and Chief Information Officer at Campbell s Soup Company. Ms. Wright currently serves on the board of directors of the Dean Foods Company, a food and beverage company; the Oriental Trading Company, an Internet and catalog retailer; Crocs, Inc., a footwear manufacturing and distributing company; and on the New Hope Arts Advisory Board. Ms. Wright has previously served on the boards of Conseco, Inc., an insurance company; The Yankee Candle Company, Alphanet Solutions, Inc., an information technology professional services firm; The Annenberg Center for the Performing Arts and The American Repertory Ballet. She was also a trustee of the Campbell Soup Foundation. From 1999 until joining Campbell s, Ms. Wright served as Executive Vice President and Chief Information Officer of Nabisco, Inc., now a subsidiary of Kraft Foods Inc. From 1995 through 1998, Ms. Wright served as Senior Vice President, Operations and Systems at Prudential Insurance Company s Prudential Investment Group.

Qualifications: Ms. Wright brings more than 30 years of leadership experience in the financial services and consumer products industries, with emphasis in the areas of information technology, operations and human resources.
Ms. Wright also has extensive experience as a public company director, including service on audit, compensation and corporate governance committees.

John L. Sander has been the Chairman of Citadel s board of directors and a director since June 3, 2010. Mr. Sander is a director, and the current Chairman, of Broadcast Music, Inc., which collects license fees and distributes royalties to songwriters, composers and music publishers. Mr. Sander also serves as a director of the National Association of Broadcasters, a trade association for radio and television broadcasters. Since 2006, Mr. Sander has served as Senior Advisor of Belo Corporation, which owns and operates 20 television stations in the United States. From 1997 through 2006, Mr. Sander served in various positions at Belo Corporation, including Vice Chairman, President of Media Operations; Executive Vice President of Media Operations; President of the Television Group; and Executive Vice President of the Television Group. From 1985 through

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1997, Mr. Sander served as President and General Manager at WAGA-TV Atlanta. From 1982 through 1985, Mr. Sander served as President of the Television Group of Taft Broadcasting, a media broadcasting company.

Qualifications: Mr. Sander s 45 years of experience in the television broadcasting industry, serving as both a director and as a member of the management team for several companies, provide him with a unique and current knowledge of the media industry.

Farid Suleman has been Citadel s President and Chief Executive Officer and a member of the board of directors since March 2002. Mr. Suleman was also the Chairman of Citadel s board of directors from March 2002 through June 2010. From February 2001 to February 2002, Mr. Suleman was President and Chief Executive Officer of Infinity Broadcasting Corp., a radio and outdoor advertising company. He was Executive Vice President, Chief Financial Officer, Treasurer and a director of Infinity Broadcasting from September 1998 to February 2001 when Infinity Broadcasting was acquired by Viacom Inc. From February 1994 until February 2007, Mr. Suleman was a director of Westwood One, Inc. Mr. Suleman was a special limited partner of FL&Co., a private equity firm, from March 2002 until June 2007.

Qualifications: Mr. Suleman brings insight into all aspects of Citadel s business, due to both his current role as President and Chief Executive Officer and his history with Citadel. Mr. Suleman s leadership, together with his industry knowledge and experience, has been instrumental in Citadel s growth. In addition, his in-depth knowledge of Citadel s business strategy and operations as an executive officer enables him to provide valuable contributions and facilitate effective communication between management and Citadel s board of directors.

Non-Binding Advisory Vote on Golden Parachute Compensation

(Item 4 on the Citadel Proxy Card)

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) and Rule 14a-21(c) under the Exchange Act require Citadel to provide its stockholders with the opportunity to vote to approve on a non-binding, advisory basis the compensation that may be paid or payable to the named executive officers of Citadel that is based on or otherwise relates to the merger (also known as golden parachute compensation).

Accordingly, Citadel is requesting that holders of Citadel Class A common stock approve the following resolution:

RESOLVED, that the stockholders of Citadel Broadcasting Corporation approve, on a non-binding advisory basis, the compensation that may be paid or become payable to its named executive officers that is based on or otherwise relates to the merger, as disclosed in the proxy statement relating to Citadel s 2011 annual meeting in the table entitled Golden Parachute Compensation, including the related narrative discussion, as disclosed under the heading Payments to Named Executive Officers Contingent Upon the Merger, and the agreements or understandings pursuant to which such compensation may be paid or become payable.

Approval of this Proposal is not a condition to completion of the merger. As this is an advisory vote, the result will not be binding on Citadel or on Cumulus Media, or the board of directors or the compensation committees of Citadel or Cumulus Media. Accordingly, such compensation, including amounts that Citadel is contractually obligated to pay, could still be payable regardless of the outcome of this advisory vote, subject only to the conditions applicable thereto. Proxies submitted without direction pursuant to this solicitation will be voted FOR the approval of the compensation to be paid to Citadel s named executive officers that is based on or otherwise relates to the merger, as disclosed in this information statement/proxy statement/prospectus.

Citadel s board of directors recommends that holders of Citadel Class A common stock vote FOR the approval on a non-binding, advisory basis of the compensation that may be paid or payable to its named executive officers that is based on or otherwise relates to the merger, as disclosed pursuant to the compensation disclosure rules of the SEC.

Ratification of Appointment of Independent Registered Public Accountants

(Item 5 on the Citadel Proxy Card)

The audit committee of Citadel has appointed the firm of Deloitte & Touche LLP, independent registered public accountants, as Citadel s independent registered public accountants for the year ending December 31, 2011.

From and after the effective date of the merger, Deloitte & Touche LLP will not continue to conduct an independent audit of Citadel.

Citadel s board of directors recommends that its stockholders vote FOR the ratification of the appointment of Deloitte & Touche LLP as Citadel s independent registered public accountants for the year ending December 31, 2011.

Representation of Independent Registered Accountants at the Citadel Annual Meeting

A representative of Deloitte & Touche LLP will be present at the Citadel annual meeting, will be offered the opportunity to make a statement if he or she desires to do so, and will be available to respond to appropriate questions.

Audit Fees

Deloitte & Touche LLP was engaged as Citadel s independent registered public accountants for the year ended December 31, 2010. The aggregate fees and out-of-pocket expenses billed by Deloitte & Touche LLP for professional services rendered for the audit of Citadel s annual consolidated financial statements and the audit of management s report on internal controls for the fiscal years ended December 31, 2010 and 2009 and for the reviews of the financial statements included in Citadel s quarterly reports on Form 10-Q for each year ended December 31, 2010 and 2009 were approximately $1,100,000 and $1,166,000, respectively.

Audit-Related Fees

Audit-related fees billed by Deloitte & Touche LLP for the year ended December 31, 2010 were approximately $792,000, which includes the aggregate fees and out-of-pocket expenses billed for professional services rendered for fresh-start accounting and Citadel s debt refinancing transactions from December 2010. For the year ended December 31, 2009, Deloitte & Touche LLP billed Citadel approximately $73,000 in the aggregate for fees and out-of-pocket expenses for professional services rendered for the audit of Citadel s 401(k) plan for the year ended December 31, 2008 and fees associated with assisting Citadel with responses to an SEC comment letter.

Tax Fees

The aggregate fees and out-of-pocket expenses billed by Deloitte & Touche LLP for professional services rendered in connection with Citadel s restructuring, transaction cost recovery and tax preparation and review services for the year ended December 31, 2010 was approximately $882,000.

All Other Fees

For the year ended December 31, 2009, Deloitte & Touche LLP billed Citadel approximately $1,115,000 for aggregate fees and out of pocket expenses for professional services rendered in connection with Citadel s restructuring.

Pre-Approval Policies and Procedures

The Citadel audit committee has adopted policies and procedures requiring audit committee review and approval in advance of all particular engagements for services provided by Citadel s independent registered public accountants. Prior to rendering any audit and non-audit professional services, Deloitte & Touche LLP discusses such services with the Citadel audit committee, and the committee pre-approves the scope of such services and the related estimated fees. The scope of all audit and non-audit services rendered by Deloitte & Touche LLP to Citadel during the year ended December 31, 2010 was pre-approved by the Citadel audit committee.

During the approval process, the Citadel audit committee considers the impact of the scope of services and the related fees on the independence of the auditor. The services and fees must be deemed compatible with the maintenance of the auditor s independence, including compliance with the SEC rules and regulations.

Other Business

Citadel does not intend to bring any other matters before the Citadel annual meeting, and Citadel does not know of any matters to be brought before the Citadel annual meeting by others. If, however, any other matters properly come before the Citadel annual meeting, the persons named in the proxy will vote the shares represented thereby in accordance with their judgment on any such matter.

THE MERGER

This section of the information statement/proxy statement/prospectus describes the material aspects of the proposed merger. This section may not contain all of the information that is important to you. You should carefully read this entire information statement/proxy statement/prospectus and the documents incorporated herein by reference, including the full text of the merger agreement, which is attached as Annex A, for a more complete understanding of the merger. In addition, important business and financial information about each of Cumulus Media and Citadel is incorporated into this information statement/proxy statement/prospectus by reference and is included in the Annexes hereto. See Where You Can Find More Information on page .

Effect of the Merger; What Stockholders, Option Holders and Warrant Holders of Citadel Will Receive in the Merger

Upon completion of the merger, Merger Sub, an indirect wholly-owned subsidiary of Cumulus Media and a direct wholly-owned subsidiary of Holdco, will merge with and into Citadel. Citadel will be the surviving corporation in the merger and will become an indirect wholly-owned subsidiary of Cumulus Media and a direct wholly-owned subsidiary of Holdco.

In the merger, each share of Citadel Class A common stock and Citadel Class B common stock outstanding immediately prior to the effective time of the merger (other than shares owned by Citadel as treasury stock, shares owned by Cumulus Media or Merger Sub or shares held by holders properly exercising appraisal rights under Delaware law) will be converted, except as described below, at the effective time of the merger into the right to receive, at the election of the holder, either $37.00 in cash or 8.525 shares of Cumulus Media Class A common stock, in either case subject to proration if holders of Citadel common stock and Citadel warrants elect to receive cash consideration exceeding the Cash Consideration Cap or stock consideration exceeding the Stock Consideration Cap. Each share of Citadel Class A common stock or Citadel Class B common stock owned by Cumulus Media, Holdco or Merger Sub will be cancelled without consideration. See Citadel Stockholders and Warrant Holders Making Cash and Stock Elections Proration Procedures on page for more information on how the proration procedures will work.

The right of Citadel stockholders to receive shares of Cumulus Media Class A common stock is subject to a reasonable determination by Cumulus Media that distribution of Cumulus Media Class A common stock would not result or be likely to result in a violation of the Communications Act or FCC rules and policies. If the distribution of shares of Cumulus Media Class A common stock to a Citadel stockholder or warrant holder would be or would be likely to result in such a violation, Cumulus Media will issue to the Citadel stockholder or warrant holder a warrant to acquire an equal number of shares of Cumulus Media Class A common stock or Cumulus Media Class B common stock in exchange for his or her shares of Citadel common stock or warrants. To facilitate that determination, each Citadel stockholder and warrant holder will be asked to complete an ownership certification and a related FCC worksheet in connection with its election to receive cash or stock as merger consideration. Failure to complete that ownership certification and related FCC worksheet will result in the stockholder or warrant holder receiving warrants for Cumulus Media Class A common stock or Cumulus Media Class B common stock.

At least twenty business days prior to the consummation of the merger, each unvested and outstanding option to purchase shares of Citadel Class A common stock under the Citadel Plan will become fully vested and exercisable and will terminate upon the consummation of the merger. If any option is not exercised on or prior to the date that is ten business days prior to the consummation of the merger, upon the consummation of the merger such outstanding option will be deemed exercised for that number of shares of Citadel Class A common stock equal to (x) the number of shares of Citadel Class A common stock subject to such option minus (y) the number of shares of Citadel Class A common stock subject to such option which, when multiplied by the fair market value (as defined in the Citadel Plan) of a share of Citadel Class A common stock as of the day that is one business day before the date the merger is consummated, is equal to the aggregate exercise price of such option. Pursuant to the merger agreement, each resulting share of Citadel Class A common stock will be converted into the right to receive the consideration choice selected for the majority of Citadel shares and warrants for which an election was properly made (or deemed to have been made), subject to the proration described above; provided, that any resulting fractional shares will be converted into a cash amount equal to the product obtained by multiplying the fractional interest by $4.34. See The Merger Agreement Merger Consideration Treatment of Citadel Stock Options and Other Equity-Based Awards on page .

Upon the consummation of the merger each restricted stock award outstanding immediately prior to the consummation of the merger will be converted at the election of the holder and on the same terms and conditions as were applicable to such award immediately prior to the consummation of the merger into a right to receive cash or Cumulus Media common stock, determined in accordance with the terms of the merger agreement and will be payable at the time such restricted stock award vests. In addition, upon consummation of the merger, each restricted stock award will vest in full upon the holder s termination of service by Citadel without cause (as such term is defined in the Citadel Plan) or by the holder for good reason (as such term is defined in the Citadel Plan assuming no other agreement or arrangement supersedes such definition). Any resulting fractional shares of Cumulus Media Class A common stock will be rounded down to the nearest whole share and any fractional share of Cumulus Media Class A common stock lost due to such rounding will be converted into a cash amount, payable at the time such restricted stock award vests, equal to the product obtained by multiplying the fractional interest by $4.34. See The Merger Agreement Merger Consideration Treatment of Citadel Stock Options and Other Equity-Based Awards on page .

The rights pertaining to Cumulus Media Class A common stock (or, if applicable, Cumulus Media Class B common stock) will be different from the rights pertaining to Citadel common stock, because the certificate of incorporation and by-laws of Cumulus Media in effect immediately after the merger is completed will be different from the fourth amended and restated certificate of incorporation of Citadel (Citadel Charter) and the amended and restated bylaws of Citadel (Citadel Bylaws). A further description of the rights pertaining to Cumulus Media common stock and the Third Amendment and Restatement and Cumulus Media Bylaws which will be in effect immediately after the merger is completed is further described under Comparison of Rights of Holders of Cumulus Media Common Stock and Citadel Common Stock on page .

Background of the Merger

The Cumulus Media board of directors regularly reviews and evaluates Cumulus Media s business strategy and strategic options in an effort to enhance stockholder value. As a part of those efforts, in May 2006, Cumulus Media, through CMP, the privately-owned partnership it formed with three private equity funds, purchased the radio broadcasting business of Susquehanna Pfaltzgraff Co. While Cumulus Media s historical focus had been on mid-sized radio markets in the United States, Cumulus Media management recognized that large-sized radio markets provided an attractive combination of scale, diversification, and content and distribution opportunities for future growth.

At various times over the past few years, senior executives of Cumulus Media have engaged in preliminary discussions with various parties regarding potential acquisition, divestiture or business combination transactions. In April 2010, Cumulus Media and an affiliate of Crestview announced the formation of a strategic investment partnership that would seek to invest in premium radio broadcasting companies that presented attractive opportunities for significant long-term capital appreciation. The objective of the partnership would be to deliver significant value and achieve attractive returns through Cumulus Media s proven skills in radio station management and operations, as well as its proprietary technology platform. Under the terms of the partnership, an affiliate of Crestview would lead an investor group that would invest up to $500 million in equity in the partnership, which would target acquisitions in excess of $1 billion.

On December 20, 2009, Citadel and certain of its subsidiaries filed voluntary petitions in the United States Bankruptcy Court for the Southern District of New York seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. Citadel emerged from bankruptcy court protection pursuant to the Emergence Plan, that became effective as of June 3, 2010. In accordance with the Emergence Plan, approximately $2.1 billion of Citadel s indebtedness was converted into a new term loan in the initial principal amount of approximately $762.5 million and three forms of equity: Citadel Class A common stock; Citadel

Class B common stock; and warrants to purchase Citadel Class B common stock, which equity had an aggregate implicit value of approximately $1.3 billion, or $28.00 per share, based on Citadel s enterprise value.

After Citadel s emergence from bankruptcy, the Citadel board of directors began consideration with its legal and financial advisors of steps to enhance stockholder value. Among the matters reviewed by the Citadel board was the possible refinancing of Citadel s outstanding indebtedness to a lower interest rate, providing more operating flexibility to Citadel and extending its debt maturities. The Citadel board of directors also considered the listing of Citadel stock on the NYSE to increase liquidity, the initiation of a dividend, and/or the completion of an equity offering of secondary and/or primary shares of Citadel common stock.

At a regularly scheduled meeting of the Cumulus Media board of directors on October 27, 2010, Mr. Dickey reported on developments at Citadel since its emergence from Chapter 11 in June, and described the potential benefits of a possible acquisition of Citadel by Cumulus Media. Representatives of UBS Securities, Cumulus Media s financial advisor, and Jones Day, Cumulus Media s legal counsel, also participated in the discussion. The representatives of UBS Securities reported on Citadel s operations and its capital structure, existing financing arrangements and its stockholder profile, and then described possible structures and financing alternatives for such a transaction. They also reported on indications from various stockholders of Citadel that they were supportive of such a potential transaction. Following those discussions, the Cumulus Media board of directors determined that it was in the best interest of Cumulus Media stockholders to explore a potential transaction with Citadel.

On November 3, 2010, Lewis W. Dickey, Jr., Chairman, President and Chief Executive Officer of Cumulus Media, telephoned John L. Sander, Chairman of the Citadel board of directors. During that conversation, Mr. Dickey stated that Cumulus Media was interested in discussing a potential at-market merger transaction between Cumulus Media and Citadel, and Mr. Dickey indicated that several significant Citadel stockholders, which he did not identify, had proactively suggested to representatives of Cumulus Media that such stockholders were supportive of a combination of Cumulus Media and Citadel. Mr. Sander advised Mr. Dickey that he would relay the conversation to the Citadel board of directors.

On November 8, 2010, Citadel held a meeting of its board at which several members of senior management and representatives of Kirkland & Ellis LLP, Citadel s outside counsel and former bankruptcy counsel (Kirkland) participated. Representatives of Loeb & Loeb LLP, outside counsel to the independent directors (Loeb), and Bank of America Merrill Lynch, a financial advisor to Citadel (BAML), also participated in the meeting. During the meeting, the Citadel board of directors discussed the status and timing of Citadel s proposed refinancing of its outstanding indebtedness, as well as the benefits of Citadel listing its stock on the NYSE, including completing an equity offering of secondary and/or primary shares of Citadel stock in connection with the listing, and Citadel initiating a dividend, including the size of any such dividend. During an executive session of the Citadel board of directors, in which representatives of Loeb participated, Mr. Sander updated the Citadel directors on his conversation with Mr. Dickey. During this executive session, a representative of Loeb described the Citadel directors fiduciary duties under Delaware law. After discussion, the Citadel board of directors determined that it was not in the best interests of Citadel stockholders to engage in further discussions with Cumulus Media regarding a transaction along the lines described by Mr. Dickey and directed Mr. Sander to notify Mr. Dickey, of the Citadel board of directors decision.

On November 9, 2010, prior to Mr. Sander s delivery of the Citadel board of directors response to Mr. Dickey s oral proposal, the Citadel board of directors received an unsolicited letter (and an accompanying presentation) from Mr. Dickey outlining the terms and conditions of Cumulus Media s proposed acquisition of Citadel. In its letter, Cumulus Media proposed an at-market merger and explained that, based on the volume weighted average price (the VWAP) of Citadel stock for the last 20 days as of November 8, 2010, its proposal would imply an exchange ratio of 7.4 shares of Cumulus Media common stock for every share of Citadel common stock, or approximately $25.39 in value, subject to proration, or approximately $11.08 in cash with proration (the closing price of Cumulus Media

Class A common stock and Citadel Class A common stock on November 9, 2010 was $3.53 and $25.00 per share, respectively). The Cumulus Media proposal included a cap on the aggregate cash merger consideration of $500 million. Cumulus Media s letter stated, among other things, that Cumulus Media s proposal was conditioned upon the receipt of regulatory and stockholder approvals, approvals of the Citadel and Cumulus Media boards and negotiation and execution of mutually acceptable definitive documentation providing for the merger. In addition, Cumulus Media s letter stated that several Citadel stockholders not identified by Cumulus, had proactively suggested that such stockholders were supportive in concept of a combination of Cumulus Media and Citadel. In its November 9, 2010 letter, Cumulus Media also urged Citadel to consider the Cumulus Media proposal in advance of any potential refinancing because Cumulus Media believed that any payments that would be required to be made to the holders of any new debt securities in the event of a change of control of Citadel would materially reduce the value to the Citadel stockholders that would be delivered to them in a proposed merger with Cumulus Media. Cumulus Media did not provide any equity or debt financing commitments or terms with its November 9, 2010 letter.

After receipt of Cumulus Media s November 9, 2010 letter, Mr. Sander conferred with each of the Citadel directors and Kirkland and confirmed that the receipt of the letter and presentation did not change the Citadel board of directors prior directive to Mr. Sander. On November 12, 2010, Mr. Sander communicated to Mr. Dickey that the Citadel board of directors had discussed the matter and that the Citadel board of directors had decided that the proposal outlined in Mr. Dickey s November 9, 2010 letter was not in the best interests of Citadel stockholders.

On November 10, 2010, representatives of an investment bank and several significant Citadel stockholders met with several Citadel directors to discuss certain opportunities available to Citadel to enhance stockholder value. During that meeting, the Citadel stockholders, among other things, indicated that they were aware that Cumulus Media had proposed a merger transaction with Citadel and the terms of the proposed transaction. Also at the meeting, the Citadel stockholders suggested that Citadel negotiate with Cumulus Media with respect to the proposed merger.

On November 16, 2010, Mr. Sander spoke with Mr. Dickey and reiterated that the Citadel board of directors was not interested in pursuing the type of transaction proposed, but that they would consider an all-cash offer at a significant premium to market price.

On November 24, 2010, Citadel announced that it was commencing an offering of $500 million of senior notes, the proceeds of which would be used to pay down debt under Citadel s then-current credit facility.

On November 29, 2010, Mr. Dickey telephoned Mr. Sander to convey, and delivered to the Citadel board of directors another unsolicited letter outlining, the revised terms of a proposed acquisition of Citadel by Cumulus Media for $31.00 per share of Citadel common stock in cash and/or Cumulus Media stock (an increase from Cumulus Media s previous proposal of $25.39 per share), subject to a cap on the aggregate cash merger consideration of $1 billion (an increase from the previous proposal s cap on the aggregate cash merger consideration of $500 million). Pursuant to the terms of Cumulus Media s November 29, 2010 proposal, if every Citadel stockholder were to elect the cash option in full, with proration Citadel stockholders would receive, for each share of Citadel common stock, approximately $22.16 in cash and $8.84 in Cumulus Media stock. The closing sale prices of the Cumulus Media Class A common stock and Citadel Class A common stock, respectively, were $3.66 and $24.50 per share on November 29, 2010. Cumulus Media did not provide any equity or debt financing commitments or terms with its November 29, 2010 letter, but did indicate that Crestview would provide up to $500 million of equity to Cumulus Media to finance a portion of the cash consideration in the merger. On December 1, 2010, Mr. Sander informed Mr. Dickey that he expected the Citadel board of directors would provide a response to Mr. Dickey sometime the following week.

During late November 2010 and early December 2010, Citadel retained Weil, Gotshal & Manges LLP (Weil) as outside legal counsel, and also retained J.P. Morgan and Lazard as Citadel s co-financial advisors, in connection with its evaluation of the Cumulus Media proposal and other potential alternatives for Citadel; including the possibility of Citadel listing its stock on the NYSE and/or initiating a dividend. The Citadel board of directors retained J.P. Morgan on the basis of its substantial experience in comparable transactions, its reputation and its familiarity with Citadel s business, operations and management, including J.P. Morgan s role in Citadel s bankruptcy. At the time of J.P. Morgan s retention, the Citadel board of directors was aware that affiliates of J.P. Morgan were Citadel stockholders and held outstanding indebtedness of Citadel. The Citadel board of directors also retained Lazard based on Lazard s substantial experience in comparable transactions, its reputation and its familiarity with Citadel s business, operations and management, including Lazard s role as Citadel s financial advisor in its bankruptcy, as well as the fact that Lazard was not a holder of Citadel indebtedness or a Citadel stockholder. Citadel began providing financial information regarding Citadel and the Cumulus Media offer to the Co-Financial Advisors on December 3, 2010. Lazard provided a draft engagement letter for Citadel s consideration, which was later negotiated by the parties, approved by Citadel s board and signed on March 8, 2011, with an effective date of December 3, 2010. J.P. Morgan provided a draft indemnity letter for Citadel s consideration, which was executed on December 8, 2010. J.P. Morgan later negotiated an engagement letter with Citadel, which was approved by Citadel s board and signed on March 8, 2011, with an effective date of December 3, 2010.

On December 3, 2010, Citadel held a telephonic meeting of its board to discuss Citadel s proposed refinancing of its outstanding indebtedness. Several members of Citadel senior management and representatives of Kirkland, Loeb and Weil participated in this meeting. At the direction of the Citadel board of directors, after the meeting, Citadel senior management asked representatives of Citadel s legal advisors and the Co-Financial Advisors to be prepared to discuss Cumulus Media s proposal with the board at its next scheduled meeting on December 5, 2010, including the Co-Financial Advisors preliminary views on the proposal in Cumulus Media s letter and other alternatives potentially available to Citadel.

On December 5, 2010, Citadel held a telephonic meeting of its board to discuss the proposed refinancing of its indebtedness, Cumulus Media s November 29, 2010 letter, and other alternatives potentially available to Citadel, to hear presentations from the Co-Financial Advisors and to prepare a response to Cumulus Media s proposal. Several members of Citadel senior management and representatives of the Co-Financial Advisors, Kirkland, Loeb and Weil participated in this meeting. During the meeting, at the request of the Citadel board of directors, representatives of J.P. Morgan expressed their view that in connection with Citadel s proposed refinancing (which was contemplated to include a private placement of notes and a new bank credit facility), Citadel would be required to disclose the receipt of the recent merger proposals from Cumulus Media (without identifying Cumulus Media) to the prospective purchasers of the notes, and that prospective investors would likely require certain modifications to the proposed terms of the notes in light of the receipt of the recent merger proposals from Cumulus Media, including a modification to the definition of change of control and a reduction to certain pro forma leverage ratios. During the meeting, the J.P. Morgan representatives also described that in light of the recent merger proposals and the likely required modifications to the notes, J.P. Morgan would advise modifying the terms of the notes to allow Citadel to optionally call the notes at a lower redemption premium if at any time on or prior to 180 days after the issuance of the notes Citadel were to enter into an agreement providing for a change of control transaction. The Citadel board of directors and its advisors also discussed the risks associated with delaying the closing of the proposed refinancing transactions pending a further review of the outstanding merger proposal, including the negative impact on timing and pricing of the proposed refinancing transactions if the Citadel board of directors did not act on the Cumulus Media proposal prior to the time of the pricing for the proposed note placement and the benefits of the annual interest savings to Citadel of completing its refinancing (on the revised terms) exceeding the incremental cost to Citadel that would result from completing a merger transaction with Cumulus Media.

Following these discussions, the Citadel board of directors unanimously approved the refinancing transactions, assuming the modifications discussed at the meeting were made. During the meeting, representatives of the Co-Financial Advisors also discussed the Cumulus Media proposal with the Citadel board of directors, and a representative from Weil described the directors fiduciary duties under Delaware law in assessing and responding to Cumulus Media s proposal. After discussion with, and advice from, Citadel s financial and legal advisors, the Citadel board of directors unanimously concluded that Cumulus Media s revised acquisition proposal was not in the best interests of its stockholders and directed that the proposal be rejected for the following reasons:

Cumulus Media s proposal was neither credible nor at an appropriate valuation;

Cumulus Media provided no equity or debt financing commitments or terms;

Cumulus Media had a highly leveraged balance sheet and was operating under a suspension of certain of its debt covenants that was scheduled to expire on December 31, 2010;

Cumulus Media s small equity market capitalization would require it to issue to Citadel stockholders more than twice as many new shares as were currently outstanding, before any additional shares that would be issued in any Cumulus Media equity financing; and

uncertainty surrounding what would be a lengthy and complex regulatory review process relating to any potential acquisition by Cumulus Media.

On December 6, 2010, Mr. Sander contacted Mr. Dickey and informed him that the Citadel board of directors had rejected the November 29, 2010 proposal as not being in the best interests of Citadel s stockholders.

Also on December 6, 2010, in connection with its private offering of notes, Citadel prepared a supplement to its confidential offering memorandum in which it disclosed to the prospective investors in the proposed note issuance that Citadel had received an unsolicited letter from a third party proposing a merger transaction with Citadel; the proposal was rejected by Citadel s board after it determined that the proposal was not in the best interests of Citadel s stockholders; Citadel had received a second unsolicited letter from this third party that improved the terms of the third party s prior proposal; and after consultation with Citadel s financial and legal advisors, Citadel s board also rejected this second proposal as not being in the best interests of Citadel s stockholders. On the same day, Citadel publicly announced this information and that it had priced $400 million in aggregate principal amount of senior unsecured notes due 2018.

On December 10, 2010, Citadel announced that it had closed on a new credit facility, and used the proceeds of the $350 million term loan thereunder as well as the proceeds from its placement of senior unsecured notes due 2018 in the aggregate principal amount of $400 million, to refinance approximately $750 million of its existing higher-cost debt. The terms of the indenture for the senior unsecured notes due 2018 included the optional redemption feature described above.

During December 2010, members of Citadel management and of its board of directors received telephone calls from several stockholders of Citadel urging the Citadel board of directors to engage in discussions with Cumulus Media with respect to its merger proposals. Citadel also received a letter, dated December 10, 2010, from R2 Investments, LDC, a stockholder of Citadel (R2 Investments), criticizing the Citadel board of directors for, among other things, effecting its refinancing, which R2 Investments alleged provided for a $31 million premium payment to Citadel noteholders upon a change of control transaction such as that proposed by Cumulus Media, and failing to negotiate the best possible deal with Cumulus Media and then allowing Citadel stockholders to vote upon that deal.

On December 16, 2010, the Citadel board of directors received a letter from Mr. Dickey which questioned Citadel s previous unwillingness to engage with Cumulus Media to explore a transaction and stated that Cumulus Media was reaffirming its previous November 29, 2010 proposal based upon increasingly stronger encouragement received from Citadel stockholders not identified by Cumulus who had urged Cumulus Media to explore a combination of Cumulus Media and Citadel. In addition, Cumulus Media s letter requested that Citadel enter into a confidentiality agreement with Cumulus Media and provide Cumulus Media with certain non-public business and financial information regarding Citadel for the stated purpose of assisting Cumulus Media in evaluating its offer and determining whether it could make it more attractive to Citadel stockholders. Cumulus Media did not provide any equity or debt financing commitments with its December 16, 2010 letter.

On December 16, 2010, Citadel held a telephonic meeting of its board to discuss R2 Investments December 10, 2010 letter and Cumulus Media s December 16, 2010 letter. Representatives from the Co-Financial Advisors, Weil and Loeb and several members of senior management also participated in the meeting. At this meeting, the Citadel board of directors and their financial and legal advisors reviewed and discussed Cumulus Media s reaffirmed acquisition proposal, which provided no new information, no improvement in price, no increase in the cash portion of the merger consideration and no equity or debt financing commitments or terms. Also at this meeting, the Citadel board of directors determined that the claims made in R2 Investments December 10, 2010 letter were baseless.

On December 17, 2010, Cumulus Media issued a press release containing the text of its December 16, 2010 letter to the Citadel board of directors. Also on that date, R2 Investments publicly released its December 10, 2010 letter to the Citadel board of directors.

Also on December 17, 2010, Citadel issued a press release announcing that the Citadel board of directors had determined that Cumulus Media s November 29, 2010 proposal, which was reaffirmed in Cumulus Media s December 16, 2010 letter, was not in the best interests of Citadel s stockholders and that the claims made by R2 Investments in its December 10, 2010 letter were baseless. The press release issued by Citadel described the reasons for the Citadel board of directors determination in regard to the Cumulus Media proposal.

During December 2010 and January 2011, the Citadel board of directors received letters from various stockholders of Citadel which, among other things, disagreed with the Citadel board of directors rejections of Cumulus Media proposals, urged the Citadel board of directors to consider the Cumulus Media proposals and negotiate in good faith with Cumulus Media on a business combination, and requested that Citadel schedule a stockholders meeting to discuss the Citadel board of directors approach to potential transactions, including establishing a mechanism to solicit and respond to higher and better offers, and to gain feedback from its stockholders,

At a telephonic meeting of Citadel s board on December 21, 2010, representatives of BAML reviewed with the board certain of Citadel s standalone financial alternatives, including BAML s views and recommendations relating to the possibility of Citadel listing its stock on the NYSE, initiating a dividend and/or completing an equity offering of secondary and/or primary shares of Citadel stock. Representatives from the Co-Financial Advisors, Kirkland, Loeb and Weil also participated in this meeting. At this meeting, the Citadel board of directors received an update on the various letters and telephone calls received from Citadel s stockholders related to Citadel s rejection of Cumulus Media s November 29, 2010 proposal. During December 2010 and January 2011, Citadel and its advisors continued to work on the necessary documentation relating to a possible listing of Citadel stock on the NYSE and a possible equity offering of secondary and/or primary shares of Citadel stock.

During December 2010 and January 2011, Cumulus Media executive officers and representatives of UBS Securities continued to engage in various discussions with representatives of Crestview, as well as other potential financing sources of equity or debt, the proceeds of which could be used to finance a possible acquisition of Citadel, regarding Citadel and possible transaction structures, valuations and financing alternatives, as well as the general terms of a potential investment in equity of Cumulus Media.

On January 3, 2011, the Citadel board of directors held a telephonic meeting. Citadel senior management and representatives from the Co-Financial Advisors, Weil and Loeb also participated in this meeting. During the meeting, Citadel management discussed with the Citadel board of directors its views relating to Citadel s listing of its stock on the NYSE, initiating a dividend and/or completing an equity offering of secondary and/or primary shares of Citadel stock. Also during the meeting, Mr. Suleman updated the Citadel board of directors with respect to the various communications from stockholders that had been received by Citadel. The Citadel board of directors discussed with its financial and legal advisors the strategic alternatives available to Citadel, including a transaction with Cumulus Media. After discussion, the Citadel board of directors authorized the Co-Financial Advisors to participate in exploratory discussions with representatives of UBS Securities to obtain additional information regarding Cumulus Media s interest in acquiring Citadel.

On January 6, 2011, representatives of UBS Securities and the Co-Financial Advisors discussed Cumulus Media s interest in acquiring Citadel. An in-person meeting among the representatives was scheduled for January 20, 2011.

On January 18, 2011, representatives of the financial advisors to another industry participant (Company A) contacted a representative of the Co-Financial Advisors to discuss Company A s interest in a possible merger transaction between Company A and Citadel. The representative of the Co-Financial Advisors informed Company A s financial advisors that Company A should submit any proposal in writing to the Citadel board of directors.

On January 19, 2011, the Citadel board of directors received a letter from the President and Chief Executive Officer of Company A, which stated Company A s interest in commencing discussions regarding a merger transaction pursuant to which Company A would acquire Citadel for $31.00 per share, consisting of $20.00 per share in cash and $11.00 per share in Company A stock based on a fixed exchange ratio. Company A s letter stated that the proposal would expire at 11:59 p.m. on January 26, 2011, subject to Citadel s entering into an exclusivity agreement in favor of Company A before such time, in which case it would be extended to no later than February 13, 2011. Later on January 19, 2011, representatives of Company A s financial advisors called a representative of the Co-Financial Advisors to discuss Company A s proposal.

On January 19, 2011, representatives of several Citadel stockholders, including a representative of a private equity firm that was also a stockholder of Citadel (Company B), contacted Mr. Suleman and advised him that they were not supportive of Cumulus Media s November 29, 2010 proposal. Later on January 19, 2011, a representative of Company B called a director of Citadel and indicated that Company B would be prepared to make a $500 million preferred stock investment in Citadel, the proceeds of which would be used by Citadel to repurchase its stock. The representative of Company B generally described the terms for Company B s proposed investment in Citadel, including: (i) a $500 million purchase of a new class of Citadel redeemable preferred stock with separate Citadel warrants at a per share exercise price of $34.50; (ii) warrants that would be exercisable for approximately 30% of the outstanding Citadel stock; and (iii) Company B would receive representation on Citadel s board. Company B also requested that Citadel enter into an exclusivity agreement during which Citadel and Company B would negotiate the terms of the investment and definitive documentation.

On January 20, 2011, Citadel held a regularly scheduled meeting of its board. Several members of senior management and representatives of the Co-Financial Advisors, Weil and Loeb participated in this meeting. At the meeting, Citadel senior management and representatives of the Co-Financial Advisors reviewed with the Citadel board of directors revised assumptions for the standalone prospects of Citadel and alternatives and other strategic options potentially available to Citadel. At the meeting, Mr. Suleman and the other Citadel director who spoke to representatives of Company B also reviewed with the Citadel board of directors their respective January 19, 2011 conversations with representatives of Company B. Also, copies of Company A s January 19, 2011 proposal were distributed to, and discussed with, the Citadel board of directors. At this meeting, representatives of the Co-Financial Advisors discussed with the Citadel directors certain financial aspects of Cumulus Media s November 29, 2010 proposal and Company A s proposal, and also reviewed with the directors Citadel s standalone prospects and forecasts and other strategic options potentially available to Citadel, and discussed possible strategies for interacting with Cumulus Media, Company A and Company B, including whether to provide any of them with non-public information regarding Citadel or the exclusive right to negotiate with Citadel. During the meeting, the Citadel board of directors received, and discussed, a non-binding term sheet from Company B describing the terms of its proposed $500 million equity investment in Citadel. The terms and conditions of Company B s January 19, 2011 term sheet were consistent with the terms described on the telephone call between representatives of Company B and the Citadel director. The Citadel board of directors scheduled a subsequent board meeting for January 24, 2011 to allow the Co-Financial Advisors the time necessary to review and complete their analyses related to each of the proposals. The Citadel board of directors asked the Co-Financial Advisors to perform financial analyses and be prepared at the January 24, 2011 meeting to summarize each of the various acquisition and investment proposals available to Citadel, as well as the standalone options available to Citadel.

During the afternoon of January 20, 2011, representatives of the Co-Financial Advisors met with representatives of UBS Securities to receive clarification regarding Cumulus Media s financing sources, certain key transaction terms and potential transaction structures for an acquisition of Citadel by Cumulus Media, including whether CMP (a separate, privately owned entity owned by Cumulus Media and affiliates of Bain Capital Partners LLC, The Blackstone Group, Thomas H. Lee Partners, L.P., and which owned approximately 33 radio stations that are managed by Cumulus Media) would be included in the acquisition structure. During the meeting, representatives of UBS Securities reiterated Cumulus Media s belief that the $31.00 per share offer made in its November 29, 2010 letter represented a full and compelling value for Citadel stockholders and agreed that Cumulus Media s proposal would be on a fixed exchange ratio basis.

Between January 20, 2011 and January 24, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors continued discussions with the respective representatives of UBS Securities, Company A s financial advisors and Company B relating to each of the respective proposals.

Between January 20, 2011 and February 15, 2011, representatives of Lerman Senter PLLC, Citadel s FCC counsel (Lerman), reviewed each of the proposals and provided the Citadel board of directors and Citadel management with guidance as to potential FCC regulatory implications related to each of the potential transactions.

On January 24, 2011, the Citadel board of directors held a telephonic meeting to discuss the proposals received from each of Cumulus Media, Company A and Company B. Senior management of Citadel and representatives from the Co-Financial Advisors, Weil and Loeb participated in this meeting. At this meeting, at the request of the Citadel board of directors, representatives from the Co-Financial Advisors updated the Citadel board of directors with respect to the ongoing discussions with Cumulus Media, Company A and Company B and their respective advisors. Representatives of the Co-Financial Advisors informed the Citadel board of directors that based upon their meetings with and information provided by UBS Securities, they were of the view that it was reasonable to assume that Cumulus Media could obtain the necessary financing commitments in order to complete its proposed acquisition of Citadel. In addition, representatives of the Co-Financial Advisors further discussed with the Citadel board of directors their joint preliminary financial analyses with respect to each of the respective proposals received from Cumulus Media, Company A and Company B and provided the additional analyses requested by the Citadel board of directors at the last board meeting related to Citadel on a standalone basis. During the meeting, the Citadel board of directors determined to defer any decision on listing of the Citadel stock on the NYSE, declaration of dividends or an equity offering until after the Citadel board of directors made determinations with regard to each of the third-party proposals.

On January 25, 2011, the Citadel board of directors held a telephonic meeting to continue its discussions relating to the Co-Financial Advisors joint preliminary financial analyses with respect to each of the third-party transaction proposals and the standalone options available to Citadel. Representatives from the Co-Financial Advisors, Weil and Loeb and senior management of Citadel participated in this meeting. At the meeting, representatives of Weil discussed with the Citadel directors their fiduciary duties under Delaware law in connection with their consideration of third-party proposals and Citadel s alternatives. The Citadel board of directors discussed with its legal and financial advisors the potential timeline for receiving and negotiating proposals, the value range of consideration that the Citadel board of directors would deem attractive and whether the Citadel board of directors should provide specific valuation guidance to any of the third parties. After discussion, the Citadel board of directors unanimously concluded it would like to receive improved transaction proposals, if any, in approximately five days and that any improved transaction proposals would need to be above $35.00 per share of Citadel common stock, with a preference for cash rather than stock consideration, in order for the Citadel board of directors to feel comfortable that moving forward with any of the improved proposals would be in the best interests of Citadel s stockholders. After discussion, the Citadel board of directors also unanimously concluded that all of the current proposals undervalued Citadel, and were not in the best interests of Citadel and its stockholders, and directed that each of the proposals be rejected. The Citadel board of directors also authorized Citadel to enter into confidentiality agreements with each of Cumulus Media and Company A to allow each of them to obtain non-public information regarding Citadel for the purpose of allowing them to improve their proposals, and authorized representatives of the Co-Financial Advisors to encourage Cumulus Media and Company A to submit revised proposals with materially improved terms by February 5, 2011. Also during the meeting, representatives of the Co-Financial Advisors noted the potential negative impact of requiring a standstill provision in the confidentiality agreement and potential unwillingness of Cumulus Media to execute such a confidentiality agreement. After discussion with its legal and financial advisors, the Citadel board of directors determined that Citadel would not require a standstill provision in any confidentiality agreement presented to prospective acquirors or investors. In addition, the Citadel board of directors authorized representatives of the Co-Financial Advisors and Weil to continue discussions with Company B to obtain additional information regarding their proposal and negotiate with Company B to improve their proposal. The Citadel board of directors also determined that Citadel would not agree to exclusivity arrangements with Cumulus Media, Company A or Company B based upon any of the current proposals. At the meeting, the Citadel board of directors also considered and discussed whether to solicit proposals from additional third parties. Representatives of Lazard noted that many third-parties had been contacted during the bankruptcy process and each of the Co-Financial Advisors expressed their respective views that soliciting additional proposals was unlikely to produce meaningful results. After discussion, the Citadel board of directors determined not to solicit additional acquisition or investment proposals at that time.

After the Citadel board of directors meeting on January 25, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors contacted UBS Securities and Company A s financial advisors to inform each of them that the valuations reflected in their respective clients proposals were not compelling to the Citadel board of directors, but, subject to execution of an acceptable confidentiality agreement, Citadel was willing to provide non-public financial information regarding Citadel to allow them to materially improve their respective proposals. Later on January 25, 2011, representatives of the Co-Financial Advisors and senior management of Citadel began putting together packages of non-public information regarding Citadel to be provided to Cumulus Media and Company A upon execution of respective confidentiality agreements.

Also on January 25, 2011, at the request of the Citadel board of directors, representatives of Weil began work on a confidentiality agreement in connection with further discussions with Cumulus Media about a potential combination. Between January 25, 2011 and January 31, 2011, representatives of Weil and Jones Day, counsel to Cumulus Media, negotiated the terms of the confidentiality agreement.

On the morning of January 26, 2011, Mr. Suleman held a telephone call with certain members of Citadel senior management, representatives of Weil and the Co-Financial Advisors, to receive an update with respect to the ongoing discussions with Cumulus Media, Company A and Company B and their respective advisors.

On January 27, 2011, Company A s financial advisors contacted representatives of the Co-Financial Advisors to discuss their client s views on the relative valuations of Citadel and Company A and to inform the Co-Financial Advisors that Company A continued to review its interest in Citadel with a view towards providing an improved proposal to the Citadel board of directors.

On January 31, 2011, Citadel and Cumulus Media entered into a mutual confidentiality agreement to permit each to review non-public information regarding the other party. Later on January 31, 2011, Jones Day provided an affiliate of Crestview with a draft confidentiality agreement between such Crestview affiliate and Citadel. Beginning on January 31, 2011, representatives of Citadel and its advisors provided certain non-public information to representatives of Cumulus Media and its legal and other advisors, and representatives of Cumulus Media and it advisors provided certain non-public information to representatives of Citadel and its legal and other advisors. Between February 1, 2011 and the execution of the merger agreement, representatives of Citadel and Cumulus Media continued to exchange due diligence materials.

Later on January 31, 2011, Cumulus Media issued a press release announcing that it had entered into an exchange agreement pursuant to which Cumulus Media would acquire all of the outstanding equity in CMP that it did not already own. Pursuant to the exchange agreement, Blackstone would receive approximately 3.3 million shares of Cumulus Media Class A common stock and, in accordance with FCC broadcast ownership rules, Bain and THL would each receive approximately 3.3 million shares of a new class of non-voting common stock of Cumulus Media. After learning of the exchange agreement, later on January 31, 2011, representatives of the Co-Financial Advisors contacted representatives of UBS Securities to receive an explanation relating to the timing of the announcement and any impact the CMP transaction would have on Cumulus Media s interest in an acquisition of Citadel. During the call, the representatives of UBS Securities informed the representatives of the Co-Financial Advisors that the CMP transaction made an acquisition of Citadel more attractive to Cumulus Media given the large market focus of CMP and Citadel and that the CMP transaction would not have an impact on the terms, including the amount of cash merger consideration available to Citadel s stockholders, of an acquisition of Citadel by Cumulus Media.

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On February 1, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors informed Company B and representatives of Cumulus Media and Company A, that if they were planning to revise their respective proposals, they should be submitted to Citadel by February 5, 2011.

On February 2, 2011, at a National Association of Broadcasters board of directors meeting attended by each of Mr. Sander, Mr. Dickey and the President and Chief Executive Officer of Company A, Mr. Dickey and Mr. Sander met privately to discuss Cumulus Media s interest in acquiring Citadel and Mr. Dickey s views as to the strategic advantages of a possible combination between Cumulus Media and Citadel. In addition, at that board meeting, Mr. Sander held a separate private meeting with the President and Chief Executive Officer of Company A in which they discussed Company A s interest in acquiring Citadel.

Also on February 2, 2011, representatives of Company A s financial advisors informed representatives of the Co-Financial Advisors that Company A continued to work with its advisors and financing sources on an improved proposal to acquire Citadel.

During the first two weeks of February 2011, representatives of Cumulus Media, as well as UBS Securities, held various discussions with representatives of Crestview and Macquarie regarding the potential financing structure and terms of a potential investment in Cumulus Media to finance the acquisition of Citadel.

On February 3, 2011, Citadel received a letter from R2 Investments requesting, pursuant to Citadel s organizational documents, a questionnaire from Citadel in order to nominate persons for election to the Citadel board of directors at its next annual meeting of stockholders. Subsequently, in May 2011, a representative of R2 Investments informed a representative of Weil that R2 Investments no longer intended to nominate persons for election to the Citadel board of directors at the 2011 annual meeting.

On February 4, 2011, representatives of UBS Securities called representatives of the Co-Financial Advisors to request a meeting on February 8, 2011 to further discuss the terms of Cumulus Media s $31.00 per share proposal to acquire Citadel.

On February 5, 2011, Company A submitted a letter describing a revised non-binding proposal to acquire Citadel for $32.00 per share of Citadel common stock, with the possibility of up to an additional $1.00 per share of merger consideration in the event of a delay in closing due to an extended regulatory review process. Company A s letter stated that its proposal would expire at 11:59 p.m. on February 25, 2011, provided that Company A received full access to its required due diligence information no later than February 11, 2011. Later on February 5, 2011, representatives of Company A s financial advisors reiterated to representatives of the Co-Financial Advisors that Company A would like to receive a response to its proposal and access to due diligence materials on Citadel by February 11, 2011 and would like to be granted exclusivity to negotiate the terms of the acquisition and definitive documentation.

Also on February 5, 2011, the Citadel board of directors received a revised non-binding term sheet from Company B describing the revised terms for a potential redeemable preferred stock and warrant investment in Citadel, which contemplated, among other things, that Company B would be granted an exclusivity period of at least 45 days from execution of the term sheet.

On the morning of February 7, 2011, a call was held among Mr. Sander, certain members of Citadel senior management and representatives of the Co-Financial Advisors, Weil and Loeb to receive an update on the discussions with each of Cumulus Media, Company A and Company B. Later on February 7, 2011, the Citadel board of directors held a meeting with its legal and financial advisors and Citadel senior management to review and consider the status of each of the revised proposals received from Company A and Company B and to receive an update on Citadel s standalone alternatives. Representatives of the Co-Financial Advisors discussed with the Citadel board of directors certain financial aspects of each of the revised proposals and provided the directors with their joint additional analyses related to each of the proposals from Cumulus Media, Company A and Company B and Citadel on a standalone basis. After discussion, the Citadel board of directors concluded that Company A s proposal was not in the best interests of Citadel s stockholders because the price being offered was inadequate, but they directed the Co-Financial Advisors not to respond to Company A s revised proposal until after the Co-Financial Advisors met with UBS Securities regarding Cumulus Media s proposal on February 8, 2011.

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On February 7, 2011, Citadel and Crestview Partners II, L.P. entered into a confidentiality agreement to permit Crestview to review non-public information regarding Citadel.

On February 8, 2011, representatives of UBS Securities met with representatives of the Co-Financial Advisors and outlined the benefits and the revised terms of a proposal for Cumulus Media s acquisition of Citadel for $31.00 per share in cash and/or Cumulus Media common stock (the same overall price as its previous proposal), subject to a cap on the aggregate cash merger consideration of $1.1 billion (increased from its previous proposal of $1.0 billion), with the Cumulus Media stock portion to be issued pursuant to a fixed exchange ratio. Later on February 8, 2011, the Citadel board of directors received a letter from Mr. Dickey confirming the revised terms of the proposed acquisition described by UBS Securities. Pursuant to the terms of the Cumulus Media s February 8, 2011 proposal, if every Citadel stockholder were to elect to receive the cash option in full, Citadel stockholders would receive approximately $23.00 in cash and $8.00 in Cumulus Media stock per share of Citadel common stock. Cumulus Media s proposal was contingent on, among other things, Cumulus Media s verification of its assumptions with respect to the value of the synergies that could be achieved in a combination of Cumulus Media and Citadel. Cumulus Media did not provide any equity or debt financing commitments or terms with its letter.

On February 8, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors called representatives of Company A s financial advisors and informed them that the Citadel board of directors viewed Company A s $32.00 per share proposal as inadequate and not in the best interests of Citadel s stockholders and encouraged Company A to submit another revised proposal.

On February 10, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors called Company B to discuss the terms and structure of its revised proposal. Also on February 10, 2011, representatives of Weil and Company B s legal advisors discussed certain terms of Company B s proposal.

On February 11, 2011, representatives of Company A s financial advisors met with the Co-Financial Advisors. During the meeting, Company A s financial advisors verbally outlined the revised terms of a proposal from Company A to acquire Citadel. Pursuant to the revised proposal, Citadel stockholders would receive $35.00 per share of Citadel common stock, consisting of $20.00 in cash, $11.00 in Company A common stock and $4.00 in Company A convertible preferred stock (the closing price of Company A common stock on February 10, 2011 was $12.42 per share, an increase of 16.7% over the prior trading day s closing price). Company A proposed valuing its stock for purposes of the transaction at the current trading price and stated that the convertible preferred stock would carry a coupon of 3.75% and a conversion premium of 37.5%. During that meeting, representatives of the Co-Financial Advisors noted that the conversion premium was based off of the closing price of Company A common stock on February 10, 2011, which included the large single-day price increase. The Co-Financial Advisors also informed Company A s financial advisors that the preferred stock, as described, was not, in their view, a security that would trade at face value.

Also on February 11, 2011, representatives of UBS Securities called the Co-Financial Advisors and outlined the revised terms of a proposal pursuant to which Citadel stockholders would receive $33.00 per share in cash and/or Cumulus Media stock, with the additional $2.00 per share of consideration being delivered in cash or Cumulus Media stock (at the Citadel board of directors option).

On February 11, 2011, the Citadel board of directors received a letter from Company B informing Citadel that Company B remained interested in investing in Citadel on the previously submitted terms, and that Company B s offer would expire on February 16, 2011 if Citadel did not agree to negotiate the terms and definitive documentation of the investment with Company B on an exclusive basis.

On February 12, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors called representatives of Company A s financial advisors to encourage Company A to submit a revised proposal with improved terms, including pricing. Also, on February 12, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors called UBS Securities and informed them that Cumulus Media s revised proposal was inadequate and encouraged Cumulus Media to submit a further revised proposal with improved terms, including pricing.

Also on February 12, 2011, representatives of Weil and Company B s legal advisors discussed certain terms of Company B s proposal. During the discussion, Company B s legal advisors informed representatives of Weil that Company B would consider revising the terms of the proposed investment to make any payments made to Company B pursuant to such investment tax deductible to Citadel so long as Company B was not disadvantaged from an economic standpoint by this revision to the investment.

Also on February 12, 2011, representatives of Weil began work on a confidentiality agreement in connection with further discussions with Company A. Between February 12, 2011 and February 14, 2011, representatives of Weil and Company A s outside counsel negotiated the terms of the confidentiality agreement.

On February 14, 2011, Citadel and Company A entered into a mutual confidentiality agreement to permit each to review non-public information regarding the other party. However, confidential information was not exchanged between the parties.

On February 14, 2011, Company A s financial advisors called the Co-Financial Advisors and outlined the terms of a proposed acquisition of Citadel based on a fixed exchange ratio for $36.00 per share, consisting of $20.00 in cash, $11.50 in Company A common stock and $4.50 in Company A convertible preferred stock. Pursuant to the proposal, the number of shares of the Company A common stock to be received in the transaction would be fixed at an exchange ratio calculated pursuant to a VWAP for the Company A common stock for the period from February 10, 2011 to February 18, 2011. In addition, the proposal contemplated that the Company A convertible preferred stock would provide for annual dividends at a rate of 3.75% and a conversion price at a 37.5% premium to the VWAP for the Company A common stock for the period from February 10, 2011 to February 18, 2011. Company A s proposal included a request for an exclusivity period to negotiate definitive documentation for the transaction and stated that Company A believed that the parties could execute definitive documentation for the transaction within eight days. Company A s proposal stated that it would expire at 9:00 p.m., New York City time, on Monday, February 14, 2011, unless Company A and Citadel agreed to proceed on the terms of the proposal. Company A also indicated that it would work with Citadel to improve the terms of the preferred stock, which the Co-Financial Advisors had previously informed Company A s financial advisors was not, in their view, a security that would trade at face value.

Also on February 14, 2011, the Citadel board of directors received a letter from Mr. Dickey outlining the terms of a proposed acquisition of Citadel by Cumulus Media for $35.00 per share, payable in cash or stock at the election of the stockholder. Pursuant to the terms of Cumulus Media s proposal, which was based on a fixed exchange ratio, if every Citadel stockholder were to elect to receive the cash option in full, Citadel stockholders would receive approximately $26.00 in cash and $9.00 in Cumulus Media stock per share of Citadel common stock. Cumulus Media s proposal included a request for a three-week exclusivity period to negotiate with Citadel, continued to require access to information to confirm Cumulus Media s synergy assumptions as a condition to a transaction and provided that it would expire at 12:00 p.m. New York City time on Tuesday, February 15, 2011 if Citadel had not agreed to an exclusivity period with Cumulus Media.

Later on February 14, 2011, the Citadel board of directors held a telephonic meeting to discuss the latest proposals received from Cumulus Media and Company A. Citadel senior management and representatives from the Co-Financial Advisors, Weil and Loeb participated in this meeting. At this meeting, Mr. Suleman, and representatives from the Co-Financial Advisors and Weil, updated the Citadel board of directors with respect to the ongoing discussions with Cumulus Media, Company A and Company B and their respective advisors. Representatives of the Co-Financial Advisors discussed with the Citadel board of directors their joint preliminary financial analyses with respect to each of the respective proposals received from Cumulus Media, Company A and Company B and provided additional analyses and information related to Citadel on a standalone basis. During the meeting, representatives of Weil reviewed with the Citadel board of directors its fiduciary duties with respect to evaluating and responding to each of the proposals. The Citadel board of directors determined to direct its financial advisors to ask both Company

A and Cumulus Media for extensions of their proposals and that the Citadel board of directors would meet the next day to continue its analyses of the proposals and prepare its response.

On the morning of February 15, 2011, the Citadel board of directors held a telephonic meeting to continue its consideration of the competing proposals received from Cumulus Media and Company A. Citadel senior management and representatives from the Co-Financial Advisors, Weil and Loeb participated in this meeting. At this meeting, Citadel senior management and representatives from the Co-Financial Advisors and Weil updated the Citadel board of directors with respect to the ongoing discussions with Cumulus Media and Company A and their respective advisors. Representatives of the Co-Financial Advisors advised the Citadel board of directors that Company A s advisors had reiterated that Company A s most recent revised proposal was its best and final offer and that Company A sought to move very quickly with the process, including by delivering draft financing commitment letters shortly and by executing definitive documentation with respect to a transaction by February 22, 2011. Representatives of the Co-Financial Advisors further advised the Citadel board of directors that Company A s advisors had made a proposal on the VWAP calculation for the Company A common stock portion of the merger consideration, but that Company A s advisors had indicated that they were aware that the parties needed to continue negotiating certain terms of the acquisition, including, among other things, the terms of the Company A convertible preferred stock to be issued in the merger and the VWAP calculation. During the meeting, a representative of J.P. Morgan advised the Citadel board of directors that he was leaving the meeting in order to discuss a development with Cumulus Media s financial advisors, and after returning to the meeting, the representative of J.P. Morgan informed the Citadel board of directors that UBS Securities had indicated that Cumulus Media was prepared to formally increase the cash component of its proposal by $2.00 to $28.00 in cash per share of Citadel common stock (with the overall value of the proposal remaining at $35.00 per share of Citadel common stock), that the deadline for Citadel to accept was 12:00 p.m. New York City time that day, and that UBS Securities had indicated that this revised proposal was Cumulus Media s best and final proposal.

Representatives of the Co-Financial Advisors advised the Citadel board of directors that Cumulus Media did not yet have draft commitment papers and did not yet have a draft equity term sheet with Crestview, which was expected to provide up to $500 million in equity financing for the transaction. Representatives of the Co-Financial Advisors then reviewed with the Citadel board of directors a comparison and their views of the two most recent proposals. A representative of Weil then reviewed with the Citadel directors their fiduciary duties under Delaware law with regard to assessing and responding to third-party proposals. At the meeting, following a discussion, a majority of the Citadel board of directors indicated that it favored the Company A proposal, one director favored Cumulus Media s proposal and another director favored neither proposal. The Citadel board of directors then directed representatives of the Co-Financial Advisors to inform Company A that Citadel would be amenable to entering into an exclusivity agreement, subject to a mutually satisfactory resolution on the VWAP calculation and the terms of the Company A preferred stock, and after so informing Company A, to notify Cumulus Media that Citadel would be pursuing another path.

After the meeting, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors called representatives of Company A s financial advisors to inform them that, subject to a mutually satisfactory resolution on the VWAP calculation and the terms of the Company A preferred stock, Citadel would be amenable to entering into an exclusivity agreement with Company A. After the call, representatives of Company A s financial advisors and the Co-Financial Advisors continued to negotiate the terms of the VWAP calculation and the Company A preferred stock.

In the morning of February 15, 2011, Company A s legal advisors provided a draft exclusivity agreement for Citadel s consideration and, prior to Citadel responding, later on February 15, 2011, Company A s legal advisors provided a revised draft exclusivity agreement for Citadel s consideration. Citadel s advisors reviewed and discussed with Citadel senior management the terms of the exclusivity agreement.

In the afternoon of February 15, 2011, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors called representatives of UBS Securities to inform Cumulus Media that Citadel would be pursuing another path. After that call, representatives of Cumulus Media s financial advisors called a representative of the Co-Financial Advisors to propose that Cumulus Media would acquire Citadel for $36.00 per share of Citadel common stock, consisting of $29.00 per share in cash and $7.00 per share in Cumulus Media stock based on a fixed exchange ratio.

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Later on February 15, 2011, the Citadel board of directors held a telephonic meeting to receive an update on the developments with Company A and Cumulus Media. Citadel senior management and representatives from the Co-Financial Advisors, Weil and Loeb participated in this meeting. A representative of Weil advised the Citadel board of directors that Citadel and Company A had not yet entered into the exclusivity agreement. Also at the meeting, representatives of the Co-Financial Advisors informed the Citadel board of directors that the Co-Financial Advisors had called Cumulus Media s financial advisors in the early afternoon to inform Cumulus Media that Citadel would be pursuing another path, and that after that call, representatives of UBS Securities had called representatives of the Co-Financial Advisors to propose that Cumulus Media would acquire Citadel for $36.00 per share of Citadel common stock, consisting of $29.00 per share in cash and $7.00 per share in Cumulus Media stock, based on a fixed exchange ratio. A representative of J.P. Morgan informed the Citadel board of directors that it was his view that Cumulus Media would further improve its offer if Citadel made it clear that it was serious about engaging with Cumulus Media on an exclusive basis. Representatives of the Co-Financial Advisors then reviewed with the Citadel board of directors a comparison and their views of the two most recent proposals from Company A and Cumulus Media. The Citadel board of directors discussed with its financial and legal advisors whether a public announcement of the terms of the Cumulus Media transaction would reduce the likelihood of material changes being made to the key terms of the transaction and whether to propose the removal of Cumulus Media s condition regarding confirmation of its synergy assumptions. At the meeting, following a discussion, a majority of the Citadel board of directors indicated that it favored the Co-Financial Advisors proposing to Cumulus Media that at a price of $38.00 per share of Citadel common stock, consisting of $31.00 in cash and $7.00 in Cumulus Media common stock, the Citadel board of directors would be prepared to enter into an exclusivity agreement with Cumulus Media for approximately ten days. The Citadel board of directors then directed the Co-Financial Advisors to propose to Cumulus Media a price of $38.00 per share of Citadel common stock and to continue to negotiate with Company A.

Later on February 15, 2011, the Citadel board of directors held a telephonic meeting to receive an update regarding the negotiations with Cumulus Media and Company A. Citadel senior management and representatives from the Co-Financial Advisors, Weil and Loeb participated in this meeting. A representative of Weil advised the Citadel board of directors on their fiduciary duties under Delaware law. Representatives of the Co-Financial Advisors informed the Citadel board of directors that Cumulus Media had been made aware that Citadel s board would consider entering into an exclusivity agreement based on Citadel s proposed terms, including with a shorter period of exclusivity.

Later on February 15, 2011, the Citadel board of directors held a telephonic meeting to receive an update regarding the negotiations with Cumulus Media and Company A. Citadel senior management and representatives from the Co-Financial Advisors, Weil and Loeb participated in this meeting. Representatives of the Co-Financial Advisors informed the Citadel board of directors that UBS Securities had orally indicated that Cumulus Media rejected Citadel s proposal of $38.00 per share of Citadel stock with a ten day exclusivity period and that Cumulus Media had instead proposed a merger transaction pursuant to which Cumulus Media would acquire Citadel for $37.00 per share of Citadel common stock, payable in cash and/or Cumulus Media stock, subject to a cap on the aggregate cash merger consideration and a two-week exclusivity period. Pursuant to Cumulus Media s proposal, if every Citadel stockholder were to elect the cash option in full, Citadel stockholders would receive for each share of Citadel common stock approximately $30.00 in cash and $7.00 in Cumulus Media stock. During the meeting, the Citadel board of directors received a letter from Mr. Dickey confirming the revised terms of the proposed acquisition described by UBS Securities. Representatives of the Co-Financial Advisors informed the Citadel board of directors that based on the draft exclusivity letter obtained earlier in the day from Company A s financial advisors, Company A was willing to propose a twenty day period for the VWAP calculation in response to Citadel s concern that the VWAP calculation included the recent large single-day price increase. Representatives of the Co-Financial Advisors then reviewed with the Citadel board of directors a comparison and their views of the two most recent proposals from Cumulus Media and Company A. At the meeting, following a discussion, the Citadel board of directors (with one Citadel director not present) indicated that it favored the Cumulus Media proposal, and directed the Co-Financial Advisors to inform Cumulus Media that Citadel would be amenable to entering into an exclusivity agreement, subject to Cumulus Media agreeing to remove its condition regarding confirmation of its synergy assumptions and agreeing that a press release be issued announcing the terms of the Cumulus Media proposal and the execution of the exclusivity agreement. The Citadel board of directors also directed its financial advisors to contact Company A to inform them that Citadel was waiting for a response from another bidder, but that Company A could submit an improved proposal to acquire Citadel prior to Citadel receiving a response from the other bidder.

After the meeting, at the request of the Citadel board of directors, representatives of the Co-Financial Advisors contacted UBS Securities to inform them that Citadel was amenable to entering into an exclusivity agreement if Cumulus Media removed its condition regarding confirmation of its synergy assumptions and agreed to publicly announce the proposed transaction. The representatives of the Co-Financial Advisors also contacted representatives of Company A s financial advisors and informed them that Citadel was waiting for a response from another bidder and in the meantime, Company A could submit an improved proposal to acquire Citadel prior to Citadel receiving a response from that other bidder.

Subsequent to their call, UBS Securities informed representatives of the Co-Financial Advisors that Cumulus Media had agreed to remove its condition regarding confirmation of its synergy assumptions and proposed that if Cumulus Media did not consent to the form of press release to be issued by Citadel publicly announcing the proposed transaction, then exclusivity in favor of Cumulus Media would terminate.

On February 16, 2011, representatives of Weil delivered a draft exclusivity agreement to Jones Day. The draft exclusivity agreement prepared by Weil proposed that Citadel would negotiate on an exclusive basis with Cumulus Media with respect to a merger transaction until 11:59 p.m. New York City time on Thursday, March 3, 2011, unless Cumulus Media did not consent to Citadel issuing a press release describing the terms and existence of Cumulus Media s proposal and the exclusivity agreement, in which case the exclusivity agreement would terminate at 12:00 p.m. New York City time on Thursday, February 17, 2011. Later on February 16, 2011, Citadel and Cumulus Media executed and delivered the exclusivity agreement on the terms described above.

On the morning of February 17, 2011, certain press outlets, including CNBC, reported that Citadel had entered into exclusive negotiations with Cumulus Media, pursuant to which Cumulus Media would acquire Citadel for $37.00 per share, in a combination of $30.00 per share in cash and $7.00 per share in Cumulus Media stock.

On February 17, 2011, the Cumulus Media board of directors held a telephonic meeting, in which representatives of Jones Day and UBS Securities also participated. Senior management of Cumulus Media, together with the representatives of Jones Day and UBS Securities, updated the directors on the negotiations with Citadel and on the terms of the exclusivity agreement, reported on the results of the due diligence process to date, reviewed the proposed structure of the merger and the equity and debt financing, and reviewed the process expected to occur over the next two weeks to reach a definitive merger agreement with Citadel by March 3, 2011. The representatives of Jones Day also reviewed for the directors their fiduciary duties in connection with considering the merger transaction and the related financing.

Later on February 17, 2011, Citadel issued a press release announcing that Citadel had entered into an agreement providing for exclusive negotiations for a potential merger with Cumulus Media, and that under the terms of Cumulus Media s non-binding proposal, Cumulus Media would pay $37.00, in a combination of cash and Cumulus Media common stock, for each Citadel share and warrant (subject to an election formula and proration, under which the $37.00 per share consideration would on average be capped at $30.00 per share in cash and at $14.00 per share in Cumulus Media stock at a fixed exchange ratio). In addition, Citadel announced that, as part of the Cumulus Media proposal, Cumulus Media had indicated that Crestview and Macquarie, were expected to provide up to approximately $500 million in equity financing for the merger and that Cumulus Media expected to obtain the remainder of the cash necessary to fund the merger through debt financing to be led by UBS Securities, together with Macquarie.

On February 18, 2011, Cumulus Media issued a press release confirming it had entered into an agreement providing for exclusive negotiations for a potential merger with Citadel.

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On February 22, 2011, Citadel held a regularly scheduled meeting of its board. Members of senior management and representatives of Weil and Loeb participated in this meeting. At the meeting, Citadel senior management and representatives of Weil updated the Citadel directors regarding negotiations with Cumulus Media.

On February 24, 2011, the Cumulus Media board of directors held a regularly scheduled meeting, at which representatives of UBS Securities and Jones Day were also present. During that meeting, the directors received updates on the negotiations with Citadel, and with Crestview and Macquarie, and the expected process relating to negotiating the debt financing commitments.

On February 24, 2011, Jones Day provided Weil with a draft merger agreement. The draft merger agreement, among other things, proposed that Citadel be required to pay a termination fee of $52.7 million (or approximately 3.5% of equity value of the transaction) under certain circumstances, requested voting agreements from certain Citadel stockholders, proposed a voting agreement from certain Cumulus Media stockholders, proposed that Cumulus Media would be required to complete the transaction unless a final order was not obtained from the FCC or actions required by regulators to complete the transaction would materially impact the value or benefits of the transaction to Cumulus Media, proposed a termination date of nine months with Cumulus Media having the ability to extend for an additional 3 months, and limited the liability of Cumulus Media, Crestview and Macquarie under the merger agreement, should it be terminated, to payment of a termination fee of 3.5% of the equity value of the transaction (proposed to be payable by Cumulus Media, Crestview and Macquarie based on their pro-rata economic ownership of Cumulus Media after giving effect to the transactions) in the event that the merger agreement was terminated as a result of Cumulus Media failing to obtain stockholder approval for the Cumulus Media share issuance, Cumulus Media breaching its representations, warranties or covenants in the merger agreement which cause the failure of a closing condition, or Cumulus Media failing to obtain the financing for the transaction after all the closing conditions are satisfied or waived.

On February 28, 2011, Weil provided Jones Day with a revised draft merger agreement. The draft merger agreement prepared by Weil, among other things, limited the circumstances under which Citadel would be required to pay the termination fee, indicated that a termination fee of 3.5% of the equity value of the transaction was too high for Citadel (but did not indicate a counterproposal), deleted the requirement for stockholders of Citadel to enter into voting agreements, proposed that certain stockholders of Cumulus Media who held the requisite amount of voting power of Cumulus Media common stock to approve the share issuances in the merger and the Equity Investment as required by the rules of the Nasdaq Stock Market execute a written consent substantially concurrent with execution of the merger agreement, proposed that Cumulus Media would be required to complete the proposed transaction upon receipt of an initial (as opposed to final) order from the FCC, proposed that Cumulus Media be required to complete the transaction unless actions required by regulators to complete the transaction would have material adverse effect on the combined business of Cumulus Media and Citadel after the merger, proposed that the drop-dead date would be 9 months with both Citadel and Cumulus Media having the option to extend it for an additional 3 months, removed Cumulus Media s liability limitations if the merger did not close, and proposed that Cumulus Media would be required to pay a termination fee, without specifying an amount, to Citadel if the proposed transaction did not close because it was not approved by antitrust or FCC regulators by the drop-dead date and required that Cumulus Media be liable for the complete termination fee if required to be paid pursuant to the terms of the merger agreement.

At various times between February 28 and March 9, prior to execution of the merger agreement, Citadel s senior management as well as its legal counsel and financial advisors engaged in negotiations with representatives of Cumulus Media regarding the draft merger agreement and related documents and agreements. Furthermore, representatives of Cumulus Media, UBS Securities and Jones Day engaged in negotiations with representatives of Crestview and Macquarie with respect to the terms by which they would purchase up to an aggregate of $500 million in shares of Cumulus Media capital stock for cash in connection with the merger. These negotiations included discussions regarding, and the exchange of drafts of and comments on, these documents.

During the weeks of February 21 and February 28, 2011, representatives of Cumulus Media, UBS Securities and Jones Day engaged in negotiations with representatives of Crestview and Macquarie with respect to the terms of the Equity Investment and the equity investment agreement, and negotiations with representatives of a number of large international banks with respect to the terms of the proposed debt commitment necessary to fund the purchase price for Citadel and the related Global Refinancing.

Following Citadel s entering into exclusive negotiations with Cumulus Media and prior to the expiration of exclusivity on March 3, 2011, the President and Chief Executive Officer of Company A left separate voicemail and e-mail messages for Mr. Sander indicating Company A s continued interest in acquiring Citadel. Neither message indicated that an improved or revised proposal would be forthcoming from Company A. Mr. Sander did not respond to either message.

On March 1, 2011, the Citadel board of directors held a telephonic meeting with representatives of Weil, Loeb, the Co-Financial Advisors, and the Citadel General Counsel to receive an update on the ongoing negotiations on the merger agreement and related ancillary agreements. During the meeting, Mr. Sander updated the directors on the messages he had received from the President and Chief Executive Officer of Company A. During the meeting, the Citadel board of directors received updates from representatives of Weil concerning the status of negotiations and open issues related to the transaction, including that Citadel sought to have the closing of the transaction be conditioned upon receipt of an initial order from the FCC.

On March 1, 2011, the Cumulus Media board of directors held a telephonic meeting, in which representatives of UBS Securities and Jones Day also participated. The representatives of UBS Securities provided an overview of the debt and equity financing structure and terms, and reviewed the highlights of their most recent financial analysis of Citadel. The representatives of Jones Day reviewed various issues related to the fiduciary duties of the directors in connection with the merger, and updated the directors on the highlights of the merger negotiations and the terms of the merger and financing agreements, and provided their view on the remaining actions and issues to be resolved before the merger agreement could be executed.

On March 3, 2011, the Citadel board of directors held a telephonic meeting with representatives of Weil, Loeb, the Co-Financial Advisors, Lerman and the Citadel General Counsel to receive an update on the ongoing negotiations on the merger agreement and related financing commitments. The Citadel board of directors received updates from representatives of Weil, the Co-Financial Advisors concerning the status of negotiations and the open issues related to the documentation for the potential transaction, including that Cumulus Media s current prospective lenders for the transaction were unwilling to grant financing commitments beyond twelve months from execution of the merger agreement and were requiring that the closing of the transaction be conditioned upon receipt of a final order from the FCC. The Citadel board of directors asked questions related to, among other matters, the possible timing of obtaining FCC approval for the transaction, the remedies available to Citadel if Cumulus Media did not consummate the transaction, and the amount of the termination fees payable by Cumulus Media, Crestview and Macquarie under certain circumstances. A representative of Lerman discussed with the Citadel board of directors that the issuance of initial orders by the FCC in recent comparable deals that he was aware of had in some instances taken longer than twelve months and, while he believed an initial order from the FCC could be obtainable for the transaction between Cumulus Media and Citadel within twelve months, there was appreciable risk that the FCC approval would not be obtained in such time period. During the meeting, the Co-Financial Advisors received a letter from UBS Securities prepared by Dickstein Shapiro, Cumulus Media s FCC counsel, stating that in their view it was likely that a transaction between Cumulus Media and Citadel would receive FCC approval in nine months or less after execution of the merger agreement. The Citadel board of directors discussed with its advisors the risks related to the receipt and timing of FCC approval and, in light of the Lerman representative s report, the necessity of requiring a drop-dead date of fifteen months and financing commitments for a corresponding time period. In consultation with its financial and legal advisors, the Citadel board of directors discussed whether to extend exclusivity should Cumulus Media request an extension. After a discussion, the Citadel board of directors unanimously agreed to extend the exclusivity period, if requested by Cumulus Media, until 12:00 p.m. New York City time on Saturday, March 5, 2011.

Later on March 3, 2011, Citadel and Cumulus Media executed and delivered an amendment to the exclusivity agreement which required Citadel to continue to negotiate on an exclusive basis with Cumulus Media with respect to a transaction until 12:00 p.m. New York City time on Saturday, March 5, 2011.

Between March 3 and March 9, 2011, the representatives of Jones Day and Weil continued to negotiate the terms of the merger agreement.

On March 4, 2011, the Citadel board of directors held a telephonic meeting with representatives of Weil, Loeb, and the Citadel General Counsel to receive an update on negotiations regarding Cumulus Media s proposed financing for the transaction. A representative of Weil advised the Citadel board of directors that Cumulus Media s current prospective lenders for the transaction continued to be unwilling to grant financing commitments for fifteen months from execution of the merger agreement and to fund a transaction that could close upon receipt of an initial order from the FCC. Mr. Suleman and a representative of Weil reported to the Citadel board of directors that a representative of J.P. Morgan had offered to explore J.P. Morgan s and/or its affiliates ability and willingness to provide financing with respect to the merger on terms that addressed the concerns of the Citadel board of directors and that, after receiving authorization from Citadel to explore such ability and willingness to provide financing, J.P. Morgan had determined that it and/or its affiliates would be able and willing to provide such financing (including with a fifteen month commitment to address Citadel s concerns about deal certainty as it related to the possible timing of receipt of the FCC order), and that J.P. Morgan and/or its affiliates also would be prepared to close the financing on the basis of an initial order from the FCC rather than a final order from the FCC. After discussion with its legal advisors, including the potential conflicts and other legal matters relevant to J.P. Morgan s and/or its affiliates participation in Cumulus Media s financing for the transaction and the fact that J.P. Morgan would no longer be in a position to provide the Citadel board of directors a fairness opinion related to the transaction, the Citadel board of directors authorized representatives of J.P. Morgan and/or its affiliates to explore with Cumulus Media the possibility of providing financing to Cumulus Media with respect to the merger on the terms sought by the Citadel board of directors.

Later on March 4, 2011, the Citadel board of directors held a telephonic meeting with representatives of Weil, Loeb, and the Citadel General Counsel to receive an update on negotiations with Cumulus Media on the merger agreement and negotiations regarding Cumulus Media s proposed financing for the transaction.

At 12:00 p.m. New York City time on Saturday, March 5, 2011, Citadel s requirement to negotiate exclusively with Cumulus Media lapsed.

On March 5, 2011, the board of directors of Citadel held a telephonic meeting with representatives of Weil, Loeb, the Co-Financial Advisors and Citadel senior management in attendance to receive an update on negotiations with Cumulus Media. Representatives of Weil and the Co-Financial Advisors updated the Citadel board of directors with respect to the ongoing negotiations on the merger agreement and related financing commitments. In consultation with its financial and legal advisors, the Citadel board of directors discussed whether to extend exclusivity should Cumulus Media request an extension, and whether prior to any such extension, and based on the fact that the President and Chief Executive Officer of Company A had recently called Mr. Sander, Lazard should communicate with Company A during the period when Citadel had no exclusivity obligations to Cumulus Media to determine whether they would improve their offer for Citadel. After discussion, the Citadel board of directors directed Lazard to contact the President and Chief Executive Officer of Company A to gauge Company A s interest in making an improved offer for Citadel.

On the afternoon of March 5, 2011, a representative of Lazard called the President and Chief Executive Officer of Company A to gauge Company A s interest in making another improved bid for Citadel. The President and Chief Executive Officer of Company A responded that Company A was still interested in acquiring Citadel at Company A s last offer, with possibly an increase in the cash component portion of the merger consideration by a few dollars, but not with an increased overall offer. The representative of Lazard informed the President and Chief Executive Officer of Company A to be mindful that Citadel was continuing to move forward with its announced transaction with Cumulus Media. After the conversation, Citadel and its advisors did not receive another proposal from Company A.

Later on March 5, 2011, the board of directors of Citadel held a telephonic meeting with representatives of Weil, Loeb, the Co-Financial Advisors and Citadel senior management in attendance to receive a report on the conversation with the President and Chief Executive Officer of Company A and to consider extending the length of Citadel s exclusivity agreement with Cumulus Media. A representative of J.P. Morgan advised the Citadel board of directors that J.P. Morgan had communicated with a representative of Crestview and indicated that J.P. Morgan and/or its affiliates was willing to provide financing commitments for fifteen months from execution of the merger agreement and was willing to close the transaction upon an initial order from the FCC, and the representative of Crestview had requested that J.P. Morgan and/or its affiliates provide them a markup of the debt term sheets. A representative of Lazard updated the Citadel board of directors with regard to his conversation with representatives of Company A and stated that based on his conversation, his view was that Company A had not done additional work on a potential transaction. The Citadel board of directors discussed with its legal and financial advisors and considered its response to Cumulus Media s likely request for an extension of the exclusivity period. After discussion, the Citadel board of directors unanimously approved an extension of the exclusivity period with Cumulus Media until 9:00 a.m. New York City time on Monday, March 7, 2011.

Later on March 5, 2011, pursuant to Cumulus Media s request, Citadel and Cumulus Media executed and delivered an amendment to the exclusivity agreement which required Citadel to negotiate on an exclusive basis with Cumulus Media with respect to a transaction until 9:00 a.m. New York City time on Monday, March 7, 2011.

On March 6, 2011, Citadel entered into an agreement with J.P. Morgan acknowledging J.P. Morgan s and/or its affiliates possible participation in Cumulus Media s financing, waiving any obligation that J.P. Morgan provide a fairness opinion in connection with the Cumulus Media transaction and reducing the fees payable to J.P. Morgan due to the elimination of the possibility of its delivering a fairness opinion to the Citadel board of directors.

On March 7, 2011, the Citadel board of directors held a telephonic meeting with representatives of Weil, Loeb, Lerman, the Co-Financial Advisors and Citadel senior management in attendance to receive an update on negotiations with Cumulus Media. Representatives of Weil updated the Citadel board of directors on the negotiations with Cumulus Media and summarized the changes to the merger agreement and investment agreement since the prior Citadel board of directors meeting. Representatives of the Co-Financial Advisors discussed with the Citadel board of directors the status of Cumulus Media s debt and equity commitments, including as to J.P. Morgan s and/or its affiliates involvement in Cumulus Media s financing. A representative of Lerman provided an update to the Citadel board of directors with respect to his view of the anticipated timing of receipt of an initial order from the FCC for the Cumulus Media transaction. The Citadel board of directors discussed with its legal advisors and Citadel senior management the importance of the ability to retain key Citadel employees during the period between signing and closing of any transaction with Cumulus Media in order for Citadel to operate in the normal course. After discussion, the Citadel board of directors unanimously determined that Citadel could enter into an extension of the exclusivity period until 12:00 p.m. New York City time on Tuesday, March 8, 2011 to allow the parties time to complete the necessary negotiations and documentation.

On March 8, 2011, the Citadel board of directors held a special meeting with representatives of Weil, Loeb, the Co-Financial Advisors and Citadel senior management in attendance to discuss the terms of the potential transaction with Cumulus Media. Representatives of Weil updated the Citadel board of directors on the negotiations with Cumulus Media. Representatives of Weil discussed the terms of the proposed merger agreement, including, among other things, that Cumulus Media had agreed to close the transaction upon receiving an initial order from the FCC, the terms of the proposed investment agreement and guarantees to be entered into by Macquarie and Crestview and their respective affiliates and that Cumulus Media continued to propose restricting Citadel s ability to grant certain employee equity awards to retain key employees during the period between signing and closing. Representatives of J.P. Morgan discussed with the Citadel board of directors the terms of Cumulus Media s debt commitments, including the refinancing of Cumulus Media s debt in connection with the potential transaction, and the status of the equity commitments to be received from Macquarie and Crestview. Members of the Citadel board of directors asked questions about, and discussed, the drop-dead date in the merger agreement in relation to the financing marketing period, the amount of the financing expenses in relation to the reverse break-up fee should FCC approval not be obtained by the end date and the flexibility of Citadel to operate between the signing of the merger agreement and closing. Representatives of Weil then summarized the legal due diligence review that had been conducted with respect to Cumulus Media, Citadel senior management summarized the litigation due diligence and outstanding matters with respect to Cumulus Media, and representatives of the Co-Financial Advisors summarized the financial due diligence review that had been conducted with respect to Cumulus Media. Representatives of the Co-Financial Advisors made a financial presentation regarding the proposed transaction. Members of the Citadel board of directors asked questions of the Co-Financial Advisors regarding the financial presentation, including questions regarding the Co-Financial Advisors analyses of the Cumulus Media proposal and the valuation and analyses of Citadel on a standalone basis. Representatives of Weil advised the Citadel board of directors of its fiduciary duties under Delaware law in connection with the potential transaction. During the course of these discussions and presentations, the Citadel board of directors engaged in a discussion of the advantages of the transaction, certain countervailing factors and risks, and the terms of the transaction.

During a break in the Citadel board of directors meeting on March 8, 2011, during several telephone conversations Messrs. Sander and Dickey discussed and agreed on certain changes to the merger agreement, including Citadel s ability to grant certain employee equity awards to Citadel employees during the period between signing and closing of the merger.

On March 8, 2011, the Cumulus Media board of directors held a telephonic meeting, in which representatives of Cumulus Media management, UBS Securities, Jones Day and Dickstein participated, as well as representatives of Moelis, which had been engaged by Cumulus Media to render a fairness opinion with respect to the proposed transaction. The various financial and legal advisors reviewed the latest developments in the negotiations, structure and documentation relating to the merger, the Equity Investment and the debt financing commitments. The representatives of Jones Day reviewed for the Cumulus Media board of directors the principal provisions of the documents, and reviewed the directors fiduciary duties in connection with considering the transactions, and then the representative of Dickstein discussed the FCC regulatory approval process and his view of the steps involved and the timing thereof. There was an extensive discussion of the terms of the financing arrangements that J.P. Morgan was willing to provide to Cumulus Media. There followed a related discussion of the relationships that J.P. Morgan had with Citadel, but the Cumulus Media board of directors did not believe that J.P. Morgan s relationship with Citadel presented any adverse consequences to negotiating a debt financing commitment with J.P. Morgan as a lead arranger and lender.

On March 9, 2011, following further negotiations relating to the merger agreement and the debt commitment, the Cumulus Media board of directors held a telephonic meeting, in which representatives of the Cumulus Media executive team, UBS Securities, Moelis, Jones Day and Dickstein participated. The representatives of UBS Securities reviewed the latest developments related to the debt financing, and the terms that J.P. Morgan and the other agent lenders were willing to agree to in the debt commitment. The representatives of Jones Day and Dickstein reviewed for the directors the latest developments relating to the merger documents and FCC regulatory issues as well as the principal terms of the Equity Investment. The representatives of Moelis then presented their financial analysis of the proposed transaction to the Cumulus Media board of directors, and then delivered their oral opinion, which was subsequently confirmed in writing, that, based upon and subject to the conditions and limitations and qualifications set forth in the written opinion, as of March 9, 2011, the exchange ratio resulting from the merger and the Equity Investment was fair, from a financial point of view, to Cumulus Media. Please see The Merger Opinion of Cumulus Media s Financial Advisor beginning on page for a discussion of the opinion delivered by Moelis to the Cumulus Media board of directors, including a complete discussion of the assumptions and limitations set forth in the opinion. Following such discussion, the Cumulus Media board of directors unanimously determined that the merger agreement and the related Equity Investment, and the respective transactions contemplated thereby, were advisable and in the best interests of Cumulus Media and its stockholders, approved the merger agreement, the Investment Agreement and the amendment and restatement of the certificate of incorporation contemplated thereby, and recommended that Cumulus Media stockholders approve the issuance of the shares of Cumulus Media common stock contemplated by the merger agreement and the Equity Investment, and the amendment and restatement of the Cumulus Media certificate of incorporation.

On March 9, 2011, the board of directors of Citadel held a special telephonic meeting with representatives of Weil, Loeb, the Co-Financial Advisors and Citadel senior management in attendance to discuss the terms of the potential transaction and the resolution of items since the March 8, 2011 Citadel board of directors meeting. Representatives of Weil updated the Citadel board of directors on the negotiations with Cumulus Media and summarized the changes to the merger agreement and investment agreement since the prior Citadel board of directors meeting. Representatives of the Co-Financial Advisors discussed with the Citadel board of directors the status of Cumulus Media s debt and equity commitments, including, among other things, that the length of the commitments were for fifteen months from execution of the merger agreement. Representatives of Citadel s legal advisors advised the Citadel board of directors of its fiduciary duties in connection with the potential transaction. Lazard then orally delivered to the Citadel board of directors its opinion, subsequently confirmed in writing, that, as of March 9, 2010, based upon and subject to the assumptions, procedures, factors, qualifications and other matters and limitations set forth in Lazard s opinion, the consideration to be paid to holders of Citadel common stock (other than Merger Sub, Citadel (with respect to treasury shares) and such holders who are entitled to and properly demand an appraisal of their shares of Citadel common stock) in the merger was fair from a financial point of view to such holders. Please see The Merger Co-Financial Advisors to the Citadel Board of Directors Opinion of Lazard Frères & Co. LLC to the Citadel Board of Directors beginning on page for a discussion of the opinion delivered by Lazard to the Citadel board of directors, including a complete discussion of the assumptions and limitations set forth in the opinion. Following such discussions, the Citadel board of directors unanimously determined that the merger agreement and the Citadel merger were advisable and in the best interests of Citadel and its stockholders, adopted the merger agreement and recommended that Citadel stockholders approve the merger agreement.

Thereafter, Citadel, Cumulus Media, HoldCo and Merger Sub executed and delivered the merger agreement, dated as of March 9, 2011. Concurrent with execution and delivery of the merger agreement, stockholders of Cumulus Media who held in the aggregate approximately 54% of the outstanding voting power of Cumulus Media as of March 9, 2011 delivered written consents to Cumulus Media approving the issuance of Cumulus Media s shares in connection with the merger and the Equity Investment, and the amendment and restatement of Cumulus Media s certificate of incorporation in connection with the transactions contemplated by the merger agreement. Later on March 10, 2011, each of Citadel and Cumulus Media issued a press release announcing the transaction.

Recommendation of Citadel s Board of Directors and Citadel s Reasons for the Merger

At its meeting on March 9, 2011, the Citadel board of directors determined that the merger agreement is advisable, fair to, and in the best interests of Citadel and its stockholders and unanimously approved the merger agreement. Accordingly, the Citadel board of directors recommends that Citadel stockholders vote **FOR** adoption of the merger agreement at the Citadel annual meeting. The Citadel board of directors also recommends that Citadel stockholders vote **FOR** the authorization of the proxies to vote on such other matters as may properly come before the Citadel annual meeting, or any adjournment, named in the proxy card or postponement of the Citadel annual meeting including to consider any procedural matters incident to the conduct of the Citadel annual meeting, such as adjournment of the Citadel annual meeting.

In reaching its decision to approve the merger agreement and to recommend that Citadel stockholders vote to adopt the merger agreement, the Citadel board of directors considered a number of factors, including the following factors:

- the value of the transaction on a per share basis based on the maximum cash and maximum stock prorations;

the fact that Citadel did not receive a proposal for an alternative transaction between the time Citadel s entrance into exclusive negotiations with Cumulus Media leaked to the public or the time Citadel issued a press release to that effect and the time the merger agreement was to be signed;

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that the Citadel board of directors ran a modified auction between two bidders and also had the opportunity to consider a proposed investment in Citadel by an investor;

that following the modified auction, the current price being considered is greater than the price offered by Company A and the Cumulus Media proposal included the opportunity to receive more cash than was offered in Company A s proposal;

the strategic alternatives reasonably believed to be available to Citadel;

the results that could be expected to be achieved by Citadel if it continued to operate independently, and the likely benefits to Citadel s stockholders of such course, as compared with the value of the merger consideration;

the review by the Citadel board of directors with its legal and financial advisors of the structure of the merger and the financial and other terms of the merger, including the adequacy of the merger consideration, not only in relation to the current market price but also in relation to the historical, present and anticipated future operating results and financial position of Citadel;

the potential synergies resulting from the proposed business combination;

the ability of Citadel s stockholders to elect the form of consideration to be received;

Citadel s right to terminate the merger agreement for a superior proposal;

the terms of the merger agreement that enable Citadel to take actions to retain its employees;

the likelihood of receiving regulatory approvals in a timely fashion, and Cumulus Media s covenants to seek such regulatory approvals;

the provisions of Cumulus Media s financing that are expected to incentivize Cumulus Media to obtain regulatory approval on a timely basis;

the limited guarantees by Crestview and Macquarie and their respective affiliates;

the terms of the debt commitments and investment agreements;

the potential appreciation in Cumulus Media stock price if Cumulus Media were to achieve its projected results;

that the merger is not conditioned on obtaining financing and the obligation of Cumulus Media to seek to complete its financing;

the right of Citadel to receive certain termination payments under the merger agreement if Cumulus Media does not consummate the merger under certain circumstances;

the fact that Cumulus Media obtained the required approvals from its stockholders concurrent with entering into the merger agreement, thereby eliminating a potential stockholder vote requirement that could contribute to uncertainty about the transaction;

the financial information and analyses presented by the Co-Financial Advisors, and the opinion delivered by Lazard, that, as of March 9, 2011, the consideration to be paid to holders of Citadel common stock (other than Merger Sub, Citadel (with respect to treasury shares) and such holders who are entitled to and properly demand an appraisal of their shares of Citadel common stock) in the merger was fair from a financial point of view to such holders (see the section entitled The Merger Co-Financial Advisors to the Citadel Board of Directors Opinion of Lazard Frères & Co. LLC to the Citadel Board of Directors beginning on page of this information statement/proxy statement/prospectus);

the Co-Financial Advisors advice that the proposed breakup fee for a superior proposal would likely not deter a serious competitive bidder, and the Co-Financial Advisors views to the effect that private equity sponsors would not likely be interested at such valuations;

that certain of Citadel s stockholders requested that Citadel engage in merger discussions with Cumulus Media;

that Citadel s stockholders must ultimately adopt the merger agreement and that Citadel s stockholders were not locked-up in connection with the vote;

the results of the due diligence investigation of Cumulus Media by Citadel s management and Citadel s advisors;

the premium the price represents with regard to the various stock prices outlined by the financial advisors in their analyses;

the limited liquidity of Citadel s stock and warrants, and the risks and uncertainties associated with Citadel s stock price in light of such limited liquidity; and

the potential of greater liquidity of Cumulus Media Class A common stock as compared to the Citadel Class A common stock and Citadel Class B common stock.

The Citadel board of directors also considered potential drawbacks or risks relating to the merger, including the following risks and factors:

the potential for diversion of management and employee attention, and for employee attrition, during the period prior to completion of the merger and the potential effect on Citadel s business;

the requirement that Citadel conduct its business in the ordinary course and the other restrictions on the conduct of Citadel s business prior to the completion of the merger, which may delay or prevent Citadel from undertaking business opportunities that may arise pending the completion of the merger;

the possible effects on Citadel should the parties fail to complete the merger;

the risk that potential benefits and synergies sought in the merger may not be realized or may not be realized within the expected time period, and the risks associated with integration of the companies (including the differences in cultures and business management philosophies);

the fact that certain provisions of the merger agreement prohibit Citadel from soliciting, and limit its ability to respond to, proposals for alternative transactions;

the requirement that, in the absence of termination of the merger agreement, Citadel submit the merger agreement to its stockholders even if Citadel s board withdraws its recommendation in favor of the merger agreement;

the fact that if Citadel terminates the merger agreement to accept a Superior Proposal (as defined in the merger agreement) Citadel is obligated to pay a termination fee, which may deter others from proposing an alternative transaction;

that Citadel s officers may have financial interests in the merger that are different from, or in addition to, the interests of Citadel s stockholders;

the fact that because the stock consideration in the merger is based on a fixed exchange ratio, Citadel s stockholders could be adversely affected by a decrease in the trading price of Cumulus Media s stock during the pendency of the merger;

Cumulus Media s relative pre-transaction market capitalization compared to Citadel s market capitalization;

Cumulus Media s post-transaction leverage;

the fact that Cumulus Media needs to refinance the indebtedness of Cumulus Media, CMP and Citadel in order to complete the transaction;

the fact that no Citadel directors will be members of the board of directors of Cumulus Media after the merger;

that after the merger the holders of Cumulus Media Class B common stock and warrants may have less liquidity than current holders of Citadel Class B common stock and warrants; and

whether Cumulus Media will achieve its projected results.

The foregoing discussion summarizes the material information and factors considered by Citadel s board of directors in its consideration of the merger, but is not intended to be exhaustive and may not include all of the factors considered by Citadel s board of directors. Citadel s board of directors reached the decision to approve the merger agreement in light of the factors described above and other factors that each member of Citadel s board of directors felt were appropriate. In view of the variety of factors and the quality and amount of information considered, Citadel s board of directors as a whole did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination but conducted an overall analysis of the transaction. Individual members of Citadel s board of directors may have given different relative considerations to different factors. It should be noted that this explanation of the reasoning of Citadel s board of directors and certain information presented in this section is forward-looking in nature and, therefore, the information should be read in light of the factors discussed in the section entitled Cautionary Statement Regarding Forward-Looking Statements in this information statement/proxy statement/prospectus, beginning on page .

Cumulus Media s Reasons for the Merger

At its meeting on March 9, 2011, the Cumulus Media board of directors determined that the merger agreement, the related Investment Agreement, and the transactions contemplated thereby, were advisable, fair to and in the best interests of Cumulus Media and its stockholders, and unanimously approved the merger agreement and the Investment Agreement. The Cumulus Media board of directors recommended that Cumulus Media stockholders approve the issuance of shares of Cumulus Media common stock pursuant to the merger agreement and the Investment Agreement, and the related amendment and restatement of Cumulus Media s certificate of incorporation. In making this determination, the Cumulus Media board of directors consulted with Cumulus Media s management and with its financial and legal advisors, and considered a number of factors. The decision of the Cumulus Media board of directors was based upon a number of potential benefits of the merger and other factors that the Cumulus Media board of directors believed would contribute to the success of the combined company, and thus benefit the Cumulus Media stockholders, including the following factors, the order of which does not necessarily reflect their relative significance:

Strategic Nature of the Transaction. The combination of Citadel, together with Cumulus Media and CMP, would create a leading radio broadcasting company that would provide an opportunity to expand their collective strengths, market presence and programming to new markets and regions.

National Scale and Reach. The combined company would be the largest pure-play radio company in the United States, with over 565 radio stations in 120 United States markets, reaching over 65 million listeners weekly.

Synergies. The opportunity for the combined company to achieve improvements in both annual revenues and synergies, including approximately $51.9 million of cost synergies, the majority of which management estimated could be achieved within one year of the closing of the merger.

Diversified Listener Base and Geographic Mix. The combined company would have an extensive large and mid-sized market station portfolio, including a presence in eight of the top 10 markets, and would have broad diversity in format, listener base, geography, advertiser base and revenue stream, all of which would reduce dependence on any single demographic, region or industry.

Critical Mass to Compete in the Digital Marketplace. The increased scale of the combined company would allow larger, more significant investments in the local digital media marketplace and allow Cumulus Media s local digital platforms and strategies to be applied across significant additional markets.

Leading National Radio Network. The acquisition of Citadel s nationwide radio network of approximately 4,000 station affiliates and 9,000 program affiliates, which reach approximately 107 million listeners weekly, would create a national network platform for the syndication of Cumulus Media s content and technology assets.

Success in Integrating Acquired Companies. Cumulus Media management has a recognized and proven ability to integrate acquisitions and manage a large-scale platform, which would lessen the typical integration risks of transactions such as the merger.

Anticipated Accretion to Earnings. The combined company would have increased broadcast cash flow and free cash flow, increased earnings before interest, taxes, depreciation and amortization, and station operating income margins, on a per share basis, when compared to Cumulus Media on its own.

Anticipated Reduction in Debt Leverage Ratios. The combined company would have a strengthened balance sheet with debt leverage ratios that are lower than those of Cumulus Media as a standalone company.

Increase the Equity Market Capitalization and Liquidity. The issuance of additional shares of Cumulus Media common stock in the merger and pursuant to the Equity Investment would significantly increase the total equity market capitalization of Cumulus Media, which is expected to also increase the trading volume, and therefore the liquidity, of the common stock.

Strengthen the Capital Base to Position Cumulus Media for Strategic Acquisitions. The larger capital structure resulting from a combination of Cumulus Media, CMP and Citadel would strengthen the position of the combined company to pursue and finance additional strategic acquisitions.

Fairness Opinion. The Cumulus Media board of directors received the opinion of Moelis that, subject to the limitations and qualifications set forth therein, as of March 9, 2011, the exchange ratio resulting from the merger and the Equity Investment is fair, from a financial point of view, to Cumulus Media.

In addition, the Cumulus Media board of directors also identified and considered several potentially negative factors to be balanced against the positive factors listed above, including the following, the order of which does not necessarily reflect their relative significance:

the risk that the regulatory approvals and clearances necessary to complete the merger might not be obtained or that governmental authorities could attempt to condition approval of the merger on the companies compliance with certain burdensome conditions, or that regulatory approvals may be delayed;

that the pendency of the merger for an extended period of time following the announcement of the execution of the merger agreement could have an adverse impact on Cumulus Media or Citadel;

the potential for diversion of management and employee attention during the period prior to completion of the merger, and the potential negative effect on Cumulus Media s and Citadel s business;

the possible negative effects on Cumulus Media if the parties fail to complete the merger, including the requirement that Cumulus Media and the Investors pay to Citadel their applicable portion of a termination fee of $60.0 million if the merger agreement is terminated under certain circumstances and, if the merger agreement is terminated in certain circumstances, the requirement that Cumulus Media pay to Citadel an additional termination fee of $20 million;

the challenges associated with integrating radio stations, and the radio network, in markets that previously have not been served by Cumulus Media;

the risk that potential benefits and synergies sought in the merger may not be realized, or may not be realized within the expected time period, and the risks associated with integration of the operations of the two companies (including the differences in cultures and business management philosophies);

that the transaction may be dilutive to Cumulus Media s stock price depending on future earnings and free cash flow valuation multiples for the combined company in the public equity markets;

that current Cumulus Media stockholders as a group would hold less than a majority of the stock of the combined company following the closing of the merger and the Equity Investment;

the fact that because the stock consideration in the merger is based on a fixed exchange ratio, Cumulus Media s stockholders could be adversely affected by an increase in the trading price of Cumulus Media s common stock during the pendency of the merger;

the fact that Cumulus Media would need to refinance the indebtedness of Cumulus Media, CMP (if the CMP Acquisition is completed before the merger) and Citadel in order to complete the merger;

the risks inherent in completing over $2 billion in new financing necessary to complete the merger, given the recent volatility in the U.S. debt markets;

the potential negative consequences that could result from the combined company s significant amount of indebtedness following the closing of the merger and the Equity Investment; and

the potential that the combined company might not achieve its projected financial results.

The foregoing discussion summarizes material information and factors considered by Cumulus Media s board of directors in its consideration of the merger, and the related Equity Investment, but is not intended to be exhaustive and may not include all of the factors considered by Cumulus Media s board of directors. Cumulus Media s board of directors reached the decision to approve the merger agreement and the Equity Investment in light of the factors described above and other factors that the members of Cumulus Media s board of directors felt were appropriate. In view of the variety of factors and the quality and amount of information considered, the Cumulus Media board of directors as a whole did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination but conducted an overall analysis of the transaction. Individual members of the Cumulus Media board of directors may have given different relative considerations to different factors.

After considering all of the relevant factors, as well as the form and amount of consideration to be paid, the Cumulus Media board of directors concluded that, on balance, the potential benefits of the Merger, and the related Equity Investment, to Cumulus Media and its stockholders outweighed the associated risks.

It should be noted that this explanation of the reasoning of the Cumulus Media board of directors and certain information presented in this section is forward-looking in nature and, therefore, the information should be read in light of the factors discussed in the section entitled Cautionary Statement Regarding Forward-Looking Statements, beginning on page of this information statement/proxy statement/prospectus.

Opinion of Cumulus Media s Financial Advisor

On March 9, 2011, at a meeting of the Cumulus Media board of directors held to evaluate the merger agreement and the transactions contemplated thereby, Moelis delivered its oral opinion, which was later confirmed in writing, that based upon and subject to the conditions and limitations and qualifications set forth in its written opinion, as of March 9, 2011, the exchange ratio is fair, from a financial point of view, to Cumulus Media.

The full text of Moelis written opinion dated March 9, 2011, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion is attached to this information statement/proxy statement/prospectus as Annex C and is incorporated herein by

reference. Stockholders are encouraged to read Moelis written opinion carefully and in its entirety. The following summary describes the material analyses underlying Moelis opinion, but does not purport to be a complete description of the analyses performed by Moelis in connection with its opinion. Moelis opinion is limited solely to the fairness of the exchange ratio from a financial point of view as of the date of the opinion and does not address Cumulus Media s underlying business decision to effect the transactions contemplated by the merger agreement or the relative merits of the merger as compared to any alternative business strategies or transactions that might be available to Cumulus Media. Moelis opinion does not constitute a recommendation to any Cumulus Media

stockholder as to how such stockholder should act with respect to the merger on any other matter. Moelis opinion was approved by a Moelis fairness opinion committee.

In arriving at the conclusions reached in its opinion, Moelis has, among other things:

- reviewed certain publicly available business and financial information relating to Cumulus Media and Citadel that Moelis deemed relevant;
- reviewed certain internal information relating to the business, including financial forecasts, earnings, cash flow, assets, liabilities and prospects of Cumulus Media as well as the amount and timing of cost savings, synergies and related expenses expected to result from the transaction, furnished to Moelis by Cumulus Media (which Moelis refers to below as the expected synergies);
- reviewed certain internal information relating to the business, including financial forecasts, earnings, cash flow, assets, liabilities and prospects of Citadel, furnished to Moelis by Cumulus Media;
- conducted discussions with members of senior management and representatives of Cumulus Media, concerning the matters described in the foregoing bullets as well as the respective businesses and prospects of Cumulus Media and Citadel before and after giving effect to the merger and the expected synergies;
- reviewed publicly available financial and stock market data, including valuation multiples, for Cumulus Media and Citadel and compared them with those of certain other companies in lines of business that Moelis deemed relevant;
- compared the proposed financial terms of the merger with the financial terms of certain other transactions that Moelis deemed relevant;
- considered certain potential pro forma effects of the merger;
- reviewed a draft of the merger agreement and the Investment Agreement, each dated March 9, 2011; and
- conducted such other financial studies and analyses and took into account such other information as Moelis deemed appropriate.

In connection with its review, Moelis did not assume any responsibility for independent verification of any of the information supplied to, discussed with, or reviewed by Moelis for the purpose of its opinion and has, with the consent of the Cumulus Media board of directors, relied on such information being complete and accurate in all material respects. Moelis requested an opportunity to have discussions with management and representatives of Citadel concerning, among other things, the matters described in the first three bullet points of the preceding paragraph and the business and prospects of Citadel. Due to the circumstances of the merger, Cumulus Media directed Moelis to rely on discussions with management and representatives of Cumulus Media with respect to those matters regarding Citadel. In addition, at the direction of the Cumulus Media board of directors, Moelis did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance-sheet or otherwise) of Cumulus Media or Citadel, nor was Moelis furnished with any such evaluation or appraisal. With respect to the forecasted financial information and expected synergies referred to above, Moelis assumed, at the direction of the Cumulus Media board of directors, that such information was reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Cumulus Media as to the future performance of Citadel and Cumulus Media and that such future financial results will be achieved at the times and in the amounts projected by management. Moelis was not requested to, and did not, express any opinion regarding any legal, regulatory, tax, accounting or financial reporting matters, including the tax effect of the merger on Cumulus Media or its stockholders.

Moelis opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Moelis as of the date of Moelis opinion. Subsequent developments may affect Moelis opinion and Moelis does not have any obligation to update, revise or reaffirm its opinion. Moelis assumed, with the consent of the Cumulus Media board of directors, that all governmental, regulatory

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or other consents and approvals necessary for the consummation of the merger will be obtained without the imposition of any delay, limitation, restriction, divestiture or condition that would have any adverse effect on Citadel or Cumulus Media or on the expected benefits of the merger.

Financial Analysis

The following is a summary of the material financial analyses presented by Moelis to the Cumulus Media board of directors at its meeting held on March 9, 2011 in connection with the delivery of the oral opinion of Moelis at such meeting and its subsequent written opinion.

Some of the summaries of the financial analyses below include information presented in tabular format. In order to fully understand Moelis analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the analyses performed by Moelis. Considering the data described below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Moelis analyses.

Transaction Overview/Implied Valuations

For purposes of Moelis opinion and the financial analyses described below, the pro forma ownership of Cumulus Media by current Cumulus Media stockholders (excluding affiliates) implied by the shares of Cumulus Media common stock issued to (i) current Citadel stockholders in exchange for all of the outstanding interests of Citadel as contemplated by the merger agreement and (ii) the Investors in exchange for their investment in Cumulus Media as contemplated by the Investment Agreement is referred to as the exchange ratio. The merger agreement contemplates that Citadel stockholders and warrant holders may elect to receive up to a maximum amount of Cumulus Media common stock and cash in exchange for their shares of Citadel common stock and warrants to purchase Citadel common stock. Based on the mix of stock or cash consideration elected by Citadel stockholders, the pro forma combined company will be owned by existing Cumulus Media stockholders 20.3% (in the Stock Consideration Cap scenario) up to 30.9% (in the Cash Consideration Cap scenario).

For purposes of Moelis s opinion, Moelis assumed for pro forma purposes that the CMP Acquisition has been consummated. In addition, Cumulus Media s management directed Moelis to assume $51.9 million in annual run-rate expected synergies, which are expected to be fully realized by the end of 2012, for the pro forma combined company.

Based on Cumulus Media s closing share price of $5.06 on March 8, 2011, Moelis calculated that the equity value of Cumulus Media as of such date was $313.5 million and that its enterprise value was $1,551.5 million (consisting of Cumulus Media s equity value plus $1,238.0 million of net debt and preferred stock). Moelis further calculated that the equity value of Citadel as of such date was $1,873.7 million and that its enterprise value was $2,543.1 million (consisting of Citadel s implied equity value, plus $638.4 million of net debt and $31.0 million of bond make-whole payments). The $1,551.5 million enterprise value of Cumulus Media implies that Cumulus Media is valued at 9.4x its 2010 EBITDA of $165.7 million provided by Cumulus Media management and 8.5x its 2011 estimated EBITDA of $182.4 million provided by Cumulus Media management. The $2,543.1 million enterprise value of Citadel implies that Citadel is valued at 10.1x its 2010 EBITDA provided by Cumulus Media management of $250.8 million and 9.4x its 2011 estimated EBITDA of $269.5 million provided by Cumulus Media management. When Moelis accounted for the annual run-rate expected synergies discussed above, the enterprise value of Citadel implies that Citadel is valued at 8.4x its 2010 EBITDA of $302.7 million provided by Cumulus Media management and 7.9x its 2011 estimated EBITDA of $321.4 million provided by Cumulus Media management.

Selected Public Companies Analysis

Moelis compared certain financial information of Cumulus Media and Citadel with corresponding financial information of certain selected publicly traded companies. Moelis selected publicly traded companies that shared similar characteristics with the business of Cumulus Media and Citadel, operations and size, and for which relevant financial information was publicly available. The list of selected companies is set forth below:

CC Media Holdings, Inc.;

Entercom Communications Corp.;

Radio One, Inc.; and

Beasley Broadcast Group, Inc. (together, the Selected Companies).

Moelis also considered and analyzed CBS Corporation, Emmis Communications Corporation, Salem Communications Corporation and Saga Communications, Inc., but the table below does not include these companies.

As part of its selected public companies analysis, Moelis calculated and analyzed for each company referred to above the company s ratio of its enterprise value (calculated as fully diluted equity value based on closing stock prices as of March 8, 2011 plus debt, minority interests and preferred stock) to EBITDA and broadcast cash flow (BCF) for the most recent reported latest twelve months ended December 31, 2010 (September 30, 2010 for Radio One, Inc.) (each, the LTM) and estimated calendar years 2011 and 2012, each of which is referred to in this section as 2011E and 2012E. LTM data was based on public filings and 2011E and 2012E estimates were based on consensus public company analyst estimates, except 2011E and 2012E for Cumulus Media and Citadel were provided by Cumulus Media management. The following summarizes the results of these calculations for the Selected Companies listed above and the implied multiples for each of Cumulus Media and Citadel based on the exchange ratio:

	Mean	Median	Cumulus Media	Citadel	Stock Consideration Cap Synergies	Cash Consideration Cap Synergies
Total Enterprise Value/EBITDA						
LTM	10.2x	10.2x	9.4x	9.5x	8.4x	8.2x
2011E	9.6x	9.9x	8.5x	8.9x	7.9x	7.7x
2012E	8.9x	8.4x	7.7x	8.1x	7.3x	7.1x
Total Enterprise Value/BCF						
LTM	8.3x	8.4x	8.4x	8.8x	8.3x	8.1x
2011E	7.9x	8.2x	7.7x	8.3x	7.8x	7.7x
2012E	7.5x	7.4x	7.0x	7.5x	7.2x	7.1x

Moelis then applied a range of selected multiples of 7.75x to 8.75x to 2011E EBITDA for Cumulus Media and 8.25x to 9.25x for the combined company (with expected synergies) to derive an implied equity value of $175 million to $358 million for Cumulus Media and $1,661 million to $2,113 million for the combined company (with expected synergies). Under the Stock Consideration Cap scenario (with expected synergies), this analysis indicated an implied range of Cumulus Media ownership of 8.3% to 21.5% compared to the 20.3% contemplated by the merger. Under the Cash Consideration Cap scenario (with expected synergies), this analysis indicated an implied range of ownership to Cumulus Media of 10.6% to 29.7% compared to the 30.9% contemplated by the merger. For the purposes of the foregoing analysis, Moelis used expected synergies of $51.9 million multiplied by a midpoint of the high and low multiples.

Moelis further applied a range of selected multiples of 7.25x to 8.25x to 2011E BCF for Cumulus Media and 7.75x to 8.75x for the combined company (with expected synergies) to derive an implied equity value of $226 million to $428 million for Cumulus Media and $1,574 million to $2,065 million for the combined company (with expected synergies). Under the Stock Consideration Cap scenario (with expected synergies), this analysis indicated an implied range of Cumulus Media ownership (with expected synergies) of 11.0% to 27.2% compared to the 20.3% contemplated by the merger. Under the Cash Consideration Cap scenario (with expected synergies), this analysis indicated an implied range of Cumulus Media ownership (with expected synergies) of 14.1% to 38.3% compared to the 30.9% contemplated by the merger.

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Selected Transactions Analysis

Moelis considered recent transactions in the radio broadcasting sector and ultimately concluded that there were no precedent transactions that were relevant as part of its analysis.

Discounted Cash Flow Analysis

Moelis conducted a discounted cash flow, or DCF, analysis of Cumulus Media and the combined company to calculate a range of implied equity values for Cumulus Media and the combined company. A DCF analysis is a method of evaluating a business using estimates of the future unlevered free cash flows generated by the business and taking into consideration the time value of money with respect to those future cash flows by calculating their present value. Present value refers to the current value of one or more future cash payments for the business, which Moelis refers to as that business free cash flows, and is obtained by discounting those free cash flows back to the present using a discount rate that takes into account macro-economic assumptions and estimates of risk, the opportunity costs of capital, capitalized returns and other appropriate factors. Terminal value refers to the value of all free cash flows from an asset for periods beyond the final forecast period.

Using projections provided by Cumulus Media management, Moelis performed a DCF analysis of Cumulus Media utilizing the after-tax unlevered free cash flows for the calendar years 2011 to 2014, using discount rates ranging from 9.0% to 11.0%, which was based upon a number of factors, including the weighted average cost of capital of Cumulus Media. The terminal value was then calculated using a terminal EBITDA multiple range of 7.75x to 8.75x. Based on the foregoing, Moelis derived for Cumulus Media an implied equity value range of $404 million to $655 million.

Using projections provided by Cumulus Media management, Moelis performed a DCF analysis for the combined company (with expected synergies) utilizing the after-tax unlevered free cash flows for the calendar years 2011 to 2014, using discount rates ranging from 9.0% to 11.0%, which was based upon a number of factors, including the weighted average cost of capital of Cumulus Media. The terminal value was then calculated using a terminal EBITDA multiple range of 8.25x to 9.25x.

Based on the foregoing and using each of the Stock Consideration Cap and Cash Consideration Cap scenarios, Moelis derived for the combined company (with expected synergies) an implied equity value range of $1,982 million to $2,681 million and an implied equity value range of $1,526 million to $2,224 million, respectively.

This analysis indicated an implied range of Cumulus Media ownership of 15.1% to 33.1% under the Stock Consideration Cap scenario compared to the 20.3% contemplated by the merger and implied Cumulus Media ownership range of 18.2% to 42.9% under the Cash Consideration Cap scenario compared to the 30.9% contemplated by the merger.

Other Analysis

Relative Contribution Analysis. Moelis calculated the relative contributions of Cumulus Media and Citadel to the combined company of projected BCF and EBITDA for the years 2011 through 2015, based on the Cumulus Media and Citadel projections provided by Cumulus Media s management. Moelis also calculated the relative contribution based on a transaction enterprise value, using Cumulus Media s share price of $5.06 as of March 8, 2011. This analysis indicated the following relative contribution of Cumulus Media and Citadel following the merger.

	Cumulus Media	Synergies	Citadel

BCF	2011E	38.4%	6.6%	55.0%
	2012E	38.7%	6.1%	55.2%
	2013E	38.3%	5.9%	55.8%
	2014E	38.3%	5.6%	56.1%
	2015E	38.7%	5.3%	56.0%

		Cumulus Media	Synergies	Citadel
EBITDA	2011E	36.2%	10.3%	53.5%
	2012E	36.6%	9.5%	53.9%
	2013E	36.2%	9.2%	54.6%
	2014E	36.3%	8.6%	55.1%
	2015E	36.4%	8.3%	55.3%
Transaction EV Splits (max equity excluding synergies)		37.9%		62.1%
Transaction EV Splits (max cash excluding synergies)		38.4%		61.6%

Pro Forma Financial Analysis. Moelis reviewed the potential pro forma financial effect of the merger on Cumulus Media s fiscal years 2011 through 2014 projected After Tax Cash Flow (ATCF) and Free Cash Flow (FCF). Cumulus Media, CMP and Citadel financial data was based on projections provided by Cumulus Media s management. This analysis indicated that the merger would be dilutive to Cumulus Media s projected ATCF per share and FCF per share for fiscal years 2011 through 2014. The actual results achieved by Cumulus Media after the completion of the merger may vary from projected results and the variations may be material.

Premiums Paid. Moelis compared the value of the Citadel offer on February 17, 2011 (the day of Citadel s announcement of its entrance into an agreement with Cumulus Media for exclusive negotiations with regard to a potential merger) and the value of the Citadel offer on March 8, 2011 (the day prior to announcement of the execution of the merger agreement) to Citadel s stock price one-day, one-week and one-month prior to February 17, 2011. Moelis also compared the value of the Citadel offer to Citadel s stock price on December 5, 2010 (the day prior to Citadel s announcement of an unsolicited merger proposal) and December 16, 2010 (the day prior to a $31 per share bid by Cumulus Media for Citadel). Moelis compared the offer price to Citadel s Class B common stock price because Citadel s Class B common stock has significantly more shares outstanding and greater average trading volume relative to Citadel s Class A common stock. The implied premiums were compared to the average premiums paid for all closed merger transactions and for all closed media merger transactions with deal values between $1.0 billion and $3.0 billion in the last five years.

The results of this analysis were:

		February 17, 2011			2010	
	At Public Announ. (02/17/11)	1-Day Prior (1 Trading Day)	1-Week Prior (5 Trading Days)	1-Month Prior (20 Trading Days)	12/16	12/05
Citadel Share Price (Class B)	$37.00	$ 30.50	$ 30.50	$ 30.00	$ 29.38	$ 27.75
		21.3%	21.3%	23.3%	26.0%	33.3%
	Current Value					

	of Citadel Offer (03/08/11)					
Citadel Share Price (Class B)	$39.33	$ 30.50	$ 30.50	$ 30.00	$ 29.38	$ 27.75
		28.9%	28.9%	31.1%	33.9%	41.7%
Premiums in Other M&A Transactions						
All Deals $1bn to $3bn in the Last 5 Years (220 Transactions)		27.6%	28.6%	33.3%		
All Media Deals $1bn to $3bn in the Last 5 Years (8 Transactions)		22.6%	24.5%	23.2%		

General

The preparation of a fairness opinion is a complex analytical process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Moelis opinion. In arriving at its fairness determination. Moelis considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis. Rather, Moelis made its fairness determination on the basis of its experience and professional judgment after considering the results of all of its analyses.

No company or transaction used in the analyses described above for purposes of comparison is directly comparable to Cumulus Media, Citadel or the merger. In addition, such analyses do not purport to be appraisals, nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by such analyses. Because the analyses described above are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, neither Cumulus Media, nor Moelis or any other person assumes responsibility if future results are materially different from those forecast.

The exchange ratio was determined through negotiations among Cumulus Media and its representatives, on the one hand, and Citadel and its representatives, on the other hand, and the decision by the Cumulus Media board of directors to approve, adopt and authorize the merger agreement was solely that of the Cumulus Media board of directors. Moelis did not recommend any specific exchange ratio to the Cumulus Media board of directors or suggest that any specific consideration constituted the only appropriate consideration for the transaction.

Moelis opinion was prepared for the use and benefit of the board of directors of Cumulus Media in its evaluation of the transaction. Moelis was not asked to address, and its opinion does not address, the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of Cumulus Media. In addition, Moelis opinion does not express any opinion as to the fairness of the amount or nature of any compensation to be received by any of Cumulus Media s officers, directors or employees, or any class of such persons, relative to the exchange ratio. At the direction of the Cumulus Media board of directors, Moelis was not asked to, nor did it, offer any opinion as to the material terms of the merger agreement, the Investment Agreement or the form of the exchange. Moelis also expressed no opinion as to what the value of the Cumulus Media common stock will be when issued pursuant to the merger agreement or the prices at which it will trade in the future. In rendering its opinion, Moelis assumed, with the consent of the Cumulus Media board of directors, that the final executed form of the merger agreement and the Investment Agreement would not differ in any material respect from the drafts that Moelis examined, and that Citadel and Cumulus Media would comply with all the material terms of such agreements.

Pursuant to the terms of Moelis engagement, Cumulus Media agreed to pay Moelis a fee of $1,000,000 payable upon delivery of Moelis opinion, regardless of the conclusion reached in such opinion. In addition, Cumulus Media has agreed to indemnify Moelis for certain liabilities arising out of its engagement. In the past, Moelis provided investment banking and other services to affiliates of Citadel and received compensation for the rendering of such services. In the ordinary course of business, Moelis, its successors and its affiliates may trade securities of Cumulus Media and Citadel for their own accounts and the accounts of their customers and, accordingly, may at any time hold a long or short position in such securities.

The board of directors of the Cumulus Media retained Moelis because Moelis has substantial experience in similar transactions. Moelis is engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, strategic transactions, corporate restructurings, and valuations for corporate and other purposes.

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Co-Financial Advisors to the Citadel Board of Directors

Citadel retained Lazard and J.P. Morgan as financial advisors in connection with an evaluation of a range of possible transactions including the merger, and, if requested, to render an opinion to the board of directors of Citadel as to the fairness, from a financial point of view, to holders of Citadel common stock of the consideration to be paid to such holders in any transaction within the scope, and in accordance with the terms, of their respective engagement letters. The Co-Financial Advisors prepared joint financial analyses for the Citadel board of directors, which are summarized below.

As described in the section titled The Merger Background of the Merger beginning on page , when existing financing sources for Cumulus Media were unable to agree on a financing commitment that satisfied certain concerns of the board of directors of Citadel, J.P. Morgan and its affiliates offered to explore whether they could provide acquisition financing on terms that addressed such concerns. Citadel and its board of directors agreed that J.P. Morgan should explore J.P. Morgan s and/or its affiliates ability and willingness to provide or participate in such financing. Citadel and J.P. Morgan further agreed that in the event J.P. Morgan and/or certain of its affiliates provided and/or arranged financing to Cumulus Media, J.P. Morgan would not be in a position to render a fairness opinion in connection with the merger. On March 9, 2011, J.P. Morgan and its affiliates committed to provide Cumulus Media with financing in connection with the merger and, as a result, only Lazard rendered an opinion to the board of directors of Citadel as to fairness.

The type and amount of consideration payable in the merger was determined through arm s-length negotiations between Citadel and Cumulus Media through their respective financial advisors, rather than by the Co-Financial Advisors, and was approved by the Citadel board of directors. Neither Co-Financial Advisor recommended any specific merger consideration to the Citadel board of directors or to Citadel or that any given merger consideration constituted the only appropriate consideration for the merger. The decision to enter into the merger agreement was solely that of the Citadel board of directors.

Opinion of Lazard Frères & Co. LLC to the Citadel Board of Directors

On March 9, 2011, Lazard rendered its oral opinion to the Citadel board of directors, subsequently confirmed in writing, that, as of March 9, 2011, and based upon and subject to the procedures, factors, qualifications, assumptions and other matters and limitations set forth therein, the merger consideration to be paid to holders of Citadel common stock (other than Merger Sub, Citadel (with respect to treasury shares) and such holders who are entitled to and properly demand an appraisal of their shares of Citadel common stock) in the merger was fair from a financial point of view to such holders.

The full text of the written opinion of Lazard, dated March 9, 2011, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this information statement/proxy statement/prospectus as Annex B and is incorporated herein by reference. Citadel stockholders are urged to read the opinion in its entirety. Lazard provided its opinion to the Citadel board of directors in connection with their evaluation of the merger and Lazard s opinion only addresses the fairness from a financial point of view of the merger consideration to be paid to the holders of Citadel common stock (other than Merger Sub, Citadel (with respect to treasury shares) and such holders who are entitled to and properly demand an appraisal of their shares of Citadel common stock) pursuant to the merger agreement to such holders. Lazard s opinion is not a recommendation as to how any holder of Citadel common stock should vote or act with respect to the merger or any matter relating thereto.

The Citadel board of directors informed Lazard that each Citadel warrant is exercisable into shares of Citadel Class B common stock for $0.001 per share pursuant to the terms, and in accordance with the requirements, of the warrant agreement, dated June 3, 2010, between Citadel and Mellon Investor Services LLC, as warrant agent, and that each share of Citadel Class B common stock is convertible into one share of Citadel Class A common stock in accordance with the terms, and pursuant to the requirements, of the Fourth Amended and Restated Certificate of Incorporation of Citadel. For purposes of its opinion, with the consent of the Citadel board of directors, Lazard assumed that all Citadel warrants had been exercised for shares of Citadel Class B common stock pursuant to the terms of the Citadel warrants. In addition, for purposes of its opinion, with the consent of the Citadel board of directors, Lazard treated the shares of Citadel Class A common stock as equivalent to the shares of Citadel Class B common stock from a financial point of view.

In connection with its opinion, Lazard:

reviewed the financial terms and conditions of the merger agreement;

reviewed certain publicly available historical business and financial information relating to Citadel and Cumulus Media;

reviewed various financial forecasts and other data provided to Lazard by Citadel relating to the business of Citadel and financial forecasts and other data provided to Lazard by Cumulus Media relating to the business of Cumulus Media;

held discussions with members of the senior managements of Citadel and Cumulus Media with respect to the businesses and prospects of Citadel and Cumulus Media, respectively;

reviewed the projected synergies and other benefits, including the amount and timing thereof, anticipated by the management of Cumulus Media to be realized from the merger;

reviewed public information with respect to certain other companies in lines of business Lazard believed to be generally relevant in evaluating the businesses of Citadel and Cumulus Media, respectively;

reviewed the financial terms of certain business combinations involving companies in lines of business Lazard believed to be generally relevant in evaluating the business of Citadel;

reviewed historical trading prices and volumes of Citadel common stock, Citadel warrants and Cumulus Media common stock;

reviewed the potential pro forma financial impact of the merger on Cumulus Media based on the financial forecasts referred to above relating to Citadel and Cumulus Media, both including and excluding the pro forma financial impact of Cumulus Media s proposed acquisition of CMP based on information provided by Cumulus Media; and

conducted such other financial studies, analyses and investigations as Lazard deemed appropriate.

Lazard assumed and relied upon the accuracy and completeness of the foregoing information, without independent verification of such information. Lazard did not conduct any independent valuation or appraisal of any of the assets or liabilities (contingent or otherwise) of Citadel or Cumulus Media or concerning the solvency or fair value of Citadel or Cumulus Media, and Lazard was not furnished with any such valuation or appraisal. With respect to the financial forecasts utilized in Lazard s analyses, including those related to projected synergies and other benefits anticipated by the management of Cumulus Media to be realized from the merger, Lazard has assumed, with the consent of Citadel, that such forecasts have been reasonably prepared on bases reflecting the best available estimates and judgments at such time as to the future financial performance of Citadel and Cumulus Media, respectively, and such synergies and other benefits. Lazard assumed no responsibility for and expressed no view as to any such forecasts or estimates or the assumptions on which they were based.

Lazard s opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information available to, Lazard as of the date of Lazard s opinion. Lazard assumed no responsibility for updating or revising its opinion based on circumstances or events occurring after the date of Lazard s opinion. Lazard did not, and does not, express any opinion as to the prices at which shares of Citadel common stock, Citadel warrants or Cumulus Media common stock may trade at any time subsequent to the announcement of the merger. Lazard s opinion did not address the relative merits of the merger as compared to any other transaction or business strategy in which Citadel might engage or the merits of the underlying decision by Citadel to engage in the merger.

In rendering its opinion, Lazard assumed, with Citadel s consent, that the merger would be consummated on the terms described in the merger agreement without any waiver or modification of any material terms or conditions. Lazard further assumed, with Citadel s consent, that obtaining the necessary governmental, regulatory or third party approvals and consents for the merger will not have an adverse effect on Citadel, Cumulus Media or the merger. Lazard did not express any opinion as to any tax or other consequences that might result from the merger, nor did Lazard s opinion address any legal, tax, regulatory or accounting matters, as to which Lazard understood that Citadel obtained such advice as it deemed necessary from qualified professionals. Lazard expressed no view or opinion as to any terms or other aspects of the merger (other than the merger consideration to the extent expressly specified in Lazard s opinion), including, without limitation, the form or structure of the merger or any agreements or arrangements entered into in connection with, or contemplated by, the merger. In addition, Lazard expressed no view or opinion as to the fairness of the amount or nature of, or any other aspects relating to, the compensation to any officers, directors or employees of any parties to the merger, or class of such persons, relative to the merger consideration or otherwise.

Lazard s engagement and the opinion are for the benefit of the Citadel board of directors and Lazard s opinion was rendered to the Citadel board of directors in connection with its evaluation of the merger.

The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to particular circumstances and, therefore, is not necessarily susceptible to partial analysis or summary description. Selecting portions of the financial analyses performed as summarized below without considering the analyses as a whole, could create an incomplete view of the processes underlying Lazard s opinion. In arriving at its opinion, Lazard considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Lazard made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses.

Summary of Joint Financial Analyses of Lazard and J.P. Morgan

The following is a summary of the material financial analyses that the Co-Financial Advisors performed and reviewed with the Citadel board of directors and which analyses were used in connection with the rendering of Lazard s opinion described above. The following summary does not purport to be a complete description of the financial analyses performed by the Co-Financial Advisors, nor does the order of analyses described represent relative importance or weight given to those analyses by the Co-Financial Advisors.

In their analyses, the Co-Financial Advisors considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Citadel and Cumulus Media. No company or transaction used in the below analyses as a comparison is directly comparable to Citadel, Cumulus Media or the merger, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies or transactions analyzed. The estimates contained in the Co-Financial Advisors analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, the Co-Financial Advisors analyses are inherently subject to substantial uncertainty.

Certain of the summaries of the financial analyses include information presented in tabular format. In order to fully understand the financial analyses performed by the Co-Financial Advisors, the tables must be read together with the full text of each summary and are alone not a complete description of the Co-Financial Advisors financial analyses. Considering the data set forth in the tables below without considering the narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the Co-Financial Advisors financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before March 4, 2011 (the most recent trading day prior to the execution of the merger agreement for which market data was included in the Co-Financial Advisors presentation to the Citadel board of directors), and is not necessarily indicative of current market conditions.

For purposes of the analyses summarized below, the Co-Financial Advisors calculated the implied value of the merger consideration that would be received by holders of Citadel common stock in the merger based on the VWAP for the 19-day period up to and including February 16, 2011 (the date on which exclusivity between Citadel and Cumulus Media was leaked to the public) of $4.34 per share of Cumulus Media Class A common stock, which would be $37.00 irrespective of whether a stockholder elected to receive all cash or stock, or whether such election was prorated. In addition, for informational purposes the Co-Financial Advisors calculated the value of the Max Cash merger consideration, based on the maximum aggregate cash consideration payable under the merger agreement, and the Max Stock merger consideration, based on the maximum aggregate stock consideration payable under the merger agreement. For the purposes of the Max Cash and Max Stock merger consideration calculations, the Co-Financial Advisors utilized a value for shares of Cumulus Media Class A common stock equal to the price per share of Cumulus Media Class A common stock as of the close of trading on the Nasdaq Global Select Market on March 4, 2011 of $4.99. The Co-Financial Advisors assigned a value to the Max Cash merger consideration equal to the merger consideration to be received by holders of Citadel common stock in the event that all holders elected to receive the cash merger consideration, which was equal to the value of $30.00 per share in cash and 1.613 shares of Cumulus Media Class A common stock, which the Co-Financial Advisors calculated to be $38.05 per share of Citadel common stock using the March 4, 2011 closing price for Cumulus Media Class A common stock on the Nasdaq Global Select Market of $4.99. The Co-Financial Advisors assigned a value to Max Stock merger consideration equal to the merger consideration to be received by holders of Citadel common stock in the event that all holders elected to receive the stock merger consideration, which was equal to the value of $23.00 per share in cash and 3.226 shares of Cumulus Media Class A common stock, which the Co-Financial Advisors calculated to be $39.10 per share of Citadel common stock using the March 4, 2011 closing price for Cumulus Media Class A common stock on the Nasdaq Global Select Market of $4.99. The Co-Financial Advisors used the implied, Max Cash and Max Stock values of the merger consideration for purposes of certain of the analyses performed.

Citadel Valuation Analysis

Citadel Selected Comparable Companies Analysis

The Co-Financial Advisors reviewed and analyzed selected public companies in the radio industry that they viewed as reasonably comparable to Citadel based on the Co-Financial Advisors knowledge of the radio industry. In performing these analyses, the Co-Financial Advisors reviewed and analyzed certain publicly available financial information, implied multiples and market trading data relating to the selected comparable companies and compared such information to the corresponding information for Citadel. Specifically, the Co-Financial Advisors compared Citadel to the following public companies in the radio industry:

Entercom Communications Corp.;

Cumulus Media (as of March 4, 2011 and December 3, 2010 (the last trading day before Citadel publicly disclosed that it had received an unsolicited merger proposal));

Beasley Broadcast Group, Inc.;

Saga Communications, Inc.;

Salem Communications Corporation;

Spanish Broadcasting System, Inc.;

Radio One, Inc.; and

Emmis Communications Corporation.

Although none of the selected companies is directly comparable to Citadel, the companies included are publicly traded companies with operations and/or other criteria, such as lines of business, markets, business risks and size and scale of business, which the Co-Financial Advisors considered similar to Citadel for purposes of analysis. Based on estimates and other publicly available financial information as of March 4, 2011, the Co-Financial Advisors reviewed, among other things, the enterprise value of each selected comparable company as a multiple of such comparable company s projected earnings before interest, taxes, depreciation and amortization, or EBITDA, for the fiscal year ended December 31, 2010. The results of these analyses were as follows:

	Enterprise Value/ 2011 EBITDA
Mean	8.1x
Median	8.4x

Based on the foregoing and the Co-Financial Advisors professional judgment, the Co-Financial Advisors applied multiples of approximately 8.0x to 9.0x to the estimated EBITDA for Citadel s fiscal year ending December 31, 2011 that was provided in the Citadel management projections. The results of the foregoing analysis implied an equity value per share range for Citadel of $30.42 to $35.90. The implied value of the merger consideration of $37.00 per share, the Max Cash value of the merger consideration of $38.05 per share and the Max Stock value of the merger consideration of $39.10 per share each exceeded this range.

Citadel Selected Precedent Transactions Analysis

The Co-Financial Advisors reviewed and analyzed certain publicly available financial information of target companies in selected precedent merger and acquisition transactions from 2009 through 2011 involving companies in the radio industry they viewed as relevant. In performing these analyses, the Co-Financial Advisors analyzed certain financial information and transaction multiples relating to the target companies involved in the selected transactions and compared such information to the corresponding information for Citadel.

Although none of the selected precedent transactions or the companies party to such transactions is directly comparable to the merger or to Citadel, all of the transactions were chosen because they involve transactions that, for purposes of analysis, may be considered similar to the merger and/or involve targets that, for purposes of analysis, may be considered similar to Citadel. The transactions reviewed were:

Announcement / Confirmation Date	Acquiror	Target
January 2011	Cumulus Media	CMP*
January 2011	Hubbard Broadcasting, Inc.	Bonneville International
April 2010	JS Acquisition, Inc.	Emmis Communications Corporation
April 2010	Restructuring (Oaktree Capital Management)	Regent Communications, Inc.*
March 2010	Restructuring	Citadel*
February 2010	Restructuring (Angelo, Gordon & Co.)	NextMedia Group, Inc.*
July 2009	Univision Communications Inc./WNYC Radio	New York Times Company (WQXR-FM)
August 2009		CBS (Stations in Portland) *

April 2009	Alpha Broadcasting, LLC/Endeavour Capital Cox Enterprises, Inc.	Cox Radio, Inc.*

For each of the transactions for which information was publicly available and denoted with an asterisk above (except for materials with respect to CMP, which were provided by UBS Securities), the Co-Financial Advisors calculated and compared transaction value as a multiple of the broadcast cash flow, or BCF, for the

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then current year (based on the most recently publicly available information as of March 4, 2011) prior to the date that the relevant transaction was announced. The results of these analyses were as follows:

	Transaction Value/BCF
Mean	7.8x
Median	8.1x

Based on the foregoing analyses and the Co-Financial Advisors professional judgment, the Co-Financial Advisors applied multiples of approximately 7.5x to 8.75x to the estimated BCF for Citadel s fiscal year ended December 31, 2010 that was provided in the Citadel management projections to calculate an implied equity value per share range for Citadel of $29.40 to $36.54. The implied value of the merger consideration of $37.00 per share, the Max Cash value of the merger consideration of $38.05 per share and the Max Stock value of the merger consideration of $39.10 per share each exceeded this range.

Citadel Discounted Cash Flow Analysis

Based on the projections provided by Citadel management, the Co-Financial Advisors performed a discounted cash flow analysis of Citadel to calculate the estimated present value of the standalone unlevered free cash flows that Citadel could generate during the fiscal years ending December 31, 2011 through December 31, 2015. The Co-Financial Advisors also calculated estimated terminal values for Citadel by applying a range of terminal value multiples of 7.5x to 8.5x to estimated EBITDA for Citadel s fiscal year ending December 31, 2015 provided in the Citadel management projections. The standalone free cash flows and terminal values were discounted to present value using discount rates ranging from 8.5% to 10.0%, which were based on a weighted average cost of capital analysis of the selected comparable companies listed in the Citadel Selected Comparable Companies Analysis section above. Discounted cash flow includes the net present value of the tax benefit of net operating loss carryforwards and the deferred cancellation of debt payments collectively valued at approximately $26 million. This discounted cash flow analysis resulted in an implied equity value per share range for Citadel of $31.97 to $38.80. The implied value of the merger consideration of $37.00 per share and the Max Cash value of the merger consideration of $38.05 per share fell within this range, and the Max Stock value of the merger consideration of $39.10 per share exceeded this range.

Citadel Historical Trading Prices

The Co-Financial Advisors reviewed, for informational purposes, historical data with regard to the closing prices of shares of Citadel Class A and Class B common stock and warrants for the period from when quoted prices were available after Citadel s emergence from bankruptcy to and including February 16, 2011 (the date prior to when exclusivity between Citadel and Cumulus Media was leaked to the public). During this period, the closing price of shares of Citadel Class A and Class B common stock and warrants ranged from a low of $19.00 to a high of $32.00 per share. The implied value of the merger consideration of $37.00 per share, the Max Cash value of the merger consideration of $38.05 per share and the Max Stock value of the merger consideration of $39.10 per share each exceeded this range.

Cumulus Media Valuation Analysis

Cumulus Media Selected Comparable Companies Analysis

The Co-Financial Advisors reviewed and analyzed selected public companies in the radio industry that they viewed as reasonably comparable to Cumulus Media based on the Co-Financial Advisors knowledge of the radio industry. In performing these analyses, the Co-Financial Advisors reviewed and analyzed publicly available financial information as of March 4, 2011, implied multiples and market trading data relating to the selected comparable companies and compared such information to the corresponding information for Cumulus

Media based on the Cumulus Media management forecasts. The Co-Financial Advisors compared Cumulus Media to the following public companies in the radio industry:

Citadel (as of March 4, 2011 and December 3, 2010 (the last trading day before Citadel publicly disclosed that it had received an unsolicited merger proposal));

Entercom Communications Corp.;

Beasley Broadcast Group, Inc.;

Saga Communications, Inc.;

Salem Communications Corporation;

Spanish Broadcasting System, Inc.;

Radio One, Inc.; and

Emmis Communications Corporation.

Although none of the selected companies is directly comparable to Cumulus Media, the companies included are publicly traded companies with operations and/or other criteria, such as lines of business, markets, business risks and size and scale of business, which the Co-Financial Advisors considered similar to Cumulus for purposes of analysis. Based on publicly available financial information as of March 4, 2011, the Co-Financial Advisors reviewed, among other things, the enterprise value of each selected comparable company as a multiple of such comparable company s projected EBITDA for the fiscal year ending December 31, 2011. The results of these analyses were as follows:

	Enterprise Value/ 2011 EBITDA
Mean	8.1x
Median	8.4x

Based on the foregoing calculations and the Co-Financial Advisors professional judgment, the Co-Financial Advisors applied multiples of approximately 8.0x to 9.0x to the estimated EBITDA of Cumulus Media for Cumulus Media s fiscal year ending December 31, 2011 that was provided in the Cumulus Media management projections. The results of the foregoing analysis implied an equity value per share range for Cumulus Media of $3.86 to $6.86. The VWAP of $4.34 per share of Cumulus Media Class A common stock and the $4.99 closing price per share of Cumulus Media Class A common stock as of March 4, 2011 each fell within this range.

Cumulus Media s Discounted Cash Flow Analysis

Based on the projections provided by Cumulus Media management, the Co-Financial Advisors performed a discounted cash flow analysis of Cumulus Media to calculate the estimated present value of the standalone unlevered free cash flows that Cumulus Media could generate during the fiscal years ending December 31, 2011 through December 31, 2014. The Co-Financial Advisors also calculated estimated terminal values for Cumulus Media by applying a range of terminal value multiples of 7.5x to 8.5x to the estimated EBITDA of Cumulus Media for Cumulus Media s fiscal year ending December 31, 2014 that was provided in the Cumulus Media management projections. The standalone free cash flows and terminal values were discounted to present value using discount rates ranging from 8.5% to 10.0%, which were based on a weighted average cost of capital analysis of the selected comparable companies, which are listed in the Cumulus Media Selected Comparable Companies Analysis section above. The analysis was performed both to include and exclude the pro forma effects of the CMP Acquisition.

The results of the foregoing analysis including the pro forma impact of the CMP Acquisition (and including the net present value of the tax benefits of net operating loss carryforwards, deferred cancellation of debt payments and original issue discount income related to taxes of approximately $107 million in the aggregate) implied an equity value per share range for Cumulus Media of $7.23 to $10.93. The VWAP of

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$4.34 per share of Cumulus Media Class A common stock and the $4.99 closing price per share of Cumulus Media Class A common stock as of March 4, 2011 each fell below this range.

The results of the foregoing analysis excluding the pro forma impact of the CMP Acquisition (and including the net present value of the tax benefit of net operating loss carryforwards and original issue discount income related to taxes of approximately $127 million in the aggregate) implied an equity value per share range for Cumulus Media of $8.96 to $11.70. The VWAP of $4.34 per share of Cumulus Media Class A common stock and the $4.99 closing price per share of Cumulus Media Class A common stock as of March 4, 2011 each fell below this range.

Cumulus Media Historical Trading Prices

The Co-Financial Advisors reviewed, for informational purposes, historical data with regard to the closing prices of shares of Cumulus Media Class A common stock for the period from the 52-week period to and including February 16, 2011 (the date prior to when exclusivity between Citadel and Cumulus Media was leaked to the public). During this period, the closing stock price of shares of Cumulus Media Class A common stock ranged from a low of $2.05 to a high of $5.46 per share. The VWAP of $4.34 per share of Cumulus Media Class A common stock and the $4.99 closing price per share of Cumulus Media Class A common stock as of March 4, 2011 each fell within this range.

Citadel/Cumulus Media Exchange Ratio Overview

Historical Exchange Ratio Analysis

The Co-Financial Advisors reviewed, for informational purposes, the range of closing prices of shares of Citadel common stock and warrants and Cumulus Media Class A common stock from when quoted prices were available after Citadel s emergence from bankruptcy, until March 4, 2011 and compared them to the fixed exchange ratio for all stock merger consideration of 8.525x. Based on this historical share price range, the Co-Financial Advisors calculated the following implied exchange ratios by dividing the blended trading prices of Citadel s common stock and warrants (based on the weighted average share price of Citadel Class A and Class B common stock and warrants) by the trading prices of Cumulus Media s Class A common stock during such period:

	Implied Exchange Ratio
Mean	7.987x
Median	7.493x
High (8/31/10)	12.318x
Low (10/18/10)	6.062x
As of 12/3/10	7.769x
As of 2/16/11	7.060x
As of 3/4/11	6.880x

In addition, the Co-Financial Advisors calculated the following implied exchange ratios by dividing the trading prices of each of Citadel s common stock and warrants by the trading prices of Cumulus Media s Class A common stock during such period:

	Citadel Blended

	Citadel Class A/ Cumulus Media Class A	Citadel Class B/ Cumulus Media Class A	Citadel Warrants/ Cumulus Media Class A	Average/ Cumulus Media Class A
As of 8/10/10	9.298x	9.298x	9.091x	9.091x
As of 12/3/10	7.321x	7.843x	7.807x	7.769x
As of 2/16/11	6.943x	7.071x	7.077x	7.060x
As of 3/4/11	6.814x	6.914x	6.868x	6.880x

Selected Comparable Companies

The Co-Financial Advisors analyzed the range of implied exchange ratios in connection with the selected comparable companies valuations performed with respect to Citadel and Cumulus Media by dividing the lowest implied per share valuation of Citadel ($30.42) by the highest implied per share value valuation of Cumulus Media ($6.86) and dividing the highest implied per share valuation of Citadel ($35.90) by the lowest implied per share valuation of Cumulus Media ($3.86) resulting in a range of 4.432x to 9.297x. The fixed exchange ratio for all stock merger consideration of 8.525x fell within the range resulting from this analysis.

Discounted Cash Flow

The Co-Financial Advisors analyzed the range of implied exchange ratios in connection with the discounted cash flow valuations performed with respect to Citadel and Cumulus Media by dividing the lowest implied per share valuation of Citadel ($31.97) by the highest implied per share value valuation of Cumulus Media ($10.93) and dividing the highest implied per share valuation of Citadel ($38.80) by the lowest implied per share value valuation of Cumulus Media ($7.23) to result in a range of 2.926x to 5.370x, including the pro forma impact of the CMP Acquisition by Cumulus Media. The Co-Financial Advisors also performed the same analysis excluding the CMP Acquisition by Cumulus Media by dividing the lowest implied per share valuation of Citadel ($31.97) by the highest implied per share value valuation of Cumulus Media ($11.70) and dividing the highest implied per share valuation of Citadel ($38.80) by the lowest implied per share value valuation of Cumulus Media ($8.96) to result in a range of 2.732x to 4.329x. The fixed exchange ratio for all stock merger consideration of 8.525x was in excess of each of the ranges resulting from these analyses.

Contribution Analysis

The Co-Financial Advisors reviewed the relative contributions of Citadel and Cumulus Media to the following estimated financial and operating metrics of the combined company, based on management estimates of Citadel and Cumulus Media:

- Revenue (2010 actual, 2011 estimated); and
- EBITDA (2010 actual, 2011 estimated).

In determining the relative contributions of Citadel and Cumulus Media, the Co-Financial Advisors calculated implied aggregate equity ownership percentages of the stockholders of Citadel and the stockholders of Cumulus Media, respectively, in the combined company. The Co-Financial Advisors then compared such percentages to the aggregate pro forma equity ownership percentages of the stockholders of Citadel and the stockholders of Cumulus Media, respectively, in the combined company upon consummation of the merger assuming the merger consideration consisted solely of stock.

Based on the foregoing, the Co-Financial Advisors calculated the following implied exchange ratio reference range by taking the low contribution ratio (2011 EBITDA) of 4.607x and high contribution ratio (2010 Revenue) of 7.631x during such period. The fixed exchange ratio for all stock merger consideration of 8.525x was in excess of this range.

About Lazard; Lazard s Fees

Lazard, as part of its investment banking business, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, leveraged buyouts, and valuations for estate, corporate and other purposes. In the ordinary course of their respective businesses, Lazard and LFCM Holdings LLC (an entity indirectly owned in large part by managing directors of Lazard) and their respective affiliates may actively trade securities of Citadel, Cumulus Media and certain of their respective affiliates for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a long or short position in such securities, and may also trade and hold securities on behalf of Citadel, Cumulus Media and certain of their respective affiliates. Lazard in the past has provided, and in the future may provide, certain investment banking services to Citadel and certain of its affiliates, for which Lazard has received, and may receive, compensation, including, during the past two years, having provided advisory services to Citadel in connection with its reorganization under Chapter 11 of the United States Bankruptcy Code. The issuance of Lazard s opinion was approved by the Opinion Committee of Lazard.

In connection with Lazard s services as financial advisor to the Citadel board of directors and pursuant to the terms of the Lazard engagement letter dated as of December 3, 2010, Citadel agreed to pay Lazard an aggregate fee equal to $9 million. $1 million of Lazard s aggregate fee was payable to Lazard upon execution of its engagement letter, $2 million of Lazard s aggregate fee was payable to Lazard upon execution of the merger agreement and the rendering of Lazard s opinion and the remainder of Lazard s aggregate fee is payable upon consummation of the merger. Citadel also agreed to pay Lazard 5% of any break-up, termination or similar fee that Citadel may receive in connection with the merger, provided that such amount shall not exceed $5 million, against which the previously described fees are to be credited. In addition, Citadel also agreed to reimburse Lazard for its reasonable expenses incurred in connection with the engagement and to indemnify Lazard and certain related parties against certain liabilities under certain circumstances that may arise out of the rendering of its advice, including certain liabilities under U.S. federal securities laws.

Lazard is an internationally recognized investment banking firm providing a full range of financial advisory and other services. Citadel selected Lazard as a financial advisor with respect to the merger on the basis of Lazard s substantial experience in comparable transactions, its reputation and its familiarity with Citadel s business, operations and management, including Lazard s role as Citadel s financial advisor in its bankruptcy, as well as the fact that Lazard was not a holder of Citadel indebtedness or a Citadel stockholder.

About J.P. Morgan; J.P. Morgan s Fees

In connection with J.P. Morgan s services as Citadel s financial advisor, Citadel initially agreed to pay J.P. Morgan an aggregate fee equal to $9 million, which was reduced to $7 million because J.P. Morgan would not be delivering an opinion due to its or its affiliates participation in the debt financing as described above. $1 million of J.P. Morgan s aggregate fee was payable to J.P. Morgan upon execution of its engagement letter and the remainder of J.P. Morgan s aggregate fee is payable upon consummation of the merger. Citadel also agreed to pay J.P. Morgan 5% of any break-up, termination or similar fee that Citadel may receive in connection with the merger, provided that such amount shall not exceed $4 million, against which the previously described fees are to be credited. In addition, Citadel also agreed to reimburse J.P. Morgan for its reasonable expenses incurred in connection with the engagement and to indemnify J.P. Morgan and certain related parties against certain liabilities under certain circumstances that may arise out of the rendering of its advice, including certain liabilities under U.S. federal securities laws.

J.P. Morgan and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of business, J.P. Morgan and its affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Citadel, Cumulus Media and certain of their respective affiliates. J.P. Morgan and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Citadel, Cumulus Media and/or certain of their respective affiliates and have received or in the future may receive compensation for the rendering of these services, including, during the past two years, J.P. Morgan and/or certain of its affiliates acted as an administrative agent, a lead arranger and bookrunner, and a lender for Citadel s $150,000,000 revolving credit facility and $350,000,000 Term Loan B facility in December 2010 and as a bookrunner and a lender in Citadel s $400,000,000 senior notes offering in December

2010. In addition, a commercial banking affiliate of J.P. Morgan acted as an administrative agent and a lender under previous credit facilities of Citadel, for which it received customary compensatio