



**Entercom Communications Corp.
Reports Third Quarter Results**

(Bala Cynwyd, Pa. November 5, 2013) Entercom Communications Corp. (NYSE: ETM) today reported financial results for the quarter ended September 30, 2013.

Third Quarter Highlights

- Net revenues for the quarter decreased 4% to \$98.4 million
- Station expenses increased 5% to \$66.9 million due to a large prior year expense credit
- Station operating income decreased 19% to \$31.5 million
- Adjusted EBITDA decreased 22% to \$26.2 million
- Adjusted net income per share decreased 26% to \$0.20
- Free cash flow decreased 26% to \$15.1 million

David J. Field, President and Chief Executive Officer, stated: "Sales execution issues hindered our third quarter performance causing a 4% decline in revenues. We are steadily putting these issues behind us and working to capitalize on our excellent competitive position featuring highly-rated brands and strong customer marketing capabilities. Core pacsings for the fourth quarter have improved significantly over the past couple months and we are well positioned for solid top line and free cash flow performance in 2014."

Additional Information

Station operating expenses increased 5% during the quarter as the prior year results included a \$2.0 million non-recurring expense credit from radio industry's music licensing settlement with Broadcast Music, Inc.

The Company reduced its outstanding net senior debt and senior notes by \$20 million during the quarter. As of September 30, 2013, the Company had \$6.6 million in cash and \$525.6 million of senior debt and senior notes.

Earnings Conference Call and Company Information

Entercom will hold a conference call regarding the quarterly earnings release on Tuesday, November 5, 2013 at 5:00 PM Eastern Time. Investors will have the opportunity to submit questions to the Company regarding the third quarter earnings release by emailing their inquiries to questions@entercom.com. Questions should be sent at least 10 minutes prior to the call. The Company will only discuss inquiries made by email prior to the conference call. The public may access the conference call by dialing 888-889-0278 (passcode: Entercom). A replay of the conference call will be available and can be accessed either by dialing 866-431-5851 or by visiting the Company's website: www.entercom.com. Additional information and reconciliation of same station results are available on the Company's website at www.entercom.com.

About Entercom

[Entercom Communications Corp. \(NYSE: ETM\)](#), led by [President and CEO David Field](#), is one of the largest radio broadcasting companies in the United States, with a nationwide portfolio of over 100 stations in 23 markets, including San Francisco, Boston, Seattle, Denver, Portland, Sacramento and Kansas City.

Known for developing unique and highly successful locally programmed stations, Entercom is home to some of radio's most distinguished brands and compelling personalities. The company also is the radio broadcast partner of the Boston Red Sox, Buffalo Bills, Buffalo Sabres, Kansas City Royals, Memphis Grizzlies, New Orleans Saints, New Orleans Pelicans, Oakland Athletics, Oakland Raiders and San Jose Sharks.

Entercom focuses on creating effective multi-platform marketing solutions for its customers, incorporating the company's audio, digital and experiential assets. Additionally, the company has a long-standing commitment to responsible corporate citizenship and environmental stewardship. Entercom stations play a vital, hands-on role in improving their communities, providing over \$100 million in annual support for local charitable organizations.

The company's radio stations have received numerous awards, including multiple Edward R. Murrow Awards for excellence in broadcast journalism, as well as the National Association of Broadcasters (NAB) Marconi Award for excellence in radio broadcasting. In 2012, Entercom was named by Information Week as one of the Top 500 Technology Innovators in the United States.

Certain Definitions

All references to per share data, unless stated otherwise, are presented as per diluted share. All references to shares outstanding, unless stated otherwise, are presented to exclude unvested restricted stock units. All references to net debt are outstanding debt net of cash on hand.

Station expenses consist of station operating expenses excluding non-cash compensation expense.

Corporate expenses consist of corporate general and administrative expenses excluding non-cash compensation expense.

Station operating income consists of operating income (loss) before: depreciation and amortization; time brokerage agreement fees (income); corporate general and administrative expenses; non-cash compensation expense (which is otherwise included in station operating expenses); impairment loss; merger and acquisition costs; and gain or loss on sale or disposition of assets.

Adjusted EBITDA consists of net income (loss), adjusted to exclude: income taxes (benefit); total other expense; depreciation and amortization; time brokerage agreement fees (income); non-cash compensation expense (which is otherwise included in station operating expenses and corporate G&A expenses); impairment loss; merger and acquisition costs; and gain or loss on sale or disposition of assets.

Free cash flow consists of operating income (loss): (i) plus depreciation and amortization, net (gain) loss on sale or disposal of assets; non-cash compensation expense (which is otherwise included in station operating expenses and corporate general and administrative expenses), impairment loss; merger and acquisition costs; and (ii) less net interest expense (excluding amortization of deferred financing costs), taxes paid and capital expenditures.

Adjusted net income consists of net income (loss) adjusted to exclude: (i) income taxes (benefit) as reported; (ii) gain/loss on sale of assets, derivative instruments and investments; (iii) non-cash compensation expense; (iv) other income; (v) impairment loss; (vi) merger and acquisition costs; and (vii) gain/loss on early extinguishment of debt. For purposes of comparability, income taxes are reflected at the expected statutory federal and state income tax rate of 42% without discrete items of tax.

Adjusted net income per share includes any dilutive equivalent shares when not anti-dilutive.

Same station is computed by comparing the performance of stations operated by the Company throughout the relevant period to the comparable performance in the prior year's corresponding period (excluding non-cash compensation expense). Any acquisition or disposition of radio stations not deemed to be material by management are ignored for the purpose of computing this data. There were no material acquisitions during the periods presented in the above tables.

Non-GAAP Financial Measures

It is important to note that *station operating income*, *station expense*, *corporate expense*, *same station net revenues*, *same station expenses*, *same station operating income*, *adjusted EBITDA*, *adjusted net income*, *adjusted net income per share* and *free cash flow* are not measures of performance or liquidity calculated in accordance with generally accepted accounting principles ("GAAP"). Management believes that these measures are useful as a way to evaluate the Company and the means for management to evaluate our radio stations' performance and operations. Management believes that these measures are useful to an investor in evaluating our performance because they are widely used in the broadcast industry as a measure of a radio company's operating performance.

Certain adjusted non-GAAP financial measures are presented in this release (e.g., adjusted net income and adjusted net income per share). The adjustments exclude gain/loss on sale of assets, derivative instruments, and investments; non-cash compensation expense, other income, impairment loss and gain/loss on early extinguishment of debt. Management believes these adjusted non-GAAP measures provide useful information to Management and investors by excluding certain income, expenses and gains and losses that may not be indicative of the Company's core operating and financial results. Similarly, Management believes these adjusted measures are a useful performance measure because certain items included in the calculation of net income (loss) may either mask or exaggerate trends in the Company's ongoing operating performance. Further, the reconciliations corresponding to these adjusted measures, by identifying the individual adjustments, provide a useful mechanism for investors to consider these adjusted measures with some or all of the identified adjustments.

Management uses these non-GAAP financial measures on an ongoing basis to help track and assess the Company's financial performance. You, however, should not consider non-GAAP measures in isolation or as substitutes for net income (loss), operating income, or any other measure for determining our operating performance that is calculated in accordance with generally accepted accounting principles. These non-GAAP measures are not necessarily comparable to similarly titled measures employed by other companies. The accompanying financial tables provide reconciliations to the nearest GAAP measure of all non-GAAP measures provided in this release.

Note Regarding Forward-Looking Statements

The information in this news release is being widely disseminated in accordance with the Securities and Exchange Commission's Regulation FD.

This news announcement contains certain forward-looking statements that are based upon current expectations and certain unaudited pro forma information that is presented for illustrative purposes only and involves certain risks and uncertainties within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Additional information and key risks are described in the Company's filings on Forms 8-K, 10-Q and 10-K with the Securities and Exchange Commission. Readers should note that these statements might be impacted by several factors including changes in the economic and regulatory climate and the business of radio broadcasting, in general. The unaudited pro forma information and same station operating data reflect adjustments and are presented for comparative purposes only and do not purport to be indicative of what has occurred or indicative of future operating results or financial position. Accordingly, the Company's actual performance may differ materially from those stated or implied herein. The Company assumes no obligation to publicly update or revise any unaudited pro forma or forward-looking statements.

Contact:

Steve Fisher

Executive Vice President and Chief Financial Officer

610-660-5647

Third Quarter 2013
Earnings Release

ENTERCOM COMMUNICATIONS CORP.
FINANCIAL DATA
(amounts in thousands, except per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
<u>STATEMENTS OF OPERATIONS</u>				
Net Revenues	\$ 98,436	\$ 102,295	\$ 278,035	\$ 286,832
Station Expenses	66,917	63,550	190,518	190,687
Station Expense - Non-Cash Compensation	187	169	522	433
Corporate Expenses	5,344	5,232	15,429	15,608
Corporate Expenses - Non-Cash Compensation	695	1,097	2,458	3,551
Depreciation And Amortization	2,041	2,746	6,557	8,242
Impairment Loss	-	-	850	22,307
Net Time Brokerage Agreement Fees (Income)	-	(4)	-	238
Net (Gain) Loss On Sale Or Disposition of Assets	(34)	120	(1,625)	123
Total Operating Expenses	75,150	72,910	214,709	241,189
Operating Income	23,286	29,385	63,326	45,643
Other Expense (Income) Items:				
Net Interest Expense	11,038	13,285	33,822	40,854
Net Gain On Derivative Instruments	-	-	-	(1,346)
Net Loss On Investments	-	50	-	50
Other Income	-	(35)	(93)	(81)
Total Other Expense	11,038	13,300	33,729	39,477
Income Before Income Taxes	12,248	16,085	29,597	6,166
Income Taxes	5,373	7,908	13,080	2,245
Net Income	\$ 6,875	\$ 8,177	\$ 16,517	\$ 3,921
Net Income Per Share - Basic	\$ 0.18	\$ 0.22	\$ 0.44	\$ 0.11
Net Income Per Share - Diluted	\$ 0.18	\$ 0.22	\$ 0.43	\$ 0.10
Weighted Common Shares Outstanding - Basic	37,386	36,735	37,335	36,704
Weighted Common Shares Outstanding - Diluted	38,153	37,548	38,209	37,662

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Capital Expenditures	\$ 1,074	\$ 825	\$ 3,502	\$ 1,787
Income Taxes Paid	\$ -	\$ -	\$ 69	\$ 99
Cash Interest	\$ 4,453	\$ 3,105	\$ 26,378	\$ 29,068

SELECTED BALANCE SHEET DATA

	September 30,	
	2013	2012
Cash And Cash Equivalents	\$ 6,569	\$ 6,603
Total Assets	\$ 907,158	\$ 924,259
Current Portion Of Senior Debt	\$ 31	\$ 13,589
Senior Debt (including Current Debt)	\$ 308,070	\$ 369,600
Senior Notes	\$ 217,552	\$ 217,285
Total Shareholders' Equity	\$ 283,266	\$ 258,648

OTHER FINANCIAL DATA

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
<u>Reconciliation Of GAAP Station Operating Expenses</u>				
<u>To Station Expenses</u>				
Station Operating Expenses	\$ 67,104	\$ 63,719	\$ 191,040	\$ 191,120
Station Expenses - Non-Cash Compensation	(187)	(169)	(522)	(433)
Station Expenses	<u>\$ 66,917</u>	<u>\$ 63,550</u>	<u>\$ 190,518</u>	<u>\$ 190,687</u>
<u>Reconciliation Of GAAP Corporate General & Administrative Expenses</u>				
<u>To Corporate Expenses</u>				
Corporate General & Administrative Expenses	\$ 6,039	\$ 6,329	\$ 17,887	\$ 19,159
Corporate Expenses - Non-Cash Compensation	(695)	(1,097)	(2,458)	(3,551)
Corporate Expenses	<u>\$ 5,344</u>	<u>\$ 5,232</u>	<u>\$ 15,429</u>	<u>\$ 15,608</u>
<u>Reconciliation Of GAAP Operating Income To Station Operating Income</u>				
Operating Income	\$ 23,286	\$ 29,385	\$ 63,326	\$ 45,643
Corporate Expenses	5,344	5,232	15,429	15,608
Corporate Expenses - Non-Cash Compensation	695	1,097	2,458	3,551
Station Expenses - Non-Cash Compensation	187	169	522	433
Depreciation And Amortization	2,041	2,746	6,557	8,242
Impairment Loss	-	-	850	22,307
Net Time Brokerage Agreement Fees (Income)	-	(4)	-	238
Net (Gain) Loss On Sale Or Disposition of Assets	(34)	120	(1,625)	123
Station Operating Income	<u>\$ 31,519</u>	<u>\$ 38,745</u>	<u>\$ 87,517</u>	<u>\$ 96,145</u>
<u>Reconciliation Of GAAP Net Income To Adjusted EBITDA</u>				
Net Income	\$ 6,875	\$ 8,177	\$ 16,517	\$ 3,921
Income Taxes	5,373	7,908	13,080	2,245
Total Other Expense	11,038	13,300	33,729	39,477
Corporate Expenses - Non-Cash Compensation	695	1,097	2,458	3,551
Station Expenses - Non-Cash Compensation	187	169	522	433
Depreciation And Amortization	2,041	2,746	6,557	8,242
Impairment Loss	-	-	850	22,307
Net Time Brokerage Agreement Fees (Income)	-	(4)	-	238
Net (Gain) Loss On Sale Or Disposition of Assets	(34)	120	(1,625)	123
Adjusted EBITDA	<u>\$ 26,175</u>	<u>\$ 33,513</u>	<u>\$ 72,088</u>	<u>\$ 80,537</u>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
<u>Reconciliation Of GAAP Net Income To Free Cash Flow</u>				
Net Income	\$ 6,875	\$ 8,177	\$ 16,517	\$ 3,921
Depreciation And Amortization	2,041	2,746	6,557	8,242
Impairment Loss	-	-	850	22,307
Deferred Financing Costs Included In Interest Expense	1,005	1,111	3,058	3,283
Amortization Of Original Issue Discount Included In Interest Expense	69	62	203	182
Non-Cash Compensation Expense	882	1,266	2,980	3,984
Net (Gain) Loss On Sale Or Disposition of Assets	(34)	120	(1,625)	123
Net Gain On Derivative Instruments	-	-	-	(1,346)
Net Loss On Investments	-	50	-	50
Other Income	-	(35)	(93)	(81)
Income Taxes	5,373	7,908	13,080	2,245
Capital Expenditures	(1,074)	(825)	(3,502)	(1,787)
Income Taxes Paid	-	-	(69)	(99)
Free Cash Flow	<u>\$ 15,137</u>	<u>\$ 20,580</u>	<u>\$ 37,956</u>	<u>\$ 41,024</u>
<u>Reconciliation Of GAAP Operating Income To Free Cash Flow:</u>				
Operating Income	\$ 23,286	\$ 29,385	\$ 63,326	\$ 45,643
Depreciation and Amortization	2,041	2,746	6,557	8,242
Non-Cash Compensation Expense	882	1,266	2,980	3,984
Impairment Loss	-	-	850	22,307
Interest Expense, Net of Interest Income, Deferred Financing Costs & OID	(9,964)	(12,112)	(30,561)	(37,389)
Capital Expenditures	(1,074)	(825)	(3,502)	(1,787)
Net (Gain) Loss On Sale Or Disposition of Assets	(34)	120	(1,625)	123
Income Taxes Paid	-	-	(69)	(99)
Free Cash Flow	<u>\$ 15,137</u>	<u>\$ 20,580</u>	<u>\$ 37,956</u>	<u>\$ 41,024</u>
<u>Reconciliation Of GAAP Net Income To Adjusted Net Income</u>				
Net Income	\$ 6,875	\$ 8,177	\$ 16,517	\$ 3,921
Income Taxes	5,373	7,908	13,080	2,245
Net (Gain) Loss On Sale Or Disposition of Assets	(34)	120	(1,625)	123
Impairment Loss	-	-	850	22,307
Net Gain On Derivative Instruments	-	-	-	(1,346)
Net Loss On Investments	-	50	-	50
Other Income	-	(35)	(93)	(81)
Non-Cash Compensation Expense	882	1,266	2,980	3,984
Adjusted Income (Loss) Before Income Taxes (Benefit)	13,096	17,486	31,709	31,203
Income Taxes	5,500	7,344	13,318	13,105
Adjusted Net Income	<u>\$ 7,596</u>	<u>\$ 10,142</u>	<u>\$ 18,391</u>	<u>\$ 18,098</u>
<u>Weighted Average Diluted Shares Outstanding</u>	<u>38,153</u>	<u>37,548</u>	<u>38,209</u>	<u>37,662</u>
<u>Adjusted Net Income Per Share - Diluted</u>	<u>\$ 0.20</u>	<u>\$ 0.27</u>	<u>\$ 0.48</u>	<u>\$ 0.48</u>