



Entercom Communications Corp.
Regulation G Presentations and Reconciliations
Selected Financial Data - Non-GAAP Disclosures
Amounts In Thousands, Except Per Share Data

Reconciliation Of GAAP Operating Income To Station Operating Income

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|-------------------|------------------------------------|-------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Reconciliation of GAAP Operating Income To Station Operating Income | | | | |
| Operating Income | \$ 79,490 | \$ 78,733 | \$ 174,634 | \$ 111,974 |
| Corporate Expenses | 17,178 | 13,781 | 51,141 | 47,472 |
| Corporate Expenses - Non-Cash Compensation | 2,234 | 2,116 | 6,521 | 6,126 |
| Station Expenses - Non-Cash Compensation | 1,107 | 1,653 | 3,765 | 5,295 |
| Depreciation And Amortization | 11,183 | 10,608 | 33,252 | 29,745 |
| Merger And Acquisition Costs | 434 | 697 | 476 | 2,768 |
| Restructuring Costs | 1,577 | 852 | 5,953 | 3,019 |
| Impairment Loss | - | - | - | 28,988 |
| Integration Costs | 689 | 2,761 | 3,280 | 21,984 |
| Other Expenses Related To Refinancing | - | - | 1,864 | - |
| Time Brokerage Agreement (Income) Expense | 13 | (150) | 106 | (1,242) |
| Net (Gain) Loss On Sale Or Disposal Of Assets | 231 | (10,541) | (2,683) | (10,856) |
| Station Operating Income | <u>\$ 114,136</u> | <u>\$ 100,510</u> | <u>\$ 278,309</u> | <u>\$ 245,273</u> |

Reconciliation Of GAAP Net Income (Loss) Available To Common Shareholders To Adjusted Net Income And Adjusted Net Income Per Share Data

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|------------------|------------------------------------|------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Reconciliation Of GAAP Net Income (Loss) Available To Common Shareholders To Adjusted Net Income | | | | |
| Net Income (Loss) Available To Common Shareholders | \$ 38,208 | \$ 36,948 | \$ 67,323 | \$ 25,511 |
| Income Taxes (Benefit) | 16,026 | 16,220 | 30,110 | 12,960 |
| Income Taxes Included In Income From Discontinued Operations | - | 286 | - | 709 |
| Merger And Acquisition Costs | 434 | 697 | 476 | 2,768 |
| Transition Costs And Non-Recurring Expenses Included In Corporate Expense | 1,000 | - | 1,000 | 1,100 |
| Other Expense Related To Refinancing | - | - | 1,864 | - |
| Impairment Loss | - | - | - | 28,988 |
| Integration Costs | 689 | 2,761 | 3,280 | 21,984 |
| Restructuring Costs | 1,577 | 852 | 5,953 | 3,019 |
| Net (Gain) Loss On Sale Or Disposal Of Assets | 231 | (10,541) | (2,683) | (10,856) |
| Non-Cash Compensation Expense | 3,341 | 3,769 | 10,286 | 11,421 |
| Adjusted Income Before Income Taxes | 61,506 | 50,992 | 119,390 | 97,604 |
| Income Taxes | 18,452 | 15,298 | 35,817 | 29,281 |
| Adjusted Net Income | <u>\$ 43,054</u> | <u>\$ 35,694</u> | <u>\$ 83,573</u> | <u>\$ 68,323</u> |
| Numerator For Purposes Of Computing Adjusted Net Income Per Share - Diluted | | | | |
| Adjusted Net Income | \$ 43,054 | \$ 35,694 | \$ 83,573 | \$ 68,323 |
| Preferred Stock, Treated As If Not Converted | - | - | - | - |
| | <u>\$ 43,054</u> | <u>\$ 35,694</u> | <u>\$ 83,573</u> | <u>\$ 68,323</u> |
| Weighted Average Diluted Shares Outstanding For Purposes Of Computing Adjusted Net Income Per Share - Diluted | | | | |
| Weighted Common Shares Outstanding As Reported - Diluted | 136,453 | 139,103 | 138,295 | 139,685 |
| Dilutive Shares Not Included When Reporting A Loss | - | - | - | - |
| Preferred Stock, Treated As If Not Converted | - | - | - | - |
| | <u>136,453</u> | <u>139,103</u> | <u>138,295</u> | <u>139,685</u> |
| Adjusted Net Income Per Share - Diluted | <u>\$ 0.32</u> | <u>\$ 0.26</u> | <u>\$ 0.60</u> | <u>\$ 0.49</u> |

Reconciliation Of GAAP Net Income (Loss) Available To Common Shareholders To Adjusted EBITDA To Pro Forma Adjusted EBITDA

| | Three Months Ended | | | | Nine Months Ended | | | |
|---|--------------------|----------------|----------------|----------------|-------------------|----------------|----------------|----------------|
| | 30-Sep 2019 | 30-Jun 2019 | 31-Mar 2019 | 31-Dec 2018 | 30-Sep 2018 | 30-Sep 2019 | 30-Sep 2018 | 30-Sep 2018 |
| Reconciliation Of GAAP Net Income (Loss) Available To Common Shareholders To Adjusted EBITDA | | | | | | | | |
| Net Income (Loss) Available To Common Shareholders | \$ 38,208 | \$ 25,992 | \$ 3,125 | \$ (386,953) | \$ 36,948 | \$ 67,323 | \$ 25,511 | |
| Income Taxes (Benefit) | 16,026 | 12,045 | 2,038 | (17,113) | 16,220 | 30,110 | 12,960 | |
| Income From Discontinued Operations | - | - | - | 378 | (358) | - | (1,530) | |
| Net Interest Expense | 25,256 | 24,944 | 25,220 | 26,088 | 25,923 | 75,420 | 75,033 | |
| Corporate Expenses - Non-Cash Compensation Expense | 2,234 | 2,130 | 2,157 | 2,169 | 2,116 | 6,521 | 6,126 | |
| Station Expenses - Non-Cash Compensation Expense | 1,107 | 1,243 | 1,415 | 1,561 | 1,653 | 3,765 | 5,295 | |
| Depreciation And Amortization | 11,183 | 10,964 | 11,104 | 14,543 | 10,608 | 33,252 | 29,745 | |
| Time Brokerage Agreement Expense (Income) | 13 | 53 | 40 | 324 | (150) | 106 | (1,242) | |

| | | | | | | | |
|---|--------|--------|---------|---------|----------|---------|----------|
| Merger And Acquisition Costs | 434 | 33 | 9 | 253 | 697 | 476 | 2,768 |
| Restructuring Costs | 1,577 | 3,362 | 1,014 | 2,811 | 852 | 5,953 | 3,019 |
| Integration Costs | 689 | 1,456 | 1,135 | 3,388 | 2,761 | 3,280 | 21,984 |
| Transition Costs And Non-Recurring Expenses Included In Corporate Expense | 1,000 | - | - | - | - | 1,000 | 1,100 |
| Impairment Loss | - | - | - | 465,000 | - | - | 28,988 |
| Other Expenses Related To Refinancing | - | 1,864 | - | - | - | 1,864 | - |
| Loss On Early Extinguishment Of Debt | - | 1,781 | - | - | - | 1,781 | - |
| Net (Gain) Loss On Sale Or Disposal Of Assets | 231 | 1,686 | (4,600) | (1,302) | (10,541) | (2,683) | (10,856) |
| Adjusted EBITDA | 97,958 | 87,553 | 42,657 | 111,147 | 86,729 | 228,168 | 198,901 |

Reconciliation Of GAAP Net Income (Loss) Available To Common Shareholders To Adjusted Free Cash Flow

Entercom Communications Corp.
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Amounts In Thousands, Except Per Share Data

| | Three Months Ended | | | | Nine Months Ended | | |
|---|--------------------|----------------|----------------|----------------|-------------------|-----------------------|-------------|
| | 30-Sep 2019 | 30-Jun 2019 | 31-Mar 2019 | 31-Dec 2018 | 30-Sep 2018 | September 30, 2018 | |
| Reconciliation GAAP Net Income (Loss) Available To Common Shareholders To Adjusted Free Cash Flow | | | | | | | |
| Net Income (Loss) Available To Common Shareholders | \$ 38,208 | \$ 25,992 | \$ 3,125 | \$ (386,953) | \$ 36,948 | \$ 67,323 | \$ 25,511 |
| Depreciation And Amortization | 11,183 | 10,964 | 11,104 | 14,543 | 10,608 | 33,252 | 29,745 |
| Deferred Financing Costs Included In Interest Expense | 755 | 671 | 801 | 800 | 798 | 2,227 | 2,389 |
| Amortization Of Debt Discount Or (Debt Premium) Included In Interest Expense | (678) | (855) | (715) | (715) | (715) | (2,248) | (2,147) |
| Non-Cash Compensation Expense | 3,341 | 3,373 | 3,572 | 3,730 | 3,769 | 10,286 | 11,421 |
| Merger And Acquisition Costs | 434 | 33 | 9 | 253 | 697 | 476 | 2,768 |
| Impairment Loss | - | - | - | 465,000 | - | - | 28,988 |
| Restructuring Costs | 1,577 | 3,362 | 1,014 | 2,811 | 852 | 5,953 | 3,019 |
| Integration Costs | 689 | 1,456 | 1,135 | 3,388 | 2,761 | 3,280 | 21,984 |
| Transition Costs And Non-Recurring Expenses Included In Corporate Expense | 1,000 | - | - | - | - | 1,000 | 1,100 |
| Net (Gain) Loss On Sale Or Disposal Of Assets | 231 | 1,686 | (4,600) | (1,302) | (10,541) | (2,683) | (10,856) |
| Other Expenses Related To Refinancing | - | 1,864 | - | - | - | 1,864 | - |
| Loss On Early Extinguishment Of Debt | - | 1,781 | - | - | - | 1,781 | - |
| Income Taxes (Benefit) | 16,026 | 12,045 | 2,038 | (17,113) | 16,220 | 30,110 | 12,960 |
| Income Taxes Included In Income From Discontinued Operations | - | - | - | (96) | 286 | - | 709 |
| Net Capital Expenditures | (20,658) | (16,900) | (20,510) | (15,533) | (5,680) | (58,067) | (23,621) |
| Adjusted Income Taxes Paid | - | (7,764) | (697) | - | 15 | (8,461) | (18,187) |
| Adjusted Free Cash Flow | \$ 52,108 | \$ 37,708 | \$ (3,724) | \$ 68,813 | \$ 56,018 | \$ 86,093 | \$ 85,783 |
| Reconciliation of Capital Expenditures, Including Amortizable Intangibles, to Net Capital Expenditures | | | | | | | |
| Capital Expenditures, Including Amortizable Intangibles | (22,862) | (20,203) | (20,510) | (15,831) | (6,969) | (63,575) | (25,955) |
| Reimbursed Tenant Improvement Allowances | 2,204 | 3,303 | - | 298 | 1,289 | 5,508 | 1,045 |
| Net Capital Expenditures | \$ (20,658) | \$ (16,900) | \$ (20,510) | \$ (15,533) | \$ (5,680) | \$ (58,067) | \$ (24,910) |
| Reconciliation of Income Taxes Paid To Adjusted Income Taxes Paid | | | | | | | |
| Income Taxes Paid | \$ (3,935) | \$ (12,756) | \$ (1,790) | \$ (35,396) | \$ - | \$ (18,481) | \$ (18,836) |
| Income Taxes Paid Related to Gain/Loss On Sale Or Exchange Of Radio Station Assets | - | - | 894 | 28,949 | - | 894 | 649 |
| Income Taxes Paid Related to Gain/Loss On Sale Of Redundant Properties | 3,935 | 4,992 | 199 | 6,447 | - | 9,126 | - |
| Adjusted Income Taxes Paid | \$ - | \$ (7,764) | \$ (697) | \$ - | \$ - | \$ (8,461) | \$ (18,187) |
| Numerator For Purposes Of Computing Adjusted Free Cash Flow Per Share - Diluted | | | | | | | |
| Adjusted Free Cash Flow | \$ 52,108 | \$ 37,708 | \$ (3,724) | \$ 68,813 | \$ 56,018 | \$ 86,093 | \$ 85,783 |
| Preferred Stock Dividend, Treated As If Not Converted | - | - | - | - | - | - | - |
| | \$ 52,108 | \$ 37,708 | \$ (3,724) | \$ 68,813 | \$ 56,018 | \$ 86,093 | \$ 85,783 |
| Denominator For Purposes Of Computing Adjusted Free Cash Flow Per Share - Diluted | | | | | | | |
| Weighted Common Shares Outstanding As Reported - Diluted | 136,453 | 139,074 | 138,523 | 138,033 | 139,103 | 138,295 | 139,685 |
| Diluted Shares Excluded When Reporting A Net Loss | - | - | 384 | - | - | - | - |
| Preferred Stock Dividend, Treated As If Not Converted | - | - | - | - | - | - | - |
| | 136,453 | 139,074 | 138,907 | 138,033 | 139,103 | 138,295 | 139,685 |
| Adjusted Free Cash Flow Per Share - Diluted | \$ 0.38 | \$ 0.27 | \$ (0.03) | \$ 0.50 | \$ 0.40 | \$ 0.62 | \$ 0.61 |

Certain Definitions

Management uses *Station Operating Income* as the metric to assess the performance of our stations. When measuring *Adjusted EBITDA*, *Adjusted Free Cash Flow*, *Adjusted Free Cash Flow Per Share*, *Net Capital Expenditures*, *Adjusted Income Taxes Paid*, *Adjusted Net Income* and *Adjusted Net Income Per Share*, the resulting amounts are attributable to common shareholders.

It is important to note that *Station Expenses*, *Station Operating Income*, *Corporate Expenses*, *Adjusted EBITDA*, *Adjusted Net Income*, *Adjusted Net Income Per Share*, *Adjusted Free Cash Flow* and *Adjusted Free Cash Flow Per Share*, *Adjusted Income Taxes Paid* and *Net Capital Expenditures* 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 to measure a radio company's operating performance.

Certain adjusted non-GAAP financial measures are presented in this table (i.e., *Station Expenses, Station Operating Income, Corporate Expenses, Adjusted EBITDA, Pro Forma Adjusted EBITDA, Adjusted Income Taxes Paid, Net Capital Expenditures, Adjusted Net Income, Adjusted Net Income Per Share, Adjusted Free Cash Flow and Adjusted Free Cash Flow Per Share*). 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 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 track and assess the Company's financial performance. You, however, should not consider non-GAAP measures in isolation or as substitutes for net income, 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 press release.

Adjusted Net Income (Loss) consists of net income (loss) available to common shareholders adjusted to exclude: (i) income taxes (benefit) as reported, including income taxes (benefit) otherwise included in income from discontinued operations; (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 non-recurring expense recognized for restructuring charges or similar costs, including transition and integration costs; (vii) other expenses related to the refinancing; and (viii) 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 30% without discrete items of tax.

Adjusted 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; other expenses related to refinancing; merger and acquisition costs; income from discontinued operations, excluding income taxes (benefit); and non-recurring expenses recognized for restructuring charges or similar costs, including transition and integration costs; and (ii) less net interest expense (excluding amortization of deferred financing costs or debt premium); preferred stock dividends; taxes paid; capital expenditures; and amortizable assets.

Adjusted Income Taxes Paid: consists of income tax paid, adjusted to exclude taxes paid related to the gain/loss on sale or exchange of radio station assets; and taxes paid related to the gain/loss on sale of redundant property.

Net Capital Expenditures: consists of capital expenditures, including amortizable intangibles, adjusted to exclude reimbursed tenant improvement allowances.

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; non-recurring expense recognized for restructuring charges or similar costs, including transition and integration costs; other expenses related to the refinancing; and gain or loss on sale or disposition of assets.

Adjusted EBITDA consists of net income (loss) available to common shareholders, adjusted to exclude: income taxes (benefit); income from discontinued operations, net of 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, preferred stock dividends; non-recurring expense recognized for restructuring charges or similar costs, including transition and integration costs; other expenses related to the refinancing; gain/loss on early extinguishment of debt and gain or loss on sale or disposition of assets.

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

Adjusted Net Income (Loss) Per Share - Diluted And Adjusted Free Cash Flow Per Share: includes any dilutive equivalent shares when not anti-dilutive, other than the convertible preferred stock as the convertible preferred stock is treated as if it is never converted.