



Media Contact:
 Renee Cassis
 Vice President, Corporate Marketing
 rcassis@rab.com • (212) 681-7205

RADIO: REACHING OVER 230 MILLION UNIQUE LISTENERS EVERY WEEK

Radio’s Non-Spot Revenue Continues Strong Growth Trend with Double-Digit Gains in 2nd Quarter and First Half of 2007

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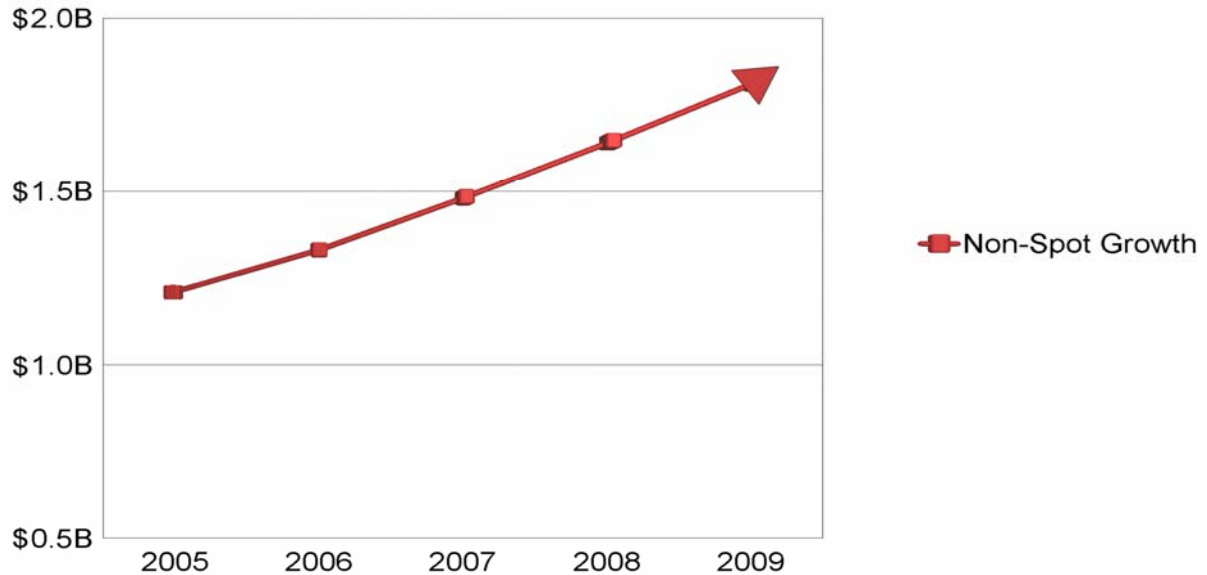
Revenue Comparisons - 2007 vs. 2006 (In Millions)					
Revenue	\$ Q2 '07	% Chg		\$ 1st Half '07	% Chg
Local Revenue	\$ 3,876	-2%		\$ 7,100	-1%
National Revenue	\$ 1,128	-2%		\$ 2,073	-2%
Local & National Combined	\$ 5,004	-2%		\$ 9,173	-1%
Network	\$ 294	-2%		\$ 551	+3%
Non-Spot Revenue	\$ 409	+16%		\$ 711	+12%
Grand Total Revenue	\$ 5,707	-1%		\$ 10,435	0%

Source: Miller, Kaplan, Arase & Co.*

New York, New York – September 4, 2007 – Non-spot activity remains a highlight for Radio, continuing on a strong growth trend from innovative brand extensions to the Internet and enhanced event marketing sponsorship packages. Non-spot revenue showed double-digit gains of 16% in 2nd Quarter 2007 and 12% in the first half of 2007, compared to those same time periods from last year, helping to offset slight dips in other segments as total Radio spending remained virtually flat.

“The average monthly non-spot revenue growth rate for the last two years has been 10%,” explained Jeff Haley, President and Chief Executive Officer of the Radio Advertising Bureau. “At this rate, non-spot revenue will be over \$1.5B for 2008 and approach \$2B by the end of 2009.”

Projected Non-Spot Revenue Growth



Source: Miller, Kaplan, Arase & Co., CAGR of 10 percent

Non-spot dollars represent 7.2% of 2nd Quarter revenue and 6.8% of first-half spending, underscoring the increasing importance of this revenue stream to Radio's bottom line.

"The majority of non-spot revenue is coming from stations' online efforts, and we expect this to continue accelerating as more and more stations expand their online offerings," Haley added.

This reflects a recent JPMorgan report that states Internet Radio revenues are driving the non-traditional (non-spot) revenue lines of all of the (Radio) operators, and given the investment and focus of the operators, they will likely continue to drive that line item in the near term and over time.

Radio Gets Vote from Political Advertisers

Political spenders elected to place 26,330 units on Local Radio in first half 2007, increasing from 22,502 in same period 2005 -- a gain of 17%. Noted for localism and targetability, Radio is poised to capitalize on a major share of the \$3 billion forecast to be spent now through November 2008.

Source: Media Economy Newsletter 08/22/07 Citing Nielsen Monitor-Plus, Political Ad Units by Media Type (January-June 2007 vs. 2005)

The RAB began reporting quarterly Radio revenue in dollar amounts with the 2007 results.

The Radio Advertising Bureau serves more than 6,000 member Radio stations in the U.S. and over 1,000 member networks, representative firms, broadcast vendors, and international organizations. RAB leads and participates in educational, research, sales, and advocacy programs that promote and advance Radio as a primary advertising medium.

*Local and national revenues are based on a pool of more than 150 markets as reported by the accounting firm of Miller, Kaplan, Arase & Co. and extrapolated to the entire U.S. Network Revenue includes the top five Radio network companies. Non-Spot data has been collected and verified since January of 2002, and reported since September of 2004.

RADIO'S LEADING GROWTH CATEGORIES 2007 vs. 2006		
Category	Q2 '07 vs. Q2 '06	1st Half '07 vs. 1st Half '06
COMMUNICATIONS/CELL/PUBLIC UTILITIES	+16%	+17%
INSURANCE	+14%	+2%
PROFESSIONAL SERVICES	+6%	+7%
CONCERTS/THEATERS/MOVIES	+4%	+11%

Source: Miller, Kaplan, Arase & Co.:X-Ray Markets

(The 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

Several advertiser categories outpaced Radio spending overall to boost Radio's economy in the second quarter of 2007. These categories were also key spenders over the first half of the year:

- **Communications** – CONTINUING TO RAISE THE BAR FOR RADIO as spending grew 17.0% in first half of 2007 vs. same period 2006.
- **Insurance** – HAS GREAT RADIO COVERAGE with 2007 vs. 2006 Q2 spending gains of 13.7%, and a first-half gain of 1.9%.
- **Professional Services** – WORKING FOR RADIO with a 7.3% increase in spending year-to-date vs. last year.
- **Concerts/Theaters/Movies** – BUILDING BOX OFFICE FOR RADIO. Radio's take was up 10.8% in first half 2007 over same period 2006.

Radio's Biggest Category

Domestic Automotive Nameplates Drive with Radio – Spending by the automotive category's top 25 advertisers was driven by hefty investments from American-model manufacturers and dealers, up 18.0% and 7.6%, respectively, through the first six months of 2007. Domestic nameplates were also the bigger category spenders in second quarter as well, with domestic dealers registering a 4.6% increase and domestic manufacturers up 3.8%, out-performing the total top 25 automotive advertisers (-3.9%) and even the category as a whole (-7.3%).

[Click here for full report](#)

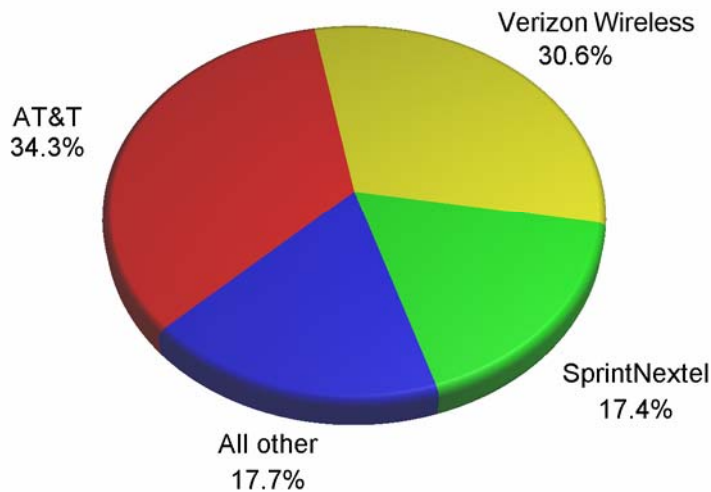
Radio Category Analysis

2nd Quarter and 1st Half 2007 vs. 2nd Quarter and 1st Half 2006

Communications/Cellular/Public Utilities:

This category remains the major growth area in Radio spending, up 16.1% in Q2 over same period last year and up 17.0% year-to-date. The biggest Radio investors for the segment remain AT&T, Verizon Wireless, and SprintNextel, comprising 82.3% of first-half spending among the top 25 communications advertisers.

**Radio's Communications Big Three
First Half 2007**



Source: Miller, Kaplan, Arase & Co.:X-Ray Markets
(The 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

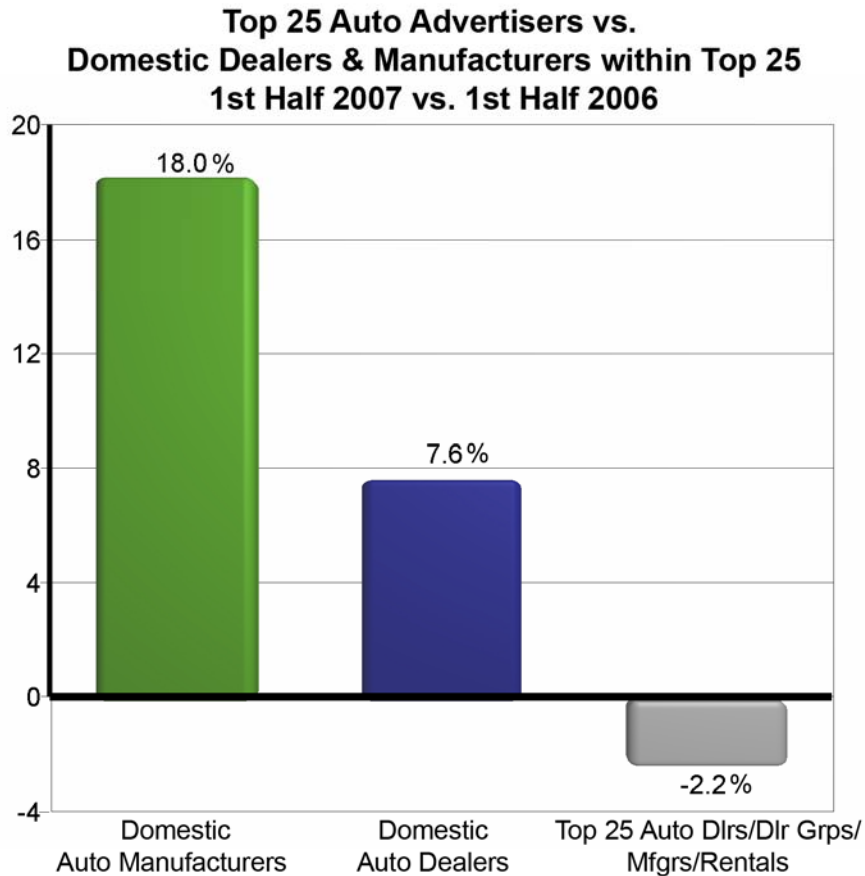
Major growth in the category, year-to-date, comes from: Embarq, up 70-fold; TMobile Communications, up 19-fold; Helio, up 11-fold; followed by SprintNextel, up 479%; Boost Mobile, up 337%; Cavalier Telephone, up 95%; Leap Wireless, up 86%; and MetroPCS, up 33%.

Public utility companies also are powering up on Radio, increasing first-half spending 15% over the first half of 2006. TX Energy Future went from no Radio spending in the first half of 2006 to nearly a million dollars this year, all in second quarter.

Commonwealth Energy's spending through June is up 77-fold, Con Edison spending over 20 times as much this year and Reliant Energy Company, up 171% for the same period.

Automotive:

The brightest story among Radio's "top tier" (top 25) was domestic nameplate spending during the first half of 2007, with domestic manufacturers' and domestic dealers' spending up 18.0% and 7.6%, respectively.



Source: Miller, Kaplan, Arase & Co.:X-Ray Markets
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The automotive spenders posting the largest increases year-to-date through June were:

Automotive - Growth by Percentage 1st Half 2007 vs. 1st Half 2006	
Advertiser	% Growth
Honda Dealer Association	133%
Chevrolet Motor Corporation	43%
DaimlerChrysler Plymouth Dodge Jeep Corporation	40%
Mercedes-Benz Dealer Association	29%
Nissan Dealer Association	24%
Chevrolet Dealer Association	22%

Source: Miller, Kaplan, Arase & Co.:X-Ray Markets
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Through the first half of 2007, Toyota Dealer Association remains the top Automotive advertiser, outspending the number two advertiser in the category by 47%. The Top 25 Automotive spenders for the first half are:

Top 25 Automotive Spenders 1st Half 2007
Toyota Dealer Association
DaimlerChrysler Plymouth Dodge Jeep Corporation
Lexus Dealer Association
Chevrolet Motor Corporation
Ford Dealer Association
DaimlerChrysler Plymouth Dodge Jeep Dealer Association
Chevrolet Dealer Association
Toyota Motor Corporation
Nissan Motor Corporation
Volkswagen Motor Corporation
BMW of North America
Subaru Motor Corporation
Honda Dealer Association
Bill Heard Chevrolet
CarMax
Mercedes Benz Dealer Association
Mercedes Benz Motor Corporation
Nissan Dealer Association
GMC Motor Corporation
Mazda Motors of America
Ford Motor Corporation
Hyundai Motor Corporation
BMW Dealer Association
AutoNation USA
Universal City Nissan

Source: Miller, Kaplan, Arase & Co.:X-Ray Markets

(The 35 market X-Ray pool may not be fully indicative of industry results as a whole.)

Insurance:

Advertisers in this category boosted spending 13.7% in Q2 '07 vs. Q2 '06, resulting in a healthy 7.3% increase for the year through June compared to last year's first half.

Hot advertiser GEICO apparently knows that Radio coverage works, as they upped their spending 49% in the Q2 period, winding up 31% ahead, year-to-date.

GEICO represented over a third of all dollars spent among the top 25 advertisers in this category for first-half 2007. Safe Auto Insurance Company, while spending on a much smaller scale, increased their second quarter spending 50 times, resulting in a 40-fold increase thus far year-to-date.

Not to be outdone by the auto insurer, NY Life Insurance pumped up its Radio volume 40-fold in the Q2 period, while Aetna US Healthcare was up an impressive 20 times. Additionally, Amica Mutual Insurance was up 561% for the quarter, followed by AARP Insurance, up 513%; Nationwide Insurance, up 251%; Safeway Insurance Company, up 192%; Esurance, up 159%; Delta Dental, up 134%; and Farmers Insurance, up 106%.

Concerts/Theaters/Movies:

This is one of the best seats in the Radio house. The entertainment industry continues to be of importance to Radio with a Q2 '07 increase of 4.8% and 11.2% growth for '07 year-to-date.

Top 12 advertisers for the quarter outpaced the category, grew by 26%, and accounted for 14.7% of the Q2 '07 revenue; predominantly attributed by movie house spending (71.6% of top 11).

In a continued pattern, event producers AEG Live (up 117%) and Live Nation, the world's largest concert promoter (up 2%), increased their quarterly spending versus a year ago. In addition, their spending for the first half of '07 positively impacted this category – with AEG Live up 167% and Live Nation up 34%.

Additionally, Serino Coyne, the top agency for Broadway shows, had the greatest growth first half year-over-year at 103%. What better indicator of Radio's success than theatre's use of Radio's theater of the mind?

Additional Category Highlights

Casinos/Lottery:

This is one of Radio's winning tickets for growth. Q2 '07 spend hit 5.8% over the same quarter last year bringing the year-to-date to a 9.1% increase.

State Lotteries continue to take the lead, not just in the quarter but also year-to date, accounting for 39% of the quarterly category total and 41% of it year-to-date.

The top 4 leading Casinos and Resorts for the first half of '07 continue to be 1) Windsor Casino (up 113%) 2) Morongo Casino Resort & Spa (up 19%), 3) Harrah's Casino & Hotel (up 16%) and 4) Mohegan Sun Casino & Resort (up 11%). These homes of the one-armed bandits accounted for 11% for this category's half year mark.

Health Care:

Radio stayed fairly robust in the Health Care spending arena for the first half of 2007 (up 5.5% over same period '06), with a slight bump in spending in Q2 '07 vs. Q2 '06 (1.6%).

Eye care surgery/vision centers focused more money on Radio in Q2, upping their spending by 51% over Q2 '06, with the result that year-to-date spending in this area has pulled 31% ahead of last year.

Top three spenders in the Health Care category for both Q2 and year-to-date are Boothe Eye Center, TLC Laser Eye Center, and LCA Vision. All have increased spending significantly in both the quarter-to-quarter and year-to-date comparisons with 2006. The biggest increase in commitment to Radio advertising comes from TLC the Laser Center, up 831% in the quarterly analysis and up 651% year-to-date.

Healthcare - Growth by Percentage		
Advertiser	Q2 '07 vs. Q2 '06	1st Half '07 vs. 1st Half '06
Boothe Eye Center	43%	37%
TLC Laser Eye Center	95%	31%
LCA Vision	107%	51%

Source: Miller, Kaplan, Arase & Co.:X-Ray Markets

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RAB category analysis is based on data from Miller, Kaplan, Arase & Co. X-Ray Market Reports. X-Ray Market Reports are compiled from advertiser expenditure data direct from station billing in 35 markets, and include all top 25 markets, except Miami. X-Ray Markets represent approximately 80% of the dollars from the pool of 150 markets.