

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 28, 1997
Commission File No. 333-30795

RADIO ONE, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

52-1166660
(I.R.S. Employer Identification No.)

5900 PRINCESS GARDEN PARKWAY,
8TH FLOOR
LANHAM, MARYLAND 20706
(Address of principal executive offices)

(301) 306-1111
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No
--- ---

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 5, 1997
-----	-----
Class A Common Stock, \$.01 Par Value	138.45
Class B Common Stock, \$.01 Par Value	0

RADIO ONE, INC. AND SUBSIDIARY

Form 10-Q
For the Quarter Ended September 28, 1997

TABLE OF CONTENTS

	Page	

PART I	FINANCIAL INFORMATION	
ITEM 1	Consolidated Financial Statements	3
	Consolidated Balance Sheets December 31, 1996 and September 28, 1997 (Unaudited)	4
	Consolidated Statements of Operations Three months and nine months ended September 29, 1996 and September 28, 1997 (Unaudited)	5
	Consolidated Statements of Stockholders' Equity Nine months ended September 28, 1997 (Unaudited)	6
	Consolidated Statements of Cash Flows Nine months ended September 29, 1996 and September 28, 1997 (Unaudited)	7
	Notes to Unaudited Consolidated Financial Statements	8

ITEM 2	Management's Discussion and Analysis of Financial Condition and Results of Operations	11
PART II	OTHER INFORMATION	
ITEM 1	Legal Proceedings	15
ITEM 2	Changes in Securities	15
ITEM 3	Defaults upon Senior Securities	15
ITEM 4	Submission of Matters to a Vote of Security Holders	15
ITEM 5	Other Information	15
ITEM 6	Exhibits and Reports on Form 8-K	15
SIGNATURES		16

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

(See pages 4-7 -- This page intentionally left blank.)

RADIO ONE, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

AS OF DECEMBER 31, 1996, AND SEPTEMBER 28, 1997

ASSETS

	December 31, 1996	September 28, 1997 (Unaudited)
	-----	-----
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,708,295	\$ 10,432,250
Trade accounts receivable, net of allowance for doubtful accounts of \$765,200 and \$1,002,615, respectively	6,419,468	9,274,215
Prepaid expenses and other	117,025	434,669
	-----	-----
Total current assets	8,244,788	20,141,134
PROPERTY AND EQUIPMENT, net	3,007,004	4,000,272
INTANGIBLE ASSETS, net	39,358,127	55,973,079
OTHER ASSETS	1,166,861	38,556
	-----	-----
Total assets	\$ 51,776,780	\$ 80,153,041
	=====	=====
LIABILITIES AND STOCKHOLDERS' DEFICIT		

CURRENT LIABILITIES:		
Accounts payable	\$ 388,581	\$ 1,031,915
Accrued expenses	1,452,444	3,957,567
Current portion of long-term debt	5,633,286	-
	-----	-----
Total current liabilities	7,474,311	4,989,482
LONG-TERM DEBT AND DEFERRED INTEREST, net of current portion	59,305,225	74,108,238
	-----	-----
Total liabilities	66,779,536	79,097,720
	-----	-----
COMMITMENTS AND CONTINGENCIES		
PREFERRED STOCK	-	22,066,449
	-----	-----
STOCKHOLDERS' DEFICIT:		
Preferred stock, \$9,490 par value, 100 shares authorized, no shares issued and outstanding	-	-
Common stock - Class A, \$.01 par value, 1,000 shares authorized, 138.45 shares issued and outstanding	1	1
Common stock - Class B, \$.01 par value, 1,000 shares authorized, no shares issued and outstanding	-	-
Additional paid-in capital	1,205,189	-
Accumulated deficit	(16,207,946)	(21,011,129)
	-----	-----
Total stockholders' deficit	(15,002,756)	(21,011,128)
	-----	-----
Total liabilities and stockholders' deficit	\$ 51,776,780	\$ 80,153,041
	=====	=====

RADIO ONE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Nine Months Ended	
	September 29, 1996	September 28, 1997	September 29, 1996	September 28, 1997
	(Unaudited)		(Unaudited)	
REVENUES:				
Broadcast revenues, including barter revenues of \$293,653, \$270,792, \$902,651 and \$776,150, respectively	\$ 6,940,242	\$ 10,825,767	\$ 19,299,745	\$ 25,951,798
Less: Agency commissions	776,087	1,356,571	2,288,972	3,246,600
	6,164,155	9,469,196	17,010,773	22,705,198
	-----		-----	
OPERATING EXPENSES:				
Program and technical	962,895	1,493,453	2,866,916	4,226,695
Selling, general and administrative	2,255,650	3,554,455	7,156,523	9,412,698
Corporate expenses	358,705	508,437	978,665	1,588,718
Depreciation and amortization	1,061,671	1,666,187	3,286,368	4,032,075
	4,638,921	7,222,532	14,288,472	19,260,186
	-----		-----	
Operating income	1,525,234	2,246,664	2,722,301	3,445,012
INTEREST EXPENSE, including amortization of deferred financing costs	1,884,409	2,415,697	5,498,281	6,610,653
OTHER (INCOME) EXPENSE, NET	84,775	(170,549)	31,049	(277,934)
	(443,950)	1,516	(2,807,029)	(2,887,707)
	-----		-----	
PROVISION FOR INCOME TAXES	-	-	-	-
	(443,950)	1,516	(2,807,029)	(2,887,707)
	-----		-----	
EXTRAORDINARY ITEM:				
Loss on early retirement of debt	-	-	-	(1,985,229)
	(443,950)	1,516	(2,807,029)	(4,872,936)
	=====		=====	
Net income (loss)	\$ (443,950)	\$ 1,516	\$ (2,807,029)	\$ (4,872,936)

RADIO ONE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT

FOR THE NINE MONTHS ENDED SEPTEMBER 28, 1997

	Preferred Stock	Common Stock Class A	Common Stock Class B	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
BALANCE, as of December 31, 1996	\$ -	\$ 1	\$ -	\$ 1,205,189	\$ (16,207,946)	\$(15,002,756)
Net loss	-	-	-	-	(4,872,936)	(4,872,936)
Effect of conversion to C corporation	-	-	-	(1,205,189)	1,205,189	-
Preferred stock dividends	-	-	-	-	(1,135,436)	(1,135,436)
BALANCE, as of September 28, 1997 (unaudited)	\$ -	\$ 1	\$ -	\$ -	\$ (21,011,129)	\$(21,011,128)

RADIO ONE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended	
	September 29, 1996	September 28, 1997
	(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (2,807,029)	\$ (4,872,936)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization	3,286,368	4,032,075
Amortization of debt financing costs and unamortized discount	317,635	1,372,256
Loss on extinguishment of debt	-	1,985,229
Deferred interest	1,779,956	1,087,148
Effect of change in operating assets and liabilities-		
Increase in trade accounts receivable	(388,990)	(2,854,747)
Increase in prepaid expenses and other	(119,175)	(317,644)
Decrease in other assets	113,902	128,305
(Decrease) increase in accounts payable	(620,865)	643,334
(Decrease) increase in accrued expenses	(121,089)	2,505,123
	-----	-----
Net cash flows from operating activities	1,440,713	3,708,143
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(115,022)	(1,310,652)
Payments for station purchase	-	(19,107,084)
	-----	-----
Net cash flows from investing activities	(115,002)	(20,417,736)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of debt	(2,103,264)	(45,599,162)
Proceeds from new debt	-	72,750,000
Deferred debt financing cost	-	(1,717,290)
	-----	-----
Net cash flows from financing activities	(2,103,264)	25,433,548
	-----	-----
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(777,573)	8,723,955
CASH AND CASH EQUIVALENTS, beginning of year	2,702,868	1,708,295
	-----	-----
CASH AND CASH EQUIVALENTS, end of year	\$ 1,925,295	\$ 10,432,250
	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for-		
Interest	\$ 3,605,194	\$ 1,479,564
	=====	=====
Income taxes	\$ -	\$ -
	=====	=====

RADIO ONE, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 28, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Business

Radio One, Inc. (a Delaware corporation) and its subsidiary, Radio One License, Inc. (a Delaware corporation) (collectively referred to as the Company) were organized to acquire, operate and maintain radio broadcasting stations. The Company owns and operates three radio stations in Washington, D.C.: WOL (AM), WMMJ-FM and WKYS-FM, four radio stations in Maryland: WWIN (AM), WWIN-FM, WOLB (AM) and WERQ-FM and one radio station in Pennsylvania: WPHI-FM. Effective January 1, 1996, Radio One, Inc. converted to an S corporation until May, 1997, when it converted back to a C corporation.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Radio One, Inc. and its wholly owned subsidiary, Radio One License, Inc. All significant intercompany accounts and transactions have been eliminated in consolidation. The accompanying consolidated financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While actual results could differ from those estimates, management believes that actual results will not be materially different from amounts provided in the accompanying consolidated financial statements.

Interim Financial Statements

The consolidated financial statements for the nine months ended September 29, 1996, and September 28, 1997, are unaudited, but in the opinion of management, such financial statements have been presented on the same basis as the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation of the financial position, and results of operations and cash flows for these periods.

As permitted under the applicable rules and regulations of the Securities and Exchange Commission, these financial statements do not include all disclosures normally included with audited consolidated financial statements, and, accordingly, should be read in conjunction with the consolidated financial statements and notes thereto as of December 31, 1996 and 1995, and for the years then ended. The results of operations presented in the accompanying financial statements are not necessarily representative of operations for an entire year.

New Pronouncements

During June 1997, the Financial Accounting Standards Board (FASB) issued SFAS No. 130, "Reporting Comprehensive Income" and SFAS No. 131 "Disclosures about Segments of an Enterprise and Related Information". The Company has not analyzed the impact of these new pronouncements on the financial statements; however, management does not expect these pronouncements to have a significant impact, if any, on the financial

statements. Once management has analyzed these pronouncements, they will be implemented, if necessary, within the required timeframe.

2. SENIOR SUBORDINATED NOTES OFFERING:

On May 19, 1997, the Company purchased certain assets of Jarad Broadcasting Company of Pennsylvania, Inc., owner of radio station WDRE-FM, located in Jenkintown, Pennsylvania, for approximately \$16 million. In connection with the purchase, the Company entered into a three-year noncompete agreement totaling \$4.0 million with the former owners. Following this acquisition, the Company converted the call letters of the radio station from WDRE-FM to WPHI-FM.

To finance the WDRE-FM acquisition and to refinance certain other debt, the Company issued approximately \$85.5 million of 12% Senior Subordinated Notes due 2004. The notes were sold at a discount, with the net proceeds to the Company of approximately \$72.8 million. The notes pay cash interest at 7% per annum through May 15, 2000, and at 12% thereafter. In connection with this debt offering, the Company retired approximately \$45.7 million of debt outstanding with the proceeds from the offering. The Company also exchanged approximately \$20.9 million 15% Senior Cumulative Redeemable Preferred Stock, which must be redeemed by May 24, 2005, for an equal amount of the Company's then outstanding subordinated notes. In connection with these refinancings, the Company recognized an extraordinary loss of approximately \$2.0 million during the quarter ended June 29, 1997. Also in connection with the conversion of the subordinated debt to preferred stock, the Company was converted back to a C corporation for federal income tax purposes. In connection with the conversion to a C corporation, in accordance with SEC Staff Accounting Bulletin 4.B, the Company transferred the amount of the undistributed losses at the date of conversion, up to the amount of additional paid-in capital at that date, to additional paid-in capital. The Company recorded a 100% valuation allowance on the income tax benefit generated from the losses after the conversion, as the realization of the net operating loss carryforward it created is not assured.

3. ACQUISITIONS:

On May 19, 1997, the Company acquired the broadcast assets of WDRE-FM in Jenkintown, Pennsylvania, for approximately \$20 million. The Company financed this purchase with a portion of the proceeds from the issuance of approximately \$85.5 million of 12% Senior Subordinated Notes Due 2004. The Company assumed operational responsibility of WDRE-FM on February 8, 1997, under a local marketing agreement with Jarad Broadcasting Company of Pennsylvania, Inc. at which time the company changed the musical format of WDRE-FM from modern rock to urban and subsequently changed the call letters of the radio station to WPHI-FM.

A portion of the proceeds from the 12% Senior Subordinated Notes discussed above was also used to repay all indebtedness under the NationsBank Credit Agreement. Concurrent with the issuance, the Company converted its subordinated notes, consisting of approximately \$17 million in principal and \$3,931,000 in accrued and unpaid interest, into Senior Cumulative Exchangeable Redeemable Preferred Stock.

4. LONG-TERM DEBT:

On May 19, 1997, all amounts outstanding under the NationsBank Credit Agreement were paid in full.

5. SUBSEQUENT EVENTS:

On October 8, 1997, the Company filed with the Securities and Exchange Commission to exchange its bonds outstanding for Series B 12% Senior Subordinated Notes due 2004 (the "Exchange Notes"), which have an aggregate original principal amount equal to the aggregate principal amount of the bonds exchanged and have the same terms as the exchanged bonds, except that the Exchange Notes will not be subject to certain restrictions on transfer. Thus, interest on the Exchange Notes will accrue at a rate of 7% per annum on the principal amount of the Exchange Notes through and including May 15, 2000, and at a rate of 12% per annum on the principal amount of the Exchange Notes after such date. Cash interest will be payable semi-annually on May 15 and November 15 of each year, commencing November 15, 1997. The Exchange Notes are fully and unconditionally guaranteed to the maximum extent permitted by law, jointly and

severally, and on an unsecured senior subordinated basis, by Radio One Licenses, Inc., a wholly-owned and, as of the date hereof, the sole subsidiary of the Company.

Companies owned by a majority stockholder of the Company recently entered into letters of intent with respect to the acquisition of certain radio stations. These companies may become wholly-owned subsidiaries of the Company or assign their rights under these letters of intent to the Company. There can be no assurance that these companies will assign their rights of these letters of intent to the Company or that these companies will become subsidiaries of the Company.

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

The following information should be read in conjunction with the unaudited consolidated financial statements and notes thereto included in this Quarterly Report and the audited financial statements and Management Discussion and Analysis combined in the Company's Prospectus dated October 10, 1997.

RESULTS OF OPERATIONS

Comparison of periods ended September 28, 1997 to the periods ended September 29, 1996.

	Three months ended September 29, 1996	Three months ended September 28, 1997	Nine months ended September 29, 1996	Nine months ended September 28, 1997
STATEMENT OF OPERATIONS DATA:				
Net broadcast revenues	\$ 6,164,155	\$ 9,469,196	\$ 17,010,773	\$ 22,705,198
Operating expenses excluding depreciation and amortization	3,577,250	5,556,345	11,002,104	15,228,111
Depreciation and amortization	1,061,671	1,666,187	3,286,368	4,032,075
Broadcast operating income	1,525,234	2,246,664	2,722,301	3,445,012
Interest expense	1,884,409	2,415,697	5,498,281	6,610,653
Other (income) expense, net	84,775	(170,549)	31,049	(277,934)
Income (loss) before provision for income taxes	(443,950)	1,516	(2,807,029)	(2,887,707)
Provision for income taxes	-	-	-	-
Income (loss) before extraordinary item	(443,950)	1,516	(2,807,029)	(2,887,707)
Extraordinary item	-	-	-	(1,985,229)
Net income (loss)	\$ (443,950)	\$ 1,516	\$ (2,807,029)	\$ (4,872,936)
OTHER DATA:				
Broadcast cash flow (a)	\$ 2,945,610	\$ 4,421,288	\$ 6,987,334	\$ 9,065,805
Broadcast cash flow margin	47.8%	46.7%	41.1%	40.0%
Operating cash flow (b)	\$ 2,586,905	\$ 3,912,851	\$ 6,008,669	\$ 7,477,087
Operating cash flow margin	42.0%	41.3%	35.3%	32.9%
Corporate Expenses	\$ 358,705	\$ 508,437	\$ 978,665	\$ 1,588,718

Net broadcast revenues increased to approximately \$9.5 million for the three months ended September 28, 1997 from approximately \$6.2 million for the three months ended September 29, 1996 or 53.2%. Net broadcast revenues increased to approximately \$22.7 million for the nine months ended September 28, 1997 from approximately \$17.0 million for the nine months ended September 29, 1996 or 33.5%. These increases in net broadcast revenues were primarily the result of significant broadcast revenue growth in the Company's Washington, DC and Baltimore, MD markets as the Company benefited from ratings increases at its larger radio stations as well as market industry growth. Additional revenue gains were derived from the Company's acquisition of radio station WPHI-FM in Philadelphia, PA in early-1997.

Operating expenses excluding depreciation and amortization increased to approximately \$5.6 million for the three months ended September 28, 1997 from approximately \$3.6 million for the three months ended September

29, 1996 or 55.6%. Operating expenses excluding depreciation and amortization increased to approximately \$15.2 million for the nine months ended September 28, 1997 from approximately \$11.0 million for the nine months ended September 29, 1996 or 38.2%. These increases in expenses were due to higher sales, programming and administrative costs associated with the significant revenue growth and ratings gains experienced by the Company's radio stations and increased overhead expenses related to the overall growth experienced by the Company in the last year. Additionally, disproportionately higher expenses relative to revenues at the recently acquired Philadelphia radio station caused the operating expenses of the Company to be higher in 1997 relative to 1996's level.

Broadcast operating income increased to approximately \$2.2 million for the three months ended September 28, 1997 from \$1.5 million for the three months ended September 29, 1996 or 46.7%. Operating income increased to approximately \$3.4 million for the nine months ended September 28, 1997 from approximately \$2.7 million for the nine months ended September 29, 1996 or 25.9%. These increases are attributable to the increases in broadcast revenues partially offset by higher operating expenses and higher depreciation and amortization expenses as well as start-up losses earlier in 1997 related to the Philadelphia acquisition.

Interest expense increased to approximately \$2.4 million for the three months ended September 28, 1997 from approximately \$1.9 million for the three months ended September 29, 1996 or 26.3%. Interest expense increased to approximately \$6.6 million for the nine months ended September 28, 1997 from approximately \$5.5 million for the nine months ended September 29, 1996 or 20.0%. These increases relate primarily to the May 19, 1997 issuance of the Company's \$85.5 million in 12% Senior Subordinated Notes Due 2004 and the associated retirement of the Company's \$45.6 million bank credit facility at that time.

Other income increased to \$170,549 for the three months ended September 28, 1997 from (\$84,775) for the three months ended September 29, 1996. Other income increased to \$277,934 for the nine months ended September 28, 1997 from (\$31,049) for the nine months ended September 29, 1996. These increases were primarily attributable to higher interest income due to higher cash balances associated with the Company's cash flow growth and capital raised in the Company's high yield debt offering.

Income before provision for income taxes increased to \$1,516 for the three months ended September 28, 1997 from (\$443,950) for the three months ended September 29, 1996. Loss before provision for income taxes decreased to approximately (\$2.9) million for the nine months ended September 28, 1997 from approximately (\$2.8) million for the nine months ended September 29, 1996 or 3.6%. The increase for the three month period was due to higher operating income and other income partially offset by higher interest expense associated with the Company's recent high yield debt offering. The decline for the nine month period was due to higher operating income and other income more than offset by the higher interest expense associated with the Company's recent high yield debt offering.

Net income increased to \$1,516 for the three months ended September 28, 1997 from (\$443,950) for the three months ended September 29, 1996. Net income decreased to approximately (\$4.9) million for the nine months ended September 28, 1997 from approximately (\$2.8) million for the nine months ended September 29, 1996 or 75%. The increase for the three month period was due to higher operating income and other income partially offset by higher interest expense associated with the Company's recent high yield debt offering. The decline for the nine month period was due to an approximately \$2.0 million loss on the early retirement of the indebtedness under the Company's bank credit facility with the proceeds from the Company's recent high yield debt offering as well as the conversion of the Company's then outstanding subordinated debt into Senior Cumulative Redeemable Preferred Stock.

Broadcast cash flow increased to approximately \$4.4 million for the three months ended September 28, 1997 from approximately \$2.9 million for the three months ended September 29, 1996 or 51.7%. Broadcast cash flow increased to approximately \$9.1 million for the nine months ended September 28, 1997 from approximately \$7.0 million for the nine months ended September 29, 1996 or 30.0%. These increases are attributable to the increases in broadcast revenues partially offset by higher operating expenses as described above.

Operating cash flow increased to approximately \$3.9 million for the three months ended September 28, 1997 from approximately \$2.6 million for the three months ended September 29, 1996 or 50.0%. Operating cash flow increased to approximately \$7.5 million for the nine months ended September 28, 1997 from approximately

\$6.0 million for the nine months ended September 29, 1996 or 25.0%. These increases are attributable to the increases in broadcast revenues partially offset by higher operating expenses and higher corporate expenses as described above.

- (a) "Broadcast cash flow" is defined as broadcast operating income plus corporate expenses and depreciation and amortization of both tangible and intangible assets. The Company has presented broadcast cash flow data, which the Company believes is comparable to the data provided by other companies in the industry, because such data are commonly used as a measure of performance for broadcast companies. However, broadcast cash flow does not purport to represent cash provided by operating activities as reflected in the Company's consolidated statements of cash flow, is not a measure of financial performance under generally accepted accounting principles and should not be considered in isolation or as a substitute for measure of performance prepared in accordance with generally accepted accounting principles. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."
- (b) "Operating cash flow" is defined as broadcast cash flow less corporate expenses and is a commonly used measure of performance for broadcast companies. Operating cash flow does not purport to represent cash provided by operating activities as reflected in the Company's consolidated statements of cash flow, is not a measure of financial performance under generally accepted accounting principles and should not be considered in isolation or as a substitute for measure of performance prepared in accordance with generally accepted accounting principles.

LIQUIDITY AND CAPITAL RESOURCES

The capital structure of the Company consists of the Company's outstanding long-term debt, preferred stock and stockholders' equity. The stockholders' equity consists of common stock, additional paid-in capital and accumulated deficit. The Company's balance of cash and cash equivalents was \$1.7 million at December 31, 1996. The Company's balance of cash and cash equivalents was \$10.4 million as of September 28, 1997. The Company's primary source of liquidity is cash provided by operations.

Net cash flow from operating activities increased to approximately \$3.7 million for the nine months ended September 28, 1997 from approximately \$1.4 million for the nine months ended September 29, 1996 or 164.3%. This increase was due to a higher net loss more than offset by higher non-cash and extraordinary charges including an approximately \$2.0 million non-cash loss on the extinguishment of debt related to the refinancing of its bank credit facility with proceeds from its high yield offering during the second quarter of 1997 as well as the conversion of the Company's then outstanding subordinated debt into Senior Cumulative Redeemable Preferred Stock. Non cash expenses of depreciation and amortization increased to approximately \$4.0 million for the nine months ended September 28, 1997 from approximately \$3.3 million for the nine months ended September 29, 1996 or 21.2% due to the acquisition of radio station WPHI-FM in the second quarter of 1997.

Net cash flow used in investing activities was approximately \$20.4 million for the nine months ended September 28, 1997 compared to \$115,002 for the nine months ended September 29, 1996. During the nine months ended September 28, 1997, the Company acquired radio station WPHI-FM in Philadelphia, PA for \$20.1 million and made purchases of capital equipment totaling approximately \$1.3 million. During the nine months ended September 29, 1996 the Company made purchases of capital equipment totaling \$115,002.

Net cash flow from financing activities was approximately \$25.4 million for the nine months ended September 28, 1997. During the nine months ended September 28, 1997, the Company completed a high yield debt offering and raised net proceeds of \$72.8 million. The Company used \$20.1 million of the proceeds for an acquisition and \$45.7 million of the proceeds to retire the outstanding indebtedness under the Company's bank credit facility during the nine months ended September 28, 1997. Net cash flow from financing activities was approximately (\$2.1) million for the nine months ended September 29, 1996 which was the amount of the debt repayments made by the Company during that period. As a result of the aforementioned, cash and cash equivalents

increased by approximately \$8.7 million during the nine months ended September 28, 1997 compared to a \$777,573 decrease during the nine months ended September 29, 1996.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RADIO ONE, INC.

/s/ SCOTT R. ROYSTER

November 5, 1997

Scott R. Royster
Executive Vice President and Chief Financial Officer
(Principal Accounting Officer)

The schedule contains summary financial information extracted from the consolidated financial statements of the Company for the fiscal year ended December 31, 1996 and for the three months and six months ended September 29, 1996 and September 28, 1997, and is qualified in its entirety by reference to such financial statements.

0001041657
RADIO ONE, INC.
1
US DOLLARS

YEAR	3-MOS DEC-31-1996	3-MOS DEC-31-1996	3-MOS DEC-31-1997	9-MOS DEC-31-1996	9-MOS DEC-31-1997
JAN-01-1995	JUL-01-1996	JUL-01-1997	JAN-01-1996	JAN-01-1997	
DEC-31-1996	SEP-29-1996	SEP-28-1997	SEP-29-1996	SEP-28-1997	
1	1	1	1	1	
	1,708,295	0	0	0	10,432,250
	0	0	0	0	0
	7,184,668	0	0	0	10,276,830
	(765,200)	0	0	0	(1,002,615)
	0	0	0	0	0
	8,244,788	0	0	0	20,141,134
	5,647,831	0	0	0	7,176,715
	(2,640,827)	0	0	0	(3,176,443)
	51,776,780	0	0	0	80,153,041
7,474,311	0	0	0	0	4,989,482
	64,936,511	0	0	0	74,108,238
	0	0	0	0	0
	0	0	0	0	22,066,449
	1	0	0	0	1
	(15,002,757)	0	0	0	(21,011,129)
51,776,780	0	0	0	80,153,041	25,951,798
	0	6,940,242	10,825,767	19,299,745	25,951,798
	0	6,940,242	10,825,767	19,299,745	25,951,798
	0	(776,087)	(1,356,571)	(2,288,972)	(3,246,600)
	0	(776,087)	(1,356,571)	(2,288,972)	(3,246,600)
	0	4,638,921	7,222,532	14,288,472	19,260,186
	0	270,930	287,362	743,483	811,722
	0	1,884,409	2,415,697	5,498,281	6,610,653
	0	(443,950)	1,516	(2,807,029)	(2,887,707)
	0	0	0	0	0
	0	(443,950)	1,516	(2,807,029)	(2,887,707)
	0	0	0	0	0
	0	0	0	0	(1,985,229)
	0	0	0	0	0
	0	(443,950)	1,516	(2,807,029)	(4,872,936)
	0	0	0	0	0
	0	0	0	0	0