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 30, 2015

Commission File No. 0-25969

RADIO ONE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**52-1166660**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

1010 Wayne Avenue,
14th Floor
Silver Spring, Maryland 20910
(Address of principal executive offices)

(301) 429-3200
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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☑ Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ 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 October 30, 2015
Class A Common Stock, $.001 Par Value	2,121,198
Class B Common Stock, $.001 Par Value	2,861,843
Class C Common Stock, $.001 Par Value	2,928,906
Class D Common Stock, $.001 Par Value	41,979,350

TABLE OF CONTENTS

CERTAIN DEFINITIONS

Unless otherwise noted, throughout this report, the terms "Radio One," "the Company," "we," "our" and "us" refer to Radio One, Inc. together with its subsidiaries.

Cautionary Note Regarding Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements do not relay historical facts, but rather reflect our current expectations concerning future operations, results and events. All statements other than statements of historical fact are "forward-looking statements" including any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. You can identify some of these forward-looking statements by our use of words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "likely," "may," "estimates" and similar expressions. You can also identify a forward-looking statement in that such statements discuss matters in a way that anticipates operations, results or events that have not already occurred but rather will or may occur in future periods. We cannot guarantee that we will achieve any forward-looking plans, intentions, results, operations or expectations. Because these statements apply to future events, they are subject to risks and uncertainties, some of which are beyond our control that could cause actual results to differ materially from those forecasted or anticipated in the forward-looking statements. These risks, uncertainties and factors include (in no particular order), but are not limited to:

- continued fluctuations in the United States and other world economies that may affect our business and financial condition, and the business and financial conditions of our advertisers;
- our high degree of leverage and potential inability to refinance certain portions of our debt at favorable interest rates or upon other favorable terms or finance other strategic transactions given fluctuations in market conditions;
- fluctuations in the local economies of the markets in which we operate, particularly our largest markets (Atlanta, Baltimore, Houston and Washington, DC) that could negatively impact our ability to meet our cash needs and our ability to maintain compliance with our debt covenants;
- fluctuations in the demand for advertising across our various media given fluctuations in the economic environment;
- risks associated with the implementation and execution of our business diversification strategy;
- increased competition in our markets and in the radio broadcasting and media industries;
- regulation by the Federal Communications Commission ("FCC") relative to maintaining our broadcasting licenses, enacting media ownership rules, and enforcing of indecency rules;
- changes in our key personnel and on-air talent;
- increases in the costs of our programming, including on-air talent and content acquisitions costs;
- financial losses that may be incurred due to impairment charges against our broadcasting licenses, goodwill, and other intangible assets, particularly in light of the current economic environment;
- increased competition from new media and new content distribution platforms and technologies;
- the impact of our acquisitions, dispositions, and similar transactions, as well as consolidation in industries in which we and our advertisers operate; and
- other factors mentioned in our filings with the Securities and Exchange Commission ("SEC") including the factors discussed in detail in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K, for the year ended December 31, 2014, filed February 17, 2015, as updated in our Current Report on Form 10-Q, for the quarter ended March 31, 2015, filed May 4, 2015.

You should not place undue reliance on these forward-looking statements, which reflect our views as of the date of this report. We undertake no obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(Unaudited) (In thousands, except share data)			
NET REVENUE	$ 115,893	$ 112,171	$ 341,477	$ 331,657
OPERATING EXPENSES:				
Programming and technical	32,785	36,520	98,667	105,712
Selling, general and administrative, including stock-based compensation of $82 and $5, and $259 and $15, respectively	41,004	37,011	117,072	111,079
Corporate selling, general and administrative, including stock-based compensation of $934 and $56, and $3,536 and $156, respectively	12,190	9,901	37,376	29,440
Depreciation and amortization	8,277	9,179	26,345	27,685
Impairment of long-lived assets	14,545	—	14,545	—
Total operating expenses	108,801	92,611	294,005	273,916
Operating income	7,092	19,560	47,472	57,741
INTEREST INCOME	33	40	68	174
INTEREST EXPENSE	20,356	19,350	59,620	60,468
LOSS ON RETIREMENT OF DEBT	—	—	7,091	5,679
OTHER EXPENSE (INCOME), net	(39)	(29)	246	16
(Loss) income before provision for income taxes and noncontrolling interests in income of subsidiaries	(13,192)	279	(19,417)	(8,248)
PROVISION FOR INCOME TAXES	4,439	9,037	22,911	26,220
CONSOLIDATED NET LOSS	(17,631)	(8,758)	(42,328)	(34,468)
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	514	4,462	7,345	14,751
CONSOLIDATED NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ (18,145)	$ (13,220)	$ (49,673)	$ (49,219)
BASIC AND DILUTED NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Net loss attributable to common stockholders	$ (0.38)	$ (0.28)	$ (1.04)	$ (1.04)
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Basic and diluted	48,220,262	47,601,371	47,963,763	47,502,733

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(Unaudited) (In thousands)			
CONSOLIDATED NET LOSS	$ (17,631)	$ (8,758)	$ (42,328)	$ (34,468)
NET CHANGE IN UNREALIZED (LOSS) GAIN ON INVESTMENT ACTIVITIES, NET OF TAX	—	(25)	115	129
COMPREHENSIVE LOSS	(17,631)	(8,783)	(42,213)	(34,339)
LESS: COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	514	4,462	7,345	14,751
COMPREHENSIVE LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ (18,145)	$ (13,245)	$ (49,558)	$ (49,090)

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of	
	September 30, 2015 (Unaudited)	December 31, 2014
	(In thousands, except share data)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 59,158	$ 67,781
Trade accounts receivable, net of allowance for doubtful accounts of $6,426 and $3,975, respectively	100,329	96,426
Prepaid expenses	6,741	6,910
Current portion of content assets	31,018	25,615
Other current assets	4,023	5,185
Total current assets	201,269	201,917
CONTENT ASSETS, net	41,464	42,715
PROPERTY AND EQUIPMENT, net	30,028	30,977
GOODWILL	261,392	275,355
RADIO BROADCASTING LICENSES	666,797	666,797
LAUNCH ASSETS, net	1,260	2,640
OTHER INTANGIBLE ASSETS, net	147,307	167,651
OTHER ASSETS	13,771	3,642
Total assets	$ 1,363,288	$ 1,391,694
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 3,623	$ 6,602
Accrued interest	15,932	12,226
Accrued compensation and related benefits	11,744	8,729
Current portion of content payables	14,743	15,043
Other current liabilities	18,820	16,124
Current portion of long-term debt	2,625	3,829
Total current liabilities	67,487	62,553
LONG-TERM DEBT, net of current portion, original issue discount and issuance costs	1,021,322	809,615
CONTENT PAYABLES, net of current portion	8,547	14,579
OTHER LONG-TERM LIABILITIES	27,757	21,076
DEFERRED TAX LIABILITIES, net	275,075	252,463
Total liabilities	1,400,188	1,160,286
REDEEMABLE NONCONTROLLING INTERESTS	10,725	10,836
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, $.001 par value, 1,000,000 shares authorized; no shares outstanding at September 30, 2015 and December 31, 2014, respectively	—	—
Common stock — Class A, $.001 par value, 30,000,000 shares authorized; 2,123,698 and 2,249,809 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	2	2
Common stock — Class B, $.001 par value, 150,000,000 shares authorized; 2,861,843 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	3	3
Common stock — Class C, $.001 par value, 150,000,000 shares authorized; 2,928,906 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	3	3
Common stock — Class D, $.001 par value, 150,000,000 shares authorized; 41,976,850 and 42,102,352 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	42	42
Accumulated other comprehensive loss	—	(115)
Additional paid-in capital	988,822	1,006,635
Accumulated deficit	(1,037,345)	(987,672)
Total stockholders' (deficit) equity	(48,473)	18,898
Noncontrolling interest	848	201,674
Total (deficit) equity	(47,625)	220,572
Total liabilities, redeemable noncontrolling interests and equity	$ 1,363,288	$ 1,391,694

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (DEFICIT)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015
(UNAUDITED)

	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive (Loss) Income	Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interest	Total Equity (Deficit)
						(In Thousands)				
BALANCE, as of December 31, 2014	$ —	$ 2	$ 3	$ 3	$ 42	$ (115)	$ 1,006,635	$ (987,672)	$ 201,674	$ 220,572
Consolidated net (loss) income	—	—	—	—	—	—	—	(49,673)	6,102	(43,571)
Net change in unrealized loss on investment activities	—	—	—	—	—	115	—	—	—	115
Conversion of 126,111 shares of Class A common stock to Class D common stock	—	—	—	—	—	—	—	—	—	—
Acquisition of additional membership interest in TV One	—	—	—	—	—	—	(20,538)	—	(201,189)	(221,727)
Repurchase of 345,293 shares of Class D common stock	—	—	—	—	—	—	(1,423)	—	—	(1,423)
Dividends paid to noncontrolling interest	—	—	—	—	—	—	—	—	(5,739)	(5,739)
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	353	—	—	353
Stock-based compensation expense	—	—	—	—	—	—	3,795	—	—	3,795
BALANCE, as of September 30, 2015	$ —	$ 2	$ 3	$ 3	$ 42	$ —	$ 988,822	$ (1,037,345)	$ 848	$ (47,625)

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
	(Unaudited) (In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net loss	$ (42,328)	$ (34,468)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization	26,345	27,685
Amortization of debt financing costs	3,635	3,490
Amortization of content assets	36,270	34,551
Amortization of launch assets	2,050	7,446
Deferred income taxes	22,612	25,911
Impairment of long-lived assets	14,545	—
Stock-based compensation	3,795	171
Loss on retirement of debt	7,091	5,679
Effect of change in operating assets and liabilities, net of assets acquired:		
Trade accounts receivable	(3,903)	4,126
Prepaid expenses and other assets	1,062	746
Other assets	773	1,403
Accounts payable	(2,979)	572
Accrued interest	3,706	(1,351)
Accrued compensation and related benefits	3,015	(4,394)
Income taxes payable	(333)	(780)
Other liabilities	2,338	(3,004)
Payments for content assets	(46,843)	(37,394)
Net cash flows provided by operating activities	30,851	30,389
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(6,005)	(4,615)
Purchase of cost method investment	(5,000)	—
Purchase of additional membership interest in TV One	(209,855)	—
Proceeds from sales of investment securities	3,524	482
Purchases of investment securities	(591)	(909)
Payment of launch support	(670)	—
Proceeds from sale of assets held for sale	—	225
Acquisition of station and broadcasting assets	—	(7,140)
Net cash flows used in investing activities	(218,597)	(11,957)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of senior subordinated notes	—	(327,034)
Premium paid on repayment of long-term debt	(827)	(1,554)
Proceeds from 2015 Credit Facility	350,000	—
Proceeds from debt issuance	350,000	335,000
Repurchase of common stock	(1,423)	—
Repayment of credit facilities	(369,407)	(3,967)
Repayment of TV One senior secured notes	(119,000)	—
Debt refinancing costs and original issue discount	(23,480)	(4,472)
Payment of dividends to noncontrolling interest members of TV One	(5,739)	(18,126)
Payment of dividends to noncontrolling interest members of Reach Media	(1,001)	—
Proceeds from exercise of stock options	—	125
Net cash flows provided by (used in) financing activities	179,123	(20,028)
DECREASE IN CASH AND CASH EQUIVALENTS	(8,623)	(1,596)
CASH AND CASH EQUIVALENTS, beginning of period	67,781	56,676
CASH AND CASH EQUIVALENTS, end of period	$ 59,158	$ 55,080
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	$ 52,216	$ 58,137
Income taxes, net	$ 333	$ 1,002
NON-CASH FINANCIAL AND INVESTING ACTIVITIES:		
Note payable incurred as part of purchase of additional membership interest in TV One	$ 11,872	$ —

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Organization

Radio One, Inc. (a Delaware corporation referred to as "Radio One") and its subsidiaries (collectively, the "Company") is an urban-oriented, multi-media company that primarily targets African-American and urban consumers. Our core business is our radio broadcasting franchise that is the largest radio broadcasting operation that primarily targets African-American and urban listeners. We currently own and/or operate 54 broadcast stations located in 16 urban markets in the United States. While our primary source of revenue is the sale of local and national advertising for broadcast on our radio stations, our strategy is to operate the premier multi-media entertainment and information content provider targeting African-American and urban consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our other media interests include our approximately 99.6% ownership interest in TV One, LLC ("TV One") an African-American targeted cable television network (See Note 2 – *Acquisitions and Dispositions)*; our 80.0% ownership interest in Reach Media, Inc. ("Reach Media"), which operates the Tom Joyner Morning Show and our other syndicated programming assets, including the Rickey Smiley Morning Show, the Yolanda Adams Morning Show, the Russ Parr Morning Show and the DL Hughley Show; and our ownership of Interactive One, LLC ("Interactive One"), our wholly owned online platform serving the African-American community through social content, news, information, and entertainment websites, including Global Grind (as defined in Note 2 – *Acquisitions and Dispositions*), News One, TheUrbanDaily and HelloBeautiful, and online social networking websites, including BlackPlanet and MiGente. In May 2014, the Company agreed to invest a minimum of $5 million up to a maximum of $40 million in MGM's development of a world-class casino property, MGM National Harbor, located in Prince George's County, Maryland. Upon completion of the project, currently anticipated to be in the second half of 2016, this investment will further diversify our platform in the entertainment industry while still focusing on our core demographic. On April 10, 2015, the Company made its minimum $5 million investment associated with MGM National Harbor and accounted for this investment on a cost basis.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company's four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) internet; and (iv) cable television (See Note 7 – *Segment Information*).

(b) Interim Financial Statements

The interim consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). In management's opinion, the interim financial data presented herein include all adjustments (which include only normal recurring adjustments) necessary for a fair presentation. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations.

Results for interim periods are not necessarily indicative of results to be expected for the full year. This Form 10-Q should be read in conjunction with the financial statements and notes thereto included in the Company's 2014 Annual Report on Form 10-K.

(c) Financial Instruments

Financial instruments as of September 30, 2015, and December 31, 2014, consisted of cash and cash equivalents, investments, trade accounts receivable, long-term debt and redeemable noncontrolling interests. The carrying amounts approximated fair value for each of these financial instruments as of September 30, 2015, and December 31, 2014, except for the Company's outstanding senior subordinated and secured notes. The 9.25% Senior Subordinated Notes which are due in February 2020 (the "2020 Notes") had a carrying value of approximately $335.0 million and fair value of approximately $286.4 million and $294.8 million as of September 30, 2015, and December 31, 2014, respectively. The fair values of the 2020 Notes, classified as Level 2 instruments, were determined based on the trading values of these instruments in an inactive market as of the reporting date. The Company's 10% Senior Secured TV One Notes that were due in March 2016 and paid off in April 2015, were classified as Level 3 instruments at December 31, 2014, since they were not market traded financial instruments. In April 2015, we entered into a series of transactions to refinance certain portions of our debt and to finance our acquisition of Comcast's membership interest in TV One. Our new 7.375% Senior Secured Notes that are due in March 2022 (the "2022 Notes") had a carrying value of approximately $350.0 million and fair value of approximately $330.8 million as of September 30, 2015. The fair values of the 2022 Notes, classified as Level 2 instruments, were determined based on the trading values of these instruments in an inactive market as of the reporting date. Our new $350.0 million senior secured credit facility (the "2015 Credit Facility) had a carrying value of approximately $349.1 million and fair value of approximately $354.9 million as of September 30, 2015. As a part of our acquisition of Comcast's membership interest in TV One, we issued a new senior unsecured promissory note in the aggregate principal amount of approximately $11.9 million (the "Comcast Note"). The Comcast Note is classified as Level 3 since it is not a market traded financial instrument. See Note 4 – *Long-Term* Debt for further description of our new credit facilities and outstanding notes.

(d) Revenue Recognition

Within our radio broadcasting and Reach Media segments, the Company recognizes revenue for broadcast advertising when a commercial is broadcast and is reported, net of agency and outside sales representative commissions, in accordance with Accounting Standards Codification ("ASC") 605, "*Revenue Recognition*." Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, clients remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to the Company. For our radio broadcasting segment, agency and outside sales representative commissions were approximately $6.5 million and $7.1 million for the three months ended September 30, 2015 and 2014, respectively. Agency and outside sales representative commissions were approximately $19.1 million and $20.9 million for the nine months ended September 30, 2015 and 2014, respectively.

Interactive One generates the majority of the Company's internet revenue, and derives such revenue principally from advertising services, including advertising aimed at diversity recruiting, on non-radio station branded but Company owned websites. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases are made or leads are generated, or ratably over the contract period, where applicable. In addition, Interactive One derives revenue from its studio operations, in which it provides third-party clients with publishing services including digital platforms and related expertise. In the case of the studio operations, revenue is recognized primarily based on fixed contractual monthly fees or as a share of the third party's reported revenue.

TV One derives advertising revenue from the sale of television air time to advertisers and recognizes revenue when the advertisements are run. TV One also derives revenue from affiliate fees under the terms of various affiliation agreements based on a per subscriber fee multiplied by the most recent subscriber counts reported by the applicable affiliate. For our cable television segment, agency and outside sales representative commissions were approximately $4.2 million and $3.3 million for the three months ended September 30, 2015 and 2014, respectively. Agency and outside sales representative commissions were approximately $11.4 million and $9.9 million for the nine months ended September 30, 2015 and 2014, respectively.

(e) Launch Support

TV One has entered into certain affiliate agreements requiring various payments by TV One for launch support. Launch support assets are used to initiate carriage under new affiliation agreements and are amortized over the term of the respective contracts. Launch support amortization is recorded as a reduction to revenue to the extent that revenue is recognized from the affiliate, and any excess amortization is recorded as launch support amortization expense. The initial weighted-average amortization period for launch support assets is approximately 10.9 years at September 30, 2015, and December 31, 2014. The remaining weighted-average amortization period for launch support assets is 5.3 years and 0.9 years as of September 30, 2015, and December 31, 2014, respectively. For the three and nine months ended September 30, 2015, launch support asset amortization of $594,000 and approximately $2.1 million, respectively, was recorded as a reduction to revenue. For the three and nine months ended September 30, 2014, launch support asset amortization of approximately $2.5 million and $7.5 million, respectively, was recorded as a reduction to revenue.

(f) Barter Transactions

In certain instances, the Company provides advertising time in exchange for programming content and certain services. The Company accounts for these exchanges in accordance with ASC 605, "*Revenue Recognition*." The terms of these exchanges generally permit the Company to preempt such time in favor of advertisers who purchase time in exchange for cash. The Company includes the value of such exchanges in both net revenue and station operating expenses. The valuation of barter time is based upon the fair value of the network advertising time provided for the programming content and services received. For the three months ended September 30, 2015 and 2014, barter transaction revenues were $599,000 and $867,000, respectively. For the nine months ended September 30, 2015 and 2014, barter transaction revenues were approximately $1.7 million and $2.6 million, respectively. Additionally, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of $552,000 and $826,000 and $47,000 and $41,000, for the three months ended September 30, 2015 and 2014, respectively. For the nine months ended September 30, 2015 and 2014, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of approximately $1.6 million and $2.5 million and $142,000 and $122,000, respectively.

(g) Earnings Per Share

Basic earnings per share is computed on the basis of the weighted average number of shares of common stock (Classes A, B, C and D) outstanding during the period. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. The Company's potentially dilutive securities include stock options and unvested restricted stock. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a net loss, as the inclusion of the potentially dilutive common shares would have an anti-dilutive effect.

The following table sets forth the calculation of basic and diluted earnings per share from continuing operations (in thousands, except share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	**2014**	**2015**	**2014**
	(Unaudited) (In Thousands)			
Numerator:				
Net loss attributable to common stockholders	$ (18,145)	$ (13,220)	$ (49,673)	$ (49,219)
Denominator:				
Denominator for basic net loss per share - weighted average outstanding shares	48,220,262	47,601,371	47,963,763	47,502,733
Effect of dilutive securities:				
Stock options and restricted stock	—	—	—	—
Denominator for diluted net loss per share - weighted-average outstanding shares	48,220,262	47,601,371	47,963,763	47,502,733
Net loss attributable to common stockholders per share – basic and diluted	$ (0.38)	$ (0.28)	$ (1.04)	$ (1.04)

All stock options and restricted stock awards were excluded from the diluted calculation for the three and nine months ended September 30, 2015 and 2014, respectively, as their inclusion would have been anti-dilutive. The following table summarizes the potential common shares excluded from the diluted calculation.

	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2014
	(Unaudited) (In Thousands)			
Stock options	3,417	3,417	2,680	2,680
Restricted stock awards	1,671	2,062	118	160

(h) Fair Value Measurements

We report our financial and non-financial assets and liabilities measured at fair value on a recurring and non-recurring basis under the provisions of ASC 820, *"Fair Value Measurements and Disclosures."* ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that can be accessed at measurement date.

Level 2: Observable inputs other than those included in Level 1 (i.e., quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets).

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

As of September 30, 2015, and December 31, 2014, respectively, the fair values of our financial assets and liabilities are categorized as follows:

	Total	Level 1	Level 2	Level 3
		(Unaudited)		
		(In thousands)		
As of September 30, 2015				
Liabilities subject to fair value measurement:				
Incentive award plan (a)	$ 1,123	$ —	$ —	$ 1,123
Employment agreement award (b)	20,337	—	—	20,337
Total	$ 21,460	$ —	$ —	$ 21,460
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (c)	$ 10,725	$ —	$ —	$ 10,725
As of December 31, 2014				
Assets subject to fair value measurement:				
Corporate debt securities (d)	$ 805	$ 805	$ —	$ —
Government sponsored enterprise mortgage-backed securities (d)	102	—	102	—
Mutual funds (d)	2,004	2,004	—	—
Total	$ 2,911	$ 2,809	$ 102	$ —
Liabilities subject to fair value measurement:				
Incentive award plan (a)	$ 1,044	$ —	$ —	$ 1,044
Employment agreement award (b)	17,993	—	—	17,993
Total	$ 19,037	$ —	$ —	$ 19,037
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (c)	$ 10,836	$ —	$ —	$ 10,836

(a) These balances are measured based on the estimated enterprise fair value of TV One as determined by a combination of a discounted cash flow analysis and the value used in connection with the Comcast Buyout (as defined in Note 2 – *Acquisitions and Dispositions)*. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value. A third-party valuation firm assisted the Company in estimating TV One's fair value using the discounted cash flow analysis.

(b) Pursuant to an employment agreement (the "Employment Agreement") executed in April 2008, the Chief Executive Officer ("CEO") is eligible to receive an award (the "Employment Agreement Award") amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company reviews the factors underlying this award at the end of each quarter including the valuation of TV One (based on the estimated enterprise fair value of TV One as determined by a combination of a discounted cash flow analysis and the value used in connection with the Comcast Buyout, as defined in Note 2 – *Acquisitions and Dispositions),* and an assessment of the probability that the Employment Agreement will be renewed and contain the award. There are probability factors included in the calculation of the award related to the likelihood that the award will be realized. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses if the CEO voluntarily leaves the Company or is terminated for cause. A third-party valuation firm assisted the Company in estimating TV One's fair value using the discounted cash flow analysis. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value. As noted in our current report on Form 8-K filed October 6, 2014, the Compensation Committee of the Board of Directors of the Company has approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior Employment Agreement. While a new employment agreement has not been executed as of the date of this report, the CEO is being compensated according to the new terms approved by the Compensation Committee.

(c) The redeemable noncontrolling interest in Reach Media is measured at fair value using a discounted cash flow methodology. A third-party valuation firm assisted the Company in estimating the fair value. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value.

(d) Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, fair values are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

The following table presents the changes in Level 3 liabilities measured at fair value on a recurring basis for the nine months ended September 30, 2015 and 2014:

	Incentive Award Plan	Employment Agreement Award	Redeemable Noncontrolling Interests
		(In thousands)	
Balance at December 31, 2014	$ 1,044	$ 17,993	$ 10,836
Dividends paid to noncontrolling interests	—	—	(1,001)
Net income attributable to noncontrolling interests	—	—	1,243
Change in fair value	79	2,344	(353)
Balance at September 30, 2015	$ 1,123	$ 20,337	$ 10,725
The amount of total losses for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at the reporting date	$ (79)	$ (2,344)	$ —

	Incentive Award Plan	Employment Agreement Award	Redeemable Noncontrolling Interests
		(In thousands)	
Balance at December 31, 2013	$ 2,114	$ 13,688	$ 11,999
Distribution	(1,370)	—	—
Net loss attributable to noncontrolling interests	—	—	(9)
Change in fair value	188	2,049	(3,437)
Balance at September 30, 2014	$ 932	$ 15,737	$ 8,553
The amount of total losses for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at the reporting date	$ (188)	$ (2,049)	$ —

Losses included in earnings were recorded in the consolidated statements of operations as corporate selling, general and administrative expenses for the three and nine months ended September 30, 2015 and 2014.

For Level 3 assets and liabilities measured at fair value on a recurring basis, the significant unobservable inputs used in the fair value measurements were as follows:

Level 3 liabilities	Valuation Technique	Significant Unobservable Inputs	As of September 30, 2015	As of December 31, 2014	As of September 30, 2014
			Significant Unobservable Input Value		
Incentive award plan	Discounted Cash Flow	Discount Rate	10.4%	10.4%	10.4%
Incentive award plan	Discounted Cash Flow	Long-term Growth Rate	3.0%	3.0%	3.0%
Employment agreement award	Discounted Cash Flow	Discount Rate	10.4%	10.4%	10.4%
Employment agreement award	Discounted Cash Flow	Long-term Growth Rate	3.0%	3.0%	3.0%
Redeemable noncontrolling interest	Discounted Cash Flow	Discount Rate	11.5%	12.0%	12.0%
Redeemable noncontrolling interest	Discounted Cash Flow	Long-term Growth Rate	1.5%	1.5%	1.5%

Any significant increases or decreases in discount rate or long-term growth rate inputs could result in significantly higher or lower fair value measurements.

Certain assets and liabilities are measured at fair value on a non-recurring basis using Level 3 inputs as defined in ASC 820. These assets are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances. Included in this category are goodwill, radio broadcasting licenses and other intangible assets, net, that are written down to fair value when they are determined to be impaired, as well as content assets that are periodically written down to net realizable value. The Company concluded these assets were not impaired during the nine months ended September 30, 2014, and, therefore, were reported at carrying value as opposed to fair value. During the three and nine months ended September 30, 2015, the Company identified a triggering event to perform a goodwill interim impairment analysis on the Interactive One reporting unit. Based on preliminary calculations, the Company recorded an estimated goodwill impairment charge related to Interactive One of approximately $14.5 million. The Company expects to finalize the step two impairment analysis and record an adjustment to the preliminary amounts during the fourth quarter of 2015.

(i) Impact of Recently Issued Accounting Pronouncements

In April 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-08, " *Presentation of Financial Statements (Topic 205) and Property, Plant and Equipment (Topic 360)—Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*" ("ASU 2014-08"). ASU 2014-08 changes the requirements for reporting discontinued operations. Under ASU 2014-08, only disposals representing a strategic shift in operations and having a major effect on the entity's operations and financial results should be presented as discontinued operations. Additionally, ASU 2014-08 requires expanded disclosures about discontinued operations. ASU 2014-08 is effective prospectively for fiscal years beginning after December 15, 2014, with early adoption permitted for disposals that have not been reported in financial statements previously issued. The Company will apply the provisions of ASU 2014-08 to future reporting of disposals.

In May 2014, the FASB issued ASU 2014-09, "*Revenue from Contracts with Customers*," ("ASU 2014-09") which supersedes the revenue recognition requirements in ASC 605, "Revenue Recognition" and most industry-specific guidance throughout the codification. The standard requires that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. On July 9, 2015, the FASB voted and approved to defer the effective date of ASU 2014-09 by one year. As a result, ASU 2014-09 will be effective for fiscal years beginning after December 15, 2017, with early adoption permitted but not prior to the original effective date of annual periods beginning after December 15, 2016. The Company has not yet completed its assessment of the impact of the new standard, including possible transition alternatives, on its financial statements.

In April 2015, the FASB issued ASU 2015-03, " *Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*" ("ASU 2015-03"). ASU 2015-03 aims to simplify the presentation of debt issuance costs by requiring debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. Currently, debt issuance costs are presented as a deferred charge under GAAP. ASU 2015-03 is effective for fiscal years beginning after December 15, 2015, and is to be applied retrospectively, with early adoption permitted. The Company has early adopted ASU 2015-03 during the nine months ended September 30, 2015, resulting in approximately $7.8 million of net debt issuance costs presented as a direct deduction to the Company's long-term debt in the consolidated balance sheet as of September 30, 2015. The retrospective application of ASU 2015-03 decreased other intangible assets and long-term debt by approximately $6.9 million in the consolidated balance sheet as of December 31, 2014.

(j) Redeemable noncontrolling interest

Redeemable noncontrolling interests are interests in subsidiaries that are redeemable outside of the Company's control either for cash or other assets. These interests are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

(k) Content Assets

TV One has entered into contracts to acquire entertainment programming rights and programs from distributors and producers. The Company also has programming for which the Company has engaged third parties to develop and produce, and it owns most or all rights to this programming. The license periods granted in these contracts generally run from one year to perpetuity. Contract payments are made in installments over terms that are generally shorter than the contract period. Each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins and the program is available for its first airing.

Program rights are recorded at the lower of amortized cost or estimated net realizable value. Program rights are amortized based on the greater of the usage of the program or term of license. Estimated net realizable values are based on the estimated revenues directly associated with the program materials and related expenses. The Company recorded $501,000 additional amortization expense as a result of evaluating its contracts for recoverability for the three months ended September 30, 2015, and did not record any additional amortization expense as a result of evaluating its contracts for recoverability for the three months ended September 30, 2014. The Company recorded $501,000 additional amortization expense as a result of evaluating its contracts for recoverability for the nine months ended September 30, 2015, and recorded $58,000 additional amortization expense as a result of evaluating its contracts for recoverability for the nine months ended September 30, 2014. All produced and licensed content is classified as a long-term asset, except for the portion of the unamortized content balance that will be amortized within one year which is classified as a current asset.

Tax incentives state and local governments offer that are directly measured based on production activities are recorded as reductions in production costs.

(l) Derivatives

The Company recognizes all derivatives at fair value in the consolidated balance sheet as either an asset or liability. The accounting for changes in the fair value of a derivative, including certain derivative instruments embedded in other contracts, depends on the intended use of the derivative and the resulting designation. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged item are recognized in the statement of operations. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in other comprehensive income and are recognized in the statement of operations when the hedged item affects net income. If a derivative does not qualify as a hedge, it is marked to fair value through the statement of operations.

The Company has accounted for an award called for in the CEO's employment agreement (the "Employment Agreement Award") as a derivative instrument in accordance with ASC 815, *"Derivatives and Hedging."* The Company estimated the fair value of the award at September 30, 2015, and December 31, 2014, to be approximately $20.3 million and $18.0 million, respectively, and accordingly, adjusted its liability to this amount. The long-term portion is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The expense associated with the Employment Agreement Award was recorded in the consolidated statements of operations as corporate selling, general and administrative expenses and was approximately $882,000 and $546,000 for the three months ended September 30, 2015, and 2014, respectively and was approximately $2.3 million and $2.0 million for the nine months ended September 30, 2015, and 2014, respectively.

The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses if the CEO voluntarily leaves the Company, or is terminated for cause. As noted in our current report on Form 8-K filed October 6, 2014, the Compensation Committee of the Board of Directors of the Company has approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior Employment Agreement. While a new employment agreement has not been executed as of the date of this report, the CEO is being compensated according to the new terms approved by the Compensation Committee.

2. ACQUISITIONS AND DISPOSITIONS:

As of June 2011, our remaining Boston radio station was made the subject of a time brokerage agreement ("TBA"), similar in operation to a local marketing agreement ("LMA"), whereby, we have made available, for a fee, air time on this station to another party. On February 3, 2014, the Company executed a new TBA, effective December 1, 2013, for its remaining station in Boston. The TBA has a three-year term, and at the conclusion of the TBA, the Company's remaining Boston station is contracted to be conveyed to Radio Boston Broadcasting, Inc., an affiliate of Pacific Media International, LLC. As a result, that station's radio broadcasting license was classified as a long-term other asset as of September 30, 2015, and December 31, 2014, and is being amortized through the anticipated conveyance date.

On October 20, 2011, we entered into a TBA with WGPR, Inc. ("WGPR"). Pursuant to the TBA, beginning October 24, 2011, we began to broadcast programs produced, owned or acquired by Radio One on WGPR's Detroit radio station, WGPR-FM. We pay certain operating costs of WGPR-FM, and in exchange we retain all revenues from the sale of the advertising within the programming we provide. The original term of the TBA was through December 31, 2014; however, in September 2014, we entered into an amendment to the TBA to extend the term of the TBA through December 31, 2019. Under the terms of the TBA, WGPR has also granted us certain rights of first negotiation and first refusal with respect to the sale of WGPR-FM by WGPR and with respect to any potential time brokerage agreement for WGPR-FM covering any time period subsequent to the term of the TBA.

On February 27, 2014, the Company completed the acquisition of Gaffney Broadcasting, Incorporated ("Gaffney"), which consisted of an AM and FM station (WOSF-FM) in the Charlotte market. Total consideration paid for the two stations was approximately $7.7 million, which included a deposit that was paid in a prior period. In connection with the acquisition, the Company added Gaffney as a party to the agreements governing its outstanding notes and its senior credit facility. At the February 27, 2014 acquisition date, the AM station assets were classified as assets held for sale in the amount of $225,000. On March 31, 2014, the AM station assets held for sale were sold for $225,000. The Company's purchase accounting to reflect the fair value of assets acquired and liabilities assumed consisted of approximately $426,000 to fixed assets, $7.0 million to radio broadcasting licenses, $2.7 million to goodwill, $44,000 to other definite-lived intangible assets and $2.7 million to deferred tax liabilities.

On December 17, 2014, the Company acquired certain assets of GG Digital, Inc., including the website and brand Global Grind ("Global Grind"), and for accounting purposes this was considered a business combination. The Global Grind website and brand was subsequently integrated into Interactive One. Total consideration paid was approximately $2.0 million. The Company's purchase accounting to reflect the fair value of assets acquired consisted of approximately $440,000 to content, approximately $1.2 million to goodwill, $314,000 to brand, $38,000 to mobile software application and $10,000 to trademarks, trade names and domain names.

On April 17, 2015, the Company used the net proceeds from its issuance of its 2022 Notes, along with the 2015 Credit Facility and Comcast Note, to refinance certain indebtedness and finance the purchase of the membership interests of an affiliate of Comcast Corporation ("Comcast") in TV One (the "Comcast Buyout"). In connection with the Comcast Buyout, the Company acquired the additional membership interest in TV One for approximately $221.7 million which consisted of approximately $211.1 million in cash paid at closing with a subsequent favorable working capital adjustment of approximately $1.3 million and the issuance of the Comcast Note in the amount of approximately $11.9 million. The Company now owns a 99.6% interest in TV One.

3. GOODWILL AND RADIO BROADCASTING LICENSES:

Impairment Testing

In accordance with ASC 350, *"Intangibles - Goodwill and Other,"* we do not amortize our indefinite-lived radio broadcasting licenses and goodwill. Instead, we perform a test for impairment annually or on an interim basis when events or changes in circumstances or other conditions suggest impairment may have occurred in any given reporting unit. Other intangible assets continue to be amortized on a straight-line basis over their useful lives. We perform our annual impairment test as of October 1 of each year. We evaluate all events and circumstances on an interim basis to determine if a two-step process is required. The first step of the process involves estimating the fair value of each reporting unit. If the reporting unit's fair value is less than its carrying value, a second step is performed to attribute the fair value of the reporting unit to the individual assets and liabilities of the reporting unit in order to determine the implied fair value of the reporting unit's goodwill as of the impairment assessment date. Any excess of the carrying value of the goodwill over the implied fair value of the goodwill is written off as a charge to operations.

Valuation of Broadcasting Licenses

During the second and third quarters of 2015, the total market revenue growth for certain markets in which we operate was below that used in our 2014 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, which we performed as of June 30, 2015, and September 30, 2015. There was no impairment identified as part of this testing. Similarly, during the first, second and third quarters of 2014, the total market revenue growth for certain markets in which we operate was below that used in our 2013 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, which we performed as of March 31, 2014, June 30, 2014, and September 30, 2015. There was no impairment identified as part of that testing. There were no impairment indicators present for any of our other radio broadcasting licenses. Below are some of the key assumptions used in the income approach model for estimating broadcasting licenses fair values for the annual impairment assessment as of October 1, 2014, and interim impairment assessments for the quarters ended September 30, 2015 and 2014.

Radio Broadcasting Licenses	**September 30, 2015 (a)**	**October 1, 2014**	**September 30, 2014 (a)**
Pre-tax impairment charge (in millions)	$ —	$ —	$ —
Discount Rate	9.5%	9.5%	9.5%
Year 1 Market Revenue Growth Rate Range	0.3% – 0.5%	0.3% – 1.0%	0.4% – 1.0%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.0% – 1.5%	1.0% – 2.0%	1.5% – 2.0%
Mature Market Share Range	9.8% – 14.3%	6.9% – 25.2%	6.4% – 26.9%
Operating Profit Margin Range	31.7%	30.0% – 48.4%	31.1% – 47.8%

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.

Valuation of Goodwill

During the second and third quarters of 2015, we identified an impairment indicator at one of our radio markets, and as such, we performed an interim analysis for certain radio market goodwill as of June 30, 2015 and September 30, 2015. Similarly, during the first, second and third quarters of 2014, we identified impairment indicators at certain of our radio markets, and, as such, we performed an interim impairment analysis for certain radio market reporting units as of March 31, 2014, June 30, 2014 and September 30, 2014. No goodwill impairment was identified during the three or nine months ended September 30, 2015 and 2014. Below are some of the key assumptions used in the income approach model for estimating reporting unit fair values for the annual impairment assessment as of October 1, 2014, and interim impairment assessments for the quarters ended September 30, 2015 and 2014.

Goodwill (Radio Market Reporting Units)	**September 30, 2015 (a)**	**October 1, 2014**	**September 30, 2014 (a)**
Pre-tax impairment charge (in millions)	$ –	$ –	$ –
Discount Rate	9.5%	9.5%	9.5%
Year 1 Market Revenue Growth Rate Range	0.4% – 0.7%	0.3% – 1.0%	0.0% – 2.0%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.0% – 2.0%	1.0% – 2.0%	1.0% – 2.0%
Mature Market Share Range	7.4% – 14.8%	7.2% – 19.5%	7.1% – 19.8%
Operating Profit Margin Range	26.4% – 38.7%	26.4% – 52.2%	28.4% – 56.4%

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.

During the third quarter of 2015, the Company performed interim impairment testing on the valuation of goodwill associated with Interactive One. Interactive One's net revenues and cash flows declined and internal projections were revised downward, which we deemed to be an impairment indicator. The Company reduced its operating cash flow projections and assumptions based on Interactive One's actual results which did not meet budget. Below are some of the key assumptions used in the income approach model for estimating the fair value for Interactive One for the interim assessment at September 30, 2015. When compared to discount rates for the radio reporting units, the higher discount rate used to value the reporting unit is reflective of discount rates applicable to internet media businesses. As a result of our interim assessment, based on preliminary calculations, the Company recorded an estimated goodwill impairment charge of approximately $14.5 million during the quarter ended September 30, 2015. The Company expects to finalize the step two impairment analysis and record any adjustments to the preliminary amount during the fourth quarter of 2015.

Internet Segment Goodwill		**September 30, 2015**
Preliminary Impairment charge (in millions)	$	14.5
Discount Rate		14.0%
Year 1 Revenue Growth Rate		9.6%
Long-term Revenue Growth Rate (Year 10)		2.5%
Operating Profit Margin Range		4.5% – 23.9%

During the third quarter of 2014, the Company performed interim impairment testing on the valuation of goodwill associated with Reach Media. Reach Media's net revenues and cash flows declined and internal projections were revised downward, which we deemed to be an impairment indicator. The Company reduced its operating cash flow projections and assumptions based on Reach Media's actual results which did not meet budget. Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for the interim assessment at September 30, 2014. When compared to the discount rates used for assessing radio market reporting units, the higher discount rate used in this assessment reflects a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner. As a result of our interim assessment, the Company concluded no impairment for the Reach Media goodwill value had occurred.

Reach Media Segment Goodwill		**September 30, 2014**
Pre-tax impairment charge (in millions)	$	—
Discount Rate		12.0%
Year 1 Revenue Growth Rate		1.5%
Long-term Revenue Growth Rate Range		0.1 – 2.0%
Operating Profit Margin Range		10.0 – 14.9%

Goodwill Valuation Results

The table below presents the Company's goodwill carrying values for its four reportable segments.

Reporting Unit	Goodwill Carrying Balances: As of December 31, 2014	Increase	(Decrease)	As of September 30, 2015
	(In thousands)			
Radio Broadcasting Segment	$ 73,535	$ —	$ —	$ 73,535
Reach Media Segment	14,354	—	—	14,354
Internet Segment	22,422	582	(14,545)	8,459
Cable Television Segment	165,044	—	—	165,044
Total	$ 275,355	$ 582	$ (14,545)	$ 261,392

The increase to the Internet reporting unit's goodwill carrying value for the nine months ended September 30, 2015, relates to an adjustment of the Company's purchase accounting related to Global Grind. The decrease to the Internet reporting unit's goodwill carrying value for the nine months ended September 30, 2015, relates to an estimated impairment charge as described above.

4. LONG-TERM DEBT:

Long-term debt consists of the following:

	September 30, 2015 (Unaudited)	December 31, 2014
	(In thousands)	
Senior bank term debt (2011 Credit Facilities)	$ —	$ 368,532
2015 Credit Facility	349,125	—
9.25% Senior Subordinated Notes due February 2020	335,000	335,000
7.375% Senior Secured Notes due April 2022	350,000	—
Comcast Note due April 2019	11,872	—
10% Senior Secured TV One Notes due March 2016	—	119,000
Total debt	1,045,997	822,532
Less: current portion of long-term debt	2,625	3,829
Less: original issue discount and issuance costs	22,050	9,088
Long-term debt, net	$ 1,021,322	$ 809,615

2022 Notes and Current Credit Facilities

On April 17, 2015, the Company closed its private offering of $350.0 million aggregate principal amount of 7.375% senior secured notes due 2022 (the "2022 Notes"). The 2022 Notes were offered at an original issue price of 100.0% plus accrued interest from April 17, 2015 and will mature on April 15, 2022. Interest on the 2022 Notes accrues at the rate of 7.375% per annum and is payable semiannually in arrears on April 15 and October 15, commencing on October 15, 2015. The 2022 Notes are guaranteed, jointly and severally, on a senior secured basis by the Company's existing and future domestic subsidiaries, including TV One, that guarantee any of its new $350.0 million senior secured credit facility (the "2015 Credit Facility") entered into concurrently with the closing of the Notes.

The 2015 Credit Facility matures on December 31, 2018. At the Company's election, the interest rate on borrowings under the 2015 Credit Facility is based on either (i) the then applicable base rate plus 3.5% (as defined in the 2015 Credit Facility) as, for any day, a rate per annum (rounded upward, if necessary, to the next 1/100th of 1%) equal to the greater of (a) the prime rate published in the Wall Street Journal, (b) 1/2 of 1% in excess rate of the overnight Federal Funds Rate at any given time and (c) the one-month LIBOR rate commencing on such day plus 1.00%), or (ii) the then applicable LIBOR rate plus 4.5% (as defined in the 2015 Credit Facility). The average interest rate was 4.79% for the three months ended September 30, 2015. Quarterly installments of 0.25%, or $875,000, of the principal balance on the term loan are payable on the last day of each March, June, September and December beginning on September 30, 2015. During the three and nine months ended September 30, 2015, the Company repaid $875,000 under the 2015 Credit Facility.

In connection with the closing of the financing transactions, the Company and the guarantor parties thereto entered into a Fourth Supplemental Indenture to the indenture governing the 2020 Notes. Pursuant to this Fourth Supplemental Indenture, TV One, which previously did not guarantee the 2020 Notes, became a guarantor under the 2020 Notes indentures. In addition, the provisions contained in the Third Supplemental Indenture previously disclosed in the Company's Current Report on Form 8-K, filed April 1, 2015, which permitted the Company to complete the transactions became operative. The closing of the financing transactions caused a "Triggering Event" (as defined in the 2020 Notes Indenture) under the 2020 Notes Indenture and, as a result, the 2020 Notes became an unsecured obligation of the Company and the subsidiary guarantors and rank equal in right of payment with the Company's other senior indebtedness.

The Company used the net proceeds from the 2022 Notes, along with term loan borrowings under the 2015 Credit Facility, to refinance its existing senior secured credit facility, refinance $119.0 million in outstanding indebtedness of TV One and TV One Capital Corp., finance the previously announced Comcast Buyout and pay the related accrued interest, premiums, fees and expenses associated therewith.

The 2015 Credit Facility contains affirmative and negative covenants that the Company is required to comply with, including:

(a) maintaining an interest coverage ratio of no less than:
- 1.25 to 1.00 on June 30, 2015 and the last day of each fiscal quarter thereafter.

(b) maintaining a senior leverage ratio of no greater than:
- 5.85 to 1.00 on June 30, 2015 and the last day of each fiscal quarter thereafter.

(c) limitations on:
- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of September 30, 2015, ratios calculated in accordance with the 2015 Credit Facility were as follows:

	As of September 30, 2015	Covenant Limit	Excess Coverage
Pro Forma Last Twelve Months Covenant EBITDA (In millions)	$ 136.4		
Pro Forma Last Twelve Months Interest Expense (In millions)	$ 74.7		
Senior Debt (In millions)	$ 641.5		
Interest Coverage			
Covenant EBITDA / Interest Expense	1.83x	1.25x	0.58x
Senior Leverage			
Senior Secured Debt / Covenant EBITDA	4.70x	5.85x	1.15x

EBITDA - Earnings before interest, taxes, depreciation and amortization
Covenant EBITDA – EBITDA adjusted for certain other adjustments, as defined in the 2015 Credit Facility

As of September 30, 2015, the Company was in compliance with all of its financial covenants under the 2015 Credit Facility.

As of September 30, 2015, the Company had outstanding approximately $349.1 million on its 2015 Credit Facility. The original issue discount is being reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility. The Company has early adopted ASU 2015-03 during the nine months ended September 30, 2015, resulting in approximately $7.8 million of net debt issuance costs presented as a direct deduction to the Company's long-term debt in the consolidated balance sheet as of September 30, 2015. The retrospective application of ASU 2015-03 decreased other intangible assets and long-term debt by approximately $6.9 million in the consolidated balance sheet as of December 31, 2014.

2011 Credit Facilities

On March 31, 2011, the Company entered into a senior secured credit facility (the "2011 Credit Agreement") with a syndicate of banks, and simultaneously borrowed $386.0 million to retire all outstanding obligations under the Company's previous amended and restated credit agreement and to fund our obligation with respect to a capital call initiated by TV One. The total amount available under the 2011 Credit Agreement was $411.0 million, initially consisting of a $386.0 million term loan facility that matured on March 31, 2016, and a $25.0 million revolving loan facility that matured on March 31, 2015. Borrowings under the credit facilities were subject to compliance with certain covenants including, but not limited to, certain financial covenants. Proceeds from the credit facilities could be used for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes. On December 19, 2012, the Company entered into an amendment to the 2011 Credit Agreement (the "December 2012 Amendment"). The December 2012 Amendment: (i) modified financial covenant levels with respect to the Company's total-leverage, secured-leverage, and interest-coverage ratios; (ii) increased the amount of cash the Company can net for determination of its net indebtedness tests; and (iii) extended the time for certain of the 2011 Credit Agreement's call premium while reducing the time for its later and lower premium.

On January 21, 2015, the Company entered into a second amendment to the 2011 Credit Agreement (the "Second Amendment") with its lenders. The provisions of the 2011 Credit Agreement relating to the call premium were revised by the Second Amendment to extend the call protection from April 1, 2015 until maturity. The Second Amendment provided a call premium of 101.5% if the 2011 Credit Agreement were refinanced with proceeds from a notes offering and 100.5% if the 2011 Credit Agreement was refinanced with proceeds from any other repayment, including proceeds from a new term loan. The call premium was payable at the earlier of any refinancing or final maturity.

The Second Amendment also excluded any "going concern" or qualified audit opinion solely as a result of the upcoming revolver or term loan maturities from the Event of Default provisions of the 2011 Credit Agreement. Next, the Second Amendment provided for the ability to "amend and extend" both the term loan and the revolving credit facility provided for by the 2011 Credit Agreement and added a $2 million lien basket for letters of credit not issued under the 2011 Credit Agreement.

Finally, beginning with the quarter ending March 31, 2015, the Second Amendment implemented certain changes to the financial covenants the Company was required to comply with in order to remain in compliance with the terms of the 2011 Credit Agreement. As noted above, the Company used the net proceeds from the private offering, along with term loan borrowings under the 2015 Credit Facility, to refinance its 2011 Credit Agreement, as amended. The Company recorded a loss on retirement of debt of approximately $7.1 million for the nine months ended September 30, 2015. This amount included a write-off of approximately $1.3 million of previously capitalized debt financing costs, a write-off of $844,000 of original issue discount associated with the 2011 Credit Agreement, as amended, as well as $827,000 associated with the call premium to refinance the credit facility, $106,000 associated with the consent to the existing holders of the 2020 Notes and approximately $4.0 million of costs associated with the financing transactions.

The 2011 Credit Agreement, as amended on December 19, 2012 and January 21, 2015, contained affirmative and negative covenants that the Company was required to comply with. In accordance with the 2011 Credit Agreement, as amended, the calculations for the ratios did not include the operating results or related debt of TV One, but rather included our proportionate share of cash dividends received from TV One for periods presented.

Under the terms of the 2011 Credit Agreement, as amended, interest on base rate loans was payable quarterly and interest on LIBOR loans was payable monthly or quarterly. The base rate was equal to the greater of: (i) the prime rate; (ii) the Federal Funds Effective Rate plus 0.50%; or (iii) the LIBOR Rate for a one-month period plus 1.00%. The applicable margin on the 2011 Credit Agreement was between (i) 4.50% and 5.50% on the revolving portion of the facility and (ii) 5.00% (with a base rate floor of 2.5% per annum) and 6.00% (with a LIBOR floor of 1.5% per annum) on the term portion of the facility. The average interest rate was 7.50% for the first quarter of 2015 prior to the refinancing. Quarterly installments of 0.25%, or $957,000, of the principal balance on the term loan were payable on the last day of each March, June, September and December.

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement. As of September 30, 2015, the Company had letters of credit totaling $1.0 million under the agreement. Letters of credit issued under the agreement are required to be collateralized with cash.

During nine months ended September 30, 2015, the Company repaid approximately $368.5 million under the 2011 Credit Agreement, as amended. During the three and nine months ended September 30, 2014, the Company repaid approximately $1.0 million and $4.0 million, respectively, under the 2011 Credit Agreement, as amended. The original issue discount was being reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility. According to the terms of the Credit Agreement, as amended, the Company did not make an excess cash flow payment in April 2015. According to the terms of the Credit Agreement, as amended, the Company made an excess cash flow payment of approximately $1.1 million during April 2014.

Senior Subordinated Notes

On November 24, 2010, we issued $286.8 million of our 12.5%/15% Senior Subordinated Notes due May 2016 (the "2016 Notes") in a private placement and exchanged and then cancelled approximately $97.0 million of $101.5 million in aggregate principal amount outstanding of our $8^7/_8$% senior subordinated notes due 2011 (the "2011 Notes") and approximately $199.3 million of $200.0 million in aggregate principal amount outstanding of our $6^3/_8$% Senior Subordinated Notes that matured in February 2013 (the "2013 Notes" and the 2013 Notes together with the 2011 Notes, the "Prior Notes"). Subsequently, we repurchased or redeemed all remaining Prior Notes pursuant to the terms of their respective indentures. Effective March 13, 2014, the Company repurchased or otherwise redeemed all of the amounts outstanding under the 2016 Notes using proceeds from our 2020 Notes (defined below). The Company recorded a loss on retirement of debt of approximately $5.7 million during the first quarter of 2014. This amount included a write-off of approximately $4.1 million of previously capitalized debt financing costs and approximately $1.6 million associated with the net premium paid to retire the 2016 Notes.

Interest on the 2016 Notes, that the Company repurchased or otherwise redeemed in March 2014, was initially payable in cash, or at our election, partially in cash and partially through the issuance of additional 2016 Notes (a "PIK Election") on a quarterly basis in arrears. For fiscal 2014, interest accrued at a rate of 12.5% and was payable in cash.

On February 10, 2014, the Company closed a private placement offering of $335.0 million aggregate principal amount of 9.25% senior subordinated notes due 2020 (the "2020 Notes"). The 2020 Notes were offered at an original issue price of 100.0% plus accrued interest from February 10, 2014. The 2020 Notes mature on February 15, 2020. Interest accrues at the rate of 9.25% per annum and is payable semiannually in arrears on February 15 and August 15 in the amount of approximately $15.5 million, commencing on August 15, 2014. The 2020 Notes are guaranteed by certain of the Company's existing and future domestic subsidiaries and any other subsidiaries that guarantee the existing senior credit facility or any of the Company's other syndicated bank indebtedness or capital markets securities. The Company used the net proceeds from the offering to repurchase or otherwise redeem all of the amounts then outstanding under its 2016 Notes and to pay the related accrued interest, premiums, fees and expenses associated therewith. As of September 30, 2015, the Company had $335.0 million of our 2020 Notes outstanding. During the nine months ended September 30, 2014, the Company capitalized approximately $4.5 million of costs associated with our 2020 Notes.

The indenture that governs the 2020 Notes contains covenants that restrict, among other things, the ability of the Company to incur additional debt, purchase common stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with related parties, secure non-senior debt with assets, or merge, consolidate or sell all or substantially all of its assets.

TV One Senior Secured Notes

TV One issued $119.0 million in senior secured notes on February 25, 2011. The proceeds from the notes were used to purchase equity interests from certain financial investors and TV One management. The notes bore interest at 10.0% per annum, which was payable monthly, and the entire principal amount was due on March 15, 2016. In connection with the closing of the financing transactions on April 17, 2015, the TV One senior secured notes were repaid.

Comcast Note

The Company also has outstanding our new senior unsecured promissory note in the aggregate principal amount of approximately $11.9 million due to Comcast. The Comcast Note bears interest at 10.47%, is payable quarterly in arrears, and the entire principal amount is due on April 17, 2019.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's 2022 Notes, 2020 Notes and the Company's obligations under the 2015 Credit Facility.

Future scheduled minimum principal payments of debt as of September 30, 2015, are as follows:

	Comcast Note due April 2019	2015 Credit Facility	9.25% Senior Subordinated Notes due February 2020	7.375% Senior Secured Notes due April 2022	Total
			(In thousands)		
October – December 2015	$ —	$ 875	$ —	$ —	$ 875
2016	—	3,500	—	—	3,500
2017	—	3,500	—	—	3,500
2018	—	341,250	—	—	341,250
2019	11,872	—	—	—	11,872
2020	—	—	335,000	—	335,000
2021 and thereafter	—	—	—	350,000	350,000
Total Debt	$ 11,872	$ 349,125	$ 335,000	$ 350,000	$ 1,045,997

5. INCOME TAXES:

The Company recorded tax expense of approximately $22.9 million on a pre-tax loss from continuing operations of approximately $19.4 million for the nine months ended September 30, 2015, based on the actual effective tax rate for the current period. Because our income tax expense does not have a correlation to our pre-tax earnings, small changes in those earnings can have a significant impact on the income tax expense we recognize. The Company continues to estimate a range of possible outcomes due to the proportion of deferred tax expense from indefinite-lived intangible assets over pre-tax earnings. As a result, we believe the actual effective tax rate best represents the estimated effective rate for the nine months ended September 30, 2015, in accordance with ASC 740-270, "*Interim Reporting*."

As of September 30, 2015, the Company continues to maintain a full valuation allowance on its deferred tax assets for substantially all entities and jurisdictions, for its net deferred tax assets, but excludes deferred tax liabilities related to indefinite-lived intangible assets. In accordance with ASC 740, "*Accounting for Income Taxes*", the Company continually assesses the adequacy of the valuation allowance by assessing the likely future tax consequences of events that have been realized in the Company's financial statements or tax returns, tax planning strategies, and future profitability. As of September 30, 2015, the Company does not believe it is more likely than not that the deferred tax assets will be realized. As part of the assessment, the Company has not included the deferred tax liability related to indefinite-lived intangible assets as a source of future taxable income to support realization of the deferred tax assets.

On April 17, 2015, the Company purchased Comcast's membership interest in TV One (See Note 2 – *Acquisitions and Dispositions)* which resulted in approximately $196.7 million of tax basis increase for the assets acquired. The increased ownership of TV One and the resulting increase in the tax basis of the assets, resulted in an adjustment to the deferred tax liability ("DTL") related to the indefinite-lived assets of TV One. The Company evaluated the DTL and determined that a portion will not reverse within the requisite period and cannot be offset against the deferred tax assets.

6. STOCKHOLDERS' EQUITY:

Stock Repurchase Program

In January 2013, the Company's Board of Directors authorized a repurchase of shares of the Company's Class A and Class D common stock (the "January 2013 Repurchase Authorization"). Under the January 2013 Repurchase Authorization, the Company is authorized, but is not obligated, to repurchase up to $2.0 million worth of its Class A and/or Class D common stock. Subsequently, in May 2013, the Company's Board of Directors authorized a further $1.5 million worth of stock repurchases (the "May 2013 Repurchase Authorization"). Thus, the aggregate amount authorized between the January 2013 Repurchase Authorization and the May 2013 Repurchase Authorization was $3.5 million. As of September 30, 2015, the Company had $57,000 remaining between the two authorizations with respect to its Class A and Class D common stock. In addition, the Company has limited but ongoing authority to purchase shares of Class D common stock (in one or more transactions at any time there remain outstanding grants) under the Company's 2009 Stock Plan (as defined below) to satisfy any employee's or other recipient's tax obligations in connection with the exercise of an option or a share grant under the 2009 Stock Plan, to the extent that the Company has capacity under its financing agreements (i.e., its current credit facilities and indentures) (each a "Stock Vest Tax Repurchase"). Repurchases may be made from time to time in the open market or in privately negotiated transactions in accordance with applicable laws and regulations. The timing and extent of any repurchases will depend upon prevailing market conditions, the trading price of the Company's Class A and/or Class D common stock and other factors, and subject to restrictions under applicable law. The Company executes upon the stock repurchase program in a manner consistent with market conditions and the interests of the stockholders, including maximizing stockholder value. During the nine months ended September 30, 2015, the Company did not repurchase any Class A Common Stock and executed a Stock Vest Tax Repurchase of 345,293 shares of Class D Common Stock in the amount of approximately $1.4 million at an average price of $4.12 per share. During the three months ended September 30, 2015, and the three and nine months ended September 30, 2014, the Company did not repurchase any Class A Common Stock or Class D Common Stock.

Stock Option and Restricted Stock Grant Plan

A stock option and restricted stock plan ("the 2009 Stock Plan") was approved by the stockholders at the Company's annual meeting on December 16, 2009. The Company had the authority to issue up to 8,250,000 shares of Class D Common Stock under the 2009 Stock Plan. On September 26, 2013, the Board of Directors adopted, and our stockholders approved on November 14, 2013, certain amendments to and restatement of the 2009 Stock Plan (the "Amended and Restated 2009 Stock Plan"). The amendments under the Amended and Restated 2009 Stock Plan primarily affected (i) the number of shares with respect to which options and restricted stock grants may be granted under the 2009 Stock Plan and (ii) the maximum number of shares that can be awarded to any individual in any one calendar year. The Amended and Restated 2009 Stock Plan increased the authorized plan shares remaining available for grant to 7,000,000 shares of Class D common stock after giving effect to the issuances prior to the amendment. Prior to the amendment, under the 2009 Plan, in any one calendar year, the compensation committee could not grant to any one participant options to purchase, or grants of, a number of shares of Class D common stock in excess of 1,000,000. Under the Amended and Restated 2009 Stock Plan, this limitation was eliminated. The purpose of eliminating this limitation is to provide the compensation committee with maximum flexibility in setting executive compensation. On April 13, 2015, the Board of Directors adopted, and our stockholders approved on June 2, 2015, a further amendment to the Amended and Restated 2009 Stock Plan. This further amendment increased the authorized plan shares remaining available for grant to 8,250,000 shares of Class D common stock. As of September 30, 2015, 8,156,320 shares of Class D common stock were available for grant under the Amended and Restated 2009 Stock Plan.

On September 30, 2014, the Compensation Committee ("Compensation Committee") of the Board of Directors of the Company approved the principal terms of new employment agreements for each of the Company's named executive officers which included the granting of restricted shares and stock options under a long-term incentive plan ("LTIP") as follows, effective October 6, 2014:

Cathy Hughes, Founder and Executive Chairperson was awarded 456,000 restricted shares of the Company's Class D common stock vesting in approximately equal 1/3 tranches on April 20, 2015, December 31, 2015 and December 31, 2016, and stock options to purchase 293,000 shares of the Company's Class D common stock, vesting in approximately equal 1/3 tranches on April 6, 2015, December 31, 2015 and December 31, 2016.

Alfred C. Liggins, President and Chief Executive Officer of Radio One, Inc. and TV One, LLC was awarded 913,000 restricted shares of the Company's Class D common stock vesting in approximately equal 1/3 tranches on April 20, 2015, December 31, 2015 and December 31, 2016, and stock options to purchase 587,000 shares of the Company's Class D common stock, vesting in approximately equal 1/3 tranches on April 6, 2015, December 31, 2015 and December 31, 2016.

Peter Thompson, Executive Vice President and Chief Financial Officer was awarded 350,000 restricted shares of the Company's Class D common stock with 200,000 shares vesting on April 20, 2015, and with the remaining shares vesting in equal 75,000 share tranches on December 31, 2015 and December 31, 2016, and stock options to purchase 225,000 shares of the Company's Class D common stock vesting in equal 112,500 share tranches on December 31, 2015 and December 31, 2016.

Linda Vilardo, Executive Vice President and Chief Administrative Officer was awarded 225,000 restricted shares of the Company's Class D common stock vesting in equal 75,000 share tranches on April 20, 2015, December 31, 2015 and December 31, 2016.

Christopher Wegmann, President, radio division, was awarded 70,000 restricted shares of the Company's Class D common stock vesting in approximately equal 1/3 tranches on April 20, 2015, December 31, 2015 and December 31, 2016.

Stock-based compensation expense for the three months ended September 30, 2015 and 2014, was approximately $1.0 million and $61,000, respectively, and for the nine months ended September 30, 2015 and 2014, was approximately $3.8 million and $171,000, respectively.

The Company granted 50,000 stock options during the three and nine months ended September 30, 2015. The Company did not grant stock options during the three and nine months ended September 30, 2014.

These fair values were derived using the Black-Scholes Model with the following weighted-average assumptions:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Average risk-free interest rate	1.84%	—	1.84%	—
Expected dividend yield	0.00%	—	0.00%	—
Expected lives	6.00 Years	—	6.00 Years	
Expected volatility	80.8%	—	80.8%	—

Transactions and other information relating to stock options for the nine months ended September 30, 2015, are summarized below:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2014	3,737,000	$ 3.12	5.18	$ 629,440
Grants	50,000	$ 2.43		
Exercised	—	$ —		
Forfeited/cancelled/expired	370,000	$ 12.65		
Balance as of September 30, 2015	3,417,000	$ 2.08	5.04	$ 1,594,382
Vested and expected to vest at September 30, 2015	3,312,000	$ 2.06	4.91	$ 1,594,382
Unvested at September 30, 2015	862,000	$ 2.73	9.07	$ —
Exercisable at September 30, 2015	2,555,000	$ 1.86	3.68	$ 1,594,382

The aggregate intrinsic value in the table above represents the difference between the Company's stock closing price on the last day of trading during the three months ended September 30, 2015, and the exercise price, multiplied by the number of shares that would have been received by the holders of in-the-money options had all the option holders exercised their options on September 30, 2015. This amount changes based on the fair market value of the Company's stock. There were no options exercised during the three and nine months ended September 30, 2015. The number of options that were exercised during the three and nine months ended September 30, 2014 was 92,000. No options vested during the three months ended September 30, 2015, and 293,338 options vested during the nine months ended September 30, 2015. No options vested during the three months ended September 30, 2014, and 75,300 options vested during the nine months ended September 30, 2014.

As of September 30, 2015, approximately $1.7 million of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 9.8 months. The stock option weighted-average fair value per share was $1.40 at September 30, 2015.

The Company granted 25,000 shares of restricted stock during the three months ended September 30, 2015, and 93,680 shares of restricted stock during the nine months ended September 30, 2015. Each of the five non-executive directors received 13,736 shares of restricted stock or $50,000 worth of restricted stock based upon the closing price of the Company's Class D common stock on June 16, 2015. As noted above, during the year ended December 31, 2014, 2,424,000 restricted shares were issued to the Company's Executives and LTIP participants. During the years ended December 31, 2014 and 2013, respectively, 56,050 and 109,645 shares of restricted stock were issued to the Company's non-executive directors as a part of their 2013 and 2014 compensation packages. Each of the five non-executive directors received 11,210 shares of restricted stock or $50,000 worth of restricted stock based upon the closing price of the Company's Class D common stock on June 14, 2014 and 21,929 shares of restricted stock or $50,000 worth of restricted stock based upon the closing price of the Company's Class D common stock on June 14, 2013. All of the grants vest over a two-year period in equal 50% installments.

Transactions and other information relating to restricted stock grants for the nine months ended September 30, 2015, are summarized below:

	Shares	Average Fair Value at Grant Date
Unvested at December 31, 2014	2,535,000	$ 2.78
Grants	94,000	$ 3.32
Vested	(958,000)	$ 2.77
Forfeited/cancelled/expired	(50,000)	$ 2.75
Unvested at September 30, 2015	1,621,000	$ 2.81

The vested portion of restricted stock grants were included in the Company's outstanding share numbers on the effective date of grant. As of September 30, 2015, approximately $4.0 million of total unrecognized compensation cost related to restricted stock grants is expected to be recognized over the weighted-average period of 9.8 months.

7. SEGMENT INFORMATION:

The Company has four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) internet; and (iv) cable television. These segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The radio broadcasting segment consists of all broadcast results of operations. The Company aggregates the broadcast markets in which it operates into the radio broadcasting segment. The Reach Media segment consists of the results of operations for the Tom Joyner Morning Show and related activities and operations of other syndicated shows. The internet segment includes the results of our online business, including the operations of Interactive One. The cable television segment consists of TV One's results of operations. Corporate/Eliminations/Other represents financial activity associated with our corporate staff and offices and intercompany activity among the four segments.

Operating loss or income represents total revenues less operating expenses, depreciation and amortization, and impairment of long-lived assets. Intercompany revenue earned and expenses charged between segments are recorded at fair value and eliminated in consolidation.

The accounting policies described in the summary of significant accounting policies in Note 1 – *Organization and Summary of Significant Accounting Policies* are applied consistently across the segments.

Detailed segment data for the three and nine month periods ended September 30, 2015 and 2014, is presented in the following tables:

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
	(Unaudited) (In thousands)	
Net Revenue:		
Radio Broadcasting	$ 50,880	$ 54,498
Reach Media	13,486	13,618
Internet	5,503	5,822
Cable Television	47,571	39,488
Corporate/Eliminations/Other	(1,547)	(1,255)
Consolidated	$ 115,893	$ 112,171
Operating Expenses (including stock-based compensation and excluding depreciation and amortization and impairment of long-lived assets):		
Radio Broadcasting	$ 31,375	$ 32,478
Reach Media	11,061	13,306
Internet	5,427	5,372
Cable Television	31,987	27,095
Corporate/Eliminations/Other	6,129	5,181
Consolidated	$ 85,979	$ 83,432
Depreciation and Amortization:		
Radio Broadcasting	$ 1,145	$ 1,241
Reach Media	(394)	285
Internet	446	598
Cable Television	6,554	6,523
Corporate/Eliminations/Other	526	532
Consolidated	$ 8,277	$ 9,179
Impairment of long-lived assets:		
Radio Broadcasting	$ —	$ —
Reach Media	—	—
Internet	14,545	—
Cable Television	—	—
Corporate/Eliminations/Other	—	—
Consolidated	$ 14,545	$ —
Operating income (loss):		
Radio Broadcasting	$ 18,360	$ 20,779
Reach Media	2,819	27
Internet	(14,915)	(148)
Cable Television	9,030	5,870
Corporate/Eliminations/Other	(8,202)	(6,968)
Consolidated	$ 7,092	$ 19,560

	September 30, 2015	December 31, 2014
	(Unaudited)	
	(In thousands)	
Total Assets:		
Radio Broadcasting	$ 813,924	$ 807,760
Reach Media	37,601	36,376
Internet	17,410	33,375
Cable Television	442,765	464,661
Corporate/Eliminations/Other	51,588	49,522
Consolidated	$ 1,363,288	$ 1,391,694

	Nine Months Ended September 30,	
	2015	2014
	(Unaudited) (In thousands)	
Net Revenue:		
Radio Broadcasting	$ 149,093	$ 159,906
Reach Media	42,508	40,433
Internet	15,763	18,175
Cable Television	138,898	117,166
Corporate/Eliminations/Other	(4,785)	(4,023)
Consolidated	$ 341,477	$ 331,657
Operating Expenses (including stock-based compensation and excluding depreciation and amortization and impairment of long-lived assets):		
Radio Broadcasting	$ 95,297	$ 97,194
Reach Media	36,041	40,227
Internet	16,342	17,417
Cable Television	87,348	76,895
Corporate/Eliminations/Other	18,087	14,498
Consolidated	$ 253,115	$ 246,231
Depreciation and Amortization:		
Radio Broadcasting	$ 3,469	$ 3,832
Reach Media	137	862
Internet	1,559	1,830
Cable Television	19,600	19,597
Corporate/Eliminations/Other	1,580	1,564
Consolidated	$ 26,345	$ 27,685
Impairment of long-lived assets:		
Radio Broadcasting	$ —	$ —
Reach Media	—	—
Internet	14,545	—
Cable Television	—	—
Corporate/Eliminations/Other	—	—
Consolidated	$ 14,545	$ —
Operating income (loss):		
Radio Broadcasting	$ 50,327	$ 58,880
Reach Media	6,330	(656)
Internet	(16,683)	(1,072)
Cable Television	31,950	20,674
Corporate/Eliminations/Other	(24,452)	(20,085)
Consolidated	$ 47,472	$ 57,741

8. COMMITMENTS AND CONTINGENCIES:

Royalty Agreements

The Company has entered into fixed and variable fee music license agreements with performance rights organizations, which expire beginning December 31, 2015, and as late as December 31, 2016. In connection with all performance rights organization agreements, including American Society of Composers, Authors and Publishers ("ASCAP") and Broadcast Music, Inc. ("BMI"), the Company incurred expenses of approximately $2.7 million and $2.3 million for the three month periods ended September 30, 2015 and 2014, respectively, and approximately $7.7 million and $7.1 million for the nine month periods ended September 30, 2015 and 2014, respectively.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

Off-Balance Sheet Arrangements

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement. As of September 30, 2015, the Company had letters of credit totaling $1.0 million under the agreement. Letters of credit issued under the agreement are required to be collateralized with cash.

Noncontrolling Interest Shareholders' Put Rights

Beginning on January 1, 2018, the noncontrolling interest shareholders of Reach Media have an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares (the "Put Right"). Beginning in 2018, this annual right is exercisable for a 30-day period beginning January 1 of each year. The purchase price for such shares may be paid in cash and/or shares of registered Class D common stock of Radio One, at the discretion of Radio One.

9. SUBSEQUENT EVENTS:

On October 19, 2015, the Company announced that David Kantor has been named Chief Executive Officer of the radio broadcasting segment, reporting to Alfred C. Liggins, III, who continues as President and Chief Executive Officer of the Company. Christopher Wegmann, President of the Company's local radio broadcasting segment, will maintain his role and report to Mr. Kantor. The announcement was reported on the Company's Current Report on Form 8-K filed October 22, 2015.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following information should be read in conjunction with "Selected Financial Data" and the Consolidated Financial Statements and Notes thereto included elsewhere in this report and the audited financial statements and Management's Discussion and Analysis contained in our Annual Report on Form 10-K, for the year ended December 31, 2014.

Introduction

Revenue

Within our core radio business, we primarily derive revenue from the sale of advertising time and program sponsorships to local and national advertisers on our radio stations. Advertising revenue is affected primarily by the advertising rates our radio stations are able to charge, as well as the overall demand for radio advertising time in a market. These rates are largely based upon a radio station's audience share in the demographic groups targeted by advertisers, the number of radio stations in the related market, and the supply of, and demand for, radio advertising time. Advertising rates are generally highest during morning and afternoon commuting hours.

In the broadcasting industry, radio stations and television stations often utilize trade or barter agreements to reduce cash expenses by exchanging advertising time for goods or services. In order to maximize cash revenue for our spot inventory, we closely monitor the use of trade and barter agreements.

Interactive One derives its revenue principally from advertising services, including diversity recruiting advertising. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases are made or leads are generated, or ratably over the contract period, where applicable. In addition, Interactive One derives revenue from its studio operations, in which it provides third-party clients with publishing services including digital platforms and related expertise. In the case of the studio operations, revenue is recognized primarily based on fixed contractual monthly fees or as a share of the third party's reported revenue.

TV One generates the Company's cable television revenue, and derives its revenue principally from advertising and affiliate revenue. Advertising revenue is derived from the sale of television air time to advertisers and is recognized when the advertisements are run. TV One also derives revenue from affiliate fees under the terms of various affiliation agreements based upon a per subscriber fee multiplied by most recent subscriber counts reported by the applicable affiliate.

Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions. Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing.

The following chart shows the percentage of consolidated net revenue generated by each reporting segment.

	For The Three Months Ended September 30,		For The Nine Months Ended September 30,	
	2015	2014	2015	2014
Percentage of net revenue generated by radio broadcasting segment	43.9%	48.6%	43.7%	48.2%
Percentage of net revenue generated by Reach Media segment	11.6%	12.1%	12.4%	12.2%
Percentage of net revenue generated by internet segment	4.8%	5.2%	4.6%	5.5%
Percentage of net revenue generated by cable television segment	41.0%	35.2%	40.7%	35.3%
Percentage of net revenue generated by corporate/eliminations	(1.3)%	(1.1)%	(1.4)%	(1.2)%

National advertising also includes advertising revenue generated from our internet segment. The balance of net revenue from our radio segment was generated from tower rental income, ticket sales and revenue related to our sponsored events, management fees and other revenue.

The following chart shows net revenue generated from our core radio business as a percentage of consolidated net revenue. In addition, it shows the percentages generated from local and national advertising as a subset of net revenue from our core radio business.

	For The Three Months Ended September 30,		For The Nine Months Ended September 30,	
	2015	2014	2015	2014
Net revenue generated from core radio business, excluding Reach Media, as a percentage of consolidated net revenue	44.4%	49.2%	44.2%	48.8%
Percentage of core radio business generated from local advertising	61.6%	63.5%	62.0%	63.5%
Percentage of core radio business generated from national advertising, including network advertising	33.5%	32.0%	32.3%	31.1%

The following charts show our net revenue (and sources) for the three and nine month periods ended September 30, 2015:

	Three Months Ended September 30,			
	2015	2014	$ Change	% Change
	(Unaudited)			
Net Revenue:				
Radio Advertising	$ 55,579	$ 60,197	$ (4,618)	-7.7%
Political Advertising	413	461	(48)	-10.4%
Digital Advertising	6,857	7,130	(273)	-3.8%
Cable Television Advertising	22,069	19,481	2,588	13.3%
Cable Television Affiliate Fees	25,502	19,942	5,560	27.9%
Event Revenues & Other	5,473	4,960	513	10.3%
Net Revenue (as reported)	$ 115,893	$ 112,171	$ 3,722	3.3%

	Nine Months Ended September 30,			
	2015	2014	$ Change	% Change
	(Unaudited)			
Net Revenue:				
Radio Advertising	$ 162,972	$ 174,274	$ (11,302)	-6.5%
Political Advertising	918	1,621	(703)	-43.4%
Digital Advertising	19,859	21,988	(2,129)	-9.7%
Cable Television Advertising	63,884	56,901	6,983	12.3%
Cable Television Affiliate Fees	74,888	59,790	15,098	25.3%
Event Revenues & Other	18,956	17,083	1,873	11.0%
Net Revenue (as reported)	$ 341,477	$ 331,657	$ 9,820	3.0%

Expenses

Our significant expenses are: (i) employee salaries and commissions; (ii) programming expenses; (iii) marketing and promotional expenses; (iv) rental of premises for office facilities and studios; (v) rental of transmission tower space; (vi) music license royalty fees; and (vii) content amortization. We strive to control these expenses by centralizing certain functions such as finance, accounting, legal, human resources and management information systems and, in certain markets, the programming management function. We also use our multiple stations, market presence and purchasing power to negotiate favorable rates with certain vendors and national representative selling agencies. In addition to salaries and commissions, major expenses for our internet business include membership traffic acquisition costs, software product design, post application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with internet service provider ("ISP") hosting services and other internet content delivery expenses. Major expenses for our cable television business include content acquisition and amortization, sales and marketing.

We generally incur marketing and promotional expenses to increase our audiences. However, because Nielsen reports ratings either monthly or quarterly, depending on the particular market, any changed ratings and the effect on advertising revenue tends to lag behind both the reporting of the ratings and the incurrence of advertising and promotional expenditures.

Measurement of Performance

We monitor and evaluate the growth and operational performance of our business using net income and the following key metrics:

(a) *Net revenue*: The performance of an individual radio station or group of radio stations in a particular market is customarily measured by its ability to generate net revenue. Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions consistent with industry practice. Net revenue is recognized in the period in which advertisements are broadcast. Net revenue also includes advertising aired in exchange for goods and services, which is recorded at fair value, revenue from sponsored events and other revenue. Net revenue is recognized for our online business as impressions are delivered, as "click throughs" are made or ratably over contract periods, where applicable. Net revenue is recognized for our cable television business as advertisements are run, and during the term of the affiliation agreements at levels appropriate for the most recent subscriber counts reported by the affiliate, net of launch support.

(b) *Station operating income*: Net income (loss) before depreciation and amortization, income taxes, interest expense, interest income, noncontrolling interests in income of subsidiaries, other (income) expense, corporate selling, general and administrative, expenses, stock-based compensation, impairment of long-lived assets and loss on retirement of debt, is commonly referred to in our industry as station operating income. Station operating income is not a measure of financial performance under generally accepted accounting principles in the United States ("GAAP"). Nevertheless, station operating income is a significant basis used by our management to measure the operating performance of our stations within the various markets. Station operating income provides helpful information about our results of operations, apart from expenses associated with our fixed and long-lived intangible assets, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead and stock-based compensation. Our measure of station operating income may not be comparable to similarly titled measures of other companies as our definition includes the results of all four of our operating segments (radio broadcasting, Reach Media, internet and cable television). Station operating income does not represent operating loss or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

(c) *Station operating income margin*: Station operating income margin represents station operating income as a percentage of net revenue. Station operating income margin is not a measure of financial performance under GAAP. Nevertheless, we believe that station operating income margin is a useful measure of our performance because it provides helpful information about our profitability as a percentage of our net revenue. Station operating margin includes results from all four segments (radio broadcasting, Reach Media, internet and cable television).

(d) *Adjusted EBITDA*: Adjusted EBITDA consists of net (loss) income plus (1) depreciation and amortization, income taxes, interest expense, noncontrolling interests in income of subsidiaries, impairment of long-lived assets, stock-based compensation, loss on retirement of debt, employment agreement and incentive plan award expenses, less (2) other income and interest income. Net income before interest income, interest expense, income taxes, depreciation and amortization is commonly referred to in our business as "EBITDA." Adjusted EBITDA and EBITDA are not measures of financial performance under generally accepted accounting principles. We believe Adjusted EBITDA is often a useful measure of a company's operating performance and is a significant basis used by our management to measure the operating performance of our business because Adjusted EBITDA excludes charges for depreciation, amortization and interest expense that have resulted from our acquisitions and debt financing, our taxes, impairment charges, as well as our equity in (income) loss of our affiliated company and gain on retirements of debt. Accordingly, we believe that Adjusted EBITDA provides useful information about the operating performance of our business, apart from the expenses associated with our fixed assets and long-lived intangible assets, capital structure or the results of our affiliated company. Adjusted EBITDA is frequently used as one of the bases for comparing businesses in our industry, although our measure of Adjusted EBITDA may not be comparable to similarly titled measures of other companies as our definition includes the results of all four of our operating segments (radio broadcasting, Reach Media, internet and cable television). Adjusted EBITDA and EBITDA do not purport to represent operating income or cash flow from operating activities, as those terms are defined under generally accepted accounting principles, and should not be considered as alternatives to those measurements as an indicator of our performance.

Summary of Performance

The tables below provide a summary of our performance based on the metrics described above:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands, except margin data) (Unaudited)			
Net revenue	$ 115,893	$ 112,171	$ 341,477	$ 331,657
Station operating income	42,186	38,645	125,997	114,881
Station operating income margin	36.4%	34.5%	36.9%	34.6%
Consolidated net loss attributable to common stockholders	$ (18,145)	$ (13,220)	$ (49,673)	$ (49,219)

The reconciliation of net loss to station operating income is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands, unaudited)			
Consolidated net loss attributable to common stockholders	$ (18,145)	$ (13,220)	$ (49,673)	$ (49,219)
Add back non-station operating income items included in consolidated net loss:				
Interest income	(33)	(40)	(68)	(174)
Interest expense	20,356	19,350	59,620	60,468
Provision for income taxes	4,439	9,037	22,911	26,220
Corporate selling, general and administrative, excluding stock-based compensation	11,256	9,845	33,840	29,284
Stock-based compensation	1,016	61	3,795	171
Loss on retirement of debt	—	—	7,091	5,679
Other (income) expense, net	(39)	(29)	246	16
Depreciation and amortization	8,277	9,179	26,345	27,685
Noncontrolling interests in income of subsidiaries	514	4,462	7,345	14,751
Impairment of long-lived assets	14,545	—	14,545	—
Station operating income	$ 42,186	$ 38,645	$ 125,997	$ 114,881

The reconciliation of net loss to adjusted EBITDA is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(In thousands, unaudited)			
Adjusted EBITDA reconciliation:				
Consolidated net loss attributable to common stockholders, as reported	$ (18,145)	$ (13,220)	$ (49,673)	$ (49,219)
Add back non-station operating income items included in consolidated net loss:				
Interest income	(33)	(40)	(68)	(174)
Interest expense	20,356	19,350	59,620	60,468
Provision for income taxes	4,439	9,037	22,911	26,220
Depreciation and amortization	8,277	9,179	26,345	27,685
EBITDA	$ 14,894	$ 24,306	$ 59,135	$ 64,980
Stock-based compensation	1,016	61	3,795	171
Loss on retirement of debt	—	—	7,091	5,679
Other (income) expense, net	(39)	(29)	246	16
Noncontrolling interests in income of subsidiaries	514	4,462	7,345	14,751
Employment Agreement Award and incentive plan award expenses*	961	546	2,423	2,237
Impairment of long-lived assets	14,545	—	14,545	—
Adjusted EBITDA	$ 31,891	$ 29,346	$ 94,580	$ 87,834

* The Company modified the definition of Adjusted EBITDA during 2014 for the inclusion of Employment Agreement Award and incentive plan award expenses. All prior periods have been reclassified to conform to current period presentation.

RADIO ONE, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS

The following table summarizes our historical consolidated results of operations:

Three Months Ended September 30, 2015 Compared to Three Months Ended September 30, 2014 (In thousands)

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Increase/(Decrease)	
	(Unaudited)			
Statements of Operations:				
Net revenue	$ 115,893	$ 112,171	$ 3,722	3.3%
Operating expenses:				
Programming and technical, excluding stock-based compensation	32,785	36,520	(3,735)	(10.2)
Selling, general and administrative, excluding stock-based compensation	40,922	37,006	3,916	10.6
Corporate selling, general and administrative, excluding stock-based compensation	11,256	9,845	1,411	14.3
Stock-based compensation	1,016	61	955	*
Depreciation and amortization	8,277	9,179	(902)	(9.8)
Impairment of long-lived assets	14,545	—	14,545	100.0
Total operating expenses	108,801	92,611	16,190	17.5
Operating income	7,092	19,560	(12,468)	(63.7)
Interest income	33	40	(7)	(17.5)
Interest expense	20,356	19,350	1,006	5.2
Other income, net	39	29	10	34.5
(Loss) income before provision for income taxes and noncontrolling interests in income of subsidiaries	(13,192)	279	(13,471)	*
Provision for income taxes	4,439	9,037	(4,598)	(50.9)
Consolidated net loss	(17,631)	(8,758)	(8,873)	(101.3)
Net income attributable to noncontrolling interests	514	4,462	(3,948)	(88.5)
Net loss attributable to common stockholders	$ (18,145)	$ (13,220)	$ (4,925)	(37.3)%

* Not meaningful

Net revenue

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	115,893	$	112,171	$	3,722	3.3%

During the three months ended September 30, 2015, we recognized approximately $115.9 million in net revenue compared to approximately $112.2 million during the same period in 2014. These amounts are net of agency and outside sales representative commissions, which were approximately $7.1 million during the three months ended September 30, 2015, compared to approximately $7.9 million for the comparable period in 2014. Net revenues from our radio broadcasting segment for the quarter ended September 30, 2015, decreased 6.6% from the same period in 2014. Based on reports prepared by the independent accounting firm Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), the markets we operate in (excluding Richmond and Raleigh which no longer participate in Miller Kaplan) decreased 2.3% in total revenues. We experienced net revenue growth in certain markets (most significantly in our Cleveland, Dallas, Philadelphia, and St. Louis markets); however, this growth was offset by declines in other markets (with our Atlanta, Baltimore, Detroit, Columbus, Houston, Indianapolis and Washington D.C. markets experiencing the most significant declines). Reach Media's net revenues decreased slightly by $132,000 and 1.0% during the three months ended September 30, 2015, compared to the same period in 2014. We recognized approximately $47.6 million of revenue from our cable television segment during the three months ended September 30, 2015, compared to approximately $39.5 million for the same period in 2014, the increase due primarily from greater advertising demand and an increase in subscriber rates for certain affiliates. Finally, net revenues for our internet business decreased 5.5% for the three months ended September 30, 2015, compared to the same period in 2014 due to a decline in alliance revenue.

Operating Expenses

Programming and technical, excluding stock-based compensation

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	32,785	$	36,520	$	(3,735)	(10.2)%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. For our cable television segment, programming and technical expenses include expenses associated with the technical, programming, production, and content management. The decrease in programming and technical expenses for the three months ended September 30, 2015, compared to the same period in 2014 was driven primarily by our radio broadcasting and Reach Media segments. The radio broadcasting segment generated a decrease of approximately $1.0 million for the three months ended September 30, 2015, compared to the same period in 2014, due primarily to lower employee compensation costs associated with format changes in our Houston market. The decrease in programming and technical expenses from our Reach Media segment is due to a decrease of approximately $2.0 million in talent compensation as a result of renegotiated contracts.

Selling, general and administrative, excluding stock-based compensation

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	40,922	$	37,006	$	3,916	10.6%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for the radio broadcasting segment and internet segment include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. The increased expense for the three months ended September 30, 2015, compared to the same period in 2014 was due primarily to higher marketing and promotional expenses to advertise and promote a new original program in addition to higher employee compensation costs at our cable television segment.

Corporate selling, general and administrative, excluding stock-based compensation

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	11,256	$	9,845	$	1,411	14.3%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel as well as other corporate overhead functions. The increase in corporate expenses was due primarily to higher management employee compensation costs and allowance for doubtful accounts at our cable television segment.

Stock-based compensation

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	1,016	$	61	$	955	*%

On September 30, 2014, the Compensation Committee of the Board of Directors of the Company approved the principal terms of new employment agreements for each of the Company's named executive officers which included the granting of 2,014,000 restricted shares and 1,105,000 stock options effective October 6, 2014, under a long-term incentive plan ("LTIP"). Also effective October 6, 2014, the Compensation Committee awarded 410,000 shares of restricted stock to certain employees pursuant to the Company's LTIP. Stock-based compensation requires measurement of compensation costs for all stock-based awards at fair value on date of grant and recognition of compensation expense over the service period for which awards are expected to vest.

Depreciation and amortization

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	8,277	$	9,179	$	(902)	(9.8)%

The decrease in depreciation and amortization expense for the three months ended September 30, 2015, was due to the completion of useful lives for certain assets.

Impairment of long-lived assets

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	14,545	$	—	$	14,545	100.0%

During the quarter ended September 30, 2015, the Company identified a triggering event to perform a goodwill interim impairment analysis on the Interactive One reporting unit. Based on preliminary calculations, the Company recorded an estimated goodwill impairment charge related to Interactive One of approximately $14.5 million during the quarter ended September 30, 2015. The Company expects to finalize the step two impairment analysis and record any adjustments to the preliminary amount during the fourth quarter of 2015.

Interest expense

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	20,356	$	19,350	$	1,006	5.2%

Interest expense increased to approximately $20.4 million for the quarter ended September 30, 2015, compared to approximately $19.4 million for the same period in 2014. On April 17, 2015, the Company's 2011 Credit Agreement, as amended, and TV One notes were paid off, with balances of $367.6 million and $119.0 million, respectively. The payoffs were achieved by the Company entering into its new $350.0 million 2015 Credit Facility, issuing the 2022 Notes in an aggregate principal amount of $350.0 million and the Comcast Note in the aggregate principal amount of approximately $11.9 million.

Provision for income taxes

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	4,439	$	9,037	$	(4,598)	(50.9)%

For the three months ended September 30, 2015, and 2014, the provision for income taxes was approximately $4.4 million and $9.0 million, respectively, primarily attributable to the deferred tax liability ("DTL") for indefinite-lived intangible assets. The decrease of approximately $4.6 million was due to the completion of tax amortization from previously acquired indefinite-lived intangible assets and due to provision to return adjustments from the 2014 income tax returns.

Noncontrolling interests in income of subsidiaries

Three Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	514	$	4,462	$	(3,948)	(88.5)%

The decrease in noncontrolling interests in income of subsidiaries is due primarily to a change in ownership percentage of TV One.

Other Data

Station operating income

Station operating income increased to approximately $42.2 million for the three months ended September 30, 2015, compared to approximately $38.6 million for the comparable period in 2014, an increase of $3.5 million or 9.2%. This increase was primarily due to higher station operating income from our Reach Media and cable segments for the three months ended September 30, 2015, versus the same period in 2014. Reach Media generated approximately $3.2 million of station operating income during the three months ended September 30, 2015, compared to approximately $1.5 million during the three months ended September 30, 2014. The increase is primarily due to lower talent compensation as a result of renegotiated contracts. Our cable segment generated approximately $18.7 million of station operating income during the quarter ended September 30, 2015, compared to $14.0 million during the three months ended September 30, 2014, with the increase due primarily from greater advertising demand and an increase in affiliate sales. These increases in station operating income from our Reach Media and cable television segments were partially offset by a decrease of approximately $2.5 million in radio broadcasting segment station operating income. The decrease from the radio broadcasting segment was due primarily to continued declines in net revenue from our radio markets.

Station operating income margin

Station operating income margin increased to 36.4% for the three months ended September 30, 2015, from 34.5% for the comparable period in 2014. The margin increase was primarily attributable to TV One's and Reach Media's greater operating income noted above.

RADIO ONE, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS

The following table summarizes our historical consolidated results of operations:

Nine Months Ended September 30, 2015, Compared to Nine Months Ended September 30, 2014 (In thousands)

	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014	Increase/(Decrease)	
	(Unaudited)			
Statements of Operations:				
Net revenue	$ 341,477	$ 331,657	$ 9,820	3.0%
Operating expenses:				
Programming and technical, excluding stock-based compensation	98,667	105,712	(7,045)	(6.7)
Selling, general and administrative, excluding stock-based compensation	116,813	111,064	5,749	5.2
Corporate selling, general and administrative, excluding stock-based compensation	33,840	29,284	4,556	15.6
Stock-based compensation	3,795	171	3,624	2,119.3
Depreciation and amortization	26,345	27,685	(1,340)	(4.8)
Impairment of long-lived assets	14,545	—	14,545	100.0
Total operating expenses	294,005	273,916	20,089	7.3
Operating income	47,472	57,741	(10,269)	(17.8)
Interest income	68	174	(106)	(60.9)
Interest expense	59,620	60,468	(848)	(1.4)
Loss on retirement of debt	7,091	5,679	1,412	24.9
Other expense, net	246	16	230	1,437.5
(Loss) income before provision for income taxes, and noncontrolling interests in income of subsidiaries	(19,417)	(8,248)	(11,169)	(135.4)
Provision for income taxes	22,911	26,220	(3,309)	(12.6)
Consolidated net loss	(42,328)	(34,468)	(7,860)	(22.8)
Net income attributable to noncontrolling interests	7,345	14,751	(7,406)	(50.2)
Net loss attributable to common stockholders	$ (49,673)	$ (49,219)	$ (454)	(0.9)%

Net revenue

Nine Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	341,477	$	331,657	$	9,820	3.0%

During the nine months ended September 30, 2015, we recognized approximately $341.5 million in net revenue compared to approximately $331.7 million during the same period in 2014. These amounts are net of agency and outside sales representative commissions, which were approximately $20.7 million during the nine months ended September 30, 2015, compared to approximately $23.1 million during the same period in 2014. Net revenues from our radio broadcasting segment for the nine months ended September 30, 2015, decreased 6.8% from the same period in 2014, primarily to continued declines in net revenue in our four largest markets. Based on reports prepared by Miller Kaplan, the markets we operate in decreased 2.7% in total revenues. We experienced net revenue growth in certain markets (most significantly in our Dallas, Philadelphia and St. Louis markets); however, this growth was offset by declines in other markets (with our Atlanta, Baltimore, Columbus, Detroit, Houston, Indianapolis and Washington, DC markets experiencing the most significant net revenue declines). Reach Media's net revenues increased 5.1% in the nine months ended September 30, 2015, compared to the same period in 2014, due primarily to better performance at the annual promotional event. We recognized approximately $138.9 million and $117.2 million of revenue from our cable television segment during the nine months ended September 30, 2015, and 2014, respectively, with the increase due primarily from greater advertising demand and an increase in affiliate sales. Net revenue for our internet business decreased 13.3% for the nine months ended September 30, 2015, compared to the same period in 2014, due to decreases in alliance revenue.

Operating Expenses

Programming and technical, excluding stock-based compensation

Nine Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	98,667	$	105,712	$	(7,045)	(6.7)%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. For our cable television segment, programming and technical expenses include expenses associated with the technical, programming, production, and content management. The decreased expense for the nine months ended September 30, 2015, compared to the same period in 2014 is due primarily from lower expenses at our radio broadcasting and Reach Media segments. These decreases are partially offset by an increase in expenses from our cable television segment. Our radio broadcasting segment generated a decrease of approximately $2.1 million for the nine months ended September 30, 2015, compared to the same period in 2014, as there were lower employee compensation costs associated with format changes in our Houston market. Our Reach Media segment generated a decrease of approximately $6.9 million for the nine months ended September 30, 2015, compared to the same period in 2014, with the decrease due to a reduction in talent compensation as a result of renegotiated contracts. Approximately $48.3 million of our consolidated programming and technical operating expenses were incurred by our cable broadcasting segment for the nine months ended September 30, 2015, versus approximately $46.3 million for the same period in 2014. Of this total amount incurred by our cable broadcasting segment, approximately $40.9 million and $39.0 million, respectively, relates specifically to program content expense. The increase in program content expense was a result of certain new series and movie premieres.

Selling, general and administrative, excluding stock-based compensation

Nine Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	116,813	$	111,064	$	5,749	5.2%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for the radio broadcasting segment and internet segment include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. The increase in selling, general and administrative expenses was due primarily from our Reach Media and cable television segments. Commensurate with the increase in revenue, Reach Media incurred higher costs associated with its annual promotional event. Our cable television segment incurred an increase in marketing and promotional expense to advertise and promote certain programs in addition to higher employee compensation costs.

Corporate selling, general and administrative, excluding stock-based compensation

Nine Months Ended September 30,		Increase/(Decrease)	
2015	2014		
$ 33,840	$ 29,284	$ 4,556	15.6%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel as well as other corporate overhead functions. Our cable television segment generated the majority of the increase in corporate expenses due primarily to higher management employee compensation costs and an increase in the allowance for doubtful accounts.

Stock-based compensation

Nine Months Ended September 30,		Increase/(Decrease)	
2015	2014		
$ 3,795	$ 171	$ 3,624	2,119.3%

On September 30, 2014, the Compensation Committee of the Board of Directors of the Company approved the principal terms of new employment agreements for each of the Company's named executive officers which included the granting of 2,014,000 restricted shares and 1,105,000 stock options effective October 6, 2014, under an LTIP. Also effective October 6, 2014, the Compensation Committee awarded 410,000 shares of restricted stock to certain employees pursuant to the Company's LTIP. Stock-based compensation requires measurement of compensation costs for all stock-based awards at fair value on date of grant and recognition of compensation expense over the service period for which awards are expected to vest.

Depreciation and amortization

Nine Months Ended September 30,		Increase/(Decrease)	
2015	2014		
$ 26,345	$ 27,685	$ (1,340)	(4.8)%

The decrease in depreciation and amortization expense for the nine months ended September 30, 2015, was due to the completion of amortization for certain intangible assets and the completion of useful lives for certain assets.

Impairment of long-lived assets

Nine Months Ended September 30,		Increase/(Decrease)	
2015	2014		
$ 14,545	$ —	$ 14,545	100.0%

During the nine months ended September 30, 2015, the Company identified a triggering event to perform a goodwill interim impairment analysis on the Interactive One reporting unit. Based on preliminary calculations, the Company recorded an estimated goodwill impairment charge related to Interactive One of approximately $14.5 million during the nine months ended September 30, 2015. The Company expects to finalize the step two impairment analysis and record any adjustments to the preliminary amount during the fourth quarter of 2015.

Interest expense

Nine Months Ended September 30,		Increase/(Decrease)	
2015	2014		
$ 59,620	$ 60,468	$ (848)	(1.4)%

Interest expense decreased to approximately $59.6 million for the nine months ended September 30, 2015, compared to approximately $60.5 million for the same period in 2014. On April 17, 2015, the Company's 2011 Credit Agreement, as amended, and TV One notes were paid off, with balances of $367.6 million and $119.0 million, respectively. The payoffs were achieved by the Company entering into its new $350.0 million 2015 Credit Facility, issuing the 2022 Notes in an aggregate principal amount of $350.0 million and the Comcast Note in the aggregate principal amount of approximately $11.9 million.

Loss on retirement of debt

Nine Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	7,091	$	5,679	$	1,412	24.9%

The loss on retirement of debt of approximately $7.1 million for the nine months ended September 30, 2015, was due to the retirement of the 2011 Credit Agreement and payoff of the TV One Notes during the first quarter. This amount included a write-off of approximately $1.3 million of previously capitalized debt financing costs, a write-off of $844,000 of original issue discount associated with the 2011 Credit Agreement, as amended, as well as $827,000 associated with the call premium to refinance the credit facility, $106,000 associated with the consent to the existing holders of the 2020 Notes and approximately $4.0 million of costs associated with the financing transactions. The loss on retirement of debt of approximately $5.7 million for the nine months ended September 30, 2014, was due to the retirement of the 2016 Notes. This amount included a write-off of approximately $4.1 million of previously capitalized debt financing costs and approximately $1.6 million associated with the net premium paid to retire the 2016 Notes.

Provision for income taxes

Nine Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	22,911	$	26,220	$	(3,309)	(12.6)%

For the nine months ended September 30, 2015 and 2014, the provision for income taxes was approximately $22.9 million and $26.2 million, respectively, primarily related to the DTL for indefinite-lived intangible assets. The net decrease of approximately $3.3 million was primarily due to the completion of tax amortization from previously acquired indefinite-lived intangible assets and due to provision to return adjustments from the 2014 income tax returns, which was partially offset by an increase in expense from the Comcast Buyout and tax related effects.

Noncontrolling interests in income of subsidiaries

Nine Months Ended September 30,				Increase/(Decrease)		
2015		2014				
$	7,345	$	14,751	$	(7,406)	(50.2)%

The decrease in noncontrolling interests in income of subsidiaries was due primarily to a change in ownership percentage of TV One.

Other Data

Station operating income

Station operating income increased to approximately $126.0 million for the nine months ended September 30, 2015, compared to approximately $114.9 million for the comparable period in 2014, an increase of $11.1 million or 9.7%. This increase was due to higher station operating income at our Reach Media and cable television segments, partially offset by a decrease of station operating income at our radio broadcasting segment. Reach Media generated approximately $9.6 million of station operating income during the nine months ended September 30, 2015, compared to $3.8 million during the nine months ended September 30, 2014, with the increase due primarily to lower programming and technical expenses associated with a decrease in talent compensation as a result of renegotiated contracts. TV One generated approximately $61.1 million of station operating income during the nine months ended September 30, 2015, compared to $45.8 million during the nine months ended September 30, 2014, with the increase due primarily to increased advertising and affiliate revenues. The radio broadcasting segment generated approximately $54.0 million of station operating income during the nine months ended September 30, 2015, compared to $62.7 million during the nine months ended September 30, 2014, with the decrease due primarily to continued net revenue declines at four of our largest markets.

Station operating income margin

Station operating income margin increased to 36.9% for the nine months ended September 30, 2015, from 34.6% for the comparable period in 2014. The margin increase was primarily attributable to TV One’s and Reach Media’s greater operating income noted above.

LIQUIDITY AND CAPITAL RESOURCES

Our primary source of liquidity is cash provided by operations and, to the extent necessary, borrowings available under our senior credit facility and other debt or equity financing.

2022 Notes and Current Credit Facilities

On April 17, 2015, the Company closed its private offering of $350.0 million aggregate principal amount of 7.375% senior secured notes due 2022 (the "2022 Notes"). The 2022 Notes were offered at an original issue price of 100.0% plus accrued interest from April 17, 2015 and will mature on April 15, 2022. Interest on the 2022 Notes accrues at the rate of 7.375% per annum and is payable semiannually in arrears on April 15 and October 15, commencing on October 15, 2015. The 2022 Notes are guaranteed, jointly and severally, on a senior secured basis by the Company's existing and future domestic subsidiaries, including TV One, that guarantee any of its new $350.0 million senior secured credit facility (the "2015 Credit Facility") entered into concurrently with the closing of the Notes.

The 2015 Credit Facility matures on December 31, 2018. At the Company's election, the interest rate on borrowings under the 2015 Credit Facility is based on either (i) the then applicable base rate plus 3.5% (as defined in the 2015 Credit Facility) as, for any day, a rate per annum (rounded upward, if necessary, to the next 1/100th of 1%) equal to the greater of (a) the prime rate published in the Wall Street Journal, (b) 1/2 of 1% in excess rate of the overnight Federal Funds Rate at any given time and (c) the one-month LIBOR rate commencing on such day plus 1.00%), or (ii) the then applicable LIBOR rate plus 4.5% (as defined in the 2015 Credit Facility). The average interest rate was 4.79% for the three months ended September 30, 2015. Quarterly installments of 0.25%, or $875,000, of the principal balance on the term loan are payable on the last day of each March, June, September and December beginning on September 30, 2015. During the three and nine months ended September 30, 2015, the Company repaid $875,000 under the 2015 Credit Facility.

In connection with the closing of the financing transactions, the Company and the guarantor parties thereto entered into a Fourth Supplemental Indenture to the indenture governing the 2020 Notes. Pursuant to this Fourth Supplemental Indenture, TV One, which previously did not guarantee the 2020 Notes, became a guarantor under the 2020 Notes indentures. In addition, the provisions contained in the Third Supplemental Indenture previously disclosed in the Company's Current Report on Form 8-K, filed April 1, 2015, which permitted the Company to complete the transactions became operative. The closing of the financing transactions caused a "Triggering Event" (as defined in the 2020 Notes Indenture) under the 2020 Notes Indenture and, as a result, the 2020 Notes became an unsecured obligation of the Company and the subsidiary guarantors and rank equal in right of payment with the Company's other senior indebtedness.

The Company used the net proceeds from the 2022 Notes, along with term loan borrowings under the 2015 Credit Facility, to refinance its existing senior secured credit facility, refinance $119.0 million in outstanding indebtedness of TV One and TV One Capital Corp., finance the previously announced Comcast Buyout and pay the related accrued interest, premiums, fees and expenses associated therewith.

The 2015 Credit Facility contains affirmative and negative covenants that the Company is required to comply with, including:

(a) maintaining an interest coverage ratio of no less than:
- 1.25 to 1.00 on June 30, 2015 and the last day of each fiscal quarter thereafter.

(b) maintaining a senior leverage ratio of no greater than:
- 5.85 to 1.00 on June 30, 2015 and the last day of each fiscal quarter thereafter.

(c) limitations on:
- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of September 30, 2015, ratios calculated in accordance with the 2015 Credit Facility were as follows:

		As of September 30, 2015	Covenant Limit	Excess Coverage
Pro Forma Last Twelve Months Covenant EBITDA (In millions)	$	136.4		
Pro Forma Last Twelve Months Interest Expense (In millions)	$	74.7		
Senior Debt (In millions)	$	641.5		
Interest Coverage				
Covenant EBITDA / Interest Expense		1.83x	1.25x	0.58x
Senior Leverage				
Senior Secured Debt / Covenant EBITDA		4.70x	5.85x	1.15x
EBITDA - Earnings before interest, taxes, depreciation and amortization				
Covenant EBITDA – EBITDA adjusted for certain other adjustments, as defined in the 2015 Credit Facility				

As of September 30, 2015, the Company was in compliance with all of its financial covenants under the 2015 Credit Facility.

As of September 30, 2015, the Company had outstanding approximately $349.1 million on its 2015 Credit Facility. The original issue discount is being reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility. The Company has early adopted ASU 2015-03 during the nine months ended September 30, 2015, resulting in approximately $7.8 million of net debt issuance costs presented as a direct deduction to the Company's long-term debt in the consolidated balance sheet as of September 30, 2015. The retrospective application of ASU 2015-03 decreased other intangible assets and long-term debt by approximately $6.9 million in the consolidated balance sheet as of December 31, 2014.

2011 Credit Facilities

On March 31, 2011, the Company entered into a senior secured credit facility (the “2011 Credit Agreement”) with a syndicate of banks, and simultaneously borrowed $386.0 million to retire all outstanding obligations under the Company’s previous amended and restated credit agreement and to fund our obligation with respect to a capital call initiated by TV One. The total amount available under the 2011 Credit Agreement was $411.0 million, initially consisting of a $386.0 million term loan facility that matured on March 31, 2016, and a $25.0 million revolving loan facility that matured on March 31, 2015. Borrowings under the credit facilities were subject to compliance with certain covenants including, but not limited to, certain financial covenants. Proceeds from the credit facilities could be used for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes. On December 19, 2012, the Company entered into an amendment to the 2011 Credit Agreement (the “December 2012 Amendment”). The December 2012 Amendment: (i) modified financial covenant levels with respect to the Company's total-leverage, secured-leverage, and interest-coverage ratios; (ii) increased the amount of cash the Company can net for determination of its net indebtedness tests; and (iii) extended the time for certain of the 2011 Credit Agreement's call premium while reducing the time for its later and lower premium.

On January 21, 2015, the Company entered into a second amendment to the 2011 Credit Agreement (the “Second Amendment”) with its lenders. The provisions of the 2011 Credit Agreement relating to the call premium were revised by the Second Amendment to extend the call protection from April 1, 2015 until maturity. The Second Amendment provided a call premium of 101.5% if the 2011 Credit Agreement were refinanced with proceeds from a notes offering and 100.5% if the 2011 Credit Agreement was refinanced with proceeds from any other repayment, including proceeds from a new term loan. The call premium was payable at the earlier of any refinancing or final maturity.

The Second Amendment also excluded any “going concern” or qualified audit opinion solely as a result of the upcoming revolver or term loan maturities from the Event of Default provisions of the 2011 Credit Agreement. Next, the Second Amendment provided for the ability to “amend and extend” both the term loan and the revolving credit facility provided for by the 2011 Credit Agreement and added a $2 million lien basket for letters of credit not issued under the 2011 Credit Agreement.

Finally, beginning with the quarter ending March 31, 2015, the Second Amendment implemented certain changes to the financial covenants the Company was required to comply with in order to remain in compliance with the terms of the 2011 Credit Agreement. As noted above, the Company used the net proceeds from the private offering, along with term loan borrowings under the 2015 Credit Facility, to refinance its 2011 Credit Agreement, as amended. The Company recorded a loss on retirement of debt of approximately $7.1 million for the nine months ended September 30, 2015. This amount included a write-off of approximately $1.3 million of previously capitalized debt financing costs, a write-off of $844,000 of original issue discount associated with the 2011 Credit Agreement, as amended, as well as $827,000 associated with the call premium to refinance the credit facility, $106,000 associated with the consent to the existing holders of the 2020 Notes and approximately $4.0 million of costs associated with the financing transactions.

The 2011 Credit Agreement, as amended on December 19, 2012 and January 21, 2015, contained affirmative and negative covenants that the Company was required to comply with. In accordance with the 2011 Credit Agreement, as amended, the calculations for the ratios did not include the operating results or related debt of TV One, but rather included our proportionate share of cash dividends received from TV One for periods presented.

Under the terms of the 2011 Credit Agreement, as amended, interest on base rate loans was payable quarterly and interest on LIBOR loans was payable monthly or quarterly. The base rate was equal to the greater of: (i) the prime rate; (ii) the Federal Funds Effective Rate plus 0.50%; or (iii) the LIBOR Rate for a one-month period plus 1.00%. The applicable margin on the 2011 Credit Agreement was between (i) 4.50% and 5.50% on the revolving portion of the facility and (ii) 5.00% (with a base rate floor of 2.5% per annum) and 6.00% (with a LIBOR floor of 1.5% per annum) on the term portion of the facility. The average interest rate was 7.50% for the first quarter of 2015 prior to the refinancing. Quarterly installments of 0.25%, or $957,000, of the principal balance on the term loan were payable on the last day of each March, June, September and December.

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement. As of September 30, 2015, the Company had letters of credit totaling $1.0 million under the agreement. Letters of credit issued under the agreement are required to be collateralized with cash.

During the nine months ended September 30, 2015, the Company repaid approximately $368.5 million under the 2011 Credit Agreement, as amended. During the three and nine months ended September 30, 2014, the Company repaid approximately $1.0 million and $4.0 million, respectively, under the 2011 Credit Agreement, as amended. The original issue discount was being reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility. According to the terms of the Credit Agreement, as amended, the Company did not make an excess cash flow payment in April 2015. According to the terms of the Credit Agreement, as amended, the Company made an excess cash flow payment of approximately $1.1 million during April 2014.

Senior Subordinated Notes

On November 24, 2010, we issued $286.8 million of our 12.5%/15% Senior Subordinated Notes due May 2016 (the “2016 Notes”) in a private placement and exchanged and then cancelled approximately $97.0 million of $101.5 million in aggregate principal amount outstanding of our $8^7/_8$% senior subordinated notes due 2011 (the “2011 Notes”) and approximately $199.3 million of $200.0 million in aggregate principal amount outstanding of our $6^3/_8$% Senior Subordinated Notes that matured in February 2013 (the “2013 Notes” and the 2013 Notes together with the 2011 Notes, the “Prior Notes”). Subsequently, we repurchased or redeemed all remaining Prior Notes pursuant to the terms of their respective indentures. Effective March 13, 2014, the Company repurchased or otherwise redeemed all of the amounts outstanding under the 2016 Notes using proceeds from our 2020 Notes (defined below). The Company recorded a loss on retirement of debt of approximately $5.7 million during the first quarter of 2014. This amount included a write-off of approximately $4.1 million of previously capitalized debt financing costs and approximately $1.6 million associated with the net premium paid to retire the 2016 Notes.

Interest on the 2016 Notes, that the Company repurchased or otherwise redeemed in March 2014, was initially payable in cash, or at our election, partially in cash and partially through the issuance of additional 2016 Notes (a “PIK Election”) on a quarterly basis in arrears. For fiscal 2014, interest accrued at a rate of 12.5% and was payable in cash.

On February 10, 2014, the Company closed a private placement offering of $335.0 million aggregate principal amount of 9.25% senior subordinated notes due 2020 (the “2020 Notes”). The 2020 Notes were offered at an original issue price of 100.0% plus accrued interest from February 10, 2014. The 2020 Notes mature on February 15, 2020. Interest accrues at the rate of 9.25% per annum and is payable semiannually in arrears on February 15 and August 15 in the amount of approximately $15.5 million, commencing on August 15, 2014. The 2020 Notes are guaranteed by certain of the Company’s existing and future domestic subsidiaries and any other subsidiaries that guarantee the existing senior credit facility or any of the Company’s other syndicated bank indebtedness or capital markets securities. The Company used the net proceeds from the offering to repurchase or otherwise redeem all of the amounts then outstanding under its 2016 Notes and to pay the related accrued interest, premiums, fees and expenses associated therewith. As of September 30, 2015, the Company had $335.0 million of our 2020 Notes outstanding. During the nine months ended September 30, 2014, the Company capitalized approximately $4.5 million of costs associated with our 2020 Notes.

The indenture that governs the 2020 Notes contains covenants that restrict, among other things, the ability of the Company to incur additional debt, purchase common stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with related parties, secure non-senior debt with assets, or merge, consolidate or sell all or substantially all of its assets.

TV One Senior Secured Notes

TV One issued $119.0 million in senior secured notes on February 25, 2011. The proceeds from the notes were used to purchase equity interests from certain financial investors and TV One management. The notes bore interest at 10.0% per annum, which was payable monthly, and the entire principal amount was due on March 15, 2016. In connection with the closing of the financing transactions on April 17, 2015, the TV One senior secured notes were repaid.

Comcast Note

The Company also has outstanding our new senior unsecured promissory note in the aggregate principal amount of approximately $11.9 million due to Comcast. The Comcast Note bears interest at 10.47%, is payable quarterly in arrears, and the entire principal amount is due on April 17, 2019.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's 2022 Notes, 2020 Notes and the Company's obligations under the 2015 Credit Facility.

The following table summarizes the interest rates in effect with respect to our debt as of September 30, 2015:

Type of Debt		**Amount Outstanding**	**Applicable Interest Rate**
		(In millions)	
2015 Credit Facility, net of original issue discount and issuance costs (at variable rates)(1)	$	336.3	4.83%
9.25% Senior Subordinated Notes, net of original issue discount and issuance costs (fixed rate)	$	331.6	9.25%
7.375% Senior Secured Notes, net of original issue discount and issuance costs (fixed rate)	$	344.2	7.375%
Comcast Note due April 2019 (fixed rate)	$	11.9	10.47%

(1) Subject to variable Libor plus a spread that is incorporated into the applicable interest rate set forth above.

The following table provides a comparison of our statements of cash flows for the nine months ended September 30, 2015 and 2014:

		2015		**2014**
		(In thousands)		
Net cash flows provided by operating activities	$	30,851	$	30,389
Net cash flows used in investing activities	$	(218,597)	$	(11,957)
Net cash flows provided by (used in) financing activities	$	179,123	$	(20,028)

Net cash flows provided by operating activities were approximately $30.9 million and $30.4 million for the nine months ended September 30, 2015 and 2014, respectively.

Net cash flows used in investing activities were approximately $218.6 million and $12.0 million for the nine months ended September 30, 2015 and 2014, respectively. Capital expenditures, including digital tower and transmitter upgrades, and deposits for station equipment and purchases were approximately $6.0 million and $4.6 million for the nine months ended September 30, 2015 and 2014, respectively. Proceeds from sales of investment securities were approximately $3.5 million and $482,000 for the nine months ended September 30, 2015 and 2014, respectively. Purchases of investment securities were $591,000 and approximately $2.4 million for the nine months ended September 30, 2015 and 2014, respectively. During the nine months ended September 30, 2015, the Company paid approximately $209.9 million to purchase the additional membership interest in TV One and paid approximately $5.0 million for the cost method investment in MGM. During the nine months ended September 30, 2014, the Company paid approximately $7.1 million to complete the acquisition of Gaffney.

Net cash flows provided by financing activities were approximately $179.1 million compared to net cash flows used in financing activities of approximately $20.0 million for the nine months September 30, 2015 and 2014, respectively. During the nine months ended September 30, 2015 and 2014, the Company repaid approximately $369.4 million and $331.0 million, respectively, in outstanding debt. In addition, during the nine months ended September 30, 2015, the Company repaid approximately $119.0 million in TV One senior secured notes. During the nine months ended September 30, 2015, we borrowed approximately $350.0 million in 7.375% Senior Secured Notes due 2022 and approximately $350.0 million in new 2015 Credit Facility. During the nine months ended September 30, 2014, we borrowed approximately $335.0 million in 9.25% Senior Subordinated Notes due 2020. During the nine months ended September 30, 2015 and 2014, respectively, we paid debt costs of approximately $23.5 million and $4.5 million. During the nine months ended September 30, 2015, we repurchased approximately $1.4 million of our Class D Common Stock. TV One paid approximately $5.7 million and $9.8 million in dividends to noncontrolling interest shareholders for the nine months ended September 30, 2015 and 2014, respectively. Reach Media paid approximately $1.0 million in dividends to noncontrolling interest shareholders for the nine months ended September 30, 2015. During the nine months ended September 30, 2015, the Company paid a net premium of $827,000 associated with the call premium to refinance the credit facility. The Company paid a net premium of approximately $1.6 million during the nine months ended September 30, 2014 to retire the 2016 Notes.

Credit Rating Agencies

Our corporate credit ratings by Standard & Poor's Rating Services and Moody's Investors Service are speculative-grade and have been downgraded and upgraded at various times during the last several years. Any reductions in our credit ratings could increase our borrowing costs, reduce the availability of financing to us or increase our cost of doing business or otherwise negatively impact our business operations.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our significant accounting policies are described in Note 1 - *Organization and Summary of Significant Accounting Policies* of the consolidated financial statements in our Annual Report on Form 10-K. We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States, which require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. In Management's Discussion and Analysis contained in our Annual Report on Form 10-K for the year ended December 31, 2014, we summarized the policies and estimates that we believe to be most critical in understanding the judgments involved in preparing our financial statements and the uncertainties that could affect our results of operations, financial condition and cash flows. There have been no material changes to our existing accounting policies or estimates since we filed our Annual Report on Form 10-K for the year ended December 31, 2014.

Goodwill and Radio Broadcasting Licenses

Impairment Testing

We have made several radio station acquisitions in the past for which a significant portion of the purchase price was allocated to goodwill and radio broadcasting licenses. Goodwill exists whenever the purchase price exceeds the fair value of tangible and identifiable intangible net assets acquired in business combinations. As of September 30, 2015, we had approximately $666.8 million in broadcast licenses and $261.4 million in goodwill, which totaled $928.2 million, and represented approximately 68.1% of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets. We recorded an estimated impairment charge of approximately $14.5 million related to Interactive One goodwill for the three and nine months ended September 30, 2015. We did not record any impairment charges for the nine months ended September 30, 2014.

We test for impairment annually across all reporting units, or when events or changes in circumstances or other conditions suggest impairment may have occurred in any given reporting unit. Our annual impairment testing is performed as of October 1 of each year. Impairment exists when the carrying value of these assets exceeds its respective fair value. When the carrying value exceeds fair value, an impairment amount is charged to operations for the excess.

Valuation of Broadcasting Licenses

During the second and third quarters of 2015, the total market revenue growth for certain markets in which we operate was below that used in our 2014 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, which we performed as of June 30, 2015, and September 30, 2015. There was no impairment identified as part of this testing. Similarly, during the first, second and third quarters of 2014, the total market revenue growth for certain markets in which we operate was below that used in our 2013 annual impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, which we performed as of March 31, 2014, June 30, 2014, and September 30, 2015. There was no impairment identified as part of that testing. There were no impairment indicators present for any of our other radio broadcasting licenses. Below are some of the key assumptions used in the income approach model for estimating broadcasting licenses fair values for the annual impairment assessment as of October 1, 2014, and interim impairment assessments for the quarters ended September 30, 2015 and 2014.

Radio Broadcasting Licenses	**September 30, 2015 (a)**	**October 1, 2014**	**September 30, 2014 (a)**
Pre-tax impairment charge (in millions)	$ —	$ —	$ —
Discount Rate	9.5%	9.5%	9.5%
Year 1 Market Revenue Growth Rate Range	0.3% – 0.5%	0.3% – 1.0%	0.4% – 1.0%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.0% – 1.5%	1.0% – 2.0%	1.5% – 2.0%
Mature Market Share Range	9.8% – 14.3%	6.9% – 25.2%	6.4% – 26.9%
Operating Profit Margin Range	31.7%	30.0% – 48.4%	31.1% – 47.8%

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.

Valuation of Goodwill

During the second and third quarters of 2015, we identified an impairment indicator at one of our radio markets, and as such, we performed an interim analysis for certain radio market goodwill as of June 30, 2015 and September 30, 2015. Similarly, during the first, second and third quarters of 2014, we identified impairment indicators at certain of our radio markets, and, as such, we performed an interim impairment analysis for certain radio market reporting units as of March 31, 2014, June 30, 2014 and September 30, 2014. No goodwill impairment was identified during the three or nine months ended September 30, 2015 and 2014. Below are some of the key assumptions used in the income approach model for estimating reporting unit fair values for the annual impairment assessment as of October 1, 2014, and interim impairment assessments for the quarters ended September 30, 2015 and 2014.

Goodwill (Radio Market Reporting Units)	**September 30, 2015 (a)**	**October 1, 2014**	**September 30, 2014 (a)**
Pre-tax impairment charge (in millions)	$ –	$ –	$ –
Discount Rate	9.5%	9.5%	9.5%
Year 1 Market Revenue Growth Rate Range	0.4% – 0.7%	0.3% – 1.0%	0.0% – 2.0%
Long-term Market Revenue Growth Rate Range (Years 6 – 10)	1.0% – 2.0%	1.0% – 2.0%	1.0% – 2.0%
Mature Market Share Range	7.4% – 14.8%	7.2% – 19.5%	7.1% – 19.8%
Operating Profit Margin Range	26.4% – 38.7%	26.4% – 52.2%	28.4% – 56.4%

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.

During the third quarter of 2015, the Company performed interim impairment testing on the valuation of goodwill associated with Interactive One. Interactive One's net revenues and cash flows declined and internal projections were revised downward, which we deemed to be an impairment indicator. The Company reduced its operating cash flow projections and assumptions based on Interactive One's actual results which did not meet budget. Below are some of the key assumptions used in the income approach model for estimating the fair value for Interactive One for the interim assessment at September 30, 2015. When compared to discount rates for the radio reporting units, the higher discount rate used to value the reporting unit is reflective of discount rates applicable to internet media businesses. As a result of our interim assessment, based on preliminary calculations, the Company recorded an estimated goodwill impairment charge of approximately $14.5 million during the quarter ended September 30, 2015. The Company expects to finalize the step two impairment analysis and record any adjustments to the preliminary amount during the fourth quarter of 2015.

Internet Segment Goodwill	**September 30, 2015**
Impairment charge (in millions)	$ 14.5
Discount Rate	14.0%
Year 1 Revenue Growth Rate	9.6%
Long-term Revenue Growth Rate (Year 10)	2.5%
Operating Profit Margin Range	4.5% – 23.9%

During the third quarter of 2014, the Company performed interim impairment testing on the valuation of goodwill associated with Reach Media. Reach Media's net revenues and cash flows declined and internal projections were revised downward, which we deemed to be an impairment indicator. The Company reduced its operating cash flow projections and assumptions based on Reach Media's actual results which did not meet budget. Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for the interim assessment at September 30, 2014. When compared to the discount rates used for assessing radio market reporting units, the higher discount rate used in this assessment reflects a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner. As a result of our interim assessment, the Company concluded no impairment for the Reach Media goodwill value had occurred.

Reach Media Segment Goodwill		September 30, 2014
Pre-tax impairment charge (in millions)	$	—
Discount Rate		12.0%
Year 1 Revenue Growth Rate		1.5%
Long-term Revenue Growth Rate Range		0.1 – 2.0%
Operating Profit Margin Range		10.0 – 14.9%

As part of our annual testing, when arriving at the estimated fair values for radio broadcasting licenses and goodwill, we also performed an analysis by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions, and by comparing our fair value estimates to the market capitalization of the Company. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessment for 2014 were reasonable.

Several of the licenses in our units of accounting have limited excess of fair values over their respective carrying values. Should our estimates, assumptions, or events or circumstances for any upcoming valuations worsen in the units with no or limited fair value cushion, additional license impairments may be needed in the future.

RECENT ACCOUNTING PRONOUNCEMENTS

In April 2014, the Financial Accounting Standards Board ("FASB') issued Accounting Standards Update ("ASU") 2014-08, " *Presentation of Financial Statements (Topic 205) and Property, Plant and Equipment (Topic 360)—Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*" ("ASU 2014-08"). ASU 2014-08 changes the requirements for reporting discontinued operations. Under ASU 2014-08, only disposals representing a strategic shift in operations and having a major effect on the entity's operations and financial results should be presented as discontinued operations. Additionally, ASU 2014-08 requires expanded disclosures about discontinued operations. ASU 2014-08 is effective prospectively for fiscal years beginning after December 15, 2014, with early adoption permitted for disposals that have not been reported in financial statements previously issued. The Company will apply the provisions of ASU 2014-08 to future reporting of disposals.

In May 2014, the FASB issued ASU 2014-09, "*Revenue from Contracts with Customers*," ("ASU 2014-09") which supersedes the revenue recognition requirements in Accounting Standards Codification ("ASC") 605, "Revenue Recognition" and most industry-specific guidance throughout the codification. The standard requires that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. On July 9, 2015, the FASB voted and approved to defer the effective date of ASU 2014-09 by one year. As a result, ASU 2014-09 will be effective for fiscal years beginning after December 15, 2017, with early adoption permitted but not prior to the original effective date of annual periods beginning after December 15, 2016. The Company has not yet completed its assessment of the impact of the new standard, including possible transition alternatives, on its financial statements.

In April 2015, the FASB issued ASU 2015-03, " *Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*" ("ASU 2015-03"). ASU 2015-03 aims to simplify the presentation of debt issuance costs by requiring debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. Currently, debt issuance costs are presented as a deferred charge under GAAP. ASU 2015-03 is effective for fiscal years beginning after December 15, 2015, and is to be applied retrospectively, with early adoption permitted. The Company has early adopted ASU 2015-03 during the nine months ended September 30, 2015, resulting in approximately $7.8 million of net debt issuance costs presented as a direct deduction to the Company's long-term debt in the consolidated balance sheet as of September 30, 2015. The retrospective application of ASU 2015-03 decreased other intangible assets and long-term debt by approximately $6.9 million in the consolidated balance sheet as of December 31, 2014.

CAPITAL AND COMMERICAL COMMITMENTS:

Radio Broadcasting Licenses

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission that have a maximum term of eight years prior to renewal. The Company's radio broadcasting licenses expire at various times beginning October 1, 2019 through August 1, 2022. Although the Company may apply to renew its radio broadcasting licenses, third parties may challenge the Company's renewal applications. The Company is not aware of any facts or circumstances that would prevent the Company from having its current licenses renewed.

Indebtedness

We have several debt instruments outstanding within our corporate structure. We incurred senior bank term debt as part of our 2015 Credit Facility in the amount of $350.0 million that matures on December 31, 2018. We also have outstanding $335.0 million in our 9.25% Senior Subordinated Notes due February 2020 and $350.0 million in our 7.375% Senior Secured Notes due April 2022. Finally, we also have outstanding our new senior unsecured promissory note in the aggregate principal amount of approximately $11.9 million due to Comcast. The note bears interest at 10.47%, is payable quarterly in arrears, and the entire principal amount is due on April 17, 2019. See "*Liquidity and Capital Resources*" and Note 4 – *Long-Term Debt*, in the notes to the consolidated financial statements.

Royalty Agreements

The Company has entered into fixed and variable fee music license agreements with performance rights organizations, which expire beginning December 31, 2015, and as late as December 31, 2016. In connection with all performance rights organization agreements, including American Society of Composers, Authors and Publishers ("ASCAP") and Broadcast Music, Inc. ("BMI"), the Company incurred expenses of approximately $2.7 million and $2.3 million for the three month periods ended September 30, 2015 and 2014, respectively, and approximately $7.7 million and $7.1 million for the nine month periods ended September 30, 2015 and 2014, respectively.

Lease obligations

We have non-cancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next 16 years.

Operating Contracts and Agreements

We have other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next five years.

Reach Media Noncontrolling Interest Shareholders' Put Rights

Beginning on January 1, 2018, the noncontrolling interest shareholders of Reach Media have an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares (the "Put Right"). Beginning in 2018, this annual right is exercisable for a 30-day period beginning January 1 of each year. The purchase price for such shares may be paid in cash and/or shares of registered Class D common stock of Radio One, at the discretion of Radio One.

Contractual Obligations Schedule

The following table represents our contractual obligations as of September 30, 2015:

	Payments Due by Period						
Contractual Obligations	**Remainder of 2015**	**2016**	**2017**	**2018**	**2019**	**2020 and Beyond**	**Total**
				(In thousands)			
9.25% Senior Subordinated Notes(1)	$ 7,747	$ 30,988	$ 30,988	$ 30,988	$ 30,988	$ 338,443	$ 470,142
7.375% Senior Secured Notes(1)	6,453	25,813	25,813	25,813	25,813	409,154	518,859
Credit facilities(2)	5,149	20,097	19,930	357,512	—	—	402,688
Other operating contracts / agreements(3)	21,699	35,404	16,481	2,469	602	17,462	94,117
Operating lease obligations	2,668	10,423	9,719	6,235	5,240	18,723	53,008
Senior Unsecured Note(4)	311	1,243	1,243	1,243	12,086	—	16,126
Total	$ 44,027	$ 123,968	$ 104,174	$ 424,260	$ 74,729	$ 783,782	$ 1,554,940

(1) Includes interest obligations based on current effective interest rate on senior subordinated and secured notes outstanding as of September 30, 2015.

(2) Includes interest obligations based on current effective interest rate and projected interest expense on credit facilities outstanding as of September 30, 2015.

(3) Includes employment contracts, severance obligations, on-air talent contracts, consulting agreements, equipment rental agreements, programming related agreements, and other general operating and investment agreements. Also includes contracts that TV One has entered into to acquire entertainment programming rights and programs from distributors and producers. These contracts relate to their content assets as well as prepaid programming related agreements.

(4) Represents our new senior unsecured promissory note issued on April 17, 2015, in the aggregate principal amount of approximately $11.9 million due to Comcast. The note bears interest at 10.47%, is payable quarterly in arrears, and the entire principal amount is due on April 17, 2019.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

Off-Balance Sheet Arrangements

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement. As of September 30, 2015, the Company had letters of credit totaling $1.0 million under the agreement. Letters of credit issued under the agreement are required to be collateralized with cash.

Item 3: ***Quantitative and Qualitative Disclosures About Market Risk***

For quantitative and qualitative disclosures about market risk affecting Radio One, see Item 7A: "*Quantitative and Qualitative Disclosures about Market Risk*" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. Our exposure related to market risk has not changed materially since December 31, 2014.

Item 4. ***Controls and Procedures***

Evaluation of disclosure controls and procedures

We have carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, our CEO and CFO concluded that as of such date, our disclosure controls and procedures are effective in timely alerting them to material information required to be included in our periodic SEC reports. Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching our desired disclosure controls objectives. Our management, including our CEO and CFO, has concluded that our disclosure controls and procedures are effective in reaching that level of reasonable assurance.

Changes in internal control over financial reporting

During the three months ended September 30, 2015, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

Legal Proceedings

Radio One is involved from time to time in various routine legal and administrative proceedings and threatened legal and administrative proceedings incidental to the ordinary course of our business. Radio One believes the resolution of such matters will not have a material adverse effect on its business, financial condition or results of operations.

Item 1A. ***Risk Factors***

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014 (the "2014 Annual Report"), and updated in our Current Report on Form 10-Q for the quarter ended March 31, 2015, filed May 4, 2015, which could materially affect our business, financial condition or future results. The risks described in our 2014 Annual Report, as updated by our quarterly reports on Form 10-Q, are not the only risks facing our Company. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, may also materially adversely affect our business, financial condition and/or operating results.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

None.

Item 3. ***Defaults Upon Senior Securities***

None.

Item 4. ***Removed and Reserved***

Item 5. ***Other Information***

None.

Item 6. ***Exhibits***

Exhibit Number	Description
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	Financial information from the Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, formatted in XBRL.

SIGNATURE

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/ PETER D. THOMPSON

Peter D. Thompson
Executive Vice President and
Chief Financial Officer
(Principal Accounting Officer)

November 9, 2015

Exhibit 31.1

I, Alfred C. Liggins, III, Chief Executive Officer and President of Radio One, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Radio One, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's third fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Alfred C. Liggins, III
Alfred C. Liggins, III
President and Chief Executive Officer

Date: November 9, 2015

Exhibit 31.2

I, Peter D. Thompson, Executive Vice President, Chief Financial Officer and Principal Accounting Officer of Radio One, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Radio One, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(i) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's third fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Peter D. Thompson
Peter D. Thompson
Executive Vice President,
Chief Financial Officer and Principal Accounting Officer

Date: November 9, 2015

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Radio One, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2015 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Alfred C. Liggins, III
Name: Alfred C. Liggins, III
Title: President and Chief Executive Officer

Date: November 9, 2015

A signed original of this written statement required by Section 906 has been provided to Radio One, Inc. and will be retained by Radio One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Radio One, Inc. (the “Company”) hereby certifies, to such officer’s knowledge, that:

(i) The accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2015 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Peter D. Thompson
Name: Peter D. Thompson
Title: Executive Vice President and Chief Financial Officer

Date: November 9, 2015

A signed original of this written statement required by Section 906 has been provided to Radio One, Inc. and will be retained by Radio One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.