

As filed with the Securities and Exchange Commission on March , 1999

Registration No. [333-]

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT
Under
The Securities Act of 1933

Radio One, Inc.
(Exact name of Registrant as specified in its charter)

Delaware	52-1166660	4832
(State or other jurisdiction of incorporation of organization)	(I.R.S. Employer Identification No.)	(Primary Standard Industry Classification Number)

5900 Princess Garden Parkway, 8th Floor
Lanham, MD 20706
Telephone: (301) 306-1111
(Address, including zip code, and telephone number, including area code, of
registrant's principal executive offices)

ALFRED C. LIGGINS, III
Chief Executive Officer and President
Radio One, Inc.
5900 Princess Garden Parkway, 8th Floor
Lanham, MD 20706
Telephone: (301) 306-1111
(Name, address, including zip code, and telephone number, including area code,
of agent for service)

With copies to:

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Approximate date of commencement of the proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 (the "Securities Act"), check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act Registration Statement number of the earlier effective Registration Statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act Registration Statement number of the earlier effective Registration Statement for the same offering. ☐

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [X]

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered(/1/)	Proposed Maximum Offering Price	Proposed Maximum Aggregate Offering Price(/2/)	Amount of Registration Fee
Class A Common Stock, par value \$0.01 per share.....	Shares	\$	\$115,000,000	\$31,970

- (1) Includes shares that the underwriters have the option to purchase from the Company to cover over-allotments, if any.
 (2) Estimated solely for the purpose of calculating the registration fee pursuant to paragraph (o) of Rule 457 of the Securities Act.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

+++++The information contained in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement is filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.+++++
 SUBJECT TO COMPLETION, DATED 12, 1999

Shares

[LOGO OF RADIO ONE APPEARS HERE]

Class A Common Stock

We are selling shares of Class A Common Stock and the selling stockholders are selling shares of Class A Common Stock. We will not receive any proceeds from shares sold by the selling stockholders.

Prior to this offering, there has been no public market for our Class A Common Stock. The initial public offering price is expected to be between \$ and \$ per share. We have applied to list our Class A Common Stock on The Nasdaq Stock Market's National Market under the symbol "ROIA."

The underwriters have an option to purchase a maximum of additional shares to cover over-allotments of shares.

Investing in our Class A Common Stock involves risks. See "Risk Factors" on page 9.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Radio One	Proceeds to Selling Stockholders
	-----	-----	-----	-----
Per Share.....	\$	\$	\$	\$
Total.....	\$	\$	\$	\$

Delivery of the shares of Class A Common Stock will be made on or about , 1999, against payment in immediately available funds.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse First Boston

NationsBanc Montgomery Securities LLC
Bear, Stearns & Co. Inc.

Prudential Securities

Prospectus dated , 1999.

[Map of Eastern U.S. with ROI radio station logos, call signs and frequencies.]

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Radio One's principal executive offices are located at 5900 Princess Garden Parkway, 8th Floor, Lanham, MD 20706, and our telephone number is (301) 306-1111.

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PROSPECTUS SUMMARY

In this prospectus, unless otherwise noted, the terms "Radio One," "we," "our" and "us" refer to Radio One, Inc. and our subsidiaries Radio One Licenses, Inc., WYCB Acquisition Corporation, Broadcast Holdings, Inc., Bell Broadcasting Company, Radio One of Detroit, Inc., Allur-Detroit, Inc., Allur Licenses, Inc., Radio One of Atlanta, Inc., ROA Licenses, Inc., Dogwood Communications, Inc. and Dogwood Licenses, Inc., from the time of their respective acquisitions. This summary contains a general discussion of our business, this offering and summary financial information. We encourage you to read the entire prospectus for a more complete understanding of Radio One and this offering. Except where otherwise noted, all share numbers and per share data in this prospectus give effect to the capitalization transactions described in "Capitalization."

RADIO ONE, INC.

Introduction

Radio One was founded in 1980 and is the largest radio broadcasting company in the United States primarily targeting African-Americans. After we complete our pending acquisitions, we will own and operate 26 radio stations. Twenty-five of these stations (eighteen FM and seven AM) are in nine of the top 20 African-American radio markets: Washington, D.C., Baltimore, Atlanta, Philadelphia, Detroit, St. Louis, Cleveland, Richmond and an East Coast market. Our strategy is to expand within our existing markets and into new markets that have a significant African-American presence. We believe radio broadcasting primarily targeting African-Americans has significant growth potential. We also believe that we have a competitive advantage in the African-American market, and the radio industry in general, due to our primary focus on urban formats, our skill in programming and marketing these formats, and our turnaround expertise.

We have succeeded in increasing ratings, net broadcast revenue and broadcast cash flow of all of the FM stations we have owned or managed for at least one year. The radio station clusters that we owned as of December 31, 1998, were ranked first or second in all of their markets in combined audience and revenue share among radio stations primarily targeting African-Americans. Our net broadcast revenue and broadcast cash flow have grown significantly on both a total and same station basis:

- . Net broadcast revenue grew at a compound annual rate of 60.2% from an actual \$23.7 million in 1996 to \$60.8 million in 1998, pro forma for completed transactions.
- . Broadcast cash flow grew at a compound annual rate of 66.0% from an actual \$9.8 million in 1996 to \$27.0 million in 1998, pro forma for completed transactions.
- . Same station net broadcast revenue and broadcast cash flow grew at average annual rates of 28.0% and 42.1%, respectively, from 1996 through 1998, pro forma for Radio One of Atlanta, Inc., which was managed by us during this period.
- . After-tax cash flow grew at a compound annual rate of 206.2% from an actual \$0.8 million in 1996 to \$7.5 million in 1998, pro forma for completed transactions.

Radio One is led by our Chairperson and co-founder, Ms. Catherine L. Hughes, and her son, Mr. Alfred C. Liggins, III, our Chief Executive Officer and President, who together have over 40 years of operating experience in radio broadcasting. Ms. Hughes, Mr. Liggins and our strong management team have successfully implemented a strategy of acquiring and turning around

underperforming radio stations. We believe that we are well positioned to apply our proven operating strategy to our recently or soon to be acquired stations in Detroit, St. Louis, Cleveland, Richmond and an East Coast market, and to other radio stations in existing and new markets as attractive acquisition opportunities arise.

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The African-American Market Opportunity

We believe that operating urban formatted radio stations primarily targeting African-Americans has significant growth potential for the following reasons:

- **Rapid Population Growth.** The African-American population is growing more quickly than the population as a whole, and is expected to exceed 40 million by 2010. (Source: 1996 U.S. Census Bureau Current Population Report)
- **Higher Income Growth.** African-Americans' household income is increasing more quickly than the household income of the population as a whole, and is estimated to reach \$533 billion, or 8.2% of total buying power, in 1999. (Source: "African-American Buying Power by Place of Residence: 1990-1999" Dr. Jeffrey M. Humphreys)
- **Growth in Advertising Targeting the African-American Market.** In a recent study, it was estimated that major national advertisers spent \$881 million on advertising targeting African-American consumers in 1997, up from \$463 million in 1985. (Source: Target Market News - 1997)
- **Urbanization of American Culture and Society.** We believe that there is an ongoing "urbanization" of many facets of American society as evidenced by the influence of African-American culture in the areas of music, film, fashion, sports and urban-oriented television shows.
- **Growing Popularity of Urban Formats.** In 1998, urban formats were one of the top three formats in nine of the top ten radio markets nationwide and the top format in five of these markets. (Source: INTEREP, Research Division, 1998 Urban Radio Study)
- **Concentrated Presence in Urban Markets.** In 1996, approximately 58.0% of the African-American population was located in the top 30 African-American markets. (Source: BIA Fourth Edition 1998)
- **Strong Audience Listenership and Loyalty.** In 1996, African-Americans spent more time listening to radio broadcasts than did other segments of the population in the ten largest markets, and we believe African-Americans exhibit greater loyalty to radio stations that target the African-American community. (Source: INTEREP, Research Division, 1998 Urban Radio Study)

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Radio One and Our Markets (/1/)

Market	Pro Forma Radio One Data (/2/)						Market Data (/3/)			
	Number of Stations		African-American Market		Entire Market		1996 MSA Population			
	FM	AM	Audience Share	Revenue Rank	Audience Share	Revenue Share	1998 Annual Radio Revenue (\$ millions)	Ranking by Size of African-American Population	Total (in millions)	African-American %
Washington, D.C.....	2	2	1	1	12.0	9.5%	\$257.0	3	4.2	27.2%
Detroit.....	2	2 (/4/)	2	2	4.7	3.6	211.5	5	4.5	22.5
Philadelphia.....	1	--	2	2	3.3	2.2	249.1	6	4.9	19.9
Atlanta.....	2	--	2	3	6.3	4.6	257.7	7	3.6	25.7
Baltimore.....	2	2	1	1	17.0	19.1	100.2	11	2.5	26.0
St. Louis.....	1	--	n/a	n/a	n/a	n/a	114.4	16	2.6	17.2
Cleveland.....	1	1	n/a	n/a	n/a	n/a	97.0	17	2.1	18.7
Richmond.....	6	1	n/a	n/a	n/a	n/a	43.1	19	0.9	30.0

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- (1) This table summarizes more detailed information provided under "Business."
"n/a" means not applicable because we did not own or manage stations in these markets at the end of 1998. This table does not include information with respect to our pending acquisition of a radio station in an East Coast market.
- (2) Audience Share Rank and Audience Share data are from the Fall 1998 Arbitron Survey. Revenue Rank and Revenue Share data are from Hungerford or Miller Kaplan, adjusted to include WYCB-AM, which does not report to Hungerford or Miller Kaplan.
- (3) Annual Radio Revenue data are from Hungerford or Miller Kaplan. Population data are from BIA (Fourth Edition 1998).
- (4) Includes WJZZ-AM, which is located in Kingsley, Michigan.

Acquisition Strategy

Our acquisition strategy is to acquire and turn around underperforming radio stations principally in the top 30 African-American markets. We consider acquisitions in existing markets where expanded coverage is desirable and in new markets where we believe it is advantageous to establish a presence. For strategic reasons, or as a result of a station cluster purchase, we may also acquire and operate stations with formats that target non-African-American segments of the population.

Turnaround Expertise

We typically enter a market by acquiring a station or stations that have little or negative broadcast cash flow. Additional stations we have acquired in existing markets have often been, in our opinion, substantially underperforming. By implementing our operating strategy, we have succeeded in increasing ratings, net broadcast revenue and broadcast cash flow of all the FM stations we have owned or managed for at least one year. We have achieved these improvements while operating against much larger competitors. Some of these successful turnarounds are described below by market:

- . Washington, D.C. In 1995, we acquired WKYS-FM for approximately \$34.0 million. At the time, WKYS-FM was ranked number 12 by Arbitron in the 12-plus age demographic. Over a two-year period, we repositioned WKYS-FM, improved its programming and enhanced the station's community involvement and image. In the Fall 1998 Arbitron Survey, the station was ranked number one in the 18-34 age demographic (with a 10.2 share) and number two in the 12-plus age demographic (with a 5.4 share), behind two stations tied for number one (each with a 5.6 share).

In 1987, we acquired WMMJ-FM for approximately \$7.5 million. At the time, WMMJ-FM was being programmed in a general market Adult Contemporary format, and had a 1.2 share of the 12-plus age demographic. After extensive research, we changed the station's format, making WMMJ-FM the first FM radio station on the East Coast to introduce an Urban Adult Contemporary programming format. In the Fall 1998 Arbitron Survey, the station was ranked number three in the 25-54 age demographic (with a 5.8 share) and number five in the 12-plus age demographic (with a 5.0 share).

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- . Baltimore. In 1993, we acquired WERQ-FM and WOLB-AM (formerly WERQ-AM) for approximately \$9.0 million. At the time, these stations had mediocre ratings. We converted WERQ-FM's programming to a more focused Young Urban Contemporary format and began aggressively marketing the station. WERQ-FM is now Baltimore's dominant station, ranked number one in the 12-plus, 18-34 and 25-54 age demographics in the Fall 1998 Arbitron Survey, a position it first achieved in the Spring 1997 Arbitron Survey.

In 1992, we acquired WWIN-FM and its sister station, WWIN-AM, for approximately \$4.7 million. At the time, WWIN-FM was a distant second in ratings to its in-format direct competitor, WXYV-FM. We repositioned WWIN-FM towards the 25-54 age demographic, and in the Fall 1998 Arbitron Survey the station was ranked number two in that age demographic (with a 7.5 share) behind two stations tied for number one (each with a 7.7 share), including Radio One's WERQ-FM.

- . Atlanta. In 1995, Radio One of Atlanta, Inc., then an affiliate of Radio

One, acquired WHTA-FM (formerly WQUL-FM), a Class A radio station located approximately 40 miles from Atlanta, for approximately \$5.0 million. Prior to that acquisition, the previous owners, together with our management, upgraded and moved the station approximately 20 miles closer to Atlanta. The result was the introduction of a new, Young Urban Contemporary radio station in the Atlanta market. The station's ratings increased quickly to an approximate 5.0 share in the 12-plus age demographic. In the Fall 1998 Arbitron Survey, the station was ranked number four in the 18-34 age demographic (with an 8.3 share).

- Philadelphia. In 1997, we acquired WPHI-FM (formerly WDRE-FM) for approximately \$20.0 million. At the time, WDRE-FM was being programmed in a Modern Rock format and had a 2.0 share in the 12-plus age demographic. We changed the station's format to Young Urban Contemporary and, in the Fall 1998 Arbitron Survey, the station was ranked number 14 in the 12-plus age demographic (with a 3.3 share) and number five in the 18-34 age demographic (with a 6.0 share).

Operating Strategy

In order to maximize net broadcast revenue and broadcast cash flow at our radio stations, we strive to achieve the largest audience share of African-American listeners in each market, convert these audience share ratings to advertising revenue, and control operating expenses.

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Recent and Pending Acquisitions

We have acquired or agreed to acquire 18 radio stations since January 1, 1998. These acquisitions diversify our net broadcast revenue, broadcast cash flow and asset bases and increase the number of top 20 African-American markets in which we operate from three to nine. The table below sets forth information regarding each of our recently completed or pending acquisitions as of March 31, 1999.

Market - - - - -	No. of Stations	Call Letters	Approximate Purchase Price (in millions)	Date Completed - - - - -
Completed Transactions				
Washington, D.C. (Broadcast Holdings, Inc.).....	1	WYCB-AM	\$ 3.8	3/98
Detroit/Kingsley (Bell Broadcasting Company).....	3	WDTJ-FM WCHB-AM WJZZ-AM	34.2	6/98
Detroit (Allur- Detroit, Inc.).....	1	WWBR-FM	26.5	12/98
Atlanta (Radio One of Atlanta, Inc. and Dogwood Communications, Inc.).....	2	WHTA-FM WAMJ-FM	(1)	3/99
Subtotal.....	7		64.5 (/2/)	
Pending Transactions				
St. Louis.....	1	WFUN-FM	13.6	--
Cleveland.....	2	WENZ-FM WERE-AM	20.0	--
Richmond I.....	1	WDYL-FM	4.6	--
Richmond II.....	2	WKJS-FM WSOJ-FM	12.0	--
Richmond III.....	4	WJRV-FM WCDX-FM WPLZ-FM	34.0	--

		WGCV-AM	
East Coast market.....	1	--	--
	---		-----
Subtotal.....	11		84.2 (/3/)
	---		-----
Total.....	18		\$148.7 (/2/) (/3/)
	===		=====

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- (1) Radio One issued shares of our Common Stock and assumed approximately \$16.3 million of net debt in this transaction.
- (2) Excludes Radio One of Atlanta, Inc. and Dogwood Communications, Inc.
- (3) Excludes our pending acquisition in an East Coast market.

Preferred Stock Offering and Redemption

Concurrent with this offering, we intend to sell \$50.0 million of % New Preferred Stock. The Preferred Stock Offering is being made by a separate prospectus. We intend to use the proceeds of the Preferred Stock Offering to redeem all of our outstanding Senior Preferred Stock and to reduce outstanding amounts under our Bank Credit Facility.

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The Offering

Class A Common Stock offered(/1/)...	shares by Radio One
	shares by the selling stockholders

	shares of Class A Common Stock

Common Stock to be outstanding	
after this offering(/1/) (/2/).....	
	shares of Class A Common Stock
	shares of Class B Common Stock
	shares of Class C Common Stock

	shares of Common Stock

Voting Rights.....	<p>Holders of Class A Common Stock are entitled to one vote per share and are entitled to elect two independent directors. Holders of Class B Common Stock are entitled to ten votes per share. Holders of Class C Common Stock do not have voting rights, except as required by law.</p>
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Other Rights.....	<p>Except as to voting and conversion rights, each class of Common Stock has the same rights.</p>
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Use of Proceeds.....	<p>Radio One intends to use the net proceeds of this offering and the Preferred Stock Offering to:</p>
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- . repay amounts borrowed under our Bank Credit Facility;
- . repay amounts borrowed to fund our acquisition of WYCB-AM in Washington, D.C.;
- . redeem our Senior Preferred Stock; and
- . increase our working capital.

Proposed NASDAQ Symbol.....	ROIA
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- (1) Excludes shares of Class A Common Stock that may be issued to cover over-allotments of shares.
- (2) Excludes shares of Class A Common Stock issuable upon exercise of stock options with a weighted average price of \$ per share.

Summary Historical and Pro Forma Consolidated Financial Data

The following table contains summary historical financial information derived from the audited consolidated financial statements of Radio One. The table also contains summary unaudited pro forma financial information derived from the unaudited pro forma financial information set forth under "Unaudited Pro Forma Consolidated Financial Information." The summary unaudited pro forma consolidated financial information does not purport to represent what our results of operations or financial condition would actually have been had the transactions described below occurred on the dates indicated or to project our results of operations or financial condition for any future period or date. The summary financial data set forth in the following table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Consolidated Financial Information" and the consolidated financial statements of Radio One included elsewhere in this prospectus.

	Fiscal Year Ended December 31,				
	Historical			1998 Pro Forma	
	1996	1997	1998	Completed Transactions	As Adjusted
	(audited)	(audited)	(audited)	(unaudited)	
	(in thousands, except per share data)				
Statement of Operations:					
Net broadcast revenue....	\$23,702	\$32,367	\$46,109	\$ 60,828	\$ 73,309
Station operating expenses.....	13,927	18,848	24,501	34,118	42,403
Corporate expenses.....	1,793	2,155	2,800	3,213	3,213
Depreciation and amortization.....	4,262	5,828	8,445	15,570	21,577
	-----	-----	-----	-----	-----
Operating income.....	3,720	5,536	10,363	7,927	6,116
Interest expense.....	7,252	8,910	11,455	16,603	
Other income (expense), net.....	(77)	415	358	329	
Income tax benefit (expense).....	--	--	1,575	2,480	
	-----	-----	-----	-----	-----
Income (loss) before extraordinary item....	\$ (3,609)	\$ (2,959)	\$ 841	\$ (5,867)	\$
	=====	=====	=====	=====	=====
Earnings per common share:					
Basic.....	\$	\$	\$	\$	\$
Diluted.....					
Weighted average common shares outstanding:					
Basic.....					
Diluted.....					
Other Data:					
Broadcast cash flow.....	\$ 9,775	\$13,519	\$21,608	\$ 27,004	\$ 31,200
Broadcast cash flow margin.....	41.2%	41.8%	46.9%	44.4%	42.6%
EBITDA (before non-cash compensation expense)...	\$ 7,982	\$11,364	\$18,808	\$ 23,791	\$ 27,987
After-tax cash flow.....	806	2,869	7,248	7,517	
Cash interest expense....	4,815	4,413	7,192	12,340	
Capital expenditures.....	252	2,035	2,236	3,921	

Ratio of earnings to fixed charges*.....	x
Ratio of total debt to EBITDA (before non-cash compensation expense)	x
Ratio of EBITDA (before non-cash compensation expense) to interest expense	x
Ratio of EBITDA (before non-cash compensation expense) to cash interest expense	x

Balance Sheet Data (at period end):

Cash and cash equivalents.....	\$ 4,455	\$ 1,466	\$
Intangible assets, net.....	127,639	176,786	
Total assets.....	153,856	204,717	
Total debt (including current portion and deferred interest).....	131,739	148,176	
Preferred stock.....	26,684	26,684	
Total stockholders' equity (deficit).....	(24,859)	8,376	

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* Earnings were insufficient to cover fixed charges for the fiscal years ended December 31, 1996, 1997 and 1998 by approximately \$3.6 million, \$3.0 million, and \$734,000, respectively, and on a pro forma as adjusted basis for the year ended December 31, 1998 by approximately \$ million.

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. The pro forma amounts for the year ended December 31, 1998, in the column "Completed Transactions" are adjusted to give effect to the following acquisitions as if they had occurred as of the beginning of the period:

- Bell Broadcasting Company;
- Allur-Detroit, Inc.;
- Radio One of Atlanta, Inc.; and
- Dogwood Communications, Inc. (by Radio One of Atlanta, Inc.).

. The pro forma amounts for the year ended December 31, 1998, in the column "As Adjusted" are adjusted to give effect to the completed transactions described above and the following pending acquisitions and other transactions as if they had occurred as of the beginning of the period:

- the pending acquisitions:
 - . assets of WFUN-FM in St. Louis (pro forma balance sheet only);
 - . WENZ-FM and WERE-AM in Cleveland;
 - . WDYL-FM in Richmond;
 - . WKJS-FM and WSOJ-FM in Richmond;
 - . WJRV-FM, WCDX-FM, WPLZ-FM and WGCV-AM in Richmond; and
 - . a radio station in an East Coast market.

- this offering;
- the Preferred Stock Offering;
- the redemption of our Senior Preferred Stock; and
- the repayment of debt.

. The pro forma balance sheet data are adjusted to give effect to the transactions described above as if they had occurred on December 31, 1998.

RISK FACTORS

You should carefully consider the following factors and other information in this prospectus before deciding to invest in shares of Class A Common Stock of Radio One.

Substantial Leverage - Our substantial level of indebtedness could adversely affect us.

As of December 31, 1998, on a pro forma basis after giving effect to the transactions described under "Unaudited Pro Forma Consolidated Financial Information," we would have had outstanding total debt of \$ million (including \$ million bearing interest at variable rates), New Preferred Stock with an aggregate liquidation preference of \$50 million and stockholders' equity of \$ million.

Our substantial level of indebtedness could adversely affect us for various reasons, including limiting our ability to:

- . obtain additional financing for working capital, capital expenditures, acquisitions, debt service requirements or other corporate purposes;
- . have sufficient funds available for operations, future business opportunities or other purposes;
- . compete with competitors who are less leveraged than we are; and
- . react to changing market conditions, changes in our industry and economic downturns.

Restrictions Imposed by Terms of Indebtedness - The terms of our indebtedness restrict us from engaging in many activities and require us to satisfy various financial tests.

Our Bank Credit Facility and the agreements governing our other outstanding debt and New Preferred Stock contain covenants that restrict, among other things, our ability to incur additional debt, pay cash dividends, purchase our capital stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with affiliates, create liens securing non-senior debt or merge, consolidate or sell all or substantially all of our assets.

Our Bank Credit Facility also requires us to get our banks' consent before we make acquisitions. This restriction may make it more difficult to pursue our acquisition strategy. Our Bank Credit Facility also requires us to maintain specific financial ratios. Events beyond our control could affect our ability to meet those financial ratios, and we cannot assure you that we will meet them.

All of the loans under our Bank Credit Facility are due on December 31, 2003. A breach of any of the covenants contained in our Bank Credit Facility could allow our lenders to declare all amounts outstanding under the Bank Credit Facility to be immediately due and payable. In addition, our lenders could proceed against the collateral granted to them to secure that indebtedness. If the amounts outstanding under the Bank Credit Facility are accelerated, we cannot assure you that our assets will be sufficient to repay in full the money owed to the banks or to our other debt holders.

History of Net Losses - We have a history of losses and may have losses in the future.

Prior to 1998, we experienced net losses in most years and, after giving effect to the transactions described under "Unaudited Pro Forma Consolidated Financial Information," as if they had occurred on January 1, 1998, we had net losses of \$ million for the year ended December 31, 1998, on a pro forma as adjusted basis.

The primary reasons for these losses are significant charges for depreciation and amortization relating to the acquisition of radio stations and interest charges on our outstanding debt. If we acquire additional stations, these charges will probably increase.

Dependence on Key Personnel - We are dependent on certain key personnel to operate our growing business.

Our business depends upon the continued efforts, abilities and expertise of our executive officers and other key employees. We intend to enter into employment agreements with several of our key employees, including Ms. Catherine L. Hughes, Mr. Alfred C. Liggins, III, and other executive officers. We believe that the loss of any of these individuals could have a material adverse effect on us.

Competition - We operate in a highly competitive industry. Our competition comes from other stations and other media.

Our stations compete for audiences and advertising revenue with other radio stations and with other media such as television, newspapers, direct mail and outdoor advertising. Audience ratings and advertising revenue are subject to change and any adverse change in a market could adversely affect our net broadcast revenue in that market. If a competing station converts to a format similar to that of one of our stations, or if one of our competitors strengthens its operations, our stations could suffer a reduction in ratings and advertising revenue. Other radio companies which are larger and have more resources may also enter markets in which we operate. Although we believe our stations are well positioned to compete, we cannot assure you that our stations will maintain or increase their current ratings or advertising revenue.

Risks of Acquisition Strategy - Many factors will affect our ability to execute our acquisition strategy.

We intend to grow by acquiring radio stations primarily in top 30 African-American markets. We cannot assure you that our acquisition strategy will be successful due to the following risks, including:

- . We cannot assure you that our pending acquisitions will be consummated;
- . Acquired stations may not increase our broadcast cash flow or yield other anticipated benefits;
- . Required regulatory approvals may result in unanticipated delays in completing acquisitions;
- . We may have difficulty integrating the operations, systems and management of our acquired stations;
- . Our acquisition strategy may divert management's attention from other business concerns;
- . We may lose key employees of acquired stations;
- . We may be required to raise additional financing and our ability to do so is limited by the terms of our debt instruments; and
- . We may not be able to acquire additional stations on attractive terms due to increased competition for acquisition opportunities.

Controlling Stockholders - Two stockholders have a majority interest in Radio One and have the power to control matters on which Radio One's stockholders may vote.

Upon completion of this offering, Ms. Catherine L. Hughes and her son, Mr. Alfred C. Liggins, III, will collectively hold approximately percent (percent if the underwriters exercise their over-allotment option) of the outstanding voting power of Radio One's Common Stock. As a result, Ms. Hughes and Mr. Liggins will control most decisions involving Radio One, including transactions involving a change of control of Radio One, such as a sale or merger. In addition, certain covenants in Radio One's debt instruments require that Ms. Hughes and Mr. Liggins maintain specified ownership and voting interests in Radio One, and prohibit other parties' voting interests from exceeding specified amounts. Ms. Hughes and Mr. Liggins have agreed to vote their shares together in elections to the Board of Directors.

Technology Changes, New Services and Evolving Standards - We must respond to the rapid changes in technology, services and standards which characterize our industry in order to remain competitive.

The radio broadcasting industry is subject to rapid technological change, evolving industry standards and the emergence of new media technologies. Several new media technologies are being developed, including the following:

- . Audio programming by cable television systems, direct broadcast satellite systems, Internet content providers and other digital audio broadcast formats;
- . Satellite digital audio radio service, which could result in the introduction of several new satellite radio services with sound quality equivalent to that of compact discs; and
- . In-band on-channel digital radio, which could provide multi-channel, multi-format digital radio services in the same bandwidth currently occupied by traditional AM and FM radio services.

We recently entered into a programming agreement with a satellite digital audio radio service and have also invested in a developer of digital audio broadcast technology. However, we cannot assure you that these arrangements will be successful or enable us to adapt effectively to these new media technologies. We also cannot assure you that we will continue to have the resources to acquire other new technologies or to introduce new services that could compete with other new technologies.

Importance of the Washington, D.C. and Baltimore Markets - A large portion of our net broadcast revenue and broadcast cash flow comes from these markets.

Based upon the stations we owned or managed at the end of 1998, our radio stations in Washington, D.C. and Baltimore collectively accounted for 62.9% and 70.4% of our net broadcast revenue and broadcast cash flow, respectively, for the year ended December 31, 1998, on a pro forma basis, after giving effect to the completed transactions described under "Unaudited Consolidated Pro Forma Financial Information." A significant decline in net broadcast revenue or broadcast cash flow from our stations in these markets could have a material adverse effect on our financial position and results of operations.

Government Regulation - Our business depends on maintaining our licenses with the FCC. We cannot assure you that we will be able to maintain these licenses.

Radio broadcasters depend upon maintaining radio broadcasting licenses issued by the FCC. These licenses are ordinarily issued for a maximum term of eight years and may be renewed. Our radio broadcasting licenses expire at various times from October 1, 2003 to August 1, 2006. Although we may apply to renew our FCC licenses, interested third parties may challenge our renewal applications. In addition, if Radio One or any of our stockholders, officers, or directors violates the FCC's rules and regulations or the Communications Act of 1934, as amended, or is convicted of a felony, the FCC may commence a proceeding to impose sanctions upon us. Examples of possible sanctions include the imposition of fines; the revocation of our broadcast licenses; or the renewal of one or more of our broadcasting licenses for a term of fewer than eight years. If the FCC were to issue an order denying a license renewal application or revoking a license, we would be required to cease operating the radio station covered by the license only after we had exhausted administrative review without success.

The radio broadcasting industry is subject to extensive and changing federal regulation. Among other things, the Communications Act and FCC rules and policies limit the number of broadcasting properties that any person or entity may own (directly or by attribution) in any market and require FCC approval for transfers of control and assignments. The filing of petitions or complaints against Radio One or any FCC licensee from which we are acquiring a station could result in the FCC delaying the grant of, or refusing to grant or imposing conditions on its consent to the assignment or transfer of licenses. The Communications Act and FCC rules also impose limitations on non-U.S. ownership and voting of the capital stock of Radio One.

Antitrust Matters - Our growth strategy may be adversely affected by future legal and regulatory changes. We may have difficulty obtaining regulatory approval for our acquisitions.

An important part of our growth strategy is the acquisition of additional radio stations. After the passage of the Telecommunications Act of 1996, the U.S. Department of Justice has become more aggressive in reviewing proposed acquisitions of radio stations and radio station networks. The Justice Department is particularly aggressive when the proposed buyer already owns one or more radio stations in the market of the station it is seeking to buy. Recently, the Justice Department has challenged a number of radio broadcasting transactions. Some of those challenges ultimately resulted in consent decrees requiring, among other things, divestitures of certain stations. In general, the Justice Department has more closely scrutinized radio broadcasting acquisitions that result in local market shares in excess of 40% of radio advertising revenue. Similarly, the FCC has announced new procedures to review proposed radio broadcasting transactions even if the proposed acquisition otherwise complies with the FCC's ownership limitations. In particular, the FCC may invite public comment on proposed radio transactions that the FCC believes, based on its initial analysis, may present ownership concentration concerns in a particular local radio market.

Dilution - New investors will incur immediate and substantial dilution.

Based upon an assumed public offering price of \$ per share, stock purchased in this offering will incur immediate and substantial dilution in net tangible book value of \$ per share (or \$ per share if the over-allotment option is exercised in full).

Shares of Common Stock Eligible for Future Sale - Future sales by existing stockholders could depress the market price of Class A Common Stock.

Immediately after this offering, the public market for the Common Stock will include only the shares that we and the selling stockholders are selling in this offering. At that time, there will be an additional shares of Common Stock outstanding. The shares held by our existing stockholders are subject to "lock-up" agreements that prohibit such existing stockholders from selling their shares of Common Stock in the public market for 180 days after the date of this prospectus (or earlier with the consent of Credit Suisse First Boston Corporation in its sole discretion). When the 180-day "lock-up" period expires, our existing stockholders will be able to sell their shares in the public market, subject to certain legal restrictions. If our existing stockholders sell a large number of shares, the market price of shares of Common Stock could decline dramatically. Moreover, the perception in the public market that these stockholders might sell shares of Common Stock could depress the market price of the Common Stock. Furthermore, our existing stockholders have the right to require us to register their shares, which may facilitate their sale of shares in the public market.

No Prior Public Market for the Class A Common Stock - Investors will be subject to market risks typically associated with initial public offerings.

Prior to this offering, there has been no public market for the Class A Common Stock. We have applied to list the Class A Common Stock for trading on the Nasdaq's National Market. After this offering, an active trading market might not develop or continue. If you purchase shares of Class A Common Stock in this offering, you will pay a price that was not established in a competitive market. Rather, you will pay a price that we negotiated with our underwriters and the selling stockholders. The price of the Class A Common Stock that will prevail in the market after this offering may be higher or lower than the price you pay. For a description of the factors we will consider in negotiating the public offering price, see "Underwriting."

Year 2000 - Computer programs and microprocessors that have date sensitive software may recognize a date using "00" as year 1900 rather than 2000, or not recognize the date at all, which could result in major system failures or miscalculations.

We rely, directly and indirectly, on information technology systems to operate our radio stations, provide our radio stations with up-to-date news and perform a variety of administrative services, including accounting,

financial reporting, advertiser spot scheduling, payroll and invoicing. We also use non-information technology systems, such as microchips, for dating and other automated functions. We are in the process of assessing and remediating potential risks to our business related to the Year 2000 problem. Although we believe that, as a result of these efforts, our critical systems are or will be substantially Year 2000 ready, we cannot assure you that this will be the case. One of our greatest potential Year 2000 risks may be that third parties with whom we deal will fail to be Year 2000 ready. For example, our business may be adversely affected if our programming suppliers or key advertisers experience significant disruptions in their businesses because of the Year 2000 problem.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that have been made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts, but rather are based on our current expectations, estimates and projections about Radio One's industry, our beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. These risks and uncertainties are described in "Risk Factors" and elsewhere in this prospectus. We caution you not to place undue reliance on these forward-looking statements, which reflect our management's view only as of the date of this prospectus. We are not obligated to update these statements or publicly release the result of any revisions to them to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events.

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USE OF PROCEEDS

The net proceeds from this offering to Radio One (after deducting underwriting discounts and commissions and estimated offering expenses), based on the assumed initial public offering price of \$ per share, are estimated to be approximately \$ million (\$ million if the underwriters' over-allotment option is exercised in full). The net proceeds from this offering, together with the net proceeds from the Preferred Stock Offering, will be used as set forth below. Pending such uses, the net proceeds from this offering may be temporarily invested in short-term, interest-bearing, investment-grade securities. The following table sets forth the estimated sources and uses of funds for the transactions described above as of , 1999:

	Amount ----- (in thousands)
Sources:	
Net proceeds from this offering.....	\$
Net proceeds from the Preferred Stock Offering.....	-----
Total sources.....	\$ =====
Uses:	
Repayment of amounts borrowed under the Bank Credit Facility.....	\$
Repayment of WYCB acquisition loan.....	-----
Redemption of Senior Preferred Stock.....	\$
Increase in working capital.....	-----
Total uses.....	\$ =====

Radio One will not receive any proceeds from Class A Common Stock sold by the selling stockholders.

DIVIDEND POLICY

We intend to retain future earnings for use in our business and do not anticipate declaring or paying any cash or stock dividends on shares of our Common Stock in the foreseeable future. In addition, any determination to declare and pay dividends will be made by our Board of Directors in light of our earnings, financial position, capital requirements, the Bank Credit Facility, the Indenture and the terms of the New Preferred Stock, and such other factors as the Board of Directors deems relevant. See "Description of Indebtedness" and "Description of Capital Stock."

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DILUTION

Purchasers of the Class A Common Stock offered by this prospectus will suffer an immediate and substantial dilution in net tangible book value per share. Dilution is the amount by which the initial public offering price paid by the purchasers of the shares of Class A Common Stock will exceed the net tangible book value per share of Common Stock after the offering. The net tangible book value per share of Common Stock is determined by subtracting total liabilities from the total book value of the tangible assets and dividing the difference by the number of shares of Common Stock deemed to be outstanding on the date the book value is determined. As of December 31, 1998, Radio One had a pro forma negative tangible book value of \$ or \$ per share after giving effect to the completed and pending acquisitions and capital transactions described under "Capitalization," excluding this offering. Assuming the sale of shares at an initial public offering price of \$ per share and deducting underwriters' discounts and commissions and estimated offering expenses, Radio One's pro forma tangible book value as of December 31, 1998 would have been a negative \$ or \$ per share. This represents an immediate increase in pro forma net tangible book value to existing stockholders of \$ per share and an immediate dilution to new investors of \$ per share. The following table illustrates this per share dilution:

	Per Share -----
Assumed initial public offering price.....	\$ ----
Pro forma net negative tangible book value before this offering.....	\$ ----
Increase in net tangible book value per share attributable to this offering.....	-----
Pro forma net tangible book value after this offering.....	----
Dilution to new investors.....	\$ ====

The following table summarizes, on a pro forma as adjusted basis as of December 31, 1998, the number of shares of Common Stock purchased from Radio One, the estimated value of the total consideration paid for or attributed to such Common Stock, and the average price per share paid by or attributable to existing stockholders and the new investors purchasing shares in this offering at an assumed initial offering price of \$ per share.

Shares of Common Stock Purchased		Total Consideration		Average Price Per Share of Common Stock
Number	Percent	Amount	Percent	
-----	-----	-----	-----	-----

Existing stockholders.....		%	\$		%	\$
New investors.....						
	----	-----	-----		-----	
Total.....		100.0%	\$		100.0%	
	=====	=====	=====		=====	

As of , 1999 there were outstanding options to purchase an additional shares of Class A Common Stock at an exercise price of \$ per share. To the extent these options are exercised, there may be further dilution to new investors.

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CAPITALIZATION

The table below sets forth our capitalization as of December 31, 1998, on an actual basis, on a pro forma basis giving effect to the acquisitions identified in the first bullet below, and on a pro forma as adjusted basis giving effect to those acquisitions and the transactions identified in the second bullet below. The actual amounts give effect to the following 1999 capital transactions as if they had occurred as of December 31, 1998: the for one stock split of Common Stock, the exchange of certain shares of Class A Common Stock for shares of Class B and Class C Common Stock, the issuance of shares of Class A Common Stock upon the exercise of the Warrants, and the issuance of shares of Class C Common Stock to employees.

. The column "Pro forma for Completed and Pending Transactions" gives effect to the acquisition of:

- Radio One of Atlanta, Inc. ("ROA");
- Dogwood Communications, Inc. ("Dogwood") by ROA;
- the assets of WFUN-FM in St. Louis;
- WENZ-FM and WERE-AM in Cleveland;
- WDYL-FM in Richmond ("Richmond I");
- WKJS-FM and WSOJ-FM in Richmond ("Richmond II");
- WJRV-FM, WCDX-FM, WPLZ-FM and WGCV-AM in Richmond ("Richmond III");
- and
- a radio station in an East Coast market.

. The column "Pro Forma as Adjusted" gives effect to:

- the above transactions;
- this offering;
- the offering (the "Preferred Stock Offering") of \$50.0 million of % senior cumulative exchangeable preferred stock due (the "New Preferred Stock");
- the redemption of the Senior Preferred Stock; and
- the repayment of debt.

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The information in this table should be read in conjunction with "Use of Proceeds," "Unaudited Pro Forma Consolidated Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Consolidated Financial Statements included elsewhere in this prospectus.

	As of December 31, 1998		

	Pro Forma		
	for		
	Completed		
	and Pending		
Actual	Transactions	Pro Forma	
-----	-----	as Adjusted	
(audited)	(unaudited)	(unaudited)	
	(in thousands)		
Cash and cash equivalents.....	\$ 4,455	(92,734)	\$

	=====	=====	=====
Long-term debt (including current portion):			
Bank Credit Facility.....	\$ 49,350	\$ 65,787	\$
12% Senior Subordinated Notes due May 15, 2004.....	78,458	78,458	
WYCB acquisition debt.....	3,841	3,841	
Other long-term debt.....	90	90	
	-----	-----	----
Total debt.....	131,739	148,176	----
	-----	-----	----
Senior Cumulative Redeemable Preferred Stock:			
Series A, \$0.01 par value, 140,000 shares authorized, 84,843 shares, 84,843 shares, and no shares issued and outstanding.....	10,816	10,816	--
Series B, \$0.01 par value, 150,000 shares authorized, 124,467 shares, 124,467 shares, and no shares issued and outstanding.....	15,868	15,868	--
Series C, \$0.01 par value, shares authorized, no shares, no shares and shares issued and outstanding.....	--	--	----
	-----	-----	----
Stockholders' equity (deficit):			
Class A Common Stock, \$0.01 par value, shares authorized, shares, shares and shares, issued and outstanding.....	--	--	
Class B Common Stock, \$0.01 par value, shares authorized, shares, shares, and shares, issued and outstanding.....	--	--	
Class C Common Stock, \$0.01 par value, shares authorized, shares, shares and shares issued and outstanding.....	--	--	
Additional paid-in capital.....	--	--	
Accumulated equity (deficit).....	(24,859)	8,376	
	-----	-----	----
Total stockholders' equity (deficit).....	(24,859)	8,376	----
	-----	-----	----
Total capitalization.....	\$133,564	\$183,236	\$
	=====	=====	=====

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RECENT AND PENDING TRANSACTIONS

ACQUISITIONS

We have acquired or agreed to acquire 18 radio stations since January 1, 1998. These acquisitions diversify our net broadcast revenue, broadcast cash flow and asset bases and increase the number of top 20 African-American markets in which we operate from three to nine. See "Business" for a more detailed description of the following transactions.

The table below sets forth information regarding each of the recently completed or pending acquisitions as of March 31, 1999.

Market	No. of Stations	Call Letters	Approximate Purchase Price	Date Completed
-----	-----	-----	-----	-----
	(in millions)			

Completed Transactions
Washington, D.C.
(Broadcast Holdings,

Inc.).....	1	WYCB-AM	\$ 3.8	3/98
Detroit/Kingsley (Bell Broadcasting Company).....	3	WDTJ-FM WCHB-AM WJZZ-AM	34.2	6/98
Detroit (Allur- Detroit, Inc.).....	1	WWBR-FM	26.5	12/98
Atlanta (Radio One of Atlanta, Inc. and Dogwood Communications, Inc.).....	2	WHTA-FM WAMJ-FM	(1)	3/99
Subtotal.....	7		64.5 (/2/)	
Pending Transactions				
St. Louis.....	1	WFUN-FM	13.6	--
Cleveland.....	2	WENZ-FM WERE-AM	20.0	--
Richmond I.....	1	WDYL-FM	4.6	--
Richmond II.....	2	WKJS-FM	12.0	--
Richmond III.....	4	WSOJ-FM WJRV-FM WCDX-FM WPLZ-FM WGCV-AM	34.0	--
East Coast market.....	1	--	--	--
Subtotal.....	11		84.2 (/3/)	
Total.....	18		\$148.7 (/2/) (/3/)	

- -----
- (1) Radio One issued shares of our Common Stock and assumed \$16.3 million of net debt in this transaction.
 - (2) Excludes Radio One of Atlanta, Inc. and Dogwood Communications, Inc.
 - (3) Excludes our pending acquisition in an East Coast market.

Completed Transactions

Washington, D.C.--WYCB-AM Acquisition

On March, 16, 1998, Radio One acquired, through an Unrestricted Subsidiary, Broadcast Holdings, Inc. ("BHI"), the owner of WYCB-AM, for approximately \$3.8 million. Following this acquisition, we integrated the operations of WYCB-AM into our existing radio station operations in Washington, D.C.

Detroit--Bell Broadcasting Acquisition

On June 30, 1998, Radio One acquired Bell Broadcasting Company ("Bell Broadcasting") for approximately \$34.2 million in cash. Bell Broadcasting owns three radio stations, WDTJ-FM (formerly WCHB-FM) and WCHB-AM, located in the Detroit, Michigan market, and WJZZ-AM, located in Kingsley, Michigan.

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Detroit--Allur-Detroit Acquisition

On December 28, 1998, Radio One acquired Allur-Detroit, Inc. ("Allur-Detroit"), owner of WWBR-FM, for approximately \$26.5 million in cash. Allur-Detroit's stockholders included Syndicated Communications Venture Partners II, L.P. ("Syncom Venture Partners"), which is an affiliate of one of Radio One's stockholders, Syncom Capital Corporation ("Syncom").

Atlanta--Radio One of Atlanta and Dogwood Communications Acquisitions

On March , 1999, Radio One acquired Radio One of Atlanta, Inc. ("ROA"), an affiliate of Radio One, for shares of Radio One Common Stock. Radio One also assumed and retired approximately \$16.3 million of net indebtedness of ROA and Dogwood. At the time, ROA owned approximately 33% of Dogwood. On March ,

1999, Radio One acquired the remaining approximate 67% of Dogwood for \$3.6 million. Founded in 1995, ROA owns and operates WHTA-FM. Dogwood owns WAMJ-FM which, prior to ROA's acquisition of 100% of Dogwood, ROA operated under a local marketing agreement ("LMA"). Upon the completion of these acquisitions, ROA became a wholly owned subsidiary of Radio One, and Dogwood became a wholly owned subsidiary of ROA. See "Certain Relationships and Related Transactions."

Pending Transactions

St. Louis--WFUN-FM Acquisition

On November 23, 1998, Radio One entered into an asset purchase agreement to acquire the assets of WFUN-FM, licensed to Bethalto, Illinois, for approximately \$13.6 million in cash. We expect to move WFUN-FM to a broadcast tower site closer to downtown St. Louis, reformat the station and upgrade its signal from 6 kW to 25 kW. We expect this acquisition to close during the second quarter of 1999.

Cleveland--WENZ-FM and WERE-AM Acquisition

On March , 1999, Radio One entered into an asset purchase agreement to acquire WENZ-FM and WERE-AM, both of which are licensed to Cleveland, Ohio, for approximately \$20.0 million in cash. We expect this acquisition to close by the end of the third quarter of 1999.

Richmond--WDYL-FM Acquisition, WKJS-FM and WSOJ-FM Acquisition and WJRV-FM, WCDX-FM, WPLZ-FM and WGCV-AM Acquisition

On February 10, 1999, Radio One entered into an asset purchase agreement to acquire WDYL-FM, licensed to Chester, Virginia, for approximately \$4.6 million in cash. We expect this acquisition to close by the end of the third quarter of 1999.

On February 26, 1999, Radio One entered into an asset purchase agreement to acquire WKJS-FM, licensed to Crewe, Virginia, and WSOJ-FM, licensed to Petersburg, Virginia, for approximately \$12.0 million in cash, subject to purchase price adjustments. We expect this acquisition to close by the end of the third quarter of 1999.

On March , 1999, Radio One entered into an asset purchase agreement to acquire WCDX-FM, licensed to Mechanicsville, Virginia, WPLZ-FM, licensed to Petersburg, Virginia, WJRV-FM, licensed to Richmond, Virginia, and WGCV-AM, licensed to Petersburg, Virginia, for approximately \$34.0 million in cash. We expect this acquisition to close during the second half of 1999.

East Coast Market--Radio Station Acquisition

On February 11, 1999, Radio One entered into a letter of intent to acquire a radio station in an East Coast market. We expect this acquisition to close during the second half of 1999.

RECENT FINANCINGS

Preferred Stock Offering and Redemption

Concurrent with this offering, we intend to sell \$50.0 million of % New Preferred Stock. The Preferred Stock Offering is being made by a separate prospectus. We intend to use the proceeds of the Preferred Stock Offering to redeem all of our Series A 15.0% Senior Cumulative Redeemable Preferred Stock ("Series A Preferred Stock") and Series B 15.0% Senior Cumulative Redeemable Preferred Stock ("Series B Preferred Stock," and together with the Series A Preferred Stock, the "Senior Preferred Stock"), and to reduce outstanding amounts under our Bank Credit Facility. See "Use of Proceeds" and "Description of Capital Stock."

Credit Agreement

On , 1999, we entered into an amended and restated credit agreement under which we may borrow up to \$100 million on a revolving basis from a group of banking institutions. See "Description of Indebtedness."

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma consolidated financial statements (the "Pro Forma Consolidated Financial Statements") are based on the historical Consolidated Financial Statements of Radio One included elsewhere in this prospectus, adjusted to give effect to the following:

The pro forma amounts for the year ended December 31, 1998, in the column "Completed Transactions" are adjusted to give effect to the following completed acquisitions as if they had occurred as of January 1, 1998:

- . Bell Broadcasting;
- . Allur-Detroit;
- . ROA; and
- . Dogwood by ROA.

The pro forma amounts for the year ended December 31, 1998, in the column "Completed and Pending Transactions" are adjusted to give effect to the completed transactions described above and to the following pending acquisitions as if they had occurred as of January 1, 1998:

- . the assets of WFUN-FM in St. Louis (pro forma balance sheet only);
- . WENZ-FM and WERE-AM in Cleveland;
- . WDYL-FM in Richmond;
- . WKJS-FM and WSOJ-FM in Richmond;
- . WJRV-FM, WCDX-FM, WPLZ-FM and WGCY-AM in Richmond; and
- . a radio station in an East Coast market.

The pro forma amounts in the column "As Adjusted" are further adjusted to give effect to the pending and completed transactions described above and to the following transactions as if they had occurred as of January 1, 1998:

- . this offering;
- . the redemption of our Senior Preferred Stock;
- . the Preferred Stock Offering; and
- . the repayment of debt.

The pro forma balance sheet data are adjusted to give effect to the transactions described above as if they had occurred on December 31, 1998.

The Unaudited Pro Forma Consolidated Statements of Operations and Other Data gives effect to these transactions as if they had occurred as of January 1, 1998, and the Unaudited Pro Forma Consolidated Balance Sheet gives effect to these transactions as if they had occurred as of December 31, 1998. These transactions are described in the accompanying notes to the Pro Forma Consolidated Financial Statements. The pro forma data are based upon available information and certain assumptions that management believes are reasonable. The Pro Forma Consolidated Financial Statements do not purport to represent what Radio One's results of operations or financial condition would actually have been had these transactions occurred on the dates indicated or to project Radio One's results of operations or financial condition for any future period or date. The Pro Forma Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements of Radio One and the historical consolidated financial statements of ROA, Bell Broadcasting, Allur-Detroit, Richmond II and Richmond III included elsewhere in this prospectus, and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The pending acquisitions of the assets of WFUN-FM in St. Louis, and the operations of the stations in Cleveland, Richmond and an East Coast market, will be accounted for using the purchase method of accounting. After an acquisition, the total consideration of such acquisition will be allocated to the tangible and intangible assets acquired and liabilities assumed, if any, based upon their respective estimated fair values. The

allocation of the aggregate total consideration included in the Pro Forma Consolidated Financial Statements is preliminary as we believe further refinement is impractical at this time. However, we do not expect that the

final allocation of the total consideration will materially differ from the preliminary allocations.

Unaudited Pro Forma Consolidated Statement of Operations and Other Data

	Year Ended December 31, 1998						
	(in thousands)						
	Completed	Pro Forma	Pending	Pro Forma			Pro Forma
	Transactions	for Completed	Transactions	for Completed			as
Historical (a)	Adjustments (b)	Transactions	Adjustments (c)	and Pending Transactions	Offerings Adjustments		Adjusted
Statement of Operations:							
Net broadcast revenue...	\$46,109	\$14,719	\$60,828	\$12,481	\$73,309	\$ --	\$73,309
Station operating expenses.....	24,501	9,617	34,118	8,285	42,403	--	42,403
Corporate expenses.....	2,800	413	3,213	--	3,213	--	3,213
Depreciation and amortization.....	8,445	7,125	15,570	6,007	21,577	--	21,577
Operating income.....	10,363	(2,436)	7,927	(1,811)	6,116		6,116
Interest expense.....	11,455	5,148	16,603	6,408	23,011	(d)	
Other income (expense), net.....	358	(29)	329	122	451		
Income tax benefit (expense).....	1,575	905	2,480	2,990	5,470	(e)	
Net income (loss).....	\$ 841	\$ (6,708)	\$ (5,867)	\$ (5,107)	\$ (10,974)	\$	\$
Earnings per common share:							
Basic.....	\$		\$		\$		\$
Diluted.....							
Weighted average common shares outstanding:							
Basic.....							
Diluted.....							
Other Data:							
Broadcast cash flow(f) ..	\$21,608		\$27,004		\$ 31,200		\$31,200
Broadcast cash flow margin(g)	46.9%		44.4%		42.6%		42.6%
EBITDA (before non-cash compensation expense) (f)	\$18,808		\$23,791		\$ 27,987		\$27,987
After-tax cash flow(f) ..	7,248		7,517		5,427		
Cash interest expense (h)	7,192		12,340		18,748		
Capital expenditures....	2,236		3,921		4,534		
Ratio of earnings to fixed charges(i)							x
Ratio of total debt to EBITDA (before non-cash compensation expense)							x
Ratio of EBITDA (before non-cash compensation expense) to interest expense.....							x
Ratio of EBITDA (before non-cash compensation expense) to cash interest expense.....							x

Footnotes for the Unaudited Pro Forma Consolidated Statement of Operations and Other Data for the Year Ended December 31, 1998

(a) See the consolidated financial statements included elsewhere in this prospectus.

(b) The table below gives effect to the acquisitions completed during the period from January 1, 1998 through March 31, 1999 as if they had occurred on January 1, 1998:

	Bell Broadcasting Historical (/1/)	Allur-Detroit Historical (/2/)	ROA Historical (/3/)	Pro Forma Adjustments	Total
(in thousands)					
Statement of Operations:					
Net broadcast revenue...	\$2,025	\$ 2,854	\$10,140	\$ (300) (/4/)	\$14,719
Station operating expenses.....	1,423	3,239	5,529	(574) (/5/)	9,617
Corporate expenses.....	663	336	667	(1,253) (/6/)	413
Depreciation and amortization.....	63	194	896	5,972 (/7/)	7,125
Operating income (loss).....	(124)	(915)	3,048	(4,445)	(2,436)
Interest expense.....	52	383	2,007	2,706 (/8/)	5,148
Other income (expense), net.....	(28)	(50)	7	42 (/9/)	(29)

Statement of Operations:							
Net broadcast revenue.....	\$3,295	\$400	\$1,062	\$7,458	\$266	\$ --	\$12,481
Station operating expenses.....	1,979	368	1,002	4,668	268	--	8,285
Corporate expenses.....	--	14	15	413	--	(442) (/4/)	--
Depreciation and amortization.....	811	4	416	648	--	4,128 (/5/)	6,007
Operating income (loss).....	505	14	(371)	1,729	(2)	(3,686)	(1,811)
Interest expense..	600	--	500	--	--	5,308 (/6/)	6,408
Other income (expense), net...	101	--	21	--	--	--	122
Income tax benefit (expense).....	(2)	(6)	--	--	--	2,998 (/7/)	2,990
Net income (loss).....	\$ 4	\$ 8	\$ (850)	\$1,729	\$ (2)	\$ (5,996)	\$ (5,107)

(/1/The)column represents the historical results of operations of the stations to be acquired for the year ended December 31, 1998. As these stations to be acquired did not prepare stand-alone financial statements, these financial statements were carved out from a larger entity and include the direct revenue and expenses charged to the stations and an allocation of those expenses which benefited the stations but were not directly charged to the stations. As these results of operations include allocated expenses, these financial statements do not represent what the results from operations would have been if the stations operated on a stand-alone basis or what they would have been if they were owned by Radio One.

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- (/2/The)column represents the historical results of operations for the year ended December 31, 1998 that were obtained from carveout audited financial statements. See the financial statements included elsewhere in this prospectus.
- (/3/Historical)financial statements and pro forma adjustments related to the St. Louis acquisition have not been included in this pro forma income statement, because Radio One has determined that this acquisition is a purchase of assets. Income statement activity would not be relevant, because Radio One plans to take the current station off the air, reformat the station, and move it to a new location.
- (/4/To)eliminate corporate management fees which would not be incurred by Radio One.
- (/5/To)record additional amortization of \$4,128 for intangibles related to the excess purchase price of \$76,733 over 15 years, less the amortization previously recorded by the acquired companies.
- (/6/To)record interest expense, calculated as follows:
- (/7/To)record additional tax benefit related to additional loss as a result of the acquisitions.

Total acquisition cost for Cleveland, Richmond I, II and III and the East Coast market.....	\$80,600
Interest expense on total acquisition cost at 7.95% for one year.....	\$ 6,408
Less: Interest expense previously recorded by acquired companies.....	1,100
Pro forma adjustment.....	\$ 5,308

- (d) To record the decrease in interest expense related to the use of proceeds of this offering and the Preferred Stock Offering, calculated as follows:

Proceeds of this offering.....	\$
Proceeds of the Preferred Stock Offering.....	
Total.....	

Less: Retirement of preferred stock.....	
Less: Underwriting discounts and commissions, and offering cost expenses.....	-----
Subtotal.....	-----
Pro forma adjustment.....	\$ =====

- (e) To record the tax effect of the reduction in interest expense.
- (f) Broadcast cash flow consists of operating income before depreciation, amortization, non-cash compensation expense, local marketing agreement fees and corporate expenses. EBITDA (before non-cash compensation expense) consists of operating income before depreciation, amortization, non-cash compensation expense and local marketing agreement fees. After-tax cash flow consists of income before income tax benefit (expense) and extraordinary items, minus net gain on sale of assets (net of tax) and the current income tax provision, plus depreciation and amortization expense and non-cash compensation expense. Although broadcast cash flow, EBITDA (before non-cash compensation expense), and after-tax cash flow are not measures of performance or liquidity calculated in accordance with GAAP, we believe that these measures are useful to an investor in evaluating Radio One because these measures are widely used in the broadcast industry as a measure of a radio broadcasting company's performance. Nevertheless, broadcast cash flow, EBITDA (before non-cash compensation expense) and after-tax cash flow should not be considered in isolation from or as a substitute for net income, cash flows from operating activities and other income or cash flow statement data prepared in accordance with GAAP, or as a measure of profitability or liquidity. Moreover, because broadcast cash flow, EBITDA (before non-cash compensation expense) and after-tax cash flow are not measures calculated in accordance with GAAP, these performance measures are not necessarily comparable to similarly titled measures employed by other companies.
- (g) Broadcast cash flow margin is defined as broadcast cash flow divided by net broadcast revenue.
- (h) Cash interest expense is calculated as interest expense less non-cash interest, including the accretion of principal, the amortization of discounts on debt and the amortization of deferred financing costs, for the indicated period.

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- (i) For purposes of this calculation, earnings consist of income (loss) before income taxes, extraordinary items and fixed charges without including any activities relating to the acquisition of WYCB-AM, an Unrestricted Subsidiary. Fixed charges consist of interest expense, including the amortization of discounts on debt and the amortization of deferred financing costs. Earnings were insufficient to cover fixed charges for the fiscal year ended December 31, 1998, by approximately \$734,000 and on a pro forma as adjusted basis for the year ended December 31, 1998, by approximately \$ million.

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Unaudited Pro Forma Consolidated Balance Sheet

As of December 31, 1998

	Completed Transactions	Pro Forma for Completed Transactions	Pending Transactions	Pro Forma for Completed and Pending Transactions	Offerings	Pro Forma as Adjusted
Historical (a)	Adjustments (b)	Adjustments (c)	Adjustments (c)	Adjustments	Adjustments	
(in thousands)						
ASSETS						
Current assets:						
Cash and cash equivalents.....	\$ 4,455	\$(2,989)	\$ 1,466	\$(94,200)	\$(92,734)	\$ (d) \$
Trade accounts receivable, net....	12,026	2,479	14,505	703	15,208	--

Prepaid expenses and other.....	334	202	536	31	567	--	
Deferred taxes.....	826	164	990	--	990	--	
	-----	-----	-----	-----	-----	-----	-----
Total current assets.....	17,641	(144)	17,497	(93,466)	(75,969)		
Property and equipment, net.....	6,717	1,758	8,475	3,133	11,608	--	
Intangible assets, net.....	127,639	49,147	176,786	90,333	267,119	--	
Deferred taxes.....	--	60	60	--	60	--	
Other assets.....	1,859	40	1,899	--	1,899	--	
	-----	-----	-----	-----	-----	-----	-----
Total assets.....	\$153,856	\$50,861	\$204,717	\$ --	\$204,717	\$	\$
	=====	=====	=====	=====	=====	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY							
Current liabilities:							
Accounts payable and accrued expenses.....	\$ 4,898	\$ 1,189	\$ 6,087	\$ --	\$ 6,087	\$ --	\$
Income taxes payable.....	143	--	143	--	143	--	
	-----	-----	-----	-----	-----	-----	-----
Total current liabilities.....	5,041	1,189	6,230	--	6,230	--	
Bank Credit Facility.....	49,350	16,437	65,787	--	65,787	(e)	
12% Notes due 2004...	78,458	--	78,458	--	78,458	--	
WYCB acquisition debt.....	3,841	--	3,841	--	3,841	--	
Other long-term debt.....	90	--	90	--	90	--	
Deferred tax liability.....	15,251	--	15,251	--	15,251	--	
	-----	-----	-----	-----	-----	-----	-----
Total liabilities.....	152,031	17,626	169,657	--	169,657		
	-----	-----	-----	-----	-----	-----	-----
Senior Preferred Stock:							
Series A.....	10,816	--	10,816	--	10,816	(f)	--
Series B.....	15,868	--	15,868	--	15,868	(f)	--
New Preferred Stock.....	--	--	--	--	--	(f)	
	-----	-----	-----	-----	-----	-----	-----
	26,684	--	26,684	--	26,684		
	-----	-----	-----	-----	-----	-----	-----
Stockholders' equity (deficit):							
Class A Common Stock.....	--	--	--	--	--	(g)	
Class B Common Stock.....	--	--	--	--	--		
Class C Common Stock.....	--	--	--	--	--		
Additional paid in capital.....	--	33,235	33,235	--	33,235	(g)	
Accumulated earnings (deficit).....	(24,859)	--	(24,859)	--	(24,859)		
	-----	-----	-----	-----	-----	-----	-----
Total stockholders' equity (deficit).....	(24,859)	33,235	8,376	--	8,376		
	-----	-----	-----	-----	-----	-----	-----
Total liabilities and stockholders' equity (deficit).....	\$153,856	\$50,861	\$204,717	\$ --	\$204,717	\$	\$
	=====	=====	=====	=====	=====	=====	=====

Footnotes for the Unaudited Pro Forma Consolidated Balance Sheet as of December 31, 1998

(a) See the Consolidated Financial Statements included elsewhere in this prospectus.

(b) The table below gives effect to the acquisition of ROA, the retirement of ROA's outstanding debt and the purchase of the remaining 20% of Dogwood.

As of December 31, 1998		
ROA	Pro Forma	Total
Historical(/1/)	Adjustments	
(in thousands)		

ASSETS

Current Assets:

Cash and cash equivalents.....	\$ 1,711	\$ (4,700) (/2/)	\$ (2,989)
Trade accounts receivable, net..	2,479	--	2,479
Prepaid expenses and other.....	202	--	202
Deferred taxes.....	164	--	164
	-----	-----	-----
Total current assets.....	4,556	(4,700)	(144)
Property and equipment, net.....	1,758	--	1,758
Intangible assets, net.....	10,867	38,280 (/3/)	49,147
Deferred taxes.....	60	--	60
Other assets.....	40	--	40
	-----	-----	-----
Total assets.....	\$17,281	\$33,580	\$50,861
	=====	=====	=====

LIABILITIES AND STOCKHOLDERS'

EQUITY

Current Liabilities:

Account payable and accrued expenses.....	\$ 1,189	\$ --	\$ 1,189
Current portion of long-term debt.....	327	(327) (/4/)	--
	-----	-----	-----
Total current liabilities.....	1,516	(327)	1,189
Long-term debt and deferred interest.....	15,525	912 (/4/)	16,437
	-----	-----	-----
Total liabilities.....	17,041	585	17,626
	-----	-----	-----
Stockholders' Equity (Deficit):			
Common Stock.....	10	(10) (/5/)	--
Additional paid in capital.....	1,390	31,845 (/5/)	33,235
Accumulated earnings (deficit)..	(1,160)	1,160 (/5/)	--
	-----	-----	-----
Total stockholders' equity ...	240	32,995	33,235
	-----	-----	-----
Total liabilities and stockholders' equity	\$17,281	\$33,580	\$50,861
	=====	=====	=====

- -----
- (1) See the Consolidated Financial Statements included elsewhere in this prospectus.
 - (2) To reflect the \$3,500 payment for the remaining 20% interest in Dogwood and a \$1,200 fee paid by ROA to a stockholder for arranging the acquisition.
 - (3) To reflect the acquisition of the remaining 20% interest in Dogwood for \$3,500 and the step up of the assets from the acquisition of ROA. Radio One applied step up accounting to the portion of ROA owned by non-Radio One stockholders and non-controlling stockholders of ROA. The portion of ROA owned by the controlling stockholder of ROA and stockholder of Radio One was accounted for based on historical cost. The valuation of ROA for purposes of the step-up adjustment was based on Radio One's estimate of ROA's value as of the date the parties agreed in principle to the acquisition.
 - (4) To record the refinancing of ROA's outstanding debt of \$15,852 plus unamortized discount of \$360 and deferred financing costs of \$225 related to the Bank Credit Facility.
 - (5) To eliminate the stockholders' equity accounts of ROA, record the increase to additional paid in capital for the step up of the assets related to the ROA acquisition, reduce net equity for the write-off of the unamortized discount and deferred financing costs on ROA's debt and to record a \$1,200 fee paid by ROA to a stockholder for arranging the acquisition.

- (c) The table below gives effect to the Pending Transactions as of March 31, 1999 as if they had occurred on December 31, 1998.

As of December 31, 1998

 St. Louis and
 East Coast
 Market

	Cleveland Historical (/1/)	Richmond I Historical (/1/)	Richmond II Historical (/3/)	Richmond III Historical (/3/)	Acquisitions Historical (/2/)	Acquisitions Adjustments	Total
	(in thousands)						
ASSETS							
Current Assets:							
Cash and cash equivalents.....	\$ --	\$ --	\$ 34	\$ 142	\$ --	\$ (94,376) (/4/)	\$ (94,200)
Trade accounts receivable, net.....	315	62	326	1,400	--	(1,400) (/5/)	703
Prepaid expenses and other.....	--	--	--	31	--	--	31
	-----	-----	-----	-----	-----	-----	-----
Total current assets.....	315	62	360	1,573	--	(95,776)	(93,466)
Property and equipment, net....	825	27	1,079	1,202	--	--	3,133
Intangible assets, net.....	4,788	--	3,343	3,692	--	78,510 (/6/)	90,333
Other assets.....	--	--	--	--	--	--	--
Deferred taxes.....	--	--	--	--	--	--	--
	-----	-----	-----	-----	-----	-----	-----
Total assets....	\$5,928	\$ 89	\$4,782	\$6,467	\$ --	\$ (17,266)	\$ --
	=====	=====	=====	=====	=====	=====	=====
LIABILITIES AND STATION EQUITY							
Current							
Liabilities:							
Accounts payable and accrued expenses.....	\$ --	\$ --	\$ 168	\$ 566	\$ --	\$ (734) (/7/)	\$ --
Current portion of long-term debt.....	--	--	5,013	--	--	(5,013) (/7/)	--
	-----	-----	-----	-----	-----	-----	-----
Total current liabilities....	--	--	5,181	566	--	(5,747) (/7/)	--
Long-term debt and deferred interest.....	--	--	49	--	--	(49) (/7/)	--
	-----	-----	-----	-----	-----	-----	-----
Total liabilities....	--	--	5,230	566	--	(5,796)	--
Station equity (deficit).....	5,928	89	(448)	5,901	--	(11,470) (/8/)	--
	-----	-----	-----	-----	-----	-----	-----
Total liabilities and station equity (deficit).....	\$5,928	\$ 89	\$4,782	\$6,467	\$ --	\$ (17,266)	\$ --
	=====	=====	=====	=====	=====	=====	=====

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- (1) The column represents the historical balance sheet of the stations acquired. As the stations acquired did not prepare stand-alone financial statements, these financial statements were carved out from a larger entity and include the assets and liabilities of the stations to be acquired.
 - (2) Historical financial statements related to the St. Louis and East Coast market acquisitions have not been included in this pro forma balance sheet because Radio One has determined that these acquisitions are purchases of the license only.
 - (3) See Financial Statements included elsewhere in this prospectus.
 - (4) To reflect the cash paid by Radio One of \$94,200 for the St. Louis, Cleveland, Richmond I, II and III and East Coast market acquisitions and to reflect cash not assumed from acquired companies.
 - (5) To eliminate the trade accounts receivable not purchased in the Richmond III acquisition.
 - (6) To record intangible assets booked as a result of the acquisitions, calculated as follows:

	Purchase Price	Net Tangible Assets Acquired	Intangibles Acquired
Total.....	\$94,200	\$3,867	\$90,333
Less: Intangibles recorded on historical books.....			11,823
Pro forma adjustment.....			\$78,510

- (7) To eliminate accounts payable, accrued expenses and debt that will not be assumed by Radio One.
- (8) To eliminate the station equity from the entities acquired.
- (d) To reflect the net proceeds of this offering at an assumed public offering price of \$ per share and to reflect the Preferred Stock Offering less underwriting discounts and commissions, offering expenses of \$,

redemption of the Senior Preferred Stock and retirement of debt.

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- (e) To reflect the retirement of debt with the proceeds from this offering.
- (f) To reflect proceeds of \$50,000 from the Preferred Stock Offering, and the redemption of the Senior Preferred Stock.
- (g) To reflect the net proceeds of this offering less underwriting discounts, commissions and offering expenses.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table contains selected historical consolidated financial data with respect to Radio One. The selected historical consolidated financial data have been derived from the Consolidated Financial Statements of Radio One for each of the fiscal years for the five year period ended December 31, 1998, which have been audited by Arthur Andersen LLP, independent public accountants. The selected historical consolidated financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Consolidated Financial Statements of Radio One included elsewhere in this prospectus.

The following table includes information regarding broadcast cash flow, EBITDA, and after-tax cash flow. Broadcast cash flow consists of operating income before depreciation, amortization, non-cash compensation expense, local marketing agreement fees and corporate expenses. EBITDA consists of operating income before depreciation, amortization, and local marketing agreement fees. After-tax cash flow consists of income before income tax benefit (expense) and extraordinary items, minus net gain on sale of assets (net of tax) and the current income tax provision, plus depreciation and amortization expense. Although broadcast cash flow, EBITDA, and after-tax cash flow are not measures of performance or liquidity calculated in accordance with GAAP, we believe that these measures are useful to an investor in evaluating Radio One because these measures are widely used in the broadcast industry as a measure of a radio broadcasting company's performance. Nevertheless, broadcast cash flow, EBITDA and after-tax cash flow should not be considered in isolation from or as a substitute for net income, cash flows from operating activities and other income or cash flow statement data prepared in accordance with GAAP, or as a measure of profitability or liquidity. Moreover, because broadcast cash flow, EBITDA and after-tax cash flow are not measures calculated in accordance with GAAP, these performance measures are not necessarily comparable to similarly titled measures employed by other companies.

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	Fiscal Year Ended(1/)				
	Dec. 25, 1994	December 31, 1995	December 31, 1996	December 31, 1997	December 31, 1998
(in thousands, except per share data)					
Statement of Operations:					
Net broadcast revenue.....	\$15,541	\$21,455	\$23,702	\$32,367	\$ 46,109
Station operating expenses.....	8,506	11,736	13,927	18,848	24,501
Corporate expenses.....	1,128	1,995	1,793	2,155	2,800
Depreciation and amortization...	2,027	3,912	4,262	5,828	8,445
Operating income.....	3,880	3,812	3,720	5,536	10,363
Interest expense(2/)... ..	2,665	5,289	7,252	8,910	11,455
Other income (expense), net.....	38	89	(77)	415	358
Income tax benefit (expense) (3/)... ..	(30)	--	--	--	1,575
Income (loss) before					

extraordinary item.....	1,223	(1,388)	(3,609)	(2,959)	841
Extraordinary loss.....	--	468	--	1,985	--
	-----	-----	-----	-----	-----
Net income (loss).....	\$ 1,223	\$ (1,856)	\$ (3,609)	\$ (4,944)	\$ 841
	=====	=====	=====	=====	=====
Earnings per common share:(/4/)					
Basic.....	\$	\$	\$	\$	\$
Diluted.....					
Weighted average common shares outstanding:(/4/)					
Basic.....					
Diluted.....					
Other Data:					
Broadcast cash flow.....	\$ 7,035	\$ 9,719	\$ 9,775	\$13,519	\$ 21,608
Broadcast cash flow margin(/5/).....	45.3%	45.3%	41.2%	41.8%	46.9%
EBITDA (before non-cash compensation).....	\$ 5,907	\$ 7,724	\$ 7,982	\$11,364	\$ 18,808
After-tax cash flow.....	2,763	2,524	806	2,869	7,248
Cash interest expense(/6/).....	2,356	5,103	4,815	4,413	7,192
Capital expenditures.....	639	224	252	2,035	2,236
Balance Sheet Data (at period end):					
Cash and cash equivalents.....					\$ 4,455
Intangible assets, net.....					127,639
Total assets.....					153,856
Total debt (including current portion and deferred interest)....					131,739
Preferred stock.....					26,684
Total stockholders' deficit.....					24,859

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- (/1/Year-to-year) comparisons are significantly affected by Radio One's acquisition of various radio stations during the periods covered. See "Management's Discussion and Analysis of Financial Condition and Results of Operations." Prior to the fiscal year ended December 31, 1996, Radio One's accounting reporting period was based on a fifty-two/fifty-three week period ending on the last Sunday of the calendar year. During 1996, we changed our fiscal year end to December 31.
- (/2/Interest) expense includes non-cash interest, such as the accretion of principal, the amortization of discounts on debt and the amortization of deferred financing costs.
- (/3/From) January 1, 1996 to May 19, 1997, Radio One elected to be treated as an S corporation for U.S. federal and state income tax purposes and, therefore, generally was not subject to income tax at the corporate level during that period.
- (/4/Assumes) a for one stock split, the exercise of warrants to acquire shares of Common Stock and shares of Common Stock issued to employees were effective for all periods presented.
- (/5/Broadcast) cash flow margin is defined as broadcast cash flow divided by net broadcast revenue.
- (/6/Cash) interest expense is calculated as interest expense less non-cash interest, including the accretion of principal, the amortization of discounts on debt and the amortization of deferred financing costs, for the indicated period.

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

The following information should be read in conjunction with "Selected Historical Consolidated Financial Data" and the Financial Statements and the notes thereto included elsewhere in this prospectus.

Introduction

The net broadcast revenue of Radio One is derived from local and national advertisers and, to a much lesser extent, ticket and other revenue related to special events sponsored by Radio One throughout the year. Our significant broadcast expenses are employee salaries and commissions, programming expenses, advertising and promotion expenses, rental of premises for studios and rental of transmission tower space and music license royalty fees. We strive to control these expenses by centralizing certain functions such as finance, accounting, legal, human resources and management information systems and the

overall programming management function, as well as using our multiple stations, market presence and purchasing power to negotiate favorable rates with certain vendors and national representative selling agencies. Depreciation and amortization of costs associated with the acquisition of the stations and interest carrying charges are significant factors in determining Radio One's overall profitability.

Radio One's net broadcast 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. Advertising rates are based primarily on (i) a radio station's audience share in the demographic groups targeted by advertisers, as measured principally by quarterly reports (and to a lesser extent, by monthly reports) developed by Arbitron, (ii) the number of radio stations in the market competing for the same demographic groups, and (iii) the supply of and demand for radio advertising time. Advertising rates are generally highest during morning and afternoon commuting hours. In 1998, approximately 67.4% of Radio One's revenue was generated from local advertising and 30.3% was generated from national spot advertising. The balance of 1998 revenue was generated primarily from network advertising, tower rental income and ticket and other revenue related to Radio One sponsored events.

The performance of an individual radio station or cluster of radio stations in a particular market is customarily measured by its ability to generate net broadcast revenue and broadcast cash flow, although broadcast cash flow is not a measure utilized under GAAP. Broadcast cash flow should not be considered in isolation from, nor as a substitute for, operating income, net income, cash flow, or other consolidated income or cash flow statement data computed in accordance with GAAP, nor as a measure of Radio One's profitability or liquidity. Despite its limitations, broadcast cash flow is widely used in the broadcasting industry as a measure of a company's operating performance because it provides a meaningful measure of comparative radio station performance, without regard to items such as depreciation and amortization (which can vary depending upon accounting methods and the book value of assets, particularly in the case of acquisitions) and corporate expenses.

Radio One's operating results in any period may be affected by advertising and promotion expenses that do not produce commensurate net broadcast revenue in the period in which such expenses are incurred. We generally incur advertising and promotion expenses in order to increase listenership and Arbitron ratings. Increased advertising revenue may wholly or partially lag behind the incurrence of such advertising and promotion expenses because Arbitron only reports complete ratings information on a quarterly basis.

In the broadcasting industry, radio stations often utilize trade (or barter) agreements to reduce expenses by exchanging advertising time for goods or services. In order to maximize cash revenue from our spot inventory, we minimize the use of trade agreements and have reduced trade revenue to approximately 1.2% of our gross revenue in 1998, down from approximately 4.2% in 1996.

Radio One calculates "same station" growth over a particular period by comparing performance of stations owned (or operated under an LMA) during the current period with the performance of the same

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stations for the corresponding period in the prior year. However, no station will be included in such a comparison unless it has been owned (or operated under an LMA) for at least one month of every quarter included in each of the current and corresponding prior-year periods.

From January 1, 1996, to December 31, 1998, Radio One acquired six radio stations. On May 19, 1997, Radio One acquired WPHI-FM (formerly WDRE-FM), in Philadelphia, for approximately \$20.0 million (after having operated the station under an LMA since February 8, 1997). On March 16, 1998, Radio One, through an Unrestricted Subsidiary, acquired BHI, owner and operator of WYCB-AM, in Washington, D.C., for approximately \$3.8 million. On June 30, 1998, Radio One acquired Bell Broadcasting, owner and operator of WDTJ-FM (formerly WCHB-FM) and WCHB-AM in Detroit, and WJZZ-AM in Kingsley, Michigan, for approximately \$34.2 million. On December 28, 1998, Radio One acquired Allur-Detroit, owner and operator of WWBR-FM, in Detroit, for approximately \$26.5 million.

The consolidated financial statements of Radio One included elsewhere in

this prospectus set forth the results of operations of: WPHI-FM for approximately 11 months of fiscal year 1997 (including the LMA period) and for fiscal year 1998; WYCB-AM from March 16, 1998, through the end of fiscal year 1998; Bell Broadcasting from July 1, 1998, through the end of fiscal year 1998; and Allur-Detroit from December 29, 1998, through the end of fiscal year 1998. The discussion below concerning results of operations reflects the operations of radio stations Radio One owned and/or managed by during the periods presented. As a result of the acquisition of WPHI-FM in May 1997 (with an LMA for this station beginning in February 1997), WYCB-AM in March 1998, Bell Broadcasting in June 1998, and Allur-Detroit in December 1998, Radio One's historical financial data prior to such times are not directly comparable to Radio One's historical financial data for subsequent periods. Additionally, due to recent acquisition activity, our 1998 pro forma results differ materially from our actual 1998 results. For the year ended December 31, 1998, pro forma for completed transactions, net broadcast revenue and broadcast cash flow were approximately \$60.8 million and \$27.0 million, respectively, compared to actual net broadcast revenue and broadcast cash flow of \$46.1 million and \$21.6 million, respectively.

Results of Operations

The following table summarizes Radio One's historical consolidated results of operations.

	Year Ended December 31,		
	1996	1997	1998
	(in thousands)		
Statement of Operations:			
Net broadcast revenue.....	\$23,702	\$32,367	\$46,109
Station operating expenses.....	13,927	18,848	24,501
Corporate expenses.....	1,793	2,155	2,800
Depreciation and amortization.....	4,262	5,828	8,445
	-----	-----	-----
Operating income.....	3,720	5,536	10,363
Interest expense.....	7,252	8,910	11,455
Other income (expense), net.....	(77)	415	358
	-----	-----	-----
Loss before benefit for income taxes and extraordinary item.....	(3,609)	(2,959)	(734)
	-----	-----	-----
Income tax benefit.....	--	--	1,575
	-----	-----	-----
Income (loss) before extraordinary item.....	(3,609)	(2,959)	841
Extraordinary loss.....	--	1,985	--
	-----	-----	-----
Net income (loss).....	\$(3,609)	\$(4,944)	\$ 841
	=====	=====	=====
Broadcast cash flow.....	\$ 9,775	\$13,519	\$21,608
Broadcast cash flow margin.....	41.2%	41.8%	46.9%
EBITDA.....	\$ 7,982	\$11,364	\$18,808
After-tax cash flow.....	806	2,869	7,248

Fiscal Year Ended December 31, 1998 Compared to Fiscal Year Ended December 31, 1997

Net Broadcast Revenue. Net broadcast revenue increased to approximately \$46.1 million for the fiscal year ended December 31, 1998, from approximately \$32.4 million for the fiscal year ended December 31, 1997, or 42.3%. Approximately \$3.8 million of the increase was attributable to stations acquired during 1998. On a same station basis, net revenue for the period increased approximately 30.6% to approximately \$42.3 million in 1998 from approximately \$32.4 million in 1997. This increase was the result of continuing broadcast revenue growth in Radio One's Washington, D.C., Baltimore, and Philadelphia markets as we benefitted from ratings increases at certain of our radio stations, improved power ratios at these stations and radio market

growth.

Station Operating Expenses. Station operating expenses excluding depreciation and amortization increased to approximately \$24.5 million for the fiscal year ended December 31, 1998, from approximately \$18.8 million for the fiscal year ended December 31, 1997, or 30.3%. Approximately \$2.5 million of the increase was attributable to stations acquired during 1998. On a same station basis, station operating expenses for the period increased approximately 17.0% to approximately \$22.0 million in 1998 from approximately \$18.8 million in 1997. This increase was primarily related to increases in sales commissions and license fees due to significant revenue growth, as well as additional programming costs related to ratings gains at some of our larger radio stations.

Corporate Expenses. Corporate expenses increased to approximately \$2.8 million for the fiscal year ended December 31, 1998, from approximately \$2.2 million for the fiscal year ended December 31, 1997, or 27.3%. This increase was due primarily to growth in the corporate staff consistent with our overall expansion, annual costs associated with the 12% Notes due 2004 and costs associated with our public reporting requirements.

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Depreciation and Amortization. Depreciation and amortization increased to approximately \$8.4 million for the fiscal year ended December 31, 1998, from approximately \$5.8 million for the fiscal year ended December 31, 1997, or 44.8%. This increase was due primarily to our asset growth as well as our acquisitions in 1998.

Operating Income. Operating income increased to approximately \$10.4 million for the fiscal year ended December 31, 1998, from approximately \$5.5 million for the fiscal year ended December 31, 1997, or 89.1%. This increase was attributable to the increases in broadcast revenues partially offset by higher operating expenses and higher depreciation and amortization expenses as described above.

Interest Expense. Interest expense increased to approximately \$11.5 million for the fiscal year ended December 31, 1998, from approximately \$8.9 million for the fiscal year ended December 31, 1997, or 29.2%. This increase was primarily due to the 12% Notes Offering, the retirement of our approximately \$45.6 million bank credit facility and borrowings under our Bank Credit Facility associated with the Bell Broadcasting acquisition.

Other Income. Other income decreased to \$358,000 for the fiscal year ended December 31, 1998, from \$415,000 for the fiscal year ended December 31, 1997, or 13.7%. This decrease was primarily attributable to lower interest income due to lower cash balances as we used a portion of our cash balances to help fund the Bell Broadcasting acquisition.

Loss before Benefit from Income Taxes. Loss before benefit from income taxes decreased to \$734,000 for the fiscal year ended December 31, 1998, from approximately \$3.0 million for the fiscal year ended December 31, 1997, or 75.5%. This decrease was due to higher operating income partially offset by higher interest expense and lower other income. The income tax benefit of approximately \$1.6 million for the year ended December 31, 1998, was the result of reversing our valuation allowance recorded in prior years related to our net operating loss carryforward and other deferred tax assets, offset by an income tax provision of \$483,000 as we had net income for tax reporting purposes as a result of non-deductible amortization expense for income tax purposes. Certain intangible assets acquired as a result of the Bell Broadcasting acquisition maintained their old income tax basis because the Bell Broadcasting acquisition was a stock purchase.

Net Income (Loss). Net income increased to \$841,000 for the fiscal year ended December 31, 1998, from a net loss of approximately \$4.9 million for the fiscal year ended December 31, 1997. The increase was due to higher operating income and an income tax benefit, partially offset by higher interest expense as described above and an approximate \$2.0 million extraordinary loss related to the refinancing of debt.

Broadcast Cash Flow. Broadcast cash flow increased to approximately \$21.6 million for the fiscal year ended December 31, 1998, from approximately \$13.5 million for the fiscal year ended December 31, 1997, or 60.0%. Approximately \$1.3 million of the increase was attributable to stations acquired during 1998.

On a same station basis, broadcast cash flow for the period increased approximately 50.4% to approximately \$20.3 million in 1998 from approximately \$13.5 million in 1997. This increase was attributable to the increase in net broadcast revenue partially offset by higher station operating expenses as described above.

Our broadcast cash flow margin increased to approximately 46.9% for the fiscal year ended December 31, 1998, from 41.8% for the fiscal year ended December 31, 1997. On a same station basis, broadcast cash flow margin for the period increased to approximately 48.0% in 1998 from approximately 41.8% in 1997. This increase was the result of strong revenue gains in our more mature markets partially offset by slower expense growth in those markets. The lower actual broadcast cash flow margin versus that reported on a same station basis for 1998 was the result of our recent entrance into the Detroit market where we acquired underperforming stations with profit margins lower than those of many of the radio stations we own in markets in which we have operated for a longer period of time.

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EBITDA. EBITDA increased to approximately \$18.8 million for the fiscal year ended December 31, 1998, from approximately \$11.4 million for the fiscal year ended December 31, 1997, or 64.9%. This increase was attributable to the increase in net broadcast revenue partially offset by higher station operating and corporate expenses as described above.

After-Tax Cash Flow. After-tax cash flow increased to approximately \$7.2 million for the fiscal year ended December 31, 1998, from approximately \$2.9 million for the fiscal year ended December 31, 1997, or 148.3%. This increase was attributable to higher net income and depreciation and amortization as described above.

Fiscal Year Ended December 31, 1997 Compared to Fiscal Year Ended December 31, 1996

Net Broadcast Revenue. Net broadcast revenue increased to approximately \$32.4 million for the fiscal year ended December 31, 1997, from approximately \$23.7 million for the fiscal year ended December 31, 1996, or 36.7%. Approximately \$2.6 million of the increase was attributable to stations acquired during 1997. On a same station basis, net revenue for the period increased approximately 25.7% to approximately \$29.8 million in 1997 from approximately \$23.7 million in 1996. This increase was primarily the result of significant net broadcast revenue growth in our Washington, D.C. and Baltimore markets as we benefitted from ratings increases at our larger radio stations as well as radio market growth.

Station Operating Expenses. Station operating expenses excluding depreciation and amortization increased to approximately \$18.8 million for the fiscal year ended December 31, 1997, from approximately \$13.9 million for the fiscal year ended December 31, 1996, or 35.3%. Approximately \$2.4 million of the increase was attributable to stations acquired during 1997. On a same station basis, station operating expenses for the period increased approximately 18.0% to approximately \$16.4 million in 1997 from approximately \$13.9 million in 1996. This increase was due to higher sales, programming and administrative costs associated with the significant net broadcast revenue growth and ratings gains at our radio stations.

Corporate Expenses. Corporate expenses increased to approximately \$2.2 million for the fiscal year ended December 31, 1997, from approximately \$1.8 million for the fiscal year ended December 31, 1996, or 22.2%. This increase was due primarily to growth in the corporate staff consistent with our overall expansion, annual costs associated with the 12% Notes due 2004 and the costs associated with our public reporting requirements.

Depreciation and Amortization. Depreciation and amortization increased to approximately \$5.8 million for the fiscal year ended December 31, 1997, from approximately \$4.3 million for the fiscal year ended December 31, 1996, or 34.9%. This increase was due primarily to our acquisition of WPHI-FM (formerly WDRE-FM) in 1997.

Operating Income. Operating income increased to approximately \$5.5 million for the fiscal year ended December 31, 1997, from approximately \$3.7 million for the fiscal year ended December 31, 1996, or 48.6%. This increase was

attributable to the increases in net broadcast revenue partially offset by higher operating expenses, higher depreciation and amortization expenses and start-up losses incurred earlier in 1997 related to the acquisition of WPHI-FM.

Interest Expense. Interest expense increased to approximately \$8.9 million for the fiscal year ended December 31, 1997, from approximately \$7.3 million for the fiscal year ended December 31, 1996, or 21.9%. This increase related primarily to the 12% Notes Offering and the associated retirement of our \$45.6 million bank credit facility at that time.

Other Income (Loss). Other income increased to approximately \$415,000 for the fiscal year ended December 31, 1997, from a loss of approximately \$77,000 for the fiscal year ended December 31, 1996. This increase was primarily attributable to higher interest income due to higher cash balances associated with our cash flow growth and capital raised in the 12% Notes Offering.

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Loss before Benefit for Income Taxes. Loss before provision for income taxes and extraordinary item decreased to approximately \$3.0 million for the fiscal year ended December 31, 1997, from approximately \$3.6 million for the fiscal year ended December 31, 1996, or 16.7%. The decrease was due to higher operating and other income partially offset by higher interest expense associated with the 12% Notes Offering.

Net Loss. Net loss increased to approximately \$4.9 million for the fiscal year ended December 31, 1997, from approximately \$3.6 million for the fiscal year ended December 31, 1996, or 36.1%. This increase was due to a loss of approximately \$2.0 million on the early retirement of the indebtedness under our bank credit facility with the proceeds from the 12% Notes Offering, as well as the exchange of our 15% Subordinated Promissory Notes due 2004 for Senior Preferred Stock.

Broadcast Cash Flow. Broadcast cash flow increased to approximately \$13.5 million for the fiscal year ended December 31, 1997, from approximately \$9.8 million for the fiscal year ended December 31, 1996, or 37.8%. Approximately \$0.2 million of the increase was attributable to stations acquired during 1997. On a same station basis, broadcast cash flow for the period increased approximately 35.7% to approximately \$13.3 million in 1998 from approximately \$9.8 million in 1997. This increase was attributable to the increases in net broadcast revenue partially offset by higher station operating expenses.

Our broadcast cash flow margin increased to approximately 41.8% for the fiscal year ended December 31, 1997 from 41.2% for the fiscal year ended December 31, 1996. On a same station basis, broadcast cash flow margin for the period increased to approximately 44.6% in 1997 from approximately 41.2% in 1996. This increase was the result of strong revenue gains in our more mature markets partially offset by slower expense growth in those markets. The lower actual broadcast cash flow margin versus that reported on a same station basis for 1997 is the result of our entry into the Philadelphia market where we acquired an underperforming station with profit margins lower than those of many of the radio stations we own in markets in which we have operated for a longer period of time.

EBITDA. EBITDA increased to approximately \$11.4 million for the fiscal year ended December 31, 1997, from approximately \$8.0 million for the fiscal year ended December 31, 1996, or 42.5%. This increase was attributable to the increase in net broadcast revenue partially offset by higher operating and corporate expenses.

After-Tax Cash Flow. After-tax cash flow increased to approximately \$2.9 million for the fiscal year ended December 31, 1997, from approximately \$806,000 for the fiscal year ended December 31, 1996, or 259.8%. This increase was attributable to higher net income and depreciation and amortization as described above.

Liquidity and Capital Resources

Our primary source of liquidity is cash provided by operations and, to the extent necessary, undrawn commitments available under the Bank Credit Facility. Our ability to borrow in excess of the commitments set forth in the Credit Agreement is limited by the terms of the Indenture and our preferred stock. Additionally, such terms place restrictions on Radio One with respect to the sale of assets, liens, investments, dividends, debt repayments, capital

expenditures, transactions with affiliates, consolidation and mergers, and the issuance of equity interests among other things.

We have used a significant portion of our capital resources to consummate acquisitions. These acquisitions were or will be funded from (i) the Bank Credit Facility, (ii) the proceeds of this offering and the Preferred Stock Offering, and (iii) internally generated cash flow. A portion of the net proceeds from these offerings will be used to repay our outstanding indebtedness under the Bank Credit Facility. See "Use of Proceeds."

Radio One's balance of cash and cash equivalents was approximately \$4.5 million as of December 31, 1998, and approximately \$8.5 million as of December 31, 1997. This decrease in cash resulted primarily from

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our use of approximately \$9.5 million of our then available cash to fund partially the Bell Broadcasting acquisition, offset by an increase in cash from operations. The balance of the purchase price and expenses related to the Bell Broadcasting acquisition was funded with approximately \$25.4 million drawn on a \$32.5 million Bank Credit Facility that we entered into concurrent with the closing of the acquisition of Bell Broadcasting. We subsequently increased the Bank Credit Facility to \$57.5 million from which we drew down an additional \$24.0 million to fund partially the acquisition of Allur-Detroit. On December 31, 1998, approximately \$8.1 million was available to be drawn down from the Bank Credit Facility. On , we entered into an amended and restated credit agreement under which we may borrow up to \$100 million on a revolving basis from a group of banking institutions. Immediately following the acquisition of ROA, approximately \$67.0 million was outstanding under our Bank Credit Facility.

Concurrent with this offering, we anticipate issuing \$50 million in New Preferred Stock. The proceeds of the Preferred Stock Offering will be used in part to increase availability under our Bank Credit Facility. This availability is expected to be used in part to fund pending acquisitions. In the event the Preferred Stock Offering is not consummated, we believe we have adequate liquidity and access to other financing sources to fund these acquisitions.

Net cash flow from operating activities increased to approximately \$9.3 million for the fiscal year ended December 31, 1998, from approximately \$4.9 million for the fiscal year ended December 31, 1997, or 89.8%. This increase was primarily due to higher net income (versus a net loss in 1997) and non-cash expenses. Non-cash expenses of depreciation and amortization increased to approximately \$8.4 million for fiscal year ended December 31, 1998, from approximately \$5.8 million for the fiscal year ended December 31, 1997, or 44.8% due to our recent acquisitions, as well as leasehold improvements made to our new headquarters and Washington, D.C. radio studios in the second half of 1997. Non-cash expenses of amortization of debt financing costs, unamortized discount and deferred interest increased to approximately \$4.1 million for the fiscal year ended December 31, 1998, from approximately \$3.3 million for the fiscal year ended December 31, 1997, or 24.2%, due to the 12% Notes Offering. We also incurred a non-cash expense of approximately \$2.0 million related to the loss on extinguishment of debt during the fiscal year ended December 31, 1997.

Net cash flow used in investing activities increased to approximately \$61.2 million for the fiscal year ended December 31, 1998, compared to approximately \$23.2 million for the fiscal year ended December 31, 1997, or 163.8%. During the fiscal year ended December 31, 1998, we acquired Bell Broadcasting for approximately \$34.2 million plus the cost of additional assets and expenses related to the transaction, and acquired Allur-Detroit for approximately \$26.5 million. Additionally, we made purchases of capital equipment totaling approximately \$2.2 million. During the fiscal year ended December 31, 1997, we acquired WPHI-FM for approximately \$20.0 million and made purchases of capital equipment totaling approximately \$2.0 million.

Net cash flow from financing activities was approximately \$47.8 million for the fiscal year ended December 31, 1998. During the fiscal year ended December 31, 1998, Radio One entered into a \$57.5 million Bank Credit Facility, of which, approximately \$49.4 million was used to finance partially the acquisitions of Bell Broadcasting and Allur-Detroit. In conjunction with this facility, we incurred approximately \$1.0 million in deferred debt financing costs. Additionally, during the fiscal year ended December 31, 1998, a wholly-owned Unrestricted Subsidiary of Radio One financed the acquisition of WYCB-AM

with a promissory note due to the seller for approximately \$3.8 million. Net cash flow from financing activities was approximately \$25.1 million for the fiscal year ended December 31, 1997. During the fiscal year ended December 31, 1997, we completed the 12% Notes Offering and raised net proceeds of approximately \$72.8 million. We used approximately \$19.1 million of these proceeds to acquire WPHI-FM (formerly WDRE-FM) and approximately \$45.6 million of the proceeds to retire the outstanding indebtedness under our then existing bank credit facility. In conjunction with the 12% Notes Offering we incurred approximately \$2.1 million in deferred debt financing costs. As a result, cash and cash equivalents decreased by approximately \$4.0 million during the fiscal year ended December 31, 1998, compared to an increase of approximate \$6.8 million during the fiscal year ended December 31, 1997.

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We continuously review, and are currently reviewing, opportunities to acquire additional radio stations, primarily in the top 30 African-American markets. As of the date of this prospectus, other than the pending transactions, we have no written or oral understandings, letters of intent or contracts to acquire radio stations. We anticipate that any future radio station acquisitions would be financed through funds generated from operations, equity financings, permitted debt financings, debt financings through Unrestricted Subsidiaries or a combination of these sources. However, there can be no assurance that financing from any of these sources, if available, will be available on favorable terms.

Management believes that, based on current levels of operations and anticipated internal growth, cash flow from operations together with other available sources of funds will be adequate for the foreseeable future to make required payments of interest on Radio One's indebtedness, to fund anticipated capital expenditures and working capital requirements and to enable us to comply with the terms of our debt agreements. Our ability to meet our debt service obligations and reduce our total debt, and our ability to refinance the 12% Notes due 2004, at or prior to their scheduled maturity date in 2004, will depend upon our future performance which, in turn, will be subject to general economic conditions and to financial, business and other factors, including factors beyond our control. For 1999, we anticipate maintenance capital expenditures to be between \$1.0 million and \$2.0 million and total capital expenditures to be between \$4.0 million and \$6.0 million. During 1997, Radio One converted from a S corporation to a C corporation.

Impact of Inflation

We believe that inflation has not had a material impact on our results of operations for each of our fiscal years in the three-year period ended December 31, 1998. However, there can be no assurance that future inflation would not have an adverse impact on our operating results and financial condition.

Seasonality

Seasonal net broadcast revenue fluctuations are common in the radio broadcasting industry and are due primarily to fluctuations in advertising expenditures by local and national advertisers. Radio One's first fiscal quarter generally produces the lowest net broadcast revenue for the year.

Year 2000 Compliance

Radio One has commenced a process to ensure Year 2000 compliance of all hardware, software, and ancillary equipment that are date dependent. This process involves four phases:

Phase I--Inventory and Data Collection. This phase involves an identification of all systems that are date dependent. This phase was completed during the first quarter of 1998.

Phase II--Compliance Identification. This phase involves Radio One identifying and beginning to replace critical systems that cannot be updated or certified as compliant. We commenced this phase in the first quarter of 1999 and expect to complete the substantial majority of this phase before the end of the second quarter of 1999. To date, we have verified that our accounting, payroll, and local wide area network hardware and software systems are substantially compliant. In addition, we have determined that most of our personal computers and PC applications are compliant.

We are currently reviewing our security systems and other miscellaneous systems.

Phase III--Test, Fix, and Verify. This phase involves testing all systems that are date dependent and upgrading all non-compliant systems. We expect to complete this phase during the third quarter of 1999.

Phase IV--Final Testing, New Item Compliance. This phase involves a review of failed systems for compliance and re-testing as necessary. We expect to complete this phase by the end of the third quarter of 1999.

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To date, we have no knowledge that any of our major systems are not Year 2000 ready or will not be Year 2000 ready by the end of the third quarter of 1999. We have not incurred significant expenditures and believe we will achieve substantial Year 2000 readiness without the need to acquire significant new hardware, software or systems. As part of our expansion over the past two years, we have undertaken significant build-outs, upgrades and expansions to our radio station studios, business offices and technology infrastructure. These enhancement efforts are continuing in all of the markets in which we have recently acquired radio stations and will expand into the new markets in which we will be acquiring radio stations. We believe that most, if not all, of the new equipment installed in conjunction with these recent build-outs is Year 2000 compliant. Based upon our experience to date, we estimate the remaining costs to achieve Year 2000 readiness will be approximately \$100,000, independent of the costs associated with the previously-mentioned expansions which are being undertaken in the normal course of our business development. All costs directly related to preparing for Year 2000 readiness will be expensed as incurred. We are not aware of any Year 2000 problems that would have a material effect on our operations. We are also not aware of any non-compliance by our suppliers that is likely to have material impact on our business. Nevertheless, we cannot assure you that our critical systems, or the critical systems of our suppliers, will be Year 2000 ready.

Radio One does not intend to develop any contingency plans to address possible failures by itself or its vendors related to Year 2000 compliance. Radio One does not believe that such contingency plans are required because it believes that the Company and its significant vendors will be Year 2000 compliant before January 2000.

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BUSINESS

Radio One was founded in 1980 and is the largest radio broadcasting company in the United States primarily targeting African-Americans. After we complete our pending acquisitions, we will own and operate 26 radio stations. Twenty-five of these stations (eighteen FM and seven AM) are in nine of the top 20 African-American radio markets: Washington, D.C., Baltimore, Atlanta, Philadelphia, Detroit, St. Louis, Cleveland, Richmond and an East Coast market. Our strategy is to expand within our existing markets and into new markets that have a significant African-American presence. We believe radio broadcasting primarily targeting African-Americans has significant growth potential. We also believe that we have a competitive advantage in the African-American market and the radio industry in general, due to our primary focus on urban formats, our skill in programming and marketing these formats, and our turnaround expertise.

We have succeeded in increasing ratings, net broadcast revenue and broadcast cash flow of all of the FM stations we have owned or managed for at least one year. The radio station clusters that we owned as of December 31, 1998, were ranked first or second in all of their markets in combined audience and net broadcast revenue share among radio stations targeting African-Americans. Our net broadcast revenue and broadcast cash flow have grown significantly on both a total and same station basis:

- . Net broadcast revenue grew at a compound annual rate of 60.2% from an actual \$23.7 million in 1996 to \$60.8 million in 1998, pro forma for completed transactions.
- . Broadcast cash flow grew at a compound annual rate of 66.0% from an actual \$9.8 million in 1996 to \$27.0 million in 1998, pro forma for

completed transactions.

- . Same station net broadcast revenue and broadcast cash flow grew at average annual rates of 28.0% and 42.1%, respectively, from 1996 through 1998, pro forma for Radio One of Atlanta, Inc., which was managed by us during this period.
- . After-tax cash flow grew at a compound annual rate of 206.2% from an actual \$0.8 million in 1996 to \$7.5 million in 1998, pro forma for completed transactions.

Radio One is led by our Chairperson and co-founder, Ms. Catherine L. Hughes, and her son, Mr. Alfred C. Liggins, III, our Chief Executive Officer and President, who together have over 40 years of operating experience in radio broadcasting. Ms. Hughes, Mr. Liggins and our strong management team have successfully implemented a strategy of acquiring and turning around underperforming radio stations. We believe that we are well positioned to apply our proven operating strategy to our recently or soon to be acquired stations in Detroit, St. Louis, Cleveland, Richmond and an East Coast market, and to other radio stations in existing and new markets as attractive acquisition opportunities arise.

The African-American Market Opportunity

We believe that operating urban formatted radio stations primarily targeting African-Americans has significant growth potential for the following reasons:

- . Rapid Population Growth. From 1980 to 1995, the African-American population increased from approximately 26.7 million to 33.1 million (a 24.0% increase, compared to a 16.0% increase in the population as a whole). Furthermore, the African-American population is expected to exceed 40 million by 2010 (a more than 20.0% increase from 1995, compared to an expected increase of 13.0% for the population as a whole). (Source: 1996 U.S. Census Bureau Current Population Report)
- . Higher Income Growth. According to the U.S. Census Bureau, from 1980 to 1995, the rate of increase in median household income in 1995 adjusted dollars for African-Americans was approximately 12.3% compared to 3.9% for the population as a whole. African-American buying power is estimated to reach \$533 billion in 1999 (up 73.0% from 1990 compared to a 57.0% increase for all Americans) and to account for 8.2% of total buying power in 1999 (compared to 7.4% in 1990). (Source: "African-American Buying Power by Place of Residence: 1990-1999," Dr. Jeffrey M. Humphreys). In addition, the African-American consumer tends to have a different consumption profile than non-African-Americans. For example, 31% of African-Americans purchased a TV, VCR or stereo in the past year compared to 25% of average U.S. households. African-Americans' higher

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than average rate of consumption is a powerful reason for U.S. retailers to increase targeted advertising spending toward this consumer group. (Source: Pricewaterhouse Coopers, LLP 1998 Study)

- . Growth in Advertising Targeting the African-American Market. We believe that large corporate advertisers are becoming more focused on reaching minority consumers in the United States. The African-American and Hispanic communities are viewed as an emerging growth market within the mature domestic market. A 1997 study estimated that major national advertisers spent \$881 million on advertising targeting African-American consumers, up from \$463 million in 1985. (Source: Target Market News (Chicago, IL-1997)). For example, Ford Motor Company reportedly plans to increase its spending targeting African-Americans and Hispanics by 20% in the 1998-99 model year. (Source: Ad Week Midwest September 28, 1998). We believe Ford is one example of many large corporations currently expanding their commitment to ethnic advertising.
- . Urbanization of American Culture and Society. We believe that there is an ongoing "urbanization" of many facets of American society as evidenced by the influence of African-American culture in the areas of music (for example, hip-hop and rap music), film, fashion, sports and urban-oriented television shows and networks. We believe that companies as disparate as the News Corporation's Fox television network, the sporting goods manufacturer Nike(R), the fast food chain McDonald's(R),

and prominent fashion designers have embraced this urbanization trend in their products as well as their advertising messages.

- . Growing Popularity of Urban Formats. We believe that urban programming has been expanded to target a more diverse urban listener base and has become more popular with listeners and advertisers over the past ten years. The number of urban radio stations has increased from 294 in 1990 to an estimated 371 in 1998, or 26%, and is expected to increase an additional 10% to 409 by 2002. In 1998, urban formats were one of the top three formats in nine of the top ten radio markets nationwide and the top format in five of these markets. (Source: INTEREP, Research Division, 1998 Urban Radio Study)
- . Concentrated Presence in Urban Markets. In 1996, approximately 58.0% of the African-American population was located in the top 30 African-American markets. Relative to radio broadcasters targeting a broader audience, we believe we can cover the various segments of our target market with fewer programming formats and therefore fewer radio stations than the maximum allowed by the FCC (up to eight radio stations in the largest markets with no more than five being FM or AM). (Source: BIA, Fourth Edition 1998)
- . Strong Audience Listenership and Loyalty. In 1996, African-Americans listened to radio broadcasts an average of 27.2 hours per week compared to 22.9 hours per week for non-African-Americans among all persons in the ten largest markets. In addition, Radio One believes that African-American radio listeners exhibit greater loyalty to radio stations that target the African-American community because those radio stations become a valuable source of entertainment and information responsive to the community's interests and lifestyles. (Source: INTEREP Research Division, 1998 Urban Radio Study)

Acquisition Strategy

Our acquisition strategy is to acquire and turn around underperforming radio stations principally in the top 30 African-American markets. We consider acquisitions in existing markets where expanded coverage is desirable and in new markets where we believe it is advantageous to establish a presence. In analyzing potential acquisition candidates, we generally consider:

- . the price and terms of the purchase;
 - . whether the radio station has a signal adequate to reach a large percentage of the African-American community in a market;
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- . whether we can increase ratings and net broadcast revenue of the radio station;
 - . whether we can reformat or improve the radio station's programming in order to serve profitably the African-American community;
 - . whether the radio station affords us the opportunity to introduce complementary formats in a market where Radio One already maintains a presence; and
 - . the number of competitive radio stations in the market.

For strategic reasons, or as a result of a station cluster purchase, we may also acquire and operate stations with formats that target non-African-American segments of the population.

Turnaround Expertise

We typically enter a market by acquiring a station or stations that have little or negative broadcast cash flow. Additional stations we have acquired in existing markets have often been, in our opinion, substantially underperforming. By implementing our operating strategies, we have succeeded in increasing ratings, net broadcast revenue and broadcast cash flow of all the FM stations we have owned or managed for at least one year. We have achieved these improvements while operating against much larger competitors. Some of these successful turnarounds are described below by market:

- Washington, D.C. In 1995, we acquired WKYS-FM for approximately \$34.0 million. At the time, WKYS-FM was ranked number 13 by Arbitron in the 12-plus age demographic. Over a two-year period, we repositioned WKYS-FM, improved its programming and enhanced the station's community involvement and image. In the Fall 1998 Arbitron Survey, the station was ranked number one in the 18-34 age demographic (with a 10.2 share) and number two in the 12-plus age demographic (with a 5.4 share), behind two stations tied for number one (each with a 5.6 share).

In 1987, we acquired WMMJ-FM for approximately \$7.5 million. At the time, WMMJ-FM was being programmed in a general market Adult Contemporary format, and had a 1.2 share of the 12-plus age demographic. After extensive research we changed the station's format, making WMMJ-FM the first FM radio station on the East Coast to introduce an Urban Adult Contemporary programming format. In the Fall 1998 Arbitron Survey, the station was ranked number three in the 25-54 age demographic (with a 5.8 share) and number five in the 12-plus age demographic (with a 5.0 share).

- Baltimore. In 1993, we acquired WERQ-FM and WOLB-AM (formerly WERQ-AM) for approximately \$9.0 million. At the time, these stations had mediocre ratings. We converted WERQ-FM's programming to a more focused Young Urban Contemporary format and began aggressively marketing the station. WERQ-FM is now Baltimore's dominant station, ranked number one in the 12-plus, 18-34 and 25-54 age demographics in the Fall 1998 Arbitron Survey, a position it first achieved in the Spring 1997 Arbitron Survey.

In 1992, we acquired WWIN-FM and its sister station, WWIN-AM, for approximately \$4.7 million. At the time, WWIN-FM was a distant second in ratings to its in-format direct competitor, WXYV-FM. We repositioned WWIN-FM towards the 25-54 age demographic, and in the Fall 1998 Arbitron Survey the station was ranked number two in that age demographic (with a 7.5 share) behind two stations tied for number one (each with a 7.7 share), including Radio One's WERQ-FM.

- Atlanta. In 1995, ROA, then an affiliate of Radio One, acquired WHTA-FM (formerly WQUL-FM), a Class A radio station located approximately 40 miles from Atlanta, for approximately \$5.0 million. Prior to that acquisition, the previous owners, together with our management, upgraded and moved the station approximately 20 miles closer to Atlanta. The result was the introduction of a new, Young Urban Contemporary radio station in the Atlanta market. The station's ratings increased quickly, to an approximate 5.0 share in the 12-plus age demographic. In the Fall 1998 Arbitron Survey, the station was ranked number four in the 18-34 age demographic (with an 8.3 share).

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- Philadelphia. In 1997, we acquired WPHI-FM (formerly WDRE-FM) for approximately \$20.0 million. At the time WDRE-FM was being programmed in a Modern Rock format and had a 2.0 share in the 12 plus age demographic. We changed the station's format to Young Urban Contemporary and, in the Fall 1998 Arbitron Survey, the station was ranked number 14 in the 12-plus age demographic (with a 3.3 share) and number five in the 18-34 age demographic (with a 6.0 share).

Top 30 African-American Radio Markets in the United States(/1/)

Boxes enclose the tabular information for Washington, D.C., Detroit, Philadelphia, Atlanta, Baltimore, St. Louis, Cleveland and Richmond.

Rank Market	African-American Population in the Market(/2/)	African-Americans as a Percentage of the Overall Population
		in the Market(/2/)
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	(in thousands)	

1. New York

3,731

22.2%

2. Chicago	1,648	19.4
3. Washington, D.C.	1,150	27.2
4. Los Angeles	1,134	9.4
5. Detroit	1,004	22.5
6. Philadelphia	947	19.9
7. Atlanta	921	25.7
8. Houston/Galveston	782	18.3
9. Miami/Ft. Lauderdale/ Hollywood	718	20.2
10. Dallas/Ft. Worth	645	14.2
11. Baltimore	644	26.0
12. San Francisco	599	9.2
13. Memphis	482	41.5
14. New Orleans	460	36.3
15. Norfolk/Virginia Beach/Newport News	444	29.6
16. St. Louis	439	17.2
17. Cleveland	398	18.7
18. Boston	281	7.3
19. Richmond	281	30.0
20. Charlotte/Gastonia/Rock Hill	266	19.9
21. Birmingham	261	27.0
22. Raleigh/Durham	244	23.5
23. Milwaukee/Racine	237	14.4
24. Greensboro/Winston Salem/High Point	226	19.7
25. Cincinnati	220	11.4
26. Kansas City	215	12.8
27. Tampa/St. Petersburg/Clearwater	202	9.0
28. Jacksonville	201	19.0
29. Indianapolis	193	14.1
30. Pittsburgh	188	7.9

- (1) Boxes and bold text indicate markets where Radio One currently owns or will own and operate radio stations upon consummation of the acquisitions (other than the pending acquisition in an East Coast market) described under "Unaudited Pro Forma Consolidated Financial Information."
- (2) Population estimates are for 1996 and are based upon BIA Investing in Radio Market Report ("BIA 1998 Fourth Edition").

Operating Strategy

In order to maximize net broadcast revenue and broadcast cash flow at our radio stations, we strive to achieve the largest audience share of African-American listeners in each market, convert these audience share ratings to advertising revenue, and control operating expenses. The success of our strategy relies on the following:

- . market research, targeted programming and marketing;
- . strong management and performance-based incentives;
- . strategic sales efforts;
- . radio station clustering, programming segmentation and sales bundling;
- . advertising partnerships and special events; and
- . significant community involvement.

Market Research, Targeted Programming and Marketing

Radio One uses market research to tailor the programming, marketing and promotions of our radio stations to maximize audience share. To achieve these goals, we use market research to identify unserved or underserved markets or segments of the African-American community in current and new markets and to determine whether to acquire a new radio station or reprogram one of our existing radio stations to target those markets or segments.

We also seek to reinforce our targeted programming by creating a distinct and marketable identity for each of our radio stations. To achieve this objective, in addition to our significant community involvement discussed below, we employ and promote distinct, high-profile on-air personalities at many of our radio stations, many of whom have strong ties to the African-American community.

Strong Management and Performance-based Incentives

Radio One focuses on hiring highly motivated and talented individuals in each functional area of the organization who can effectively help us implement our growth and operating strategies. Radio One's management team is comprised of a diverse group of individuals who bring expertise to their respective functional areas. We seek to hire and promote individuals with significant potential, the ability to operate with high levels of autonomy and the appropriate team-orientation that will enable them to pursue their careers within the organization.

To enhance the quality of our management in the areas of sales and programming, general managers, sales managers and program directors have significant portions of their compensation tied to the achievement of certain performance goals. General managers' compensation is based partially on achieving broadcast cash flow benchmarks which create an incentive for management to focus on both sales growth and expense control. Additionally, sales managers and sales personnel have incentive packages based on sales goals, and program directors and on-air talent have incentive packages focused on maximizing overall ratings as well as ratings in specific target segments.

Strategic Sales Efforts

Radio One has assembled an effective, highly trained sales staff responsible for converting audience share into revenue. We operate with a focused, sales-oriented culture which rewards aggressive selling efforts through a generous commission and bonus compensation structure. We hire and deploy large teams of sales professionals for each of our stations or station clusters, and we provide these teams with the resources necessary to compete effectively in the markets in which we operate. We utilize various sales strategies to sell

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and market our stations as stand-alones, in combination with other stations within a given market and across markets, where appropriate.

Radio Station Clustering, Programming Segmentation and Sales Bundling

Radio One strives to build clusters of radio stations in our markets, with each radio station targeting different demographic segments of the African-American population. This clustering and programming segmentation strategy allows us to achieve greater penetration into each segment of our target market. We are then able to offer advertisers multiple audiences and to bundle the radio stations for advertising sales purposes when advantageous.

We believe there are several potential benefits that result from operating multiple radio stations in the same market. First, each additional radio station in a market provides us with a larger percentage of the prime advertising time available for sale within that market. Second, the more stations we program, the greater the market share we can achieve in our target demographic groups through the use of segmented programming. Third, we are often able to consolidate sales, promotional, technical support and corporate functions to produce substantial cost savings. Finally, the purchase of additional radio stations in an existing market allows us to take advantage of our market expertise and existing relationships with advertisers.

Advertising Partnerships and Special Events

We believe that in order to create advertising loyalty, Radio One must

strive to be the recognized expert in marketing to the African-American consumer in the markets in which we operate. We believe that Radio One has achieved this recognition by focusing on serving the African-American consumer and by creating innovative advertising campaigns and promotional tie-ins with our advertising clients and sponsoring numerous entertainment events each year. We sponsor the Stone Soul Picnic, an all-day free outdoor concert which showcases advertisers, local merchants and other organizations to over 100,000 people in each of Washington, D.C. and Baltimore. We also sponsor The People's Expo every March in Washington, D.C. and Baltimore, which provides entertainment, shopping and educational seminars to Radio One's listeners and others from the communities we serve. In these events, advertisers buy signage, booth space and broadcast promotions to sell a variety of goods and services to African-American consumers. As we expand our presence in our existing markets and into new markets, we plan to increase the number of events and the number of markets in which we host these major events.

Significant Community Involvement

We believe our active involvement and significant relationships in the African-American community provides a competitive advantage in targeting African-American audiences. In this way, we believe our proactive involvement in the African-American community in each of our markets significantly improves the marketability of our radio broadcast time to advertisers who are targeting such communities.

We believe that a radio station's image should reflect the lifestyle and viewpoints of the target demographic group it serves. Due to our fundamental understanding of the African-American community, we believe we are able to identify music and musical styles, as well as political and social trends and issues, early in their evolution. This understanding is then integrated into all aspects of our operations and enables us to create enhanced awareness and name recognition in the marketplace. In addition, we believe our multi-level approach to community involvement leads to increased effectiveness in developing and updating our programming formats. We believe our enhanced awareness and more effective programming formats lead to greater listenership and higher ratings over the long-term.

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We have a history of sponsoring events that demonstrate our commitment to the African-American community, including:

- . heightening the awareness of diseases which disproportionately impact African-Americans, such as sickle-cell anemia and leukemia, and holding fundraisers to benefit the search for their cure;
- . developing contests specifically designed to assist African-American single mothers with day care expenses;
- . fundraising for the many African-American churches throughout the country that have been the target of arsonists; and
- . organizing seminars designed to educate African-Americans on personal issues such as buying a home, starting a business, developing a credit history, financial planning and health care.

Management Stock Option Plan

On March 10, 1999, we adopted the 1999 Stock Option and Restricted Stock Grant Plan (the "Option Plan") designed to provide incentives relating to equity ownership to present and future executive, managerial, and other key employees of Radio One and our subsidiaries. The Option Plan affords us latitude in tailoring incentive compensation for the retention of key personnel, to support corporate and business objectives, and to anticipate and respond to a changing business environment and competitive compensation practices. For more information see "Management--Stock Option Plan."

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Station Operations

The following is a general description of each of our markets and our radio

stations in each market. As noted, some of the data provided in the tables below includes information during periods the radio stations listed were not owned or operated by Radio One.

Washington, D.C.

The Washington, D.C. market is estimated to be the eighth largest radio market in terms of MSA population. In 1998, this market had advertising revenue estimated to be \$252.8 million, making it the sixth largest radio market in terms of advertising revenue. In 1996, Washington, D.C. had the third largest African-American population in the United States with an MSA population of approximately 4.2 million (approximately 27.2% of which was African-American). We believe that we own the strongest franchise (in terms of audience share and number of radio stations) of African-American targeted radio stations in the Washington, D.C. market, with two of the four FM radio stations and two of the three AM radio stations that target African-Americans. Washington, D.C. experienced annual radio revenue growth of 5.4% between 1991 and 1996, and radio revenue in Washington, D.C. is expected to continue growing at an annual pace of 7.4% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

	1995 (/4/)	1996 (/4/)	1997 (/4/)	1998 (/4/)	Fall 1998 (/5/)

WKYS-FM (/1/)					
Audience share (12-plus).....	3.8	4.5	5.8	5.2	5.4
Audience share rank (12-plus).....	9t	6t	2	3	2
Audience share (18-34).....	5.8	7.5	10.4	10.1	10.2
Audience share rank (18-34).....	6	2	1	1	1
Revenue share.....	3.8%	3.3%	4.5%	5.0%	n/a
Revenue rank.....	14	14	10	9	n/a
WMMJ-FM (/2/)					
Audience share (12-plus).....	3.7	4.5	4.1	4.3	5.0
Audience share rank (12-plus).....	11t	6t	9	8	5
Audience share (25-54).....	4.6	5.4	4.9	5.1	5.8
Audience share rank (25-54).....	8	3t	7	4	3
Revenue share.....	3.7%	3.4%	2.9%	3.2%	n/a
Revenue rank.....	15	13	17	18	n/a
WOL-AM					
Audience share (12-plus).....	1.7	1.0	1.1	0.8	0.7
Audience share rank (12-plus).....	19	23t	20	25	25t
Audience share (35-64).....	2.3	1.1	1.4	1.1	1.0
Audience share rank (35-64).....	14t	23	19	22	21t
Revenue share.....	2.0%	1.8%	1.6%	0.8%	n/a
Revenue rank.....	18	18	19	21	n/a
WMMJ-FM AND WOL-AM (combined)					
Audience share (12-plus).....	5.4	5.5	5.2	5.1	5.7
Audience share (25-54).....	6.4	6.2	5.9	5.9	6.5
Revenue share.....	5.6%	5.3%	4.5%	4.0%	n/a
Revenue rank.....	7	8	12	11	n/a
WYCB-AM (3)					
Audience share (12-plus).....	1.6	1.3	1.2	1.0	0.9
Audience share rank (12-plus).....	20	20	19	22	22t
Audience share (35-64).....	1.7	1.5	1.4	1.1	1.0
Audience share rank (35-64).....	19	18	20	19	21t

Revenue share.....	n/a	n/a	n/a	0.5%	n/a
Revenue rank.....	n/a	n/a	n/a	n/a	n/a

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As used in this table, "n/a" means not available or not applicable and "t" means tied with one or more other radio stations.

- (1)WKYS-FM was acquired by Radio One on June 6, 1995.
- (2)WOL-AM and WMMJ-FM advertising time is sold in combination.
- (3)Radio One acquired WYCB-AM in the first quarter of 1998 through an Unrestricted Subsidiary.
- (4) Audience share and audience share rank data are based on Arbitron Survey four book averages for the years indicated ending with the Fall Arbitron Survey. Revenue share and rank data are based upon the Radio Revenue Report of Hungerford for 1998, 1997, 1996, and 1995 (if applicable) except for WYCB-AM which does not report to Hungerford. Revenue share for WYCB-AM represents the radio station's net broadcast revenue as a percentage of the market radio revenue reported by the Hungerford Report (December 1998), as adjusted for WYCB-AM's net broadcast revenue.
- (5)Fall 1998 Arbitron Survey.

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WOL-AM. In 1980, we acquired our first radio station, WOL-AM, for approximately \$900,000. WOL-AM was a music station with declining revenue and audience shares that Radio One converted to one of the country's first all-talk radio stations targeting African-Americans. Radio One's Chairperson, Ms. Catherine L. Hughes, who hosted WOL-AM's daily four-hour morning show from 1983 to 1995, created a valuable niche for the radio station as "The Voice of Washington's Black Community." We believe that WOL-AM is a vital communications platform for the African-American community and political and business leaders in its market. WOL-AM's ratings have historically fluctuated between a 1.0 and 2.0 share in the 12-plus age demographic market.

WMMJ-FM. In 1987, Radio One purchased WMMJ-FM for approximately \$7.5 million. At the time, WMMJ-FM was being programmed in a general market Adult Contemporary format, and had a 1.2 share of the 12-plus age demographic. After extensive research we changed the station's format, making WMMJ-FM the first FM radio station on the East Coast to introduce an Urban Adult Contemporary ("Urban AC") programming format. This format focuses on African-Americans in the 25-54 age demographic and provides adult-oriented Urban Contemporary music from the 1960s through the 1990s. The Urban AC format was almost immediately successful, and in the Fall 1998 Arbitron Survey, the station was ranked number three in the 25-54 age demographic (with a 5.8 share) and number five in the 12-plus age demographic (with a 5.0 share).

WKYS-FM. In June 1995, Radio One purchased WKYS-FM for approximately \$34.0 million. WKYS-FM is a Young Urban Contemporary radio station targeting African-Americans in the 18-34 age demographic. From 1978 to 1989, WKYS-FM was Washington, D.C.'s perennial Urban Contemporary leader and was frequently the market's number one radio station overall. However, in 1987, WPGC-FM (now owned by Infinity Broadcasting ("Infinity")) changed its format from Adult Contemporary to Contemporary Hit/Urban ("CHR") Urban and in Spring 1989, replaced WKYS-FM as the number one urban radio station in terms of audience share. From 1986 to Fall 1994, WKYS-FM's overall ratings rank fell from number one to number 12 with a 3.3 share of the 12-plus age demographic, while WPGC-FM moved from near the bottom to number one with a 9.0 share of the 12-plus age demographic. By 1995, the former owner of WKYS-FM abandoned the 18-34 age demographic and began to target the 25-54 age demographic, making it a direct competitor to Radio One's WMMJ-FM instead of Infinity's WPGC-FM. When Radio One purchased WKYS-FM in June 1995, we repositioned WKYS-FM's programming away from WMMJ-FM and back toward the 18-34 age demographic. Since June 1995, we have been able to increase dramatically WKYS-FM's overall 12-plus age demographic share and in 1997 WKYS-FM became Washington, D.C.'s number one rated radio station for the 12-plus and 18-34 age demographics. During this same period, WPGC-FM fell to the number two position in the 12-plus and 18-34 age demographics. Recently, WKYS-FM's position has fluctuated between the number one and number three rated station in the 12-plus age demographic while maintaining its number one position in the 18-34 age demographic.

WYCB-AM. On March 16, 1998, Radio One acquired, through an Unrestricted Subsidiary, BHI, the owner of WYCB-AM for approximately \$3.8 million. Following the acquisition, we integrated the operations of WYCB-AM into our existing radio station operations in the Washington, D.C. market.

Baltimore, Maryland

The Baltimore market is estimated to be the 20th largest radio market in terms of MSA population and advertising revenue. In 1998, this market had advertising revenue estimated to be \$105.8 million. In 1996, Baltimore had the 11th largest African-American population in the United States with an MSA population of approximately 2.5 million (approximately 26.0% of which was African-American). Radio One believes Baltimore is "under radioed" with only 12 viable FM radio stations, in part because of its close proximity to Washington, D.C., and therefore, is a particularly attractive market. We believe we own the strongest franchise of African-American targeted radio stations in the Baltimore market with the only two FM radio stations and two of the four AM radio stations that target African-Americans. Baltimore experienced annual radio revenue growth of 8.6% between 1991 and 1996 and radio revenue in Baltimore is expected to continue growing at an annual pace of 6.2% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

	1995 (/3/)	1996 (/3/)	1997 (/3/)	1998 (/3/)	Fall 1998 (/4/)
WERQ-FM (/1/)					
Audience share (12-plus).....	5.2	6.4	9.3	9.4	9.6
Audience share rank (12-plus).....	7	4	1	1	1
Audience share (18-34).....	8.6	10.7	16	16.6	16.5
Audience share rank (18-34).....	2	2	1	1	1
WOLB-AM					
Audience share (12-plus).....	0.9	0.6	0.9	0.9	0.8
Audience share rank (12-plus).....	23t	28t	15t	18	24t
Audience share (35-64).....	1.1	0.9	1.2	1.1	0.7
Audience share rank (35-64).....	19t	23	15	16t	26t
WERQ-FM and WOLB-AM (combined)					
Audience share (12-plus).....	6.1	7	10.2	10.3	10.4
Audience share (25-54).....	4.9	5.7	9.1	8.7	8.4
Revenue share.....	6.7%	6.7%	10.7%	13.1%	n/a
Revenue rank.....	8	8	4	2	n/a
WWIN-FM (/2/)					
Audience share (12-plus).....	4.0	3.6	3.6	5.0	5.5
Audience share rank (12-plus).....	10	10	9	7	6
Audience share (25-54).....	5.5	4.9	4.9	6.8	7.5
Audience share rank (25-54).....	5	7t	7	4	3
WWIN-AM					
Audience share (12-plus).....	1.1	1.1	0.8	1.1	1.1
Audience share rank (12-plus).....	18t	20t	17	17	19t
Audience share (35-64).....	1.1	1.4	1.1	1.1	0.8
Audience share rank (35-64).....	19t	18	16t	16t	25
WWIN-FM and WWIN-AM (combined)					
Audience share (12-plus).....	5.1	4.7	4.4	6.1	6.6

Audience share (25-54).....	6.6	6.0	5.8	7.6	8.2
Revenue share.....	5.7%	5.8%	5.5%	6.0%	n/a
Revenue rank.....	10	10	9	8	n/a

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As used in this table, "n/a" means not available or not applicable and "t" means tied with one or more other radio stations.

- (1)Based upon the Hungerford Report (1998). WERQ-FM and WOLB-AM jointly report revenue data to Hungerford.
- (2)Based upon the Hungerford Report (1998). WWIN-FM and WWIN-AM jointly report revenue data to Hungerford.
- (3) Audience share and audience share rank data are based on Arbitron Survey four book averages book for the years indicated ending with the Fall Arbitron Survey. Revenue share and rank data are based on the Radio Revenue Report by Hungerford for 1998, 1997, 1996 and 1995, as applicable.
- (4)Fall 1998 Arbitron Survey.

WWIN-FM and WWIN-AM. In January 1992, we made our first acquisition outside Washington, D.C. market with the purchase of WWIN-FM and its sister station WWIN-AM for approximately \$4.7 million. At the time, WWIN-FM was a distant second in ratings to its in-format direct competitor WXYV-FM, with less than one-third of that radio station's market share. Today, WWIN-FM is a leading urban radio station in the 25-54 age demographic in the Baltimore market (ranked number two in the Fall 1998 Arbitron Survey with a 7.5 share), and WWIN-AM continues to occupy an attractive niche on the AM frequency with its Gospel programming format.

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WERQ-FM and WOLB-AM. In September 1993, Radio One completed another acquisition in the Baltimore market with the purchase of WERQ-FM and WOLB-AM (formerly WERQ-AM) for approximately \$9.0 million. WERQ-FM was, at the time of its acquisition, a CHR/Urban radio station, while WERQ-AM was a satellite-fed, all-news radio station. We converted the format of WERQ-FM to a more focused Young Urban Contemporary format targeted at the 18-34 age demographic, while WOLB-AM began simulcasting with Radio One's Black Talk radio station in Washington, D.C., WOL-AM. After we aggressively marketed the station, WERQ-FM became Baltimore's dominant station ranked number one in the 12-plus, 18-34 and 25-54 age demographics in the Fall 1998 Arbitron Survey, a position it first achieved in the Spring 1997 Arbitron Survey, while its former primary competitor, WXYV-FM, changed format during 1997 and no longer targets the same listener base as that of WERQ-FM.

Atlanta, Georgia

The Atlanta market is estimated to be the 13th largest radio market in terms of MSA population. In 1998, this market had radio advertising revenue estimated to be \$242.2 million, making it the 10th largest radio market in terms of advertising revenue. In 1996, Atlanta had the seventh largest African-American population in the United States with an MSA population of approximately 3.6 million (approximately 25.7% of which was African-American). Radio One believes Atlanta is "under radioed" with only 15 viable FM radio stations. Due to a rapidly growing local economy, the Atlanta market has one of the country's fastest growth rates in terms of radio revenue. Atlanta experienced annual radio revenue growth of 12.1% between 1991 and 1998, and radio revenue in Atlanta is expected to continue growing at an average annual rate of 8.2% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

On March , 1999, Radio One acquired ROA, an affiliate of Radio One, for shares of Radio One Common Stock. Radio One also assumed and retired approximately \$16.3 million of net indebtedness of ROA and Dogwood. At the time, ROA owned approximately 33% of Dogwood. On March , 1999, Radio One acquired the remaining approximate 67% of Dogwood for \$3.6 million. Founded in 1995, ROA owns and operates WHTA-FM. Dogwood owns WAMJ-FM which, prior to ROA's acquisition of 100% of Dogwood, ROA operated under an LMA. Upon the completion of these acquisitions, ROA became a wholly-owned subsidiary of Radio One, and Dogwood became a wholly owned subsidiary of ROA. See "Certain Relationships and Related Transactions."

1996(/1/) 1997(/1/) 1998(/1/) Fall 1998(/2/)

WHTA-FM				
Audience share (12-plus).....	4.9	5.0	4.7	4.5
Audience share rank (12-plus)....	9	9	9	9
Audience share (25-54).....	8.0	8.0	8.6	8.3
Audience share rank (25-54).....	5	4	4	4
Revenue share.....	2.2%	2.9%	3.5%	n/a
Revenue rank.....	12	12	12	n/a
WAMJ-FM (/3/)				
Audience share (12-plus).....			2.2	1.8
Audience share rank (12-plus).....			15	17
Audience share (25-54).....			3.1	2.5
Audience share rank (25-54).....			13	14
Revenue share.....			1.1%	n/a
Revenue rank.....			n/a	n/a

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As used in this table, "n/a" means not available or not applicable.

- (1) Audiences share and audience share rank data are based on Arbitron Survey four book averages for the years indicated ending with the Fall Arbitron Survey. Revenue share and rank data are based on the Radio Revenue Report by Miller Kaplan for 1998, 1997 and 1996, as applicable. Revenue share for WAMJ-FM represents its net broadcast revenue as a percentage of the market radio revenue reported by Miller Kaplan for December 1998, as adjusted for WAMJ-FM's net broadcast revenue.
- (2) Fall 1998 Arbitron Survey.
- (3) WAMJ-FM commenced broadcasting in December 1997.

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WHTA-FM. In 1995, ROA acquired WHTA-FM (formerly WQUL-FM) from Design Media, Inc. for approximately \$4.8 million. WHTA-FM was a 6 kW Class A facility licensed to Griffin, Georgia, a community 40 miles southwest of the Atlanta market. Prior to selling the station, Design Media received a construction permit to upgrade the station to Class C3 and changed its community of license to Fayetteville, Georgia. In conjunction with Radio One's management, Design Media moved the station's transmitter site 20 miles closer to Atlanta. In July 1995, ROA launched a new Young Urban Contemporary music format that has consistently garnered a 4.5 to 5.0 share of the 12-plus age demographic. WHTA-FM remains consistently ranked in the top three stations in its primary target group, the 12-17 age demographic, and in the top five stations among its secondary target group, the 18-34 age demographic, ranking number four in the Fall 1998 Arbitron Survey with an 8.3 share.

WAMJ-FM. In March 1997, ROA entered into an agreement with Dogwood to provide financing for a new 6 kW Class A radio station that had been assigned to Roswell, Georgia, a community approximately twenty miles north of downtown Atlanta. ROA received an approximate 33% ownership stake, along with an option to purchase 100% of the station. ROA also entered into an LMA allowing ROA to operate the station in the Atlanta market. On December 16, 1997, ROA launched an R&B oldies format on WAMJ-FM targeting the 25-54 age demographic. In November 1998, Dogwood received an FCC construction permit to upgrade WAMJ's signal to Class C3. WAMJ-FM began operating at 25 kW in December 1998, greatly improving its penetration of the Atlanta market and giving the station total coverage of the Atlanta metropolitan area.

In Atlanta, Radio One competes directly against Infinity's Young Urban Contemporary station, WVEE-FM, and against Midwestern Broadcasting's Urban Adult Contemporary station, WALR-FM. However, Radio One owns more FM radio stations targeting African-Americans in Atlanta than any other entity.

Philadelphia, Pennsylvania

The Philadelphia market is estimated to be the fifth largest radio market in terms of MSA population. In 1998, this market had advertising revenue estimated to be \$242.3 million, making it the seventh largest radio market in terms of advertising revenue. In 1996, Philadelphia had the sixth largest African-American population in the United States with an MSA population of approximately 4.9 million (approximately 19.9% of which was African-American). Philadelphia experienced annual radio revenue growth of 9.4% between 1991 and 1996, and radio revenue in Philadelphia is expected to continue growing at an annual pace of 6.5% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

1997 (/1/) 1998 (/1/) Fall 1998 (/2/)

WPHI-FM

Audience share (12-plus).....	3.6	3.3	3.3
Audience share rank (12-plus).....	15	13t	14
Audience share (18-34).....	6.4	6.0	6.0
Audience share rank (18-34).....	5	5	5
Revenue share.....	1.2%	2.2%	n/a
Revenue rank.....	18	16	n/a

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As used in this table, "n/a" means not available or not applicable and "t" means tied with one or more other radio stations.

- (1) Audiences share and audience share rank data are based on Arbitron Survey four book averages ending with the Fall Arbitron Survey for the years indicated. Revenue share and rank data are based on the Radio Revenue Report by Miller Kaplan for December 1998 and 1997, as applicable.
- (2) Fall 1998 Arbitron Survey.

WPHI-FM. On February 8, 1997, Radio One entered into an LMA with the owner of WPHI-FM (formerly WDRE-FM), and changed the radio station's programming format from Modern Rock to Young Urban Contemporary targeting the 18-34 age demographic. On May 19, 1997, we acquired WPHI-FM for approximately \$20.0 million, providing us with an opportunity to apply our operating strategy in another top-30 African-American market. Although WPHI-FM is a Class A facility operating at the equivalent of 3 kW, we believe it adequately reaches at least 90% of African-Americans in Philadelphia. In the Fall 1998 Arbitron Survey, WPHI-FM achieved a 3.3 share in the 12-plus age demographic and had solidly positioned itself as the number two Young Urban Contemporary station in the market behind WUSL-FM.

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Detroit, Michigan

The Detroit market is estimated to be the seventh largest radio market in terms of MSA population. In 1998, this market had advertising revenue estimated to be \$225.1 million, making it the 11th largest radio market in terms of advertising revenue. Detroit is the fifth largest African-American market with an MSA population of approximately 4.5 million in 1996 (approximately 22.5% of which was African-American). Detroit experienced annual radio revenue growth of 8.4% between 1991 and 1996, and radio revenue in Detroit is expected to continue growing at an annual pace of 7.5% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

1998 (/1/) Fall 1998 (/2/)

WDTJ-FM

Audience share (12-plus).....	3.4	3.3
Audience share rank (12-plus).....	12	13
Audience share (18-34).....	5.8	5.4
Audience share rank (18-34).....	4	5
Revenue share.....	2.0	n/a
Revenue rank.....	n/a	n/a

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As used in this table, "n/a" means not available or not applicable.

- (1) Audience share and audience share rank data are based on Arbitron Survey four book averages for the years indicated ending with the Fall Arbitron Survey. Revenue share and rank data are based on the Radio Revenue Report by Hungerford for 1998.
- (2) Fall 1998 Arbitron Survey.

WDTJ-FM and WCHB-AM. On June 30, 1998, Radio One acquired Bell Broadcasting, which owns two radio stations, WDTJ-FM (formerly WCHB-FM) and WCHB-AM, located in the Detroit, Michigan market and one radio station, WJZZ-AM, located in Kingsley, Michigan. Radio One paid approximately \$34.2 million in cash and the cost of certain improvements to the stations. WDTJ-FM is a Young Urban Contemporary station similar to our WERQ-FM in Baltimore and WKYS-FM in

Washington, D.C. WCHB-AM's facilities were recently upgraded from 25 kW to 50 kW. In the future, we may dispose of the station located in Kingsley, Michigan because that station is not integral to the Bell Broadcasting operation and is located a substantial distance from Detroit.

WWBR-FM. On December 28, 1998, Radio One acquired Allur-Detroit for approximately \$26.5 million in cash. Allur-Detroit owns WWBR-FM licensed to Mt. Clemens, Michigan, which is part of the Detroit MSA. Allur-Detroit's stockholders included Syncom Venture Partners, an affiliate of one of Radio One's stockholders, Syncom. On January 16, 1999, we changed the format of WWBR-FM to Adult Contemporary. WWBR-FM is the first station owned by Radio One that primarily targets a non-African-American audience.

St. Louis, Missouri

The St. Louis market is estimated to be the 19th largest radio market in terms of MSA population. In 1998, this market had advertising revenue estimated to be \$116.5 million, making it the 18th largest radio market in terms of advertising revenue. St. Louis is the 16th largest African-American market with an MSA population of approximately 2.6 million in 1996 (approximately 17.2% of which was African-American). St. Louis experienced annual radio revenue growth of 8.8% between 1991 and 1996, and radio revenue in St. Louis is expected to continue growing at an annual rate of 6.9% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

On November 23, 1998, Radio One entered into an agreement to acquire the assets of WFUN-FM, licensed to Bethalto, Illinois for approximately \$13.6 million in cash. We expect to move WFUN-FM to a broadcast tower site closer to downtown St. Louis, reformat the station and upgrade its signal from 6 kW to 25 kW.

The FCC approved of Radio One's acquisition of the assets of WFUN-FM on January 26, 1999. The FCC's action will become a final action on March 10, 1999, provided that no party files a petition for reconsideration of the FCC's action and the FCC does not reconsider the decision on its own motion.

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Cleveland, Ohio

The Cleveland market is estimated to be the 23rd largest radio market in terms of MSA population and advertising revenue. In 1998, this market had advertising revenue estimated to be \$96.7 million. Cleveland is the 17th largest African-American market with an MSA population of approximately 2.1 million (approximately 18.7% of which was African-American). Cleveland experienced annual radio revenue growth of 7.9% between 1991 and 1996, and radio revenue in Cleveland is expected to continue growing at an annual pace of 6.9% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

On March , 1999, Radio One entered into an asset purchase agreement with Clear Channel Communications to acquire WENZ-FM and WERE-AM for approximately \$20.0 million in cash.

WENZ-FM is licensed to Cleveland, Ohio, and is currently programming an Alternative Rock format. WENZ-FM garnered 2.4 share in the Fall 1998 Arbitron Survey of the market's 12-plus age demographic.

WERE-AM is licensed to Cleveland, Ohio, and is currently programming a News Talk format. WERE-AM achieved a 0.4 share in the Fall 1998 Arbitron Survey of the market's 12-plus age demographic.

Consummation of the acquisition of radio stations WENZ-FM and WERE-AM is subject to the receipt of prior FCC approval. An application for FCC consent to the acquisition of radio stations WENZ-FM and WERE-AM was filed on February 8, 1999, and we anticipate that initial approval will be granted before May 1, 1999, after the petition to deny period has elapsed, but there can be no assurance that FCC approval for the acquisition will be obtained. In addition, the acquisition will undergo review by the Justice Department pursuant to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act"). There can be no assurance that in connection with such review that the Justice Department will not require a restructuring of the acquisition.

Richmond, Virginia

Richmond is estimated to be the 57th largest radio market in terms of MSA population. In 1998, this market had radio advertising revenue estimated to be \$45.8 million, making it the 46th largest radio market in terms of advertising revenue. Richmond is the 19th largest African-American market with an MSA population of approximately 937,000 in 1996 (approximately 30.0% of which was African-American). Richmond experienced annual radio revenue growth of 5.7% between 1991 and 1996, and radio revenue in Richmond is expected to continue growing at an annual rate of 6.5% between 1997 and 2001. (Source: BIA 1998 Fourth Edition)

Radio One believes that Richmond is a particularly attractive market due to its proximity to Radio One headquarters in the Washington, D.C area. Due to this proximity, Radio One believes that it can leverage its regional advertiser relationships and its regionally located management and on-air talent in the Richmond market. We have entered into agreements or letters of intent to acquire six FM and one AM radio stations in three separate transactions. Upon completion of these acquisitions, we believe we will be well positioned as a strong provider of urban-oriented programming to Richmond's African-American market. We will also be the second provider of Country programming and will have additional signals available for other format opportunities and underserved demographics in the Richmond market.

On February 10, 1999, Radio One entered into an asset purchase agreement to acquire WDYL-FM, licensed to Chester, Virginia for approximately \$4.6 million in cash. WDYL-FM, currently a Religious format station, is in the Richmond, Virginia market.

On February 26, 1999, Radio One entered into an asset purchase agreement to acquire WKJS-FM, licensed to Crewe, Virginia, and WSOJ-FM, licensed to Petersburg, Virginia, for approximately \$12.0 million in cash, subject to purchase price adjustments. Both stations, currently urban format stations, are in the Richmond, Virginia market.

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WKJS-FM, licensed to Crewe, Virginia, is a 100 kW station and generally covers the entire Richmond market. The station changed its format from Oldies to Urban Adult Contemporary in March 1998 and has since experienced a significant ratings increase. WKJS-FM's ratings increased from a 3.1 share in the 12-plus age demographic in the Winter 1998 Arbitron Survey to an 8.2 share in the 12-plus age demographic in the Fall 1998 Arbitron Survey. In the 25-54 age demographic, WKJS-FM earned a 10.6 share in the Fall 1998 Arbitron Survey, ranking it number one, tied with one other station.

WSOJ-FM, licensed to Petersburg, Virginia, primarily covers Petersburg, located in the southern portion of the Richmond metropolitan area. A Young Urban Contemporary station, WSOJ-FM earned a 3.2 share in the 12-plus age demographic in the Fall 1998 Arbitron Survey. WKJS-FM and WSOJ-FM have been operated and sold in combination for most of 1998.

On March , 1999, Radio One entered into an asset purchase agreement to purchase WCDX-FM, WPLZ-FM, WJRV-FM and WGCV-AM, for \$34.0 million. WCDX-FM, a Young Urban Contemporary station licensed to Mechanicsville, Virginia, covers the entire Richmond metropolitan area. WCDX-FM has averaged a 10.1 share of the 12-plus age demographic for the last 2 years and is currently ranked number two overall in the 12-plus age demographic, tied with another station with an 8.8 share, according to the Fall 1998 Arbitron Survey. WCDX-FM is also ranked number one in the 18-34 age demographic and number four in the 25-54 age demographic.

WCDX-FM's sister station, WPLZ-FM, currently programs an Urban Oldies format and earned a 4.8 share of the 12-plus age demographic in the Fall 1998 Arbitron Survey. WPLZ-FM, licensed to Petersburg, Virginia, primarily covers the southern Richmond metropolitan area. The two stations have historically been sold in combination and have been the market leaders in terms of urban radio revenue share. WJRV-FM, licensed to Richmond, Virginia, recently changed formats from Smooth Jazz to Country, in order to challenge WKHK-FM, the leading country radio station in Richmond. WJRV-FM earned a 1.5 share of the 12-plus age demographic in the Fall 1998 Arbitron Survey after approximately 3 months in the Country format. WGCV-AM is a Religious formatted station, licensed to Petersburg, Virginia, that does not currently have any significant audience or revenue share.

Consummation of the acquisition of these radio stations in Richmond is subject to the receipt of prior FCC approval. An application for FCC consent to the acquisition of WDYL-FM was filed on February 18, 1999, and we anticipate that initial approval of the acquisition will be granted by May 1, 1999, after the petition to deny period has elapsed, but there can be no assurance that FCC approval for the acquisition will be obtained. An application for FCC consent to the acquisitions of WKJS-FM and WSOJ-FM was filed on March 5, 1999, and we anticipate that initial approval of the acquisitions will be granted by June 1, 1999, after the petition to deny period has elapsed, but there can be no assurance that FCC approval of the acquisitions will be obtained. An application for FCC consent to the acquisitions of WJRV-FM, WCDX-FM, WPLZ-FM and WGCV-AM was filed on April 1, 1999, and we anticipate that initial approval of the acquisitions will be granted by June 1, 1999, after the petition to deny period has elapsed, but there can be no assurance that FCC approval for the acquisitions will be obtained. In addition, the acquisitions of WRJV-FM, WCDX-FM, WPLZ-FM and WGCV-AM will undergo review by the Justice Department pursuant to the requirements of the HSR Act. There can be no assurance that in connection with such review the Justice Department will not require a restructuring of the acquisitions.

East Coast Market

On February 11, 1999, Radio One entered into a letter of intent to acquire a radio station in an East Coast market. Consummation of the acquisition of this radio station is subject to, among other things, the receipt of prior FCC approval. An application for FCC consent to the acquisition is expected to be filed by May 31, 1999. Once the FCC application is filed, we anticipate that initial approval to the acquisition will be granted after the petition to deny period has elapsed, but there can be no assurance that FCC approval for the acquisition will be obtained.

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Advertising Revenue

Substantially all of Radio One's net broadcast revenue is generated from the sale of local and national advertising for broadcast on our radio stations. Additional net broadcast revenue is generated from network compensation payments and other miscellaneous transactions. Local sales are made by the sales staffs located in our markets. National sales are made by firms specializing in radio advertising sales on the national level, in exchange for a commission from Radio One that is based on a percentage of our net broadcast revenue from the advertising obtained. Approximately 67.4% of our net broadcast revenue for the fiscal year ended December 31, 1998, was generated from the sale of local advertising and 30.3% from sales to national advertisers, with the balance of net broadcast revenue being derived from network advertising, tower rental income and ticket and other revenue related to special events hosted by Radio One.

We believe that advertisers can reach the African-American community more cost effectively through radio broadcasting than through newspapers or television. Advertising rates charged by radio stations are based primarily on (i) a radio station's audience share within the demographic groups targeted by the advertisers, (ii) the number of radio stations in the market competing for the same demographic groups, and (iii) the supply and demand for radio advertising time. Advertising rates are generally highest during the morning and afternoon commuting hours.

A radio station's listenership is reflected in ratings surveys that estimate the number of listeners tuned to a radio station and the time they spend listening to that radio station. Each radio station's ratings are used by its advertisers to consider advertising with the radio station, and are used by Radio One to chart audience growth, set advertising rates and adjust programming.

Strategic Diversification

Radio One will continue to evaluate potential radio acquisitions in African-American markets. We are exploring opportunities in other forms of media to apply our expertise in marketing to African-Americans. Such opportunities could include outdoor advertising in urban environments, an urban-oriented Internet strategy, an urban-oriented radio network, music production, publishing and other related businesses.

We recently entered into an exclusive programming agreement with XM Satellite Radio, Inc. to provide African-American talk and music programming to be broadcast on XM Satellite's satellite digital audio radio service, which is expected to be available in 2000.

We have also invested, together with most publicly-traded radio companies, in a recent private placement for USA Digital Radio, Inc., a leading developer of in-band on-channel digital audio broadcast technology. This technology could enable radio broadcasters to convert from analog to digital broadcasting within the existing frequency allocation of their AM and FM stations. In conjunction with this investment, Alfred C. Liggins, III, the Chief Executive Officer and President of Radio One, became a board member of USA Digital Radio, Inc.

Additionally, we have recently invested in PNE Media Holdings, LLC, a privately-held outdoor advertising company with a presence in several of the markets in which we own radio stations.

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Properties

The following chart sets forth the principal real property and radio related facilities owned or leased by Radio One (including properties to be acquired pursuant to pending acquisitions).

Property Address	Type of Facility and Use	Owned or Leased (Expiration Date)	Tenant/Owner	Approximate Size (Square Feet)
5900 Princess Garden Parkway, 1st, 7th and 8th Floors Lanham, MD	Corporate Office, WKYS-FM, WOL-AM WMMJ-FM, WYCB-AM Studio	Leased (expires 12/31/11)	Radio One	21,546
4001 Nebraska Avenue, N.W. Washington, D.C.	WKYS-FM Transmitter	Leased (expires 11/30/01)	Radio One	Tower and transmitter space
62 Pierce Street, N.E. Washington, D.C.	WOL-AM Transmitter	Leased (expires 3/31/01)	Radio One	Tower and transmitter space
4400 Massachusetts Avenue, N.W. Washington, D.C.	WMMJ-FM Transmitter	Leased (expires 4/30/04)	Radio One	Leased Tower space (+) 200
100 St. Paul Street Baltimore, MD	WWIN-AM/FM, WERQ-FM, WOLB-AM Studio	Leased (expires 10/31/03)	Radio One	8,000
Greenmount Avenue and 29th Street Baltimore, MD (Waverly Towers)	WWIN-AM Transmitter	Leased (expires 8/31/01)	Radio One	225
1315 W. Hamburg Street Baltimore, MD	WOLB-AM Transmitter	Leased (expires 12/31/00)	Radio One	Tower and transmitter space
7 St. Paul Street Baltimore, MD	Satellite Dish Space	Leased (expires 4/22/04)	Radio One	200
100 Old York Road Jenkintown, PA	WPHI-FM, Studio	Leased (expires 10/31/03)	Radio One	5,661
Domino Lane and Fowler Street Philadelphia, PA	WPHI-FM Transmitter	Leased (expires 6/29/06)	Radio One	Tower and transmitter space
2501 Hawkins Point Road Baltimore City, MD	WWIN-FM Transmitter	Owned	Radio One	16,800
2709 Boarman Avenue (4334-4338 Park Heights Ave.) Baltimore, MD	WERQ-FM Transmitter	Owned	Radio One	24,920
Walker Mill Road District Heights, MD	WYCB-AM Transmitter	Leased (expires 11/99)	BHI	Tower and transmitter space
2994 East Grand River Detroit, MI 48202	WDTJ-FM, Studio	Leased (expires 6/30/99)	Bell Broadcasting	3,000
24600 Greenfield Road Oak Park, MI	WDTJ-FM Transmitter	Leased (expires 3/31/04)	Bell Broadcasting	Tower and transmitter space
32790 Henry Huff Road Romulus, MI	WCHB-AM Office Site	Owned	Bell Broadcasting	80 acres
York Road Kingsley, MI	WJZZ-AM Transmitter	Owned	Bell Broadcasting	
Huron Township, MI	WCHB-AM Transmitter	Owned	Bell Broadcasting	80 acres
Tyrone Cook Road #1 Tyrone, GA	WHTA-FM Transmitter	Leased (expires 12/6/09)	ROA	Tower and transmitter space
75 Piedmont Ave. Atlanta, GA	WHTA-FM WAMJ-FM Studio	Leased (expires 10/1/04)	ROA	11,600

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Property Address	Type of Facility and Use	Owned or Leased (Expiration Date)	Tenant/Owner	Approximate Size (Square Feet)
1050 Crown Pointe Atlanta, GA	WAMJ-FM Transmitter	Leased (expires 8/31/01)	Dogwood	Tower and transmitter space
850 Stephenson Highway Troy, MI	WWBR-FM Studio	Leased (expires 2/1/02)	Allur-Detroit	5,766
21340 Pitko Street Mt. Clemens, MI	WWBR-FM Transmitter	Leased (expires 12/31/08)	Allur-Detroit	Tower and transmitter space
Edwardsville Township, IL	WFUN-FM Transmitter	Owned	Radio One	3 acres
500 Northwest Plaza Office Tower, Suite 310 St. Ann, MO	WFUN-FM Studio	Leased (expires 3/31/99)	Radio One	1,396
Larimore Road St. Louis, MO	WFUN-FM Transmitter	Leased	Radio One	Tower and transmitter space
North Royalton, OH	WERE-AM Transmitter	Owned	Radio One	Tower and transmitter space
Newbury Township, OH	WENZ-FM Transmitter	Owned	Radio One	Tower and transmitter space
	WERE-AM/WENZ-FM Studio	Leased	Radio One	
4312 Old Hundred Rd. Chester, VA	WDYL-FM Studio	Leased (expires 2000)	Radio One	1,872
10300 Brightwood Avenue Chesterfield, VA	WDYL-FM Transmitter	Leased (expires 2014)	Radio One	Tower and transmitter space
6001 Wilkinson Road Richmond, VA	WKJS-FM/WSOJ-FM Studio	Leased (expires 2000)	Radio One	
East Side Rt. 608 Nottoway County, VA	WKJS-FM Transmitter	Owned	Radio One	Tower and transmitter space
3321 Johnson Rd. Petersburg, VA	WSOJ-FM Transmitter	Leased (expires 10/31/02)	Radio One	Tower and transmitter space
	WCDX-FM, WPLZ-FM, WJRV-FM, and WGCV-AM Studio			
	WCDX-FM Transmitter	Leased	Radio One	Tower and transmitter space
	WPLZ-FM Transmitter	Owned	Radio One	Tower and transmitter space
	WJRV-FM Transmitter	Leased	Radio One	Tower and transmitter space
	WGCV-AM Transmitter	Owned	Radio One	Tower and transmitter space

The real property owned or leased by Radio One is the subject of a security interest held pursuant to the terms of our Bank Credit Facility.

Radio One owns substantially all of our other equipment, consisting principally of studio equipment and office equipment. The towers, antennae and other transmission equipment used by our radio stations are generally in good condition, although opportunities to upgrade facilities are periodically reviewed.

We believe that the facilities for our radio stations and office space in Washington, D.C., Baltimore, Atlanta, Philadelphia, Detroit, St. Louis and Richmond are generally suitable and of adequate size for their current and intended purposes other than for routine modifications and expansions which may be required from time to time but would not be expected to have a material adverse effect on us or our financial position or performance. We believe we will be able to obtain suitable facilities for our radio stations in Cleveland and the East Coast market on reasonable terms.

Competition

The radio broadcasting industry is highly competitive. Radio One's stations compete for audiences and advertising revenue with other radio stations and with other media such as television, newspapers, direct mail and outdoor advertising. Audience ratings and advertising revenue are subject to change and any adverse change in a market could adversely affect our net broadcast revenue in that market. If a competing station converts to a format similar to that of one of our stations, or if one of our competitors strengthens its operations,

our stations could suffer a reduction in ratings and advertising revenue. Other radio companies which are larger and have more resources may also enter markets where we operate. Although we believe our stations are well positioned to compete, we cannot assure you that our stations will maintain or increase their current ratings or advertising revenue.

The radio broadcasting industry is also subject to rapid technological change, evolving industry standards and the emergence of new media technologies. Several new media technologies are being developed, including the following: (i) audio programming by cable television systems, direct broadcast satellite systems, Internet content providers and other digital audio broadcast formats; (ii) satellite digital audio radio service, which could result in the introduction of several new satellite radio services with sound quality equivalent to that of compact discs; and (iii) in-band on-channel digital radio, which could provide multi-channel, multi-format digital radio services in the same band width currently occupied by traditional AM and FM radio services. We recently entered into a programming agreement with a satellite digital audio radio service and have also invested in a developer of digital audio broadcast technology. However, we cannot assure you that these arrangements will be successful or enable us to adapt effectively to these new media technologies. We also cannot assure you that we will continue to have the resources to acquire other new technologies or to introduce new services that could compete with other new technologies.

Antitrust

An important part of our growth strategy is the acquisition of additional radio stations. After the passage of the Telecommunications Act of 1996, the Justice Department has become more aggressive in reviewing proposed acquisitions of radio stations and radio station networks. The Justice Department is particularly aggressive when the proposed buyer already owns one or more radio stations in the market of the station it is seeking to buy. Recently, the Justice Department has challenged a number of radio broadcasting transactions. Some of those challenges ultimately resulted in consent decrees requiring, among other things, divestitures of certain stations. In general, the Justice Department has more closely scrutinized radio broadcasting acquisitions that result in local market shares in excess of 40% of radio advertising revenue. Similarly, the FCC staff has announced new procedures to review proposed radio broadcasting transactions even if the proposed acquisition otherwise complies with the FCC's ownership limitations. In particular, the FCC may invite public comment on proposed radio transactions that the FCC believes, based on its initial analysis, may present ownership concentration concerns in a particular local radio market.

Federal Regulation of Radio Broadcasting

The radio broadcasting industry is subject to extensive and changing regulation by the FCC of programming, technical operations, employment and other business practices. The FCC regulates radio broadcast stations pursuant to the Communications Act. The Communications Act permits the operation of radio broadcast stations only in accordance with a license issued by the FCC upon a finding that the grant of a license would serve the public interest, convenience and necessity. The Communications Act provides for the FCC to exercise its licensing authority to provide a fair, efficient and equitable distribution of broadcast service throughout the United States. Among other things, the FCC assigns frequency bands for radio broadcasting; determines the particular frequencies, locations and operating power of radio broadcast stations; issues, renews, revokes and modifies radio broadcast station licenses; establishes technical requirements for certain transmitting equipment used by radio broadcast stations; adopts and implements regulations and policies that directly or

indirectly affect the ownership, operation, program content and employment and business practices of radio broadcast stations; and has the power to impose penalties, including monetary forfeitures, for violations of its rules and the Communications Act.

The Communications Act prohibits the assignment of an FCC license, or other transfer of control of an FCC licensee, without the prior approval of the FCC. In determining whether to grant requests for consents to assignments or transfers, and in determining whether to grant or renew a radio broadcast license, the FCC considers a number of factors pertaining to the licensee (and

any proposed licensee), including restrictions on foreign ownership, compliance with FCC media ownership limits and other FCC rules, licensee "character" and compliance with the Anti-Drug Abuse Act of 1988.

The following is a brief summary of certain provisions of the Communications Act and specific FCC rules and policies. This summary does not purport to be complete and is qualified in its entirety by the text of the Communications Act, the FCC's rules and regulations, and the rulings of the FCC. You should refer to the Communications Act and these FCC rules and rulings for further information concerning the nature and extent of federal regulation of radio broadcast stations.

A licensee's failure to observe the requirements of the Communications Act or FCC rules and policies may result in the imposition of various sanctions, including admonishment, fines, the grant of "short" (less than the maximum eight-year) renewal terms, the grant of a license with conditions or, for particularly egregious violations, the denial of a license renewal application, the revocation of an FCC license or the denial of FCC consent to acquire additional broadcast properties. Congress and the FCC have had under consideration, and may in the future consider and adopt, new laws, regulations and policies regarding a wide variety of matters that could, directly or indirectly, affect the operation, ownership and profitability of Radio One's radio stations, result in the loss of audience share and advertising revenue for our radio broadcast stations or affect our ability to acquire additional radio broadcast stations or finance such acquisitions. Such matters may include changes to the license authorization and renewal process; proposals to impose spectrum use or other fees on FCC licensees; auction of new broadcast licenses; changes to the FCC's equal employment opportunity regulations and other matters relating to involvement of minorities and women in the broadcasting industry; proposals to change rules relating to political broadcasting including proposals to grant free air time to candidates, and other changes regarding program content; proposals to restrict or prohibit the advertising of beer, wine and other alcoholic beverages; technical and frequency allocation matters, including creation of a new low power radio broadcast service; the implementation of digital audio broadcasting on both a satellite and terrestrial basis; changes in broadcast cross-interest, multiple ownership, foreign ownership, cross-ownership and ownership attribution policies; proposals to allow telephone companies to deliver audio and video programming to homes in their service areas; and proposals to alter provisions of the tax laws affecting broadcast operations and acquisitions.

Radio One cannot predict what changes, if any, might be adopted, nor can we predict what other matters might be considered in the future, nor can we judge in advance what impact, if any, the implementation of any particular proposals or changes might have on our business.

FCC Licenses

The Communications Act provides that a broadcast station license may be granted to any applicant if the public interest, convenience and necessity will be served thereby, subject to certain limitations. In making licensing determinations, the FCC considers an applicant's legal, technical, financial and other qualifications. The FCC grants radio broadcast station licenses for specific periods of time and, upon application, may renew them for additional terms. Under the Communications Act, radio broadcast station licenses may be granted for a maximum term of eight years.

Generally, the FCC renews radio broadcast licenses without a hearing upon a finding that: (i) the radio station has served the public interest, convenience and necessity, (ii) there have been no serious violations by the licensee of the Communications Act or FCC rules and regulations, and (iii) there have been no other

violations by the licensee of the Communications Act or FCC rules and regulations which, taken together, indicate a pattern of abuse. After considering these factors, the FCC may grant the license renewal application with or without conditions, including renewal for a term less than the maximum otherwise permitted, or hold an evidentiary hearing. In addition, the Communications Act authorizes the filing of petitions to deny a license renewal during specific periods of time after a renewal application has been filed. Interested parties, including members of the public, may use such petitions to raise issues concerning a renewal applicant's qualifications. If a substantial

and material question of fact concerning a renewal application is raised by the FCC or other interested parties, or if for any reason the FCC cannot determine that grant of the renewal application would serve the public interest, convenience and necessity, the FCC will hold an evidentiary hearing on the application. If as a result of an evidentiary hearing the FCC determines that the licensee has failed to meet the requirements specified above and that no mitigating factors justify the imposition of a lesser sanction, then the FCC may deny a license renewal application. Only after a license renewal application is denied will the FCC accept and consider competing applications for the vacated frequency. Also, during certain periods when a renewal application is pending, the transferability of the applicant's license may be restricted. Historically, Radio One's licenses have been renewed without any conditions or sanctions imposed. However, there can be no assurance that the licenses of each station owned by Radio One will be renewed or will be renewed without conditions or sanctions.

The FCC classifies each AM and FM radio station. An AM radio station operates on either a clear channel, regional channel or local channel. A clear channel is one on which AM radio stations are assigned to serve wide areas, particularly at night. Clear channel AM radio stations are classified as either: (i) Class A radio stations, which operate unlimited time and are designed to render primary and secondary service over an extended area, or (ii) Class B radio stations, which operate unlimited time and are designed to render service only over a primary service area. Class D radio stations, which operate either daytime, or unlimited time with low nighttime power, may operate on the same frequencies as clear channel radio stations. A regional channel is one on which Class B and Class D AM radio stations may operate and serve primarily a principal center of population and the rural areas contiguous to it. A local channel is one on which AM radio stations operate unlimited time and serve primarily a community and the suburban and rural areas immediately contiguous to it. A Class C AM radio station operates on a local channel and is designed to render service only over a primary service area that may be reduced as a consequence of interference.

The minimum and maximum facilities requirements for an FM radio station are determined by its class. Possible FM class designations depend upon the geographic zone in which the transmitter of the FM radio station is located. In general, commercial FM radio stations are classified as follows, in order of increasing power and antenna height: Class A, B1, C3, B, C2, C1 or C radio stations. The FCC recently has proposed to divide Class C stations into two subclasses based on antenna height. Stations not meeting the minimum height requirement within a three-year transition period would be downgraded automatically to the new Class C0 category.

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The following table sets forth with respect to each of Radio One's radio stations (giving pro forma effect to our pending acquisitions of radio stations in St. Louis, Cleveland and Richmond): (i) the market, (ii) the radio station call letters, (iii) the year of acquisition, (iv) the class of FCC license, (v) the effective radiated power ("ERP"), if an FM radio station, or the power, if an AM radio station, (vi) the antenna height above average terrain ("HAAT"), if an FM radio station, or the above insulator measurement ("AI"), if an AM radio station, (vii) the operating frequency and (viii) the date on which the radio station's FCC license expires.

MARKET (/1/)	STATION CALL LETTERS	YEARS OF ACQUISITION	FCC CLASS	ERP (FM)	HAAT (FM)	FREQUENCY	EXPIRATION DATE OF LICENSE
				POWER (AM) IN KILOWATTS (/2/)	AI (AM) IN METERS (/3/)		
Washington, D.C.	WOL-AM	1980	C	1.0	52.1	1450 kHz	10/01/2003
	WMMJ-FM	1987	A	2.9 (/4/)	146.0	102.3 MHz	10/01/2003
	WKYS-FM	1995	B	24.0	215.0	93.9 MHz	10/01/2003
	WYCB-AM	1998	C	1.0	50.9	1340 kHz	10/01/2003
Baltimore	WWIN-AM	1992	C	1.0	61.0	1400 kHz	10/01/2003
	WWIN-FM	1992	A	3.0	91.0	95.9 MHz	10/01/2003
	WOLB-AM	1993	D	1.0	85.4	1010 kHz	10/01/2003
	WERQ-FM	1993	B	37.0	174.0	92.3 MHz	10/01/2003
Atlanta	WHTA-FM	1999	C3	7.9	175.0	97.5 MHz	04/01/2004
	WAMJ-FM	1999	C3	25.0	98.0	107.5 MHz	04/01/2004
Philadelphia	WPHI-FM	1997	A	0.3 (/5/)	305.0	103.9 MHz	08/01/2006

Detroit	WDTJ-FM	1998	B	20.0	221.0	105.9 MHz	10/01/2004
	WCHB-AM	1998	B	25.0 (/6/)	49.4	1200 kHz	10/01/2004
	WJZZ-AM (/7/)	1998	D	50.0	59.7	1210 kHz	10/01/2004
	WWBR-FM	1998	B	50.0	152.0	102.7 MHz	10/01/2004
St. Louis	WFUN-FM	1999	A (/8/)	6.0	100.0	95.5 MHz	12/01/2003
Cleveland	WERE-AM	1999	B	5.0	128.0	1300 kHz	10/01/2004
	WENZ-FM	1999	B	16.0	272.0	107.9 MHz	10/01/2004
Richmond	WDYL-FM	1999	A	6.0 (/9/)	100.0	101.1 MHz	10/01/2003
	WKJS-FM	1999	C1	100.0	299.0	104.7 MHz	10/01/2003
	WSOJ-FM	1999	A	4.7	113.0	100.3 MHz	10/01/2003
	WCDX-FM	1999	B1	4.5	235.0	92.1 MHz	10/01/2003
	WPLZ-FM	1999	A	6.0	100.0	99.3 MHz	10/01/2003
	WJRV-FM	1999	A	2.3	162.0	105.7 MHz	10/01/2003
	WGCV-AM	1999	C	1.0	122.0	1240 kHz	10/01/2003

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- (1) A broadcast station's market may be different from its community of license.
 - (2) The coverage of an AM radio station is chiefly a function of the power of the radio station's transmitter, less dissipative power losses and any directional antenna adjustments. For FM radio stations, signal coverage area is chiefly a function of the ERP of the radio station's antenna and the HAAT of the radio station's antenna.
 - (3) The height of an AM radio station's antenna is measured by reference to AI and the height of an FM radio station's antenna is measured by reference to HAAT.
 - (4) The FCC issued a construction permit to substitute a non-directional antenna for a directional antenna on September 11, 1998.
 - (5) WPHI-FM operates at a power equivalent to 3 kW at 100 meters.
 - (6) On October 30, 1996, the FCC issued a construction permit to operate with a power of 50 kW day and 15 kW night and we began testing on March 4, 1999.
 - (7) WJZZ-AM is licensed to Kingsley, Michigan, which is located outside of Traverse City, Michigan. The station is temporarily off the air.
 - (8) An application to move the station's transmitter site closer to St. Louis and upgrade the station to Class C3 is pending.
 - (9) An application for a license to operate at 6 kW is pending.

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Ownership Matters. The Communications Act requires prior approval of the FCC for the assignment of a broadcast license or the transfer of control of a corporation or other entity holding a license. In determining whether to approve an assignment of a radio broadcast license or a transfer of control of a broadcast licensee, the FCC considers, among other things, the financial and legal qualifications of the prospective assignee or transferee, including compliance with FCC restrictions on non-U.S. citizen or entity ownership and control, compliance with FCC rules limiting the common ownership of certain "attributable" interests in broadcast and newspaper properties, the history of compliance with FCC operating rules, and the "character" qualifications of the transferee or assignee and the individuals or entities holding "attributable" interests in them. Applications to the FCC for assignments and transfers are subject to petitions to deny by interested parties.

To obtain the FCC's prior consent to assign or transfer a broadcast license, appropriate applications must be filed with the FCC. If the application to assign or transfer the license involves a substantial change in ownership or control of the licensee (e.g., the transfer of more than 50% of the voting stock), the application must be placed on public notice for a period of 30 days during which petitions to deny the application may be filed by interested parties, including members of the public. Informal objections may be filed any time up until the FCC acts upon the application. If an assignment application does not involve new parties, or if a transfer of control application does not involve a "substantial change" in ownership or control, it is a pro forma application, which is not subject to the public notice and 30-day petition to deny procedure. The pro forma application is nevertheless subject to informal objections that may be filed any time up until the FCC acts on the application. If the FCC grants an assignment or transfer application, interested parties have 30 days from public notice of the grant to seek reconsideration of that grant. The FCC usually has an additional ten days to set aside such grant on its own motion. When ruling on an assignment or transfer application, the FCC is prohibited from considering whether the public interest might be served by an assignment or transfer to any party other than the assignee or transferee specified in the application.

Under the Communications Act, a broadcast license may not be granted to or held by any corporation that has more than 20% of its capital stock owned or

voted by non-U.S. citizens or entities or their representatives, by foreign governments or their representatives, or by non-U.S. corporations. Furthermore, the Communications Act provides that no FCC broadcast license may be granted to or held by any corporation directly or indirectly controlled by any other corporation of which more than 25% of its capital stock is owned of record or voted by non-U.S. citizens or entities or their representatives, or foreign governments or their representatives or by non-U.S. corporations, if the FCC finds the public interest will be served by the refusal or revocation of such license. These restrictions apply in modified form to other forms of business organizations, including partnerships and limited liability companies. Thus, the licenses for Radio One's stations could be revoked if more than 25% of Radio One's outstanding capital stock is issued to or for the benefit of non-U.S. citizens.

The FCC generally applies its other broadcast ownership limits to "attributable" interests held by an individual, corporation, partnership or other association or entity, including limited liability companies. In the case of a corporation holding broadcast licenses, the interests of officers, directors and those who, directly or indirectly have the right to vote five percent or more of the stock of a licensee corporation are generally deemed attributable interests, as are positions as an officer or director of a corporate parent of a broadcast licensee. The FCC treats all partnership interests as attributable, except for those limited partnership interests that under FCC policies are considered "insulated" from "material involvement" in the management or operation of the media-related activities of the partnership. The FCC currently treats limited liability companies like limited partnerships for purposes of attribution. Stock interests held by insurance companies, mutual funds, bank trust departments and certain other passive investors that hold stock for investment purposes only become attributable with the ownership of ten percent or more of the voting stock of the corporation holding broadcast licenses. To assess whether a voting stock interest in a direct or an indirect parent corporation of a broadcast licensee is attributable, the FCC uses a "multiplier" analysis in which non-controlling voting stock interests are deemed proportionally reduced at each non-controlling link in a multi-corporation ownership chain. A time brokerage agreement with another radio station in the same market creates an attributable interest in the

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brokered radio station as well for purposes of the FCC's local radio station ownership rules, if the agreement affects more than 15% of the brokered radio station's weekly broadcast hours.

Debt instruments, non-voting stock, options and warrants for voting stock that have not yet been exercised, insulated limited partnership interests where the limited partner is not "materially involved" in the media-related activities of the partnership, and minority voting stock interests in corporations where there is a single holder of more than 50% of the outstanding voting stock whose vote is sufficient to affirmatively direct the affairs of the corporation, generally do not subject their holders to attribution. However, the FCC's rules also specify other exceptions to these general principles for attribution. However, the FCC is currently evaluating whether to: (i) raise the benchmark for voting stock from five to ten percent, (ii) raise the benchmark for passive investors holding voting stock from ten to twenty percent, (iii) continue the single 50% stockholder exception, and/or (iv) attribute non-voting stock or perhaps only when combined with other rights such as voting shares or contractual relationships. More recently, the FCC has solicited comment on proposed rules that would (i) treat an otherwise non-attributable ownership equity or debt interest in a licensee as an attributable interest where the interest holder is a program supplier or the owner of a broadcast station in the same market and the equity and/or debt holding is greater than a specified benchmark and (ii) in certain circumstances, treat the licensee of a broadcast station that sells advertising time of another station in the same market pursuant to a joint sales agreement as having an attributable interest in the station whose advertising is being sold.

The Communications Act and FCC rules generally restrict ownership, operation or control of, or the common holding of attributable interests in (i) radio broadcast stations above certain limits servicing the same local market, (ii) a radio broadcast station and a television broadcast station servicing the same local market, and (iii) a radio broadcast station and a daily newspaper serving the same local market. These rules include specific signal contour overlap standards to determine compliance, and the FCC defined market will not necessarily be the same market used by Arbitron or other surveys, or for

purposes of the HSR Act. Under these "cross-ownership" rules, Radio One, absent waivers, would not be permitted to own a radio broadcast station and acquire an attributable interest in any daily newspaper or television broadcast station (other than a low-powered television station) in the same market where we then owned any radio broadcast station, and Radio One's stockholders, officers or directors, absent a waiver, could not hold an attributable interest in a daily newspaper or television broadcast station in those same markets. The FCC is currently reviewing the ban on common ownership of a radio station and a daily newspaper in the same market. The FCC's rules provide for the liberal grant of a waiver of the rule prohibiting common ownership of radio and television stations in the same geographic market in the top 25 television markets if certain conditions are satisfied, and the FCC will consider waivers in other markets under more restrictive standards. The FCC is reviewing its ban on the common ownership of a radio station and a television station or newspaper including extending the policy of liberal waivers of common ownership of radio and television stations to the top 50 television markets.

Although current FCC nationwide radio broadcast ownership rules allow one entity to own, control or hold attributable interests in an unlimited number of FM radio stations and AM radio stations nationwide, the Communications Act and the FCC's rules limit the number of radio broadcast stations in local markets in which a single entity may own an attributable interest as follows:

- . In a radio market with 45 or more commercial radio stations, a party may own, operate or control up to eight commercial radio stations, not more than five of which are in the same service (AM or FM).
- . In a radio market with between 30 and 44 (inclusive) commercial radio stations, a party may own, operate or control up to seven commercial radio stations, not more than four of which are in the same service (AM or FM).
- . In a radio market with between 15 and 29 (inclusive) commercial radio stations, a party may own, operate or control up to six commercial radio stations, not more than four of which are in the same service (AM or FM).

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- . In a radio market with 14 or fewer commercial radio stations, a party may own, operate or control up to five commercial radio stations, not more than three of which are in the same service (AM or FM), except that a party may not own, operate, or control more than 50 percent of the radio stations in such market.

The FCC is currently reviewing the effect of local market ownership limitations on competition and diversity in the broadcast industry to determine if a recommendation to repeal or modify the rules should be made to Congress. The FCC staff has also notified the public of its intention to review transactions that comply with numerical ownership limits but that might involve undue concentration of market share.

Because of these multiple and cross-ownership rules, if a stockholder, officer or director of Radio One holds an "attributable" interest in Radio One, such stockholder, officer or director may violate the FCC's rules if such person or entity also holds or acquires an attributable interest in other television or radio stations, or in daily newspapers, depending on the number and location of those radio stations and the location of those television broadcast stations or daily newspapers. If an attributable stockholder, officer or director of Radio One violates any of these ownership rules, we may be unable to obtain from the FCC one or more authorizations needed to conduct our radio station business and may be unable to obtain FCC consents for certain future acquisitions. As long as one person or entity holds more than 50% of the voting power of the Common Stock of Radio One where the vote of such person or entity is sufficient to affirmatively direct the affairs of Radio One, another stockholder, unless serving as an officer and/or director, generally would not hold an attributable interest in Radio One. However, as described above, the FCC is currently evaluating whether to continue the exception for a single majority stockholder of more than 50% of a licensee's voting stock. As of March 31, 1999, no single stockholder held more than 50% of the total voting power of our Common Stock.

Under its "cross-interest" policy, the FCC considers "meaningful"

relationships among competing media outlets that serve "substantially the same area," even if the ownership rules do not specifically prohibit the relationship. Under this policy, the FCC may consider whether to prohibit one party from holding an attributable interest and a substantial non-attributable interest (including non-voting stock, limited partnership and limited liability company interests) in a media outlet in the same market, or from entering into a joint venture or having common key employees with competitors. The cross-interest policy does not necessarily prohibit all of these interests, but requires that the FCC consider whether, in a particular market, the "meaningful" relationships between competitors could have a significant adverse effect upon economic competition and program diversity. In a rule making proceeding concerning the attribution rules, the FCC has sought comment on, among other things, (i) whether the cross-interest policy should be applied only in smaller markets, and (ii) whether non-equity financial relationships, such as debt, when combined with multiple business relationships, such as local marketing agreements or joint sales arrangements, raise concerns under the cross-interest policy.

Programming and Operations. The Communications Act requires broadcasters to serve the "public interest." Since the late 1980s, the FCC has relaxed or eliminated many of the more formalized procedures it developed to promote the broadcast of certain types of programming responsive to the needs of a radio station's community of license. Nevertheless, a broadcast licensee continues to be required to present programming in response to community problems, needs and interests and to maintain certain records demonstrating its responsiveness. The FCC will consider complaints from listeners about a broadcast station's programming when it evaluates the licensee's renewal application, but listeners' complaints also may be filed and considered at any time. Stations also must pay regulatory and application fees, and follow various FCC rules that regulate, among other things, political advertising, the broadcast of obscene or indecent programming, sponsorship identification, the broadcast of contests and lotteries and technical operation (including limits on human exposure to radio frequency radiation).

The FCC has always required that licensees not discriminate in hiring practices, develop and implement programs designed to promote equal employment opportunities and submit reports to the FCC on these matters

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annually and in connection with each license renewal application. The FCC's employment rules, as they related to outreach efforts for recruitment of minorities, however, were recently struck down as unconstitutional by the U.S. Court of Appeals for the D.C. Circuit. The FCC has proposed revising the rules to adopt outreach efforts that are constitutional.

The FCC rules also prohibit a broadcast licensee from simulcasting more than 25% of its programming on another radio station in the same broadcast service (that is, AM/AM or FM/FM). The simulcasting restriction applies if the licensee owns both radio broadcast stations or owns one and programs the other through a local marketing agreement, provided that the contours of the radio stations overlap in a certain manner.

From time to time, complaints may be filed against Radio One's radio stations alleging violations of these or other rules. In addition, the FCC recently has proposed to establish a system of random audits to ensure and verify licensee compliance with FCC rules and regulations. Failure to observe these or other rules and policies can result in the imposition of various sanctions, including fines or conditions, the grant of "short" (less than the maximum eight year) renewal terms or, for particularly egregious violations, the denial of a license renewal application or the revocation of a license.

Local Marketing Agreements. Often radio stations enter into LMAs or time brokerage agreements. These agreements take various forms. Separately owned and licensed radio stations may agree to function cooperatively in programming, advertising sales and other matters, subject to compliance with the antitrust laws and the FCC's rules and policies, including the requirement that the licensee of each radio station maintain independent control over the programming and other operations of its own radio station. One type of time brokerage agreement is a programming agreement between two separately owned radio stations that serve a common service area whereby the licensee of one radio station programs substantial portions of the broadcast day of the other licensee's radio station (subject to ultimate editorial and other controls being exercised by the radio station licensee) and sells advertising time

during these program segments. The FCC has held that such agreements do not violate the Communications Act as long as the licensee of the radio broadcast station that is being substantially programmed by another entity (i) remains ultimately responsible for, and maintains control over, the operation of its radio station, and (ii) otherwise ensures the radio station's compliance with applicable FCC rules and policies.

A radio broadcast station that brokers time on another radio broadcast station or enters into a time brokerage agreement with a radio broadcast station in the same market will be considered to have an attributable ownership interest in the brokered radio station for purposes of the FCC's local ownership rules if the time brokerage arrangement covers more than 15% of the brokered station's weekly broadcast hours. As a result, a radio broadcast station may not enter into a time brokerage agreement that allows it to program more than 15% of the broadcast time, on a weekly basis, of another local radio broadcast station that it could not own under the FCC's local multiple ownership rules. The FCC is considering whether it should treat as attributable multiple business arrangements among local radio stations such as a joint sales arrangement accompanied by debt financing. Also, as described above, FCC rules prohibit a radio broadcast station from simulcasting more than 25% of its programming on another radio broadcast station in the same broadcast service (that is, AM/AM or FM/FM) where the two radio stations serve substantially the same geographic area, whether the licensee owns both radio stations or owns one radio station and programs the other through a time brokerage agreement. Thus far, the FCC has not considered what relevance, if any, a time brokerage agreement may have upon its evaluation of a licensee's performance at renewal time.

Joint Sales Agreements. Over the past few years, a number of radio stations have entered into cooperative arrangements commonly known as joint sales agreements or JSAs. While these agreements may take varying forms, under the typical JSA, a station licensee obtains, for a fee, the right to sell substantially all of the commercial advertising on a separately-owned and licensed station in the same market. The typical JSA also customarily involves the provision by the selling party of certain sales, accounting and services to the

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station whose advertising is being sold. The typical JSA is distinct from a local marketing agreement in that a JSA normally does not involve programming.

The FCC has determined that issues of joint advertising sales should be left to enforcement by antitrust authorities, and therefore does not generally regulate joint sales practices between stations. Currently, stations for which another licensee sells time under a JSA are not deemed by the FCC to be an attributable interest of that licensee. However, in connection with its ongoing rulemaking proceedings concerning the attribution rules, the FCC is considering whether JSAs should be considered attributable interests or within the scope of the FCC's cross-interest policy, particularly when JSAs contain provisions for the supply of programming services and/or other elements typically associated with local marketing agreements.

RF Radiation. In 1985, the FCC adopted rules based on a 1982 American National Standards Institute ("ANSI") standard regarding human exposure to levels of radio frequency ("RF") radiation. These rules require applicants for renewal of broadcast licenses or modification of existing licenses to inform the FCC at the time of filing such applications whether an existing broadcast facility would expose people to RF radiation in excess of certain limits. In 1992, ANSI adopted a new standard for RF exposure that, in some respects, was more restrictive in the amount of environmental RF exposure permitted. The FCC has since adopted more restrictive radiation limits which became effective October 15, 1997, and which are based in part on the revised ANSI standard.

Digital Audio Radio Service. The FCC allocated spectrum to a new technology, digital audio radio service ("DARS"), to deliver satellite-based audio programming to a national or regional audience and issued regulations for a DARS service in early 1997. DARS may provide a medium for the delivery by satellite or terrestrial means of multiple new audio programming formats with compact disc quality sound to local and national audiences. The nationwide reach of satellite DARS could allow niche programming aimed at diverse communities that Radio One is targeting. It is not known at this time whether this technology also may be used in the future by existing radio broadcast stations either on existing or alternate broadcasting frequencies. Two

companies that hold licenses for authority to offer multiple channels of digital, satellite-delivered S-Band aural services could compete with conventional terrestrial radio broadcasting. The licensees will be permitted to sell advertising and lease channels in these media. The FCC's rules require that these licensees launch and begin operating at least one space station by 2001 and be fully operational by 2003.

The FCC has established a new Wireless Communications Service ("WCS") in the 2305-2320 and 2345-2360 MHz bands (the "WCS Spectrum") and awarded licenses. Licensees are generally permitted to provide any fixed, mobile, radio location services, or digital satellite radio service using the WCS Spectrum. Implementation of DARS would provide an additional audio programming service that could compete with Radio One's radio stations for listeners, but the effect upon Radio One cannot be predicted.

These satellite radio services use technology that may permit higher sound quality than is possible with conventional AM and FM terrestrial radio broadcasting.

Low Power Radio Broadcast Service. The FCC recently adopted a Notice of Proposed Rulemaking seeking public comment on a proposal to establish two classes of a low power radio service both of which would operate in the existing FM radio band: a primary class with a maximum operating power of 1 kW and a secondary class with a maximum power of 100 watts. These proposed low power radio stations would have limited service areas of 8.8 miles and 3.5 miles, respectively. The FCC also has sought public comment on the advisability of establishing a very low power secondary "microbroadcasting" service with a maximum power limit of one to ten watts. These "microradio" stations would have a service radius of only one to two miles. The service would target "niche markets" and be possibly supported by advertising revenue. Existing licensees, like Radio One, would be prohibited from owning or having a relationship with these new stations. Implementation of a low power radio service or microbroadcasting would provide an additional audio programming service that could compete with Radio One's radio stations for listeners, but the effect upon Radio One cannot be predicted.

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Subsidiaries and Related Entities

Radio One has title to most of the assets used in the operations of our radio stations. The FCC licenses for the radio stations in all cases are or will be held by direct or indirect wholly-owned subsidiaries of Radio One. In the case of all of the Baltimore stations, three of the Washington, D.C. stations, the St. Louis station, the Cleveland stations, the Richmond stations and the East Coast market radio station, the FCC licenses are or will be held by Radio One Licenses, Inc., a Delaware corporation and a wholly-owned Restricted Subsidiary of Radio One. Radio One Licenses, Inc. holds no other material assets. WYCB Acquisition Corporation, a Delaware corporation and a wholly-owned Unrestricted Subsidiary, holds title to all of the outstanding capital stock of BHI, a District of Columbia corporation and an Unrestricted Subsidiary. The FCC licenses for WYCB-AM are held by BHI which also holds the assets used in the operation of that station. Bell Broadcasting, a Michigan corporation and a wholly-owned Restricted Subsidiary, holds the assets used in the operation of WCHB-AM, WDTJ-FM and WJZZ-AM. Bell Broadcasting holds title to all of the outstanding capital stock of Radio One of Detroit, Inc., a Delaware corporation and a Restricted Subsidiary. The FCC licenses for WCHB-AM, WDTJ-FM and WJZZ-AM are held by Radio One of Detroit, Inc. Radio One of Detroit, Inc. holds no other material assets.

Allur-Detroit, a Delaware corporation and a wholly-owned Restricted Subsidiary, holds the assets used in the operation of station WWBR-FM. Allur-Detroit holds title to all of the outstanding capital stock of Allur Licenses, Inc., a Delaware corporation and a Restricted Subsidiary. The FCC licenses for WWBR-FM are held by Allur Licenses, Inc. Allur Licenses, Inc. holds no other material assets.

ROA, a Delaware corporation and a wholly-owned Restricted Subsidiary, holds the assets used in the operation of station WHTA-FM and some assets used in the operation of station WAMJ-FM. ROA holds title to all of the outstanding capital stock of ROA Licenses, Inc., a Delaware corporation and a Restricted Subsidiary. The FCC licenses for WHTA-FM are held by ROA Licenses, Inc. ROA Licenses, Inc. holds no other material assets. Once ROA completes the acquisition of all outstanding capital stock of Dogwood, Dogwood will become a

Restricted Subsidiary. Dogwood holds some of the assets used in the operation of station WAMJ-FM. Dogwood holds title to all of the outstanding capital stock of Dogwood Licenses, Inc., a Delaware corporation and a Restricted Subsidiary. The FCC licenses for WAMJ-FM are held by Dogwood Licenses, Inc.

Employees

As of February 28, 1999, Radio One employed 454 people. Radio One's employees are not unionized. We have not experienced any work stoppages and believe relations with our employees are satisfactory. Each radio station has its own on-air personalities and clerical staff. However, in an effort to control broadcast and corporate expenses, Radio One centralizes certain radio station functions by market location. For example, in each of our markets we employ one General Manager who is responsible for all of Radio One's radio stations located in such market and Radio One's Vice President of Programming oversees programming for all of Radio One's Urban-oriented FM radio stations.

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. In the opinion of Radio One's management, the resolution of such matters will not have a material adverse effect on Radio One's business, financial condition or results of operations.

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MANAGEMENT

Directors, Executive Officers and Other Significant Personnel

The names, ages and positions of the directors, executive officers and other significant personnel of Radio One are set forth in the table below. All directors serve for the term for which they are elected or until their successors are duly elected and qualified or until death, retirement, resignation or removal.

Name	Age as of March 31, 1999	Position
Catherine L. Hughes.....	51	Chairperson of the Board of Directors and Secretary
Alfred C. Liggins, III..	34	Chief Executive Officer, President, Treasurer, and Director
Scott R. Royster.....	34	Executive Vice President and Chief Financial Officer
Mary Catherine Sneed....	47	Chief Operating Officer
Steve Hegwood.....	37	Vice President of Programming
Leslie J. Hartmann.....	37	Corporate Controller
Terry L. Jones.....	52	Director
Brian W. McNeill.....	43	Director

Ms. Hughes has been Chairperson of the Board of Directors and Secretary of Radio One since 1980, and was Chief Executive Officer of Radio One from 1980 to 1997. She was one of the founders of Radio One's predecessor company in 1980. Since 1980, Ms. Hughes has worked in various capacities for Radio One including President, General Manager, General Sales Manager and talk show host. She began her career in radio as General Sales Manager of WHUR-FM, the Howard University-owned, urban-contemporary radio station. Ms. Hughes is also the mother of Mr. Liggins, Radio One's Chief Executive Officer, President, Treasurer and director.

Mr. Liggins has been Chief Executive Officer since 1997, and President, Treasurer and a director of Radio One since 1989. Mr. Liggins joined Radio One in 1985 as an Account Manager at WOL-AM. In 1987, he was promoted to General Sales Manager and promoted again in 1988 to General Manager overseeing Radio One's Washington, D.C. operations. After becoming President, Mr. Liggins engineered Radio One's expansion into other markets. Mr. Liggins is a graduate of the Wharton School of Business/Executive M.B.A. Program. Mr. Liggins is the son of Ms. Hughes, Radio One's Chairperson and Secretary.

Mr. Royster has been Executive Vice President of Radio One since 1997 and

Chief Financial Officer of Radio One since 1996. Prior to joining Radio One, he served as an independent consultant to Radio One. From 1995 to 1996, Mr. Royster was a principal at TSG Capital Group, LLC, a private equity investment firm located in Stamford, Connecticut, which has been an investor in Radio One since 1987. Mr. Royster has also served as an associate and later a principal at Capital Resource Partners from 1992 to 1995, a private capital investment firm in Boston, Massachusetts. Mr. Royster is a graduate of Duke University and Harvard Business School.

Ms. Sneed has been Radio One's Chief Operating Officer since January 1998 and General Manager of ROA since 1995. Prior to joining Radio One, she held various positions with Summit Broadcasting including Executive Vice President of the Radio Division, and Vice President of Operations from 1992 to 1995. Ms. Sneed is a graduate of Auburn University.

Mr. Hegwood has been the Vice President of Programming for Radio One and Program Director of WKYS-FM since 1995. From 1990 to 1995, Mr. Hegwood was Program Director of WJLB-FM in Detroit, Michigan.

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Ms. Hartmann has been Controller of Radio One since 1997. Prior to joining Radio One, she served as Vice President and Market Controller for Bonneville International Corporation in Phoenix, Arizona from 1991 to 1997. Ms. Hartmann is a graduate of the University of California and has an M.B.A. degree from the University of Phoenix.

Mr. Jones has been a director of Radio One since 1995. Since 1990, Mr. Jones has been President of Syndicated Communications, Inc. ("Syncom I"), a communications venture capital investment company, and its wholly owned subsidiary, Syncom. He joined Syncom I in 1978 as a Vice President. Mr. Jones serves in various capacities, including director, president, general partner and vice president, for various other entities affiliated with Syncom I. He also serves on the Board of Directors of the National Association of Investment Companies, Delta Capital Corporation, Sun Delta Capital Access Center and the Southern African Enterprise Development Fund. Mr. Jones earned his B.S. degree from Trinity College, his M.S. from George Washington University and his M.B.A. from Harvard Business School.

Mr. McNeill has been a director of Radio One since 1995. Since 1986, Mr. McNeill has been a General Partner of Burr, Egan, Deleage & Co., a major private equity firm which specializes in investments in the communications and technology industries. He has served as a director in many private radio and television broadcasting companies such as Tichenor Media Systems, OmniAmerica Group, Panache Broadcasting and Shockley Communications. From 1979 to 1986, he worked at the Bank of Boston where he started and managed that institution's broadcast lending group. Mr. McNeill is a graduate of Holy Cross College and earned an M.B.A. from the Amos Tuck School at Dartmouth College.

Committees of the Board of Directors

Radio One has formed an Audit Committee and a Compensation Committee of the Board of Directors of Radio One, and all of the directors serving on such Audit Committee and Compensation Committee are directors who are not employees of Radio One.

Compensation of Directors and Executive Officers

Compensation of Directors

Non-officer directors of Radio One are reimbursed for all out-of-pocket expenses related to meetings attended. Non-officer directors receive no additional compensation for their services as directors of Radio One. Officers of Radio One who serve as directors do not receive compensation for their services as directors other than the compensation they receive as officers of Radio One.

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Compensation of Executive Officers

The following information relates to compensation of Radio One's Chief

Executive Officer and each of its most highly compensated executive officers (the "Named Executives") for the fiscal years ended December 31, 1998, 1997 and 1996 (as applicable):

Summary Compensation Table

Name and Principal Positions -----	Annual Compensation -----			All Other Compensation -----
	Year	Salary	Bonus	
Catherine L. Hughes..... Chairperson of the Board of Directors and Secretary	1998	\$225,000	\$100,000	\$12,281
	1997	193,269	50,000	3,050
	1996	150,000	31,447	18,321
Alfred C. Liggins, III..... Chief Executive Officer, President, Treasurer and Director	1998	225,000	100,000	3,567
	1997	193,269	50,000	3,125
	1996	150,000	--	19,486
Scott R. Royster..... Executive Vice President and Chief Financial Officer	1998	165,000	50,000	n/a
	1997	148,077	25,000	n/a
	1996	55,577 (/1/)	--	n/a
Mary Catherine Sneed..... Chief Operating Officer	1998	200,000	50,000	n/a

(1) Mr. Royster provided consulting services for Radio One in July 1996 and joined Radio One as an employee in August 1996. Disclosed compensation represents consulting fees received by Mr. Royster and the portion of his \$125,000 annual salary paid during 1996.

Employment Agreements

Ms. Catherine L. Hughes Employment Agreement. Radio One anticipates entering into a three-year employment agreement with Ms. Hughes pursuant to which Ms. Hughes will continue to serve as Radio One's Chairperson of the Board of Directors. Ms. Hughes will receive an annual base salary of \$250,000 effective January 1, 1999, subject to an annual increase of not less than 5%, and an annual cash bonus at the discretion of the Board of Directors. Radio One could incur certain severance obligations under the expected terms of the employment agreement in the event that Ms. Hughes's employment is terminated.

Mr. Alfred C. Liggins, III Employment Agreement. Radio One anticipates entering into a three-year employment agreement with Mr. Liggins pursuant to which Mr. Liggins will continue to serve as Radio One's Chief Executive Officer and President. Mr. Liggins will receive an annual base salary of \$300,000 effective January 1, 1999, subject to an annual increase of not less than 5%, and an annual cash bonus at the discretion of the Board of Directors. Radio One could incur certain severance obligations under the expected terms of the employment agreement in the event that Mr. Liggins's employment is terminated.

Mr. Scott R. Royster Employment Agreement. Radio One anticipates entering into a three-year employment agreement with Mr. Royster pursuant to which Mr. Royster will continue to serve as Radio One's Chief Financial Officer and Executive Vice President. Under the expected terms of the employment agreement Mr. Royster will receive an annual base salary of \$200,000 effective January 1, 1999, subject to an annual increase of not less than 5%, an annual cash bonus at the discretion of the Board of Directors, and a one-time cash bonus of \$60,000, payable upon completion of an equity financing by Radio One which results in gross proceeds to Radio One of at least \$50 million. Mr. Royster has also received a one-time restricted stock award of shares of Radio One's Class C Common Stock and an option to purchase shares of Radio One's Class A Common Stock at an exercise price of per share (subject to certain adjustments). Twenty-five percent of the stock granted pursuant to the stock award vested on the date of grant; the remaining stock will vest in equal increments every six months beginning December 31, 1999 and ending December 31, 2001. The options will vest in equal one-sixth increments during the term of the employment agreement. Radio One could incur certain severance obligations under the expected terms of the employment agreement in the event that Mr. Royster's employment is terminated.

Ms. Mary Catherine Sneed Employment Agreement. Effective December 8, 1997, Radio One entered into a two-year employment agreement with Ms. Sneed pursuant to which she was hired to serve as Radio One's Chief Operating Officer. The employment agreement provides that Ms. Sneed will receive an annual base salary of \$220,000 and an annual cash bonus of up to \$50,000, contingent upon the satisfaction of certain performance criteria. Radio One could incur certain severance obligations under the employment agreement in the event that Ms. Sneed's employment is terminated. If, during the term of the employment agreement, Radio One terminates Ms. Sneed's employment without just cause or following a change of control of Radio One, Ms. Sneed will continue to receive her base salary for a period of twelve months, during the first six months of which she will be subject to certain non-compete restrictions.

401(k) Plan

Radio One adopted a defined contribution 401(k) savings and retirement plan effective August 1, 1994. Employees are eligible to participate after completing 90 days of service and attaining age 21. Participants may contribute up to 15% of their gross compensation subject to certain limitations.

Stock Option Plan

On March 10, 1999, we adopted the Option Plan designed to provide incentives relating to equity ownership to present and future executive, managerial and other key employees, directors and consultants of Radio One and our subsidiaries ("Participants") as may be selected in the sole discretion of the Board of Directors. The Option Plan provides for the granting to Participants of stock options ("Options") and restricted stock grants ("Grants") as the Compensation Committee of the Board of Directors, or such other committee of the Board of Directors as the Board of Directors may designate (the "Committee") deems to be consistent with the purposes of the Option Plan. An aggregate of shares of Common Stock have been reserved for issuance under the Option Plan. The Option Plan affords Radio One latitude in tailoring incentive compensation for the retention of key personnel, to support corporate and business objectives, and to anticipate and respond to a changing business environment and competitive compensation practices.

The Committee has exclusive discretion to select the Participants, to determine the type, size and terms of each award, to modify the terms of awards, to determine when awards will be granted and paid, and to make all other determinations which it deems necessary or desirable in the interpretation and administration of the Option Plan. The Option Plan terminates ten years from the date that the Option Plan was approved and adopted by the stockholders of Radio One. Generally, a Participant's rights and interest under the Option Plan are not transferable except by will or by the laws of descent and distribution.

Options, which include non-qualified stock options and incentive stock options, are rights to purchase a specified number of shares of Common Stock at a price fixed by the Committee. The Option price may be less than, equal to or greater than the fair market value of the underlying shares of Common Stock, but in no event will the exercise price of an incentive stock option be less than the fair market value on the date of grant. Options will expire not later than ten years after the date on which they are granted. Options will become exercisable at such times and in such installments as the Committee shall determine. Upon termination of a Participant's employment with Radio One, Options that are not exercisable will be forfeited immediately and Options that are exercisable will be forfeited on the thirtieth day following such termination unless exercised by the Participant. Payment of the option price must be made in full at the time of exercise in such form (including, but not limited to, cash or Common Stock of Radio One) as the Committee may determine.

Grants are awards of restricted Common Stock at no cost to Participants and are generally subject to vesting provisions as determined by the Committee. Upon termination of a Participant's employment with Radio One, Grants that are not vested will be forfeited immediately.

In the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, distribution of assets, or any other change in the corporate structure or shares of Radio One, the Committee will make any adjustments it deems appropriate in the number and kind of shares reserved for issuance upon the exercise of Options and vesting of Grants under the Option Plan and in the exercise price of outstanding Options.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Mableton Option

Mr. Liggins, the Chief Executive Officer and President of Radio One, has a right, which he obtained in 1997, (the "Mableton Option") to acquire an interest in a construction permit for an FM radio station licensed to Mableton, Georgia (the "Mableton Station") which is in the Atlanta MSA. Mr. Liggins is in discussions with Syncom regarding the terms and conditions pursuant to which Syncom I would participate in the Mableton Option. Syncom I is the parent corporation of Syncom, which is one of the selling stockholders, and will hold approximately % of the Class A Common Stock after completion of this offering. Terry L. Jones, the President of Syncom and Syncom I, is also a member of Radio One's Board of Directors. Mr. Liggins has also proposed that ROA enter into an LMA with respect to the Mableton Station, or otherwise participate in the operations and financing of the Mableton Station. Any such arrangement will be on terms at least as favorable to Radio One as any such transaction with an unaffiliated third party.

Office Lease

Radio One leases office space located at 100 St. Paul Street, Baltimore, Maryland from Chalrep Limited Partnership, a limited partnership controlled by Ms. Hughes and Mr. Liggins. The annual rent for the office space is \$152,400. Radio One's management believes that the terms of this lease are not materially different than if the agreement were with an unaffiliated third party.

Mr. Liggins' Loan

Radio One has extended an unsecured loan to Mr. Liggins in the amount of \$380,000, which bears interest at an annual rate of 5.56% and is evidenced by a demand promissory note dated as of June 30, 1998. As of March 1, 1999, the aggregate outstanding principal and interest amount on this loan was \$386,386. The purpose of the loan was to repay a loan that Mr. Liggins obtained from NationsBank, Texas, N.A. in 1997 to purchase an additional interest in Radio One.

Music One, Inc.

Ms. Hughes and Mr. Liggins own a music company called Music One, Inc. Radio One sometimes engages in promoting the recorded music product of Music One, Inc. Radio One estimates that the dollar value of such promotion is nominal.

Allur-Detroit

Allur-Detroit leases the transmitter site for WWBR-FM from American Signalling Corporation for approximately \$84,000 per year. American Signalling Corporation is a wholly-owned subsidiary of Syncom Venture Partners. Radio One's management believes that the terms of this lease are not materially different than if the agreement were with an unaffiliated third party.

XM Satellite, Inc.

Radio One and XM Satellite Radio, Inc. have entered into a Programming Partner Agreement whereby Radio One will provide programming to XM Satellite Radio, Inc. for distribution over satellite-delivered channels. Worldspace, Inc. holds 20% of the stock of XM Satellite Radio, Inc. Syncom Venture Partners owns approximately 1.25% of the stock of Worldspace, Inc. Terry L. Jones, a director of Radio One, is also a director of Worldspace, Inc.

Radio One of Atlanta, Inc.

On March , 1999, Radio One acquired all of the outstanding capital stock of ROA. ROA's stockholders included Alta Subordinated Debt Partners III, L.P. ("Alta"), Syncom Venture Partners, and Alfred C. Liggins, III. Mr. Brian W. McNeill, a general partner of Alta, is also a member of Radio One's Board of Directors. In addition to holding shares of Radio One's Senior Preferred Stock prior to the offering, Alta will hold approximately % of the Class A Common

Stock after completion of the offering. Terry L. Jones, a general partner of the general partner of Syncom Venture Partners, is also a member of Radio One's Board of Directors and is the President of Syncom and Syncom I. In addition to holding shares of Radio One's Senior Preferred Stock prior to the offering, Syncom is one of the selling stockholders and will hold approximately % of the Class A Common Stock after completion of this offering.

Radio One issued shares of Common Stock in exchange for the outstanding capital stock of ROA. Alta, Syncom Venture Partners and Mr. Liggins received a majority of such shares in exchange for their shares in ROA. In connection with this transaction, Mr. Liggins was paid a fee of approximately \$1.2 million for arranging the acquisition. Also, as part of this transaction, Radio One assumed and retired net debt and accrued interest of approximately \$16.3 million of ROA and Dogwood. Of this amount, approximately \$12.0 million was paid to Allied Capital Corporation, which is one of the selling stockholders, approximately \$1.3 million was paid to Syncom Venture Partners, and approximately \$2.0 million was paid to Alta.

The Board of Directors authorized the formation of an ad-hoc committee to oversee the valuation of ROA. The ad-hoc committee members are Catherine L. Hughes of Radio One, Sanford Anstey of BancBoston Investments, Inc. and Dean Pickerell of Medallion Capital, Inc. (formerly Capital Dimensions Venture Fund, Inc.). The committee is comprised of members of the Board of Directors of, and investors in, Radio One that do not have an interest in ROA.

The ad-hoc committee recommended approval of the acquisition of ROA based upon its determination that the acquisition was fair to Radio One and its stockholders.

Ms. Sneed's Loan

ROA has extended an unsecured loan to Mary Catherine Sneed, Chief Operating Officer of Radio One, in the original amount of \$271,000, which bears interest at an annual rate of 5.56% and is evidenced by a demand promissory note. As of , 1999, the aggregate outstanding principal and interest amount on this loan was \$. The purpose of this loan was to pay Ms. Sneed's tax liability with respect to incentive stock grants of ROA stock received by Ms. Sneed.

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SELLING STOCKHOLDERS

Radio One expects some of its stockholders to sell a portion of their shares in this offering.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information regarding the beneficial ownership of our Common Stock after giving effect to this offering, by: (i) each person (or group of affiliated persons) known by us to be the beneficial owner of more than five percent of any class of Common Stock; (ii) each Named Executive; (iii) each of our directors; (iv) the selling stockholders; (v) all of our directors and officers as a group. Unless otherwise indicated in the footnotes below, each stockholder possesses sole voting and investment power with respect to the shares listed.

Name of Beneficial Owner	Common Stock (/1/)						Percent of Total Economic Interest	Percent of Total Voting Power
	Class A		Class B		Class C			
	Number	Percent	Number	Percent	Number	Percent		
	of Shares	of Class	of Shares	of Class	of Shares	of Class		
Catherine L. Hughes(/2/)..								
Alfred C. Liggins,								
III(/2/)(/12/)								
Scott R. Royster								
Mary Catherine Sneed								
Terry L. Jones(/3/)								
Brian W. McNeill(/4/)								
Alta Subordinated Debt								
Partners III,								

L.P. (/5/) (/12/).....
Alliance Enterprise
Corporation (/6/) (/12/)...
BancBoston Investments,
Inc. (/7/) (/12/).....
Medallion Capital,
Inc. (/8/) (/12/).....
Fulcrum Venture Capital
Corporation (/9/) (/12/)...
Syncom Capital
Corporation (/10/) (/12/)..
Allied Capital
Corporation (/11/) (/12/)..
All Directors and Named
Executives as a group
(6 persons).....

- -----
- (1) The number of shares of each class of Common Stock excludes the shares of any other class of Common Stock issuable upon conversion of that class of Common Stock.
 - (2) Ms. Hughes and Mr. Liggins may be deemed to share beneficial ownership of shares of capital stock owned by each other by virtue of the fact that Ms. Hughes is Mr. Liggins' mother. Each of Ms. Hughes and Mr. Liggins disclaims such beneficial ownership. The shares of Class B Common Stock are subject to a voting agreement between Ms. Hughes and Mr. Liggins with respect to the election of Radio One's directors. Pursuant to that agreement, Mr. Liggins has transferred to Ms. Hughes voting control over shares of Common Stock representing % of the total voting power of all Common Stock until such time as Mr. Liggins is permitted under applicable laws and regulations to hold in excess of 50% of such voting power. The business address for Ms. Hughes and Mr. Liggins is c/o Radio One, 5900 Princess Garden Parkway, 8th Floor, Lanham, Maryland 20706.
 - (3) Represents shares of Class A Common Stock held by Syncom. Mr. Jones is the President of Syncom and his address is c/o Syncom Capital Corporation, 8401 Colesville Road, Suite 300, Silver Spring, MD 20910. Mr. Jones may be deemed to share beneficial ownership of shares of Class A Common Stock and Senior Preferred Stock held by Syncom by virtue of his affiliation with Syncom. Mr. Jones disclaims beneficial ownership in such shares.
 - (4) Represents shares of Class A Common Stock held by Alta. Mr. McNeill is a general partner of Alta and his address is c/o Alta Subordinated Debt Partners III, L.P., c/o Burr, Egan, Deleage & Co., One Post Office Square, Boston, MA 02109. Mr. McNeill may be deemed to share beneficial ownership of shares of Class A Common Stock and Senior Preferred Stock held by Alta by virtue of his affiliation with Alta. Mr. McNeill disclaims any beneficial ownership of such shares.

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- (5) The principal address of Alta is c/o Burr, Egan, Deleage & Co., One Post Office Square, Boston, MA 02109.
- (6) The principal address of Alliance Enterprise Corporation is 12655 N. Central Expressway, Suite 710, Dallas, TX 75243.
- (7) The principal address of BancBoston Investments, Inc. is 100 Federal Street, 32nd Floor, Boston, MA 02110.
- (8) The principal address of Medallion Capital, Inc. is 7831 Glenroy Road, Suite 480, Minneapolis, MN 55439.
- (9) The principal address of Fulcrum Venture Capital Corporation is 300 Corporate Point, Suite 380, Culver City, CA 90230.
- (10) The principal address of Syncom Capital Corporation is 8401 Colesville Road, Suite 300, Silver Spring, MD 20910.
- (11) The principal address of Allied Capital Corporation is 1919 Pennsylvania Avenue, NW, Washington, D.C. 20006-3434.
- (12) Such person is a holder of shares of Senior Preferred Stock, as follows:

Name of Stockholder	Number of Shares of Series A Preferred Stock Held	Number of Shares of Series B Preferred Stock Held
Alfred C. Liggins, III..	2,359.67	--
Alta Subordinated Debt Partners III, L.P.....	--	72,139.57
Alliance Enterprise		

Corporation.....	9,126.55	--
BancBoston Investments, Inc.....	--	49,249.44
Medallion Capital, Inc.....	37,258.14	--
Fulcrum Venture Capital Corporation.....	9,650.09	--
Syncom Capital Corporation.....	13,595.69	--
Allied Capital Corporation*.....	4,000.00	--

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* Represents a warrant to purchase, subject to certain conditions, 4,000.00 shares of Series A Preferred Stock.

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DESCRIPTION OF CAPITAL STOCK

The following description of the capital stock of the Company gives effect to the consummation of the transactions contemplated under "Capitalization," which will occur prior to or simultaneously with this offering, the proposed sale of shares of Class A Common Stock by the Company in this offering and, except as otherwise provided below, the proposed sale of shares of New Preferred Stock by the Company in the Preferred Stock Offering. Our capital stock consists of (i) authorized shares of Common Stock, \$0.01 par value per share, which consists of (a) shares of Class A Common Stock, of which shares are outstanding (shares assuming the underwriters overallotment option is exercised), (b) shares of Class B Common Stock, of which shares are outstanding, and (c) shares of Class C Common Stock, of which shares are outstanding, and (ii) authorized shares of preferred stock, par value \$ per share, which consists of shares of Series A Preferred Stock, none of which is outstanding, shares of Series B Preferred Stock, none of which is outstanding and shares of New Preferred Stock, of which shares are outstanding. In the event the Preferred Stock Offering were not consummated, there would be no shares of New Preferred Stock outstanding, and there would be 140,000 shares of Series A Preferred, of which shares would be outstanding and (b) 150,000 shares of Series B Preferred Stock outstanding. There is no established trading market for our Common Stock or New Preferred Stock. The following summary is qualified in its entirety by reference to our Amended and Restated Certificate of Incorporation, which is filed as an exhibit to the Registration Statement of which this prospectus is a part.

Class A Common Stock

The holders of Class A Common Stock are entitled to one vote for each share held on all matters voted upon by stockholders, including the election of directors and any proposed amendment to the Amended and Restated Certificate of Incorporation. The holders of Class A Common Stock are entitled to vote as a class to elect two independent directors to the Board of Directors. The holders of Class A Common Stock will be entitled to such dividends as may be declared at the discretion of the Board of Directors out of funds legally available for that purpose. The holders of Class A Common Stock will be entitled to share ratably with all other classes of Common Stock in the net assets of Radio One upon liquidation after payment or provision for all liabilities. All shares of Class A Common Stock may be converted at any time into a like number of shares of Class C Common Stock at the option of the holder of such shares. All shares of Class A Common Stock issued pursuant to the offering will be fully paid and non-assessable.

Application has been made for the listing of the Class A Common Stock on The Nasdaq National Market, subject to official notice of issuance.

Class B Common Stock

The holders of Class B Common Stock are entitled to the same rights, privileges, benefits and notices as the holders of Class A Common Stock, except that the holders of Class B Common Stock will be entitled to ten votes per share. All shares of Class B Common Stock may be converted at any time into a like number of shares of Class A Common Stock at the option of the holder of such shares. Catherine L. Hughes and Alfred C. Liggins, III may transfer shares of Class B Common Stock held by them only to "Class B Permitted Transferees," and Class B Permitted Transferees may transfer shares of Class B Common Stock

only to other Class B Permitted Transferees. If any shares of Class B Common Stock are transferred to any person or entity other than a Class B Permitted Transferee, such shares will automatically be converted into a like number of shares of Class A Common Stock. "Class B Permitted Transferees" include Ms. Hughes, Mr. Liggins, their respective estates, spouses, former spouses, parents or grandparents or lineal descendants thereof, and certain trusts and other entities for the benefit of, or beneficially owned by, such persons. Ms. Hughes and Mr. Liggins have agreed to vote their shares of Common Stock to elect each other and other mutually agreeable nominees to the Board of Directors. See "Risk Factors--Controlling Stockholders."

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Class C Common Stock

The holders of Class C Common Stock are entitled to the same rights, privileges, benefits and notices as the holders of Class A Common Stock and Class B Common Stock, except that the holders of Class C Common Stock will be entitled to no votes per share. All shares of Class C Common Stock may be converted at any time into a like number of shares of Class A Common Stock at the option of the holder of such shares, except that Class B Permitted Transferees may convert shares of Class C Common Stock into shares of Class A Common Stock, or otherwise acquire shares of Class A Common Stock, only in connection with: (i) a merger or consolidation of Radio One with or into, or other acquisition of, another entity pursuant to which the Class B Permitted Transferees are to receive shares of Class A Common Stock in exchange for their interest in such entity; (ii) the transfer of such shares of Class A Common Stock to a person or entity other than a Class B Permitted Transferee; or (iii) a registered public offering of such shares of Class A Common Stock.

New Preferred Stock

Concurrent with this offering, we intend to offer for sale _____ shares of our New Preferred Stock.

Dividends on the New Preferred Stock will accrue from the date of issuance and will be payable _____ in arrears on _____ and _____ of each year, beginning _____, 1999, at an annual rate of _____ % of the liquidation preference of \$1,000 per share. Dividends will be payable in cash, except that on each dividend payment date occurring on or prior to _____, _____, dividends may be paid, at Radio One's option, by the issuance of additional shares of New Preferred Stock (including fractional shares) having an aggregate liquidation preference equal to the amount of such dividends.

The New Preferred Stock will not be redeemable prior to _____, _____, except that, on or prior to _____, _____, we may redeem, at our option, in whole but not in part, the outstanding New Preferred Stock with the net proceeds of one or more public equity offerings at a redemption price of _____ % of the liquidation preference thereof, plus accumulated and unpaid dividends to the date of redemption. On or after _____, 20____, the New Preferred Stock is redeemable at the option of Radio One, at the prices set forth below (expressed in percentages of its liquidation preference), plus accumulated and unpaid dividends, if redeemed during the 12-month period beginning on _____ of the years set forth below:

Period	Redemption Price
-----	-----
.....	%
.....	
.....	
and thereafter.....	100.000

We are required to redeem the New Preferred Stock on _____, _____, at a redemption price equal to 100% of its liquidation preference plus accumulated and unpaid dividends to the date of redemption.

The New Preferred Stock will rank senior to all other classes of equity securities of Radio One outstanding upon completion of this offering. We may not authorize any new class of stock equal or senior in rights to the New

Preferred Stock without the approval of the holders of at least a majority of the shares of New Preferred Stock then outstanding.

On any scheduled dividend payment date, Radio One may, at its option, exchange all but not less than all of the shares of New Preferred Stock then outstanding for our % Subordinated Exchange Debentures Due (the "Exchange Debentures"). The Exchange Debentures will bear interest at a rate of % per annum, payable semiannually in arrears on and of each year (or, on or prior to , , in additional Exchange Debentures, at the option of Radio One), beginning with the first such date to occur after the date of exchange. The Exchange Debentures will be subordinated to all existing and future senior debt of Radio One and to all indebtedness and other liabilities (including trade payables) of Radio One's subsidiaries.

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The New Preferred Stock and, if applicable, the indenture governing the Exchange Debentures will limit, subject to certain restrictions:

1. the incurrence of additional indebtedness and the issuance of preferred stock by Radio One and its Restricted Subsidiaries,
2. the payment of dividends and other distributions by Radio One and its Restricted Subsidiaries in respect of their capital stock,
3. investments or other restricted payments by Radio One and its Restricted Subsidiaries,
4. asset sales and asset swaps,
5. certain transactions with affiliates,
6. the sale or issuance of capital stock of Restricted Subsidiaries, and
7. mergers and consolidations.

The New Preferred Stock will also prohibit certain restrictions on dividends and other distributions from our Restricted Subsidiaries.

Foreign Ownership

Radio One's Amended and Restated Certificate of Incorporation restricts the ownership, voting and transfer of our capital stock, including the Class A Common Stock, in accordance with the Communications Act and the rules of the FCC, which prohibit the issuance of more than 25% of our outstanding capital stock (or more than 25% of the voting rights such stock represents) to or for the account of aliens (as defined by the FCC) or corporations otherwise subject to domination or control by aliens. Our Amended and Restated Certificate of Incorporation prohibits any transfer of our capital stock that would cause a violation of this prohibition. In addition, the Amended and Restated Certificate of Incorporation authorizes the Board of Directors to take action to enforce these prohibitions, including restricting the transfer of shares of capital stock to aliens and placing a legend restricting foreign ownership on the certificates representing the Class A Common Stock.

Registration Rights

The holders of substantially all of the shares of Class A Common Stock outstanding prior to the closing of this offering, other than Mr. Liggins, are parties to registration rights agreements with us. These agreements, which relate to approximately shares of Class A Common Stock, provide incidental or "piggyback" registration rights that allow such holders, under certain circumstances, to include their shares of Class A Common Stock in registration statements initiated by Radio One or other stockholders. Under these agreements, the holders of Class A Common Stock may require us to register their shares under the Securities Act for offer and sale to the public (including by way of an underwritten public offering) on up to four occasions. These agreements also permit demand registrations on Form S-3 registration statements provided that we are eligible to register our capital stock on Form S-3. All such registration rights are subject to conditions and limitations, including the right of the underwriters of an offering to limit the number of shares to be included in a registration. The holders of the Class A Common Stock have waived their "piggyback" registration rights with respect to the offering.

Limitations on Directors' and Officers' Liability

Radio One's Amended and Restated Certificate of Incorporation limits the liability of directors to the maximum extent permitted by Delaware law, which specifies that a director of a company adopting such a provision will not be personally liable for monetary damages for breach of fiduciary duty as a director, except for the liability (i) for any breach of the director's duty of loyalty to Radio One or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) for unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or (iv) for any transaction from which the director derived an improper personal benefit.

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Radio One's Amended and Restated Certificate of Incorporation provides for mandatory indemnification of directors and officers and authorizes indemnification for employees and agents in such manner, under such circumstances and to the fullest extent permitted by the Delaware General Corporation Law, which generally authorizes indemnification as to all expenses incurred or imposed as a result of actions, suits or proceedings if the indemnified parties act in good faith and in a manner they reasonably believe to be in or not opposed to the best interests of Radio One. We believe these provisions are necessary or useful to attract and retain qualified persons as directors. Radio One maintains directors and officers insurance for the benefit of its directors and officers.

There is no pending litigation or proceeding involving a director or officer as to which indemnification is being sought.

Transfer Agent and Registrar

United States Trust Company of New York is our transfer agent and registrar.

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DESCRIPTION OF INDEBTEDNESS

Bank Credit Facility

On , 1999, we entered into an amended and restated credit agreement (the "Credit Agreement") under which we may borrow up to \$100 million on a revolving basis (the "Bank Credit Facility") from a group of banking institutions. Draw downs under the Bank Credit Facility are currently available, subject to compliance with provisions of the Credit Agreement, including but not limited to the financial covenants. Specifically, borrowings under the Bank Credit Facility may be entirely of Eurodollar Loans, Alternate Base Rate ("ABR") Loans or a combination thereof. The Bank Credit Facility will be fully available until a maturity date of December 31, 2003. No commitment reductions under the Bank Credit Facility will occur until the final maturity date, provided that Radio One does not acquire or issue additional indebtedness or Disqualified Stock (as such term is defined in the Credit Agreement).

The Bank Credit Facility terminates on December 31, 2003, at which time any outstanding principal together with all accrued and unpaid interest thereon would become due and payable. All amounts under the Bank Credit Facility are guaranteed by each of Radio One's direct and indirect subsidiaries other than WYCB Acquisition Corporation and Broadcast Holdings, Inc.

The Bank Credit Facility is secured by a perfected first priority secured interest in: (i) substantially all of the tangible and intangible assets of Radio One and our direct and indirect subsidiaries including, without limitation, any and all FCC licenses to the maximum extent permitted by law and (ii) all of the common stock of Radio One and our direct and indirect subsidiaries, including all warrants or options and other similar securities to purchase such securities. Radio One also granted a security interest in all money (including interest), instruments and securities at any time held or acquired in connection with a cash collateral account established pursuant to the Credit Agreement, together with all proceeds thereof.

The interest rates on the borrowings under the Bank Credit Facility are

based on the ratio of total debt to EBITDA, with a maximum margin above ABR of 1.625% with respect to ABR Loans, and a maximum margin above Eurodollar rate 2.625% with respect to Eurodollar Loans. Interest on Eurodollar Loans is based on a 360-day period for actual days elapsed, and interest on ABR Loans is based on a 365-day period for actual days elapsed. In addition, Radio One will pay a commitment fee equal to an amount based on the average daily amount of the available commitment computed at a rate per year tied to a leverage ratio in effect for the fiscal quarter preceding the date of payment of such fee. The commitment fee is fully earned and non-refundable and is payable quarterly in arrears on the last business day of each March, June, September and December and on the maturity date.

The Credit Agreement contains customary and appropriate affirmative and negative covenants including, but not limited to, financing covenants and other covenants including limitations on other indebtedness, liens, investments, guarantees, restricted payments (dividends, redemptions and payments on subordinated debt), prepayment or repurchase of other indebtedness, mergers and acquisitions, sales of assets, capital expenditures, losses, transactions with affiliates and other provisions customary and appropriate for financing of this type, including mutually agreed upon exceptions and baskets. The financial covenants include: (i) a maximum ratio of total debt to EBITDA of 7.0x; (ii) a maximum ratio of senior debt to EBITDA of 4.5x; (iii) a minimum interest coverage ratio; and (iv) a minimum fixed charge coverage ratio.

The Credit Agreement contains the following customary events of default: (i) failure to make payments when due; (ii) defaults under any other agreements or instruments of indebtedness; (iii) noncompliance with covenants; (iv) breaches of representations and warranties; (v) voluntary or involuntary bankruptcy or liquidation proceedings; (vi) entrance of judgments; (vii) impairment of security interests in collateral; and (viii) changes of control.

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12% Senior Subordinated Notes Due 2004

On May 15, 1997, Radio One entered into an approximate \$85.0 million aggregate principal amount offering (the "12% Notes Offering") of Radio One's 12% Senior Subordinated Notes (the "12% Notes due 2004"). The 12% Notes Offering has an aggregate initial accreted value of approximately \$75.0 million, as of Maturity Date May 15, 2004.

The 12% Notes due 2004 are generally unsecured obligations of Radio One and are subordinated in rights of payment to all Senior Indebtedness (as defined in the Indenture). The 12% Notes due 2004 were issued pursuant to an Indenture, dated as of May 15, 1997 among Radio One, Radio One Licenses, Inc. and United States Trust Company of New York (the "Indenture"). Pursuant to the First Supplemental Indenture dated as of June 30, 1998, Bell Broadcasting and Radio One of Detroit, Inc. became Subsidiary Guarantors of the Notes. Pursuant to the Second Supplemental Indenture dated as of December 28, 1998, Allur-Detroit and Allur Licenses, Inc. became Subsidiary Guarantors of the Notes.

The 12% Notes due 2004 were issued at a substantial discount from their principal amount. The issue price to investors per Note was \$877.42, which represents a yield to maturity on the 12% Notes due 2004 of 12.0% calculated from May 19, 1997 (computed on a semi-annual bond equivalent basis).

Cash interest on the 12% Notes due 2004 accrues at a rate of 7.0% per annum on the principal amount of the 12% Notes due 2004 through and including May 15, 2000, and at a rate of 12.0% per annum on the principal amount of the 12% Notes due 2004 after such date. Cash interest on the 12% Notes due 2004 is currently payable semi-annually on May 15 and November 15 of each year.

The 12% Notes due 2004 are redeemable at any time and from time to time at the option of Radio One, in whole or in part, on or after May 15, 2001 at the redemption prices set forth in the 12% Notes due 2004, plus accrued and unpaid interest to the date of redemption. In addition, on or prior to May 15, 2000, Radio One may redeem, at our option, up to 25.0% of the aggregate original principal amount of the 12% Notes due 2004 with the net proceeds of one or more Public Equity Offerings at 112% of the Accreted Value thereof, together with accrued and unpaid interest, if any, to the date of redemption, as long as at least approximately \$64.1 million of the aggregate principal amount of the 12% Notes due 2004 remains outstanding after each such redemption. Upon a Change of Control (as defined in the Indenture), Radio One must commence an offer to

repurchase the 12% Notes due 2004 at 101% of the Accreted Value thereof, plus accrued and unpaid interest, if any, to the date of repurchase.

The initial gross proceeds to Radio One from the 12% Notes Offering were approximately \$75.0 million and were used to: (i) repay all the outstanding indebtedness under Radio One's then existing credit facility; (ii) fund the balance of the total consideration in respect to the acquisition of WPHI-FM; (iii) pay for leasehold improvements and new equipment in respect to the Lanham offices and other amounts associated with moving Radio One's Washington, D.C. offices and studios; (iv) provide funding for other general purposes, including working capital; and (v) pay related fees and expenses in connection with the consummation of the 12% Notes Offering.

The Indenture governing the 12% Notes due 2004 contains certain restrictive covenants with respect to Radio One and our Restricted Subsidiaries, including limitations on: (a) the sale of assets, including the equity interests of Radio One's Restricted Subsidiaries, (b) asset swaps, (c) the payment of Restricted Payments (as defined in the Indenture), (d) the incurrence of indebtedness and issuance of preferred stock by Radio One or our Restricted Subsidiaries, (e) the issuance of Equity Interests (as defined in the Indenture) by a Restricted Subsidiary, (f) the payment of dividends on the capital stock of Radio One and the purchase, redemption or retirement of the capital stock or subordinated indebtedness of Radio One, (g) certain transactions with affiliates, (h) the incurrence of senior subordinated debt and (i) certain consolidations and mergers. The Indenture also prohibits certain restrictions on distributions from Restricted Subsidiaries. All of these limitations and prohibitions, however, are subject to a number of important qualifications.

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The Indenture for the 12% Notes due 2004 includes various events of default customary for such type of agreements, such as failure to pay principal and interest when due on the 12% Notes due 2004, cross defaults on other indebtedness and certain events of bankruptcy, insolvency and reorganization.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for the Class A Common Stock of Radio One. The sale or availability for sale of substantial amounts of Class A Common Stock in the public market subsequent to the offering, or the perception that such sales could occur, could adversely affect market prices prevailing from time to time. Sales of substantial amounts of Class A Common Stock in the public market subsequent to the offering could also adversely affect the ability of Radio One to raise equity capital in the future.

Upon consummation of this offering, Radio One will have outstanding _____ shares of Class A Common Stock, assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding options and _____ shares of Class A Common Stock assuming exercise of the Underwriter's over-allotment in full. Of these shares, the _____ shares of Class A Common Stock sold in this offering will be freely tradable without restriction under the Securities Act, unless purchased by "affiliates" of Radio One as that term is defined in Rule 144 promulgated under the Securities Act. The remaining _____ shares of Class A Common Stock outstanding upon completion of the offering will be "restricted securities," as that term is defined Rule 144 promulgated under the Securities Act ("Restricted Shares"). Restricted Shares may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 promulgated under the Securities Act, which is summarized below.

The holders of substantially all of the shares of Class A Common Stock outstanding prior to the closing of this offering, other than Mr. Liggins, are parties to registration rights agreements with us. These agreements, which relate to approximately _____ shares of Class A Common Stock, provide incidental or "piggyback" registration rights that allow such holders, under certain circumstances, to include their shares of Class A Common Stock in registration statements initiated by Radio One or other stockholders. Such registration rights agreements also permit demand registrations. The number of shares sold in the public market could increase if such rights are exercised. See "Description of Capital Stock--Registration Rights."

In general, under Rule 144 as currently in effect, a person (or persons whose shares are required to be aggregated) who has beneficially owned shares

of Class A Common Stock that have been outstanding and not held by any "affiliate" of Radio One for a period of one year is entitled to sell within any three-month period a number of shares that does not exceed the greater of one percent of the then outstanding shares of Class A Common Stock (approximately _____ shares immediately after completion of this offering assuming no exercise of the underwriters' over-allotment option) or the average weekly reported trading volume of the Class A Common Stock during the four calendar weeks preceding the date on which notice of such sale is given, provided certain manner of sale and notice requirements and requirements as to the availability of current public information are satisfied (such information requirements have been satisfied by Radio One's filing of reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act") since August 1997). Affiliates of Radio One must comply with the restrictions and requirements of Rule 144, other than the two-year holding period requirement, in order to sell shares of Class A Common Stock that are not "restricted securities" (such as shares acquired by affiliates in this offering). Under Rule 144(k), a person who is not deemed an "affiliate" of Radio One at any time during the three months preceding a sale by him, and who has beneficially owned shares of Class A Common Stock that were not acquired from Radio One or an "affiliate" of Radio One within the previous two years, would be entitled to sell such shares without regard to volume limitations, manner of sale provisions, notification requirements or the availability of current public information concerning Radio One. As defined in Rule 144, an "affiliate" of an issuer is a person that directly or indirectly through the use of one or more intermediaries controls, or is controlled by, or is under common control with, such issuer.

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Radio One, all of its officers and directors, the selling stockholders and other holders of Class A Common Stock have entered into contractual "lock-up" agreements providing that they will not offer, sell, contract to sell or grant any option to purchase or otherwise dispose of the shares of Class A Common Stock owned by them or that could be purchased by them through the exercise of options to purchase Class A Common Stock of Radio One for a period of 180 days after the date of this prospectus without the prior written consent of Credit Suisse First Boston Corporation on behalf of the underwriters. As a result of these restrictions, notwithstanding possible earlier eligibility for sale under the provisions of Rules 144 and 144(k), shares subject to lock-up agreements will not be salable until the agreements expire. Taking into account the lock-up agreements, approximately _____ shares of Class A Common Stock will be eligible for sale in the public market as of the effective date of this offering. Substantially all of the remaining Restricted Shares will become eligible for sale in the public market 180 days after the effective date of the offering, subject in the case of affiliates to the volume limitations described above.

Shortly after the effective date of the offering, Radio One intends to file a Registration Statement under the Securities Act covering shares of Class A Common Stock reserved for issuance under Radio One's Option Plan. Such Registration Statement will cover approximately _____ shares. Such Registration Statement will automatically become effective upon filing. Accordingly, shares registered under such Registration Statement will be, subject to Rule 144 volume limitations applicable to affiliates, available for sale in the open market, unless such shares are subject to vesting restrictions or the lock-up agreements described above. In _____, 1999, Radio One's Board of Directors granted options to purchase an aggregate of _____ shares of Class A Common Stock. _____ of these options are immediately exercisable, but any shares acquired pursuant to the exercise of these options are subject to the same contractual lock-up agreement as the shares held by officers, directors and selling stockholders.

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UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement, dated _____, 1999, we and the selling stockholders have agreed to sell to the underwriters named below, for whom Credit Suisse First Boston Corporation, NationsBanc Montgomery Securities LLC, Bear, Stearns & Co. Inc., and Prudential Securities Incorporated are acting as representatives, the following respective number of shares of Class A Common Stock:

Underwriter -----	Number of Shares -----
Credit Suisse First Boston Corporation.....	
NationsBanc Montgomery Securities LLC.....	
Bear, Stearns & Co. Inc.....	
Prudential Securities Incorporated.....	

Total.....	=====

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of Class A Common Stock in the offering if any are purchased other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering of Class A Common Stock may be terminated.

We and the selling stockholders have granted to the underwriters a 30-day option to purchase on a pro rata basis up to additional shares from us and an aggregate of additional shares from the selling stockholders at the initial public offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of Class A Common Stock.

The underwriters propose to offer the shares of Class A Common Stock initially at the public offering price on the cover page of this prospectus, and to selling group members at that price less a concession of \$ per share. The underwriters and selling group members may allow a discount of \$ per share on sales to other broker/dealers. After the initial public offering, the public offering price and concession and discount to dealers may be changed by the representatives.

The following table summarizes the compensation and estimated expenses we and the selling stockholders will pay.

	Total -----		
	Per Share -----	Without Over-allotment -----	With Over-allotment -----
Underwriting Discounts and Commissions			
paid by us.....	\$	\$	\$
Expenses payable by us.....	\$	\$	\$
Underwriting Discounts and Commissions			
paid by selling stockholders.....	\$	\$	\$
Expenses payable by selling stockholders..	\$	\$	\$

The representatives have informed Radio One and the selling stockholders that the underwriters do not intend to confirm sales to any accounts over which they exercise discretionary authority.

We intend to use more than 10% of the net proceeds from the sale of shares of Class A Common Stock to repay indebtedness owed by us to lenders under the Bank Credit Facility, including NationsBank N.A. and Credit Suisse First Boston, New York branch, which are affiliates of NationsBanc Montgomery Securities LLC and Credit Suisse First Boston Corporation, respectively. Accordingly, the offering is being made in compliance with the requirements of Rule 2710(c)(8) of the National Association of Securities Dealers, Inc. Conduct Rules. This rule provides generally that if more than 10% of the net proceeds from the sale of stock, not including underwriting compensation, is paid to the underwriters or their affiliates, the initial public offering price of the stock may not be higher than that recommended by a "qualified independent underwriter" meeting certain standards. Accordingly, Prudential Securities is

assuming the responsibilities of acting as the qualified independent underwriter in pricing the offering and conducting due diligence. The initial public offering price of the shares of Class A Common Stock is no higher than the price recommended by Prudential Securities.

We are currently in compliance in all material respects with the terms of the Credit Agreement. The decision of Credit Suisse First Boston Corporation and NationsBanc Montgomery Securities LLC to distribute the Class A Common Stock was made in accordance with their respective customary procedures. Credit Suisse First Boston Corporation and NationsBanc Montgomery Securities LLC will not receive any benefit from this offering other than their respective portions of the underwriting discounts as set forth on the cover page of this prospectus.

Radio One, Catherine L. Hughes, Alfred C. Liggins, III, the selling stockholders and certain other holders of Common Stock of Radio One have agreed that they will not offer, sell, contract to sell, announce our intention to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities Exchange Commission (the "SEC") a registration statement under the Securities Act relating to, any additional shares of Class A Common Stock or securities convertible into or exchangeable or exercisable for any of our Class A Common Stock, without the prior written consent of Credit Suisse First Boston Corporation for a period of 180 days after the date of this prospectus.

At our request, the underwriters have reserved for sale, at the initial public offering price up to _____ shares of Class A Common Stock for employees, directors and certain other persons associated with us who have expressed an interest in purchasing Class A Common Stock in the offering. The number of shares available for sale to the general public in the offering will be reduced to the extent such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities under the Securities Act, or contribute to payments which the underwriters may be required to make in respect thereof.

We have made application to list the shares of Class A Common Stock on The Nasdaq Stock Market's National Market under the symbol "ROIA."

Credit Suisse First Boston Corporation has provided customary financial advisory services to Radio One, for which it has received customary compensation and indemnification, and in the future may provide such services.

Prior to this offering, there has been no public market for the Class A Common Stock. The initial public offering price for the Class A Common Stock will be negotiated among us, the selling stockholders and the representatives. Among the principal factors to be considered in determining the initial public offering price will be market conditions for initial public offerings, the history of and prospects for our business, our past and

present operations, our past and present earnings and current financial position, an assessment of our management, the market of securities of companies in businesses similar to ours, the general condition of the securities markets and other relevant factors. There can be no assurance that the initial public offering price will correspond to the price at which the Class A Common Stock will trade in the public market subsequent to the offering or that an active trading market will develop and continue after the offering.

The representatives, may engage in over-allotment, stabilizing transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Exchange Act. Over-allotment involves syndicate sales in excess of the offering size, which creates a syndicate short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of the Class A Common Stock in the open market after the distribution has been completed in order to cover syndicate short positions. Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the Class A Common Stock originally sold by such syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. Such stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of the Class A

Common Stock to be higher than it would otherwise be in the absence of such transactions. These transactions may be effected on The Nasdaq National Market or otherwise and, if commenced, may be discontinued at any time.

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NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the Class A Common Stock in Canada is being made only on a private placement basis exempt from the requirement that we and the selling stockholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of the Class A Common Stock are effected. Accordingly, any resale of the Class A Common Stock in Canada must be made in accordance with applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with available statutory exemptions or pursuant to a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Class A Common Stock.

Representations of Purchasers

Each purchaser of the Class A Common Stock in Canada who receives a purchase confirmation will be deemed to represent to us, the selling stockholders and the dealer from whom such purchase confirmation is received that (i) such purchaser is entitled under applicable provincial securities laws to purchase such Class A Common Stock without the benefit of a prospectus qualified under such securities laws, (ii) where required by law, that such purchaser is purchasing as principal and not as agent, and (iii) such purchaser has reviewed the text above under "Resale Restrictions."

Rights of Action (Ontario Purchasers)

The securities being offered are those of a foreign issuer and Ontario purchasers will not receive the contractual right of action prescribed by section 32 of the Regulation under the Securities Act (Ontario). As a result, Ontario purchasers must rely on other remedies that may be available, including common law rights of action for damages or rescission or rights of action under the civil liability provisions of the U.S. federal securities laws.

Enforcement of Legal Rights

All of the issuer's directors and officers as well as the experts named herein and the selling stockholders may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the issuer or such persons. All or substantial portions of the assets of the issuer and such persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the issuer or such persons in Canada or to enforce a judgment obtained in Canadian courts against such issuer or persons outside of Canada.

Notice to British Columbia Residents

A purchaser of the Class A Common Stock to whom the Securities Act (British Columbia) applies is advised that such purchaser is required to file with the British Columbia Securities Commission a report within ten days of the sale of any Class A Common Stock acquired by such purchaser pursuant to this offering. Such report must be in the form attached to British Columbia Securities Commission Blanket Order BOR #95/17, a copy of which may be obtained from Radio One. Only one such report must be filed in respect of the Class A Common Stock acquired on the same date and under the same prospectus exemption.

Taxation and Eligibility for Investment

Canadian purchasers of the Class A Common Stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Class A Common Stock in their particular circumstances and with respect to the eligibility of the Class A Common Stock for investment by the purchaser under relevant Canadian legislation.

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LEGAL MATTERS

Certain legal matters with respect to the offering will be passed upon for Radio One by Kirkland & Ellis. Certain legal matters regarding FCC issues will be passed upon for Radio One by Davis, Wright & Tremaine LLP. Certain legal matters will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP.

EXPERTS

The audited consolidated financial statements and schedules of Radio One, Inc. and subsidiaries as of December 31, 1997 and 1998, and for each of the years in the three-year period ended December 31, 1998, included in the prospectus and registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto and are included herein in reliance upon the authority of said firm as experts in giving said report.

The audited consolidated financial statements of Radio One of Atlanta, Inc. and subsidiary as of December 31, 1997 and 1998, and for each of the years in the three-year period ended December 31, 1998, included in the prospectus and registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto and are included herein in reliance upon the authority of said firm as experts in giving said report.

The audited financial statements of Bell Broadcasting Company as of December 31, 1997 and for each of the years in the two-year period ended December 31, 1997, included in the prospectus and registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto and are included herein in reliance upon the authority of said firm as experts in giving said report.

The audited financial statements of Allur-Detroit, Inc., as of December 31, 1997, and for the year then ended, included in the prospectus and registration statement have been audited by Mitchell & Titus, LLP, independent public accountants, as indicated in their report with respect thereto, and are included herein in reliance upon the authority of said firm as experts in giving said report.

The audited financial statements of the Richmond Operations of Sinclair Telecable, Inc. as of December 31, 1997 and 1998, and for each of the years in the two-year period ended December 31, 1998, included in the prospectus and registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto and are included herein in reliance upon the authority of said firm as experts in giving said report.

The audited financial statements of stations WKJS-FM and WSOJ-FM of FM 100, Inc. as of December 31, 1998, and for the year then ended, included in the prospectus and registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto and are included herein in reliance upon the authority of said firm as experts in giving said report.

ADDITIONAL INFORMATION

We are subject to the reporting requirements of the Exchange Act, and, in accordance therewith, file reports, proxy statements and other information with the SEC. Such reports, proxy statements and other information may be inspected and copied at the public reference facilities maintained by the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549 and at the SEC's regional offices located at the Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, IL 60661 and Seven World Trade Center, 13th Floor, New York, NY 10048. Copies of such material can be obtained from the Public Reference Section of the SEC upon payment of certain fees prescribed by the SEC. The SEC's Web site contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of that site is <http://www.sec.gov>. Our Class A Common Stock is quoted on the Nasdaq National Market and our reports, proxy statements and other information may also be inspected at the offices of Nasdaq Operations, 1735 K Street, N.W., Washington, D.C. 20006.

We have filed a registration statement on Form S-1 with the SEC under the Securities Act in respect of the Class A Common Stock offered pursuant to this prospectus. This prospectus, which is a part of the registration statement, omits certain information contained in the registration statement as permitted by the SEC's rules and regulations. For further information with respect to Radio One and the Class A Common Stock offered hereby, please reference the registration statement, including its exhibits. Statements in this prospectus concerning the contents of any contract or other document filed with the SEC as an exhibit to the registration statement are not necessarily complete and are qualified in all respects by such reference. Copies of the registration statement, including all related exhibits and schedules, may be inspected without charge at the public reference facilities maintained by the SEC, or obtained at prescribed rates from the Public Reference Section of the SEC at the address set forth above.

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The accompanying consolidated financial statements do not reflect the completion of a stock split, the exercise of certain warrants or exchange of Class A Common Stock for Classes B and C Common Stock which will take place on or prior to the effective date of an offering of Common Stock to the public. The following report is in the form which will be issued by us upon completion of the three transactions above, which are described in Note 1 to the consolidated financial statements, and assuming that from December 31, 1998, to the date of such completion no other material events have occurred that would affect the accompanying consolidated financial statements or require disclosure therein:

/s/ Arthur Andersen LLP

Baltimore, Maryland,
March 11, 1999

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of
Radio One, Inc.:

We have audited the accompanying consolidated balance sheets of Radio One, Inc. (a Delaware corporation) and subsidiaries (the Company) as of December 31, 1997 and 1998, and the related consolidated statements of operations, changes in stockholders' deficit and cash flows for each of the years in the three-year period ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Radio One, Inc. and subsidiaries as of December 31, 1997 and 1998 and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1998, in conformity with generally accepted accounting principles.

Baltimore, Maryland,
, 1999

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RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS As of December 31, 1997 and 1998

1997	1998
-----	-----

ASSETS

CURRENT ASSETS:

Cash and cash equivalents.....	\$ 8,500,000	\$ 4,455,000
Trade accounts receivable, net of allowance for doubtful accounts of \$904,000 and \$1,243,000, respectively.....	8,722,000	12,026,000
Prepaid expenses and other.....	315,000	334,000
Deferred taxes.....	--	826,000
	-----	-----
Total current assets.....	17,537,000	17,641,000
PROPERTY AND EQUIPMENT, net.....	4,432,000	6,717,000
INTANGIBLE ASSETS, net.....	54,942,000	127,639,000
OTHER ASSETS.....	2,314,000	1,859,000
	-----	-----
Total assets.....	\$ 79,225,000	\$153,856,000
	=====	=====

LIABILITIES AND STOCKHOLDERS' DEFICIT

CURRENT LIABILITIES:

Accounts payable.....	\$ 258,000	\$ 1,190,000
Accrued expenses.....	3,029,000	3,708,000
Income taxes payable.....	--	143,000
	-----	-----
Total current liabilities.....	3,287,000	5,041,000

LONG-TERM DEBT AND DEFERRED INTEREST, net of current

portion.....	74,954,000	131,739,000
DEFERRED TAX LIABILITY.....	--	15,251,000
	-----	-----
Total liabilities.....	78,241,000	152,031,000
	-----	-----

COMMITMENTS AND CONTINGENCIES

SENIOR CUMULATIVE REDEEMABLE PREFERRED STOCK:

Series A, \$.01 par value, 140,000 shares authorized, 84,843 shares issued and outstanding.....	9,310,000	10,816,000
Series B, \$.01 par value, 150,000 shares authorized, 124,467 shares issued and outstanding.....	13,658,000	15,868,000

STOCKHOLDERS' DEFICIT:

Common stock--Class A, \$ par value, shares authorized, shares issued and outstanding.....	--	--
Common stock--Class B, \$ par value, shares authorized, shares issued and outstanding.....	--	--
Common stock--Class C, \$ par value, shares authorized, shares issued and outstanding.....	--	--
Additional paid-in capital.....	--	--
Accumulated deficit.....	(21,984,000)	(24,859,000)
	-----	-----
Total stockholders' deficit.....	(21,984,000)	(24,859,000)
	-----	-----
Total liabilities and stockholders' deficit....	\$ 79,225,000	\$153,856,000
	=====	=====

The accompanying notes are an integral part of these consolidated balance sheets.

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RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

For the Years Ended December 31, 1996, 1997 and 1998

	1996	1997	1998
	-----	-----	-----
REVENUE:			

Broadcast revenue, including barter revenue of \$1,122,000, \$1,010,000 and \$644,000, respectively.....	\$27,027,000	\$36,955,000	\$52,696,000
Less: Agency commissions.....	3,325,000	4,588,000	6,587,000
Net broadcast revenue.....	23,702,000	32,367,000	46,109,000
OPERATING EXPENSES:			
Program and technical.....	4,157,000	5,934,000	8,015,000
Selling, general and administrative...	9,770,000	12,914,000	16,486,000
Corporate expenses.....	1,793,000	2,155,000	2,800,000
Depreciation and amortization.....	4,262,000	5,828,000	8,445,000
Total operating expenses.....	19,982,000	26,831,000	35,746,000
Operating income.....	3,720,000	5,536,000	10,363,000
INTEREST EXPENSE, including amortization of deferred financing costs.....	7,252,000	8,910,000	11,455,000
OTHER (EXPENSE) INCOME, net.....	(77,000)	415,000	358,000
Loss before benefit from income taxes and extraordinary item.....	(3,609,000)	(2,959,000)	(734,000)
BENEFIT FROM INCOME TAXES.....	--	--	1,575,000
(Loss) income before extraordinary item.....	(3,609,000)	(2,959,000)	841,000
EXTRAORDINARY ITEM:			
Loss on early retirement of debt.....	--	1,985,000	--
Net (loss) income.....	<u>\$ (3,609,000)</u>	<u>\$ (4,944,000)</u>	<u>\$ 841,000</u>
EARNINGS PER SHARE:			
Basic.....	\$	\$	\$
Diluted.....			
WEIGHTED AVERAGE SHARES OUTSTANDING:			
Basic.....			
Diluted.....			

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

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RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT For the Years Ended December 31, 1996, 1997 and 1998

	Common Stock Class A	Common Stock Class B	Common Stock Class C	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
BALANCE, as of December 31, 1995.....	\$ --	\$ --	\$ --	\$1,205,000	\$ (12,599,000)	\$ (11,394,000)
Net loss.....	--	--	--	--	(3,609,000)	(3,609,000)
BALANCE, as of December 31, 1996.....	--	--	--	1,205,000	(16,208,000)	(15,003,000)
Net loss.....	--	--	--	--	(4,944,000)	(4,944,000)
Effect of conversion to C corporation.....	--	--	--	(1,205,000)	1,205,000	--
Preferred stock dividends.....	--	--	--	--	(2,037,000)	(2,037,000)
BALANCE, as of December 31, 1997.....	--	--	--	--	(21,984,000)	(21,984,000)
Net income.....	--	--	--	--	841,000	841,000

Preferred stock dividends.....	--	--	--	--	(3,716,000)	(3,716,000)
	-----	-----	-----	-----	-----	-----
BALANCE, as of December 31, 1998.....	\$ --	\$ --	\$ --	\$ --	\$ (24,859,000)	\$ (24,859,000)
	=====	=====	=====	=====	=====	=====

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

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RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS For the Years Ended December 31, 1996, 1997 and 1998

	1996	1997	1998
	-----	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss) income.....	\$ (3,609,000)	\$ (4,944,000)	\$ 841,000
Adjustments to reconcile net (loss) income to net cash from operating activities:			
Depreciation and amortization....	4,262,000	5,828,000	8,445,000
Amortization of debt financing costs, unamortized discount and deferred interest...	3,005,000	3,270,000	4,110,000
Loss on disposals.....	153,000	--	--
Loss on extinguishment of debt....	--	1,985,000	--
Deferred income taxes and reduction in valuation reserve on deferred taxes.....	--	--	(2,038,000)
Effect of change in operating assets and liabilities--			
Trade accounts receivable.....	(656,000)	(2,302,000)	(1,933,000)
Prepaid expenses and other.....	114,000	(198,000)	(4,000)
Other assets.....	(71,000)	(147,000)	(1,391,000)
Accounts payable.....	(818,000)	(131,000)	830,000
Accrued expenses.....	234,000	1,576,000	296,000
Income tax payable.....	--	--	143,000
	-----	-----	-----
Net cash flows from operating activities.....	2,614,000	4,937,000	9,299,000
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment..	(252,000)	(2,035,000)	(2,236,000)
Proceeds from disposal of property and equipment.....	--	--	150,000
Deposits and payments for station purchases.....	(1,000,000)	(21,164,000)	(59,085,000)
	-----	-----	-----
Net cash flows from investing activities.....	(1,252,000)	(23,199,000)	(61,171,000)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of debt.....	(2,408,000)	(45,599,000)	(485,000)
Proceeds from new debt.....	51,000	72,750,000	49,350,000
Deferred debt financing costs.....	--	(2,148,000)	(1,038,000)
Financed equipment purchases.....	--	51,000	--
	-----	-----	-----
Net cash flows from financing activities.....	(2,357,000)	25,054,000	47,827,000
	-----	-----	-----
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS.....	(995,000)	6,792,000	(4,045,000)
CASH AND CASH EQUIVALENTS, beginning of year.....	2,703,000	1,708,000	8,500,000

CASH AND CASH EQUIVALENTS, end of			
year.....	\$ 1,708,000	\$ 8,500,000	\$ 4,455,000
	=====	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW			
INFORMATION:			
Cash paid for--			
Interest.....	\$ 4,815,000	\$ 4,413,000	\$ 7,192,000
	=====	=====	=====
Income taxes.....	\$ 50,000	\$ --	\$ 338,000
	=====	=====	=====

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

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS December 31, 1996, 1997 and 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Business

Radio One, Inc. (a Delaware corporation referred to as Radio One) and its subsidiaries, Radio One Licenses, Inc. and WYCB Acquisition Corporation (Delaware corporations), Broadcast Holdings, Inc. (a Washington, D.C. corporation), Bell Broadcasting Company (a Michigan corporation), Radio One of Detroit, Inc., Allur-Detroit, Inc. and Allur Licenses, Inc. (Delaware corporations) (collectively referred to as the Company) were organized to acquire, operate and maintain radio broadcasting stations. The Company owns and operates radio stations in Washington, D.C.; Baltimore, Maryland; Philadelphia, Pennsylvania; Detroit, Michigan; and Kingsley, Michigan markets. The Company is highly leveraged, which requires substantial semi-annual and other periodic interest payments and may impair the Company's ability to obtain additional working capital financing. The Company's operating results are significantly affected by its share of the audience in markets where it has stations.

Radio One intends to offer Common A shares to the public in an initial public offering (IPO). The proceeds of the IPO will be used to repay certain outstanding debt, to finance pending and future acquisitions and for other general corporate purposes. Concurrent with the IPO, Radio One intends to issue \$50,000,000 of Series C Preferred Stock and use the proceeds to redeem all of the existing Senior Cumulative Redeemable Preferred Stock, to retire debt or to finance pending and future acquisitions.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Radio One, Inc. and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The accompanying consolidated financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Acquisitions

On December 28, 1998, Radio One purchased all of the outstanding stock of Allur-Detroit, Inc. (Allur), which owned one radio station in Detroit, Michigan, for approximately \$26.5 million. Radio One financed this acquisition through a combination of cash and \$24.0 million borrowed under the Company's line of credit. The acquisition of Allur resulted in the recording of approximately \$31.7 million of intangible assets (including the recording of a deferred tax liability for the difference in book and tax basis in the assets acquired from the Allur purchase price being in excess of the net book value of Allur).

On June 30, 1998, Radio One purchased all of the outstanding stock of Bell Broadcasting Company (Bell), which owned three radio stations in Michigan, for approximately \$34.2 million. Radio One financed this acquisition through a combination of cash and approximately \$25.4 million borrowed under the Company's line of credit. The acquisition of Bell resulted in the recording of approximately \$42.5 million of intangible assets (including the recording of a deferred tax liability for the difference in book and tax basis in the assets acquired from the Bell purchase price being in excess of the net book value of Bell).

On March 16, 1998, WYCB Acquisition Corporation, an unrestricted subsidiary of Radio One, acquired all the stock of Broadcast Holdings, Inc. for \$3,750,000. The acquisition was financed with a promissory note for \$3,750,000 at 13%, due 2001, which pays quarterly cash interest payments at an annual rate of 10% through 2001, with the remaining interest being added to the principal.

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

On February 8, 1997, under a local marketing agreement with the former owners of WDRE-FM licensed to Jenkintown, Pennsylvania, Radio One began to provide programming to and selling advertising for WDRE-FM. On May 19, 1997, Radio One acquired the broadcast assets of WDRE-FM for approximately \$16,000,000. In connection with the purchase, Radio One entered into a three-year noncompete agreement totaling \$4,000,000 with the former owners. Radio One financed this purchase with a portion of the proceeds from the issuance of approximately \$85,500,000 of 12% Senior Subordinated Notes due 2004. Following this acquisition, Radio One converted the call letters of the radio station from WDRE-FM to WPHI-FM.

The unaudited pro forma summary consolidated results of operations for the years ended December 31, 1996, 1997 and 1998, assuming the acquisitions of WPHI-FM, WYCB-AM, Bell Broadcasting and Allur-Detroit had occurred in the beginning of the fiscal years, are as follows:

	1996	1997	1998
	-----	-----	-----
Net broadcast revenue.....	\$33,021,000	\$39,475,000	\$50,988,000
Operating expenses, excluding			
depreciation and amortization....	23,650,000	27,077,000	31,435,000
Depreciation and amortization....	12,742,000	12,165,000	12,115,000
Interest expense.....	14,301,000	14,295,000	15,114,000
Other (expense) income, net.....	16,000	666,000	322,000
(Benefit) provision for income			
taxes.....	(7,979,000)	(6,360,000)	(4,064,000)
Extraordinary loss.....	--	1,985,000	--
	-----	-----	-----
Net loss.....	\$(9,677,000)	\$(9,021,000)	\$(3,290,000)
	=====	=====	=====

On November 23, 1998, Radio One signed an agreement to purchase the assets of a radio station located in the St. Louis area, for approximately \$13.6 million. Radio One made a deposit of approximately \$700,000 towards the purchase price. This deposit is included in other assets in the accompanying consolidated balance sheet as of December 31, 1998.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and money market accounts at various commercial banks. All cash equivalents have original maturities of 90 days or less. For cash and cash equivalents, cost approximates market value.

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

Property and Equipment

Property and equipment are recorded at cost and are being depreciated on a straight-line basis over various periods. The components of the Company's property and equipment as of December 31, 1997 and 1998, are as follows:

	1997	1998	Period of Depreciation
	-----	-----	-----
PROPERTY AND EQUIPMENT:			
Land.....	\$ 117,000	\$ 590,000	--
Building and improvements.....	148,000	248,000	31 years
Transmitter towers.....	2,146,000	2,282,000	7 or 15 years
Equipment.....	3,651,000	5,609,000	5 to 7 years
Leasehold improvements.....	1,757,000	2,577,000	Life of Lease
	-----	-----	
	7,819,000	11,306,000	
Less: Accumulated depreciation.....	3,387,000	4,589,000	
	-----	-----	
Property and equipment, net.....	\$4,432,000	\$ 6,717,000	
	=====	=====	

Depreciation expenses for the fiscal years ended December 31, 1996, 1997 and 1998, were \$706,000, \$746,000 and \$1,202,000, respectively.

Revenue Recognition

In accordance with industry practice, revenue for broadcast advertising is recognized when the commercial is broadcast.

Barter Arrangements

The Company broadcasts certain customers' advertising in exchange for equipment, merchandise and services. The estimated fair value of the equipment, merchandise or services received is recorded as deferred barter costs and the corresponding obligation to broadcast advertising is recorded as deferred barter revenue. The deferred barter costs are expensed or capitalized as they are used, consumed or received. Deferred barter revenue is recognized as the related advertising is aired.

Financial Instruments

Financial instruments as of December 31, 1997 and 1998, consist of cash and cash equivalents, trade accounts receivable, accounts payable, accrued expenses, long-term debt and preferred stock, all of which the carrying amounts approximate fair value except for the Senior Subordinated Notes as of December 31, 1998, which have a fair value of approximately \$84.5 million, as compared to a carrying value of \$78.5 million. The Company has estimated the fair value of the debt, based on its estimate of what rate it could have issued that debt as of December 31, 1998.

Comprehensive Income

The Company has adopted SFAS, No. 130, "Reporting Comprehensive Income" and has determined that the Company does not have any comprehensive adjustments income for the periods presented.

Segment Reporting

The Company has adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information" as of December 31, 1998, and has determined that the Company has only one segment, radio broadcasting. The Company came to this conclusion because the Company has one product or service, has the same type of customer and operating strategy in each market, operates in one regulatory environment, has only one management group that manages the entire Company and provides information on the Company's results as one segment to the key decision-maker to make decisions. All of the Company's revenue is derived from the eastern half of the United States.

Earnings Available for Common Stockholders

The Company has certain senior cumulative redeemable preferred stock outstanding which pays dividends at 15% per annum (see Note 3). The Company accretes dividends on this preferred stock, which is payable when the preferred stock is redeemed. The earnings available for common stockholders for the years ended December 31, 1997 and 1998, is the net loss or income for each of the years, less the accreted dividend of \$2,037,000 and \$3,716,000 during 1997 and 1998, respectively on the preferred stock.

Earnings Per Share

Earnings per share are based on the weighted average number of common and diluted common equivalent shares for stock options and warrants outstanding during the period the calculation is made, divided into the earnings available for common stockholders. Diluted common equivalent shares consist of shares issuable upon the exercise of stock options and warrants, using the treasury stock method at the estimated IPO price of \$ per share. All warrants outstanding to acquire common stock as of December 31, 1996, 1997 and 1998, will be exercised prior to the IPO and have been reflected in the calculation of earnings per share as if the stock granted from the exercise was outstanding for all periods presented. The Company also issued stock to an employee subsequent to year-end at a price below market value. The stock issued has been reflected in the earnings per share calculation as if it was outstanding for all periods presented (see Note 8). The weighted average shares outstanding is calculated as follows:

	December 31,		
	1996	1997	1998
Common stock outstanding.....			
Common stock issued from exercise of warrants.....			
Stock issued subsequent to year end.....			
Weighted average share outstanding for both basis and diluted earnings per share.....			

The Company effected a for one stock split, effective , 1999, in conjunction with the planned IPO. All share data included in the accompanying consolidated financial statements and notes thereto are as if the stock split had occurred prior to the periods presented.

Also, effective , 1999, the Company converted certain Class A Common Stock held by the principal stockholders to Class B Common Stock which will have ten votes per share, as compared to Class A Common Stock which has one vote per share, and certain of their Class A Common Stock to Class C Common Stock. Class C Common Stock will have no voting rights except as required by Delaware law.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

2. INTANGIBLE ASSETS:

Intangible assets are being amortized on a straight-line basis over various periods. The intangible asset balances and periods of amortization as of December 31, 1997 and 1998, are as follows:

	1997	1998	Period of Amortization
FCC broadcast license.....	\$56,179,000	\$103,792,000	7-15 Years
Goodwill.....	7,609,000	39,272,000	15 Years
Debt financing.....	2,147,000	3,186,000	Life of Debt
Favorable transmitter site and other intangibles.....	1,922,000	1,924,000	6-17 Years
Noncompete agreement.....	4,900,000	4,000,000	3 Years
Total.....	72,757,000	152,174,000	
Less: Accumulated amortization.....	17,815,000	24,535,000	
Net intangible assets.....	\$54,942,000	\$127,639,000	

Amortization expense for the fiscal years ended December 31, 1996, 1997 and 1998, was \$3,556,000, \$5,082,000 and \$7,243,000, respectively. The amortization of the deferred financing cost was charged to interest expense.

3. DEBT AND SENIOR CUMULATIVE REDEEMABLE PREFERRED STOCK:

As of December 31, 1997 and 1998, the Company's outstanding debt is as follows:

	1997	1998
Senior subordinated notes (net of \$10,640,000 and \$7,020,000 unamortized discounts, respectively)...	\$74,838,000	\$ 78,458,000
Line of credit.....	--	49,350,000
WYCB note payable and deferred interest.....	--	3,841,000
Other notes payable.....	35,000	23,000
Capital lease obligations.....	81,000	67,000
Total, noncurrent.....	\$74,954,000	\$131,739,000

Senior Subordinated Notes

To finance the WPHI-FM acquisition (as discussed in Note 1) and to refinance certain other debt, Radio One issued approximately \$85,500,000 of 12% Senior Subordinated Notes due 2004. The notes were sold at a discount, with the net proceeds to Radio One of approximately \$72,750,000. The notes pay cash interest at 7% per annum through May 15, 2000, and at 12% thereafter. In connection with this debt offering, Radio One retired approximately \$45,600,000 of debt outstanding under a NationsBank credit agreement with the proceeds from the offering. Radio One also exchanged approximately \$20,900,000 of 15% Senior Cumulative Redeemable Preferred Stock which must be redeemed by May 2005, for an equal amount of Radio One's then outstanding subordinated notes and accrued interest.

The 12% Notes due 2004 are redeemable at any time and from time to time at the option of the Company, in whole or in part, on or after May 15, 2001 at the redemption prices set forth in the 12% Notes due 2004, plus accrued and unpaid interest to the date of redemption. In addition, on or prior to May 15, 2000,

the Company may redeem, at its option, up to 25% of the aggregate original principal amount of the 12% Notes due 2004 with the net proceeds of one or more Public Equity Offerings at 112% of the Accreted Value thereof, together with accrued and unpaid interest, if any, to the date of redemption, as long as at least approximately \$64.1 million of the aggregate principal amount of the 12% Notes due 2004 remains outstanding after each

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

such redemption. Upon a Change of Control (as defined in the Indenture), the Company must commence an offer to repurchase the 12% Notes due 2004 at 101% of the Accreted Value thereof, plus accrued and unpaid interest, if any, to the date of repurchase.

Lines of Credit

To finance the Bell Broadcasting and Allur-Detroit Acquisitions during 1998, Radio One borrowed \$49,350,000 from Credit Suisse First Boston, New York Branch, and other financial institutions which is to mature on December 31, 2003. This credit agreement bears interest at the Eurodollar rate plus an applicable margin. The average interest rate for the year ended December 31, 1998, was 7.58%. This credit agreement is secured by the property of the Company (other than Unrestricted Subsidiaries), and interest and proceeds of real estate and Key Man life insurance policies. During 1998, the month-end weighted average and the highest month-end balances were \$28,779,000 and \$49,350,000, respectively.

As of December 31, 1997, Radio One had a \$7,500,000 outstanding line of credit with NationBank. The interest rate was a base rate plus 1.375%. Radio One's collateral for this line of credit consisted of liens and security interest in all common and voting securities convertible or exchangeable into common stock of the Company and substantially all of its assets (other than WYCB Acquisition). This line of credit was not drawn on as of December 31, 1997. NationsBank was a participating financial institution in the line of credit above, and this line of credit agreement was terminated when the Company entered into the line of credit agreement with Credit Suisse First Boston and one other financial institution, as discussed above.

During 1995, through a revolving credit agreement (the NationsBank Credit Agreement) with NationsBank of Texas, N.A. and the other lenders who were parties, Radio One borrowed \$53,000,000 which was to mature on March 31, 2002. The NationsBank Credit Agreement was refinanced on May 19, 1997, as part of the Senior Subordinated Notes financing discussed above. The NationsBank Credit Agreement bore interest at the LIBOR 30-day rate, plus an applicable margin. The average interest rate for the years ending December 31, 1996 and 1997, was 8.25% and 9.28%, respectively. The credit agreement was secured by all property of the Company (other than unrestricted subsidiaries) and interest and proceeds of real estate and Key Man life insurance policies.

Senior Cumulative Redeemable Preferred Stock

On May 19, 1997, concurrent with the debt issuance, all of the holders of Radio One Subordinated Promissory Notes converted all of their existing subordinated notes consisting of approximately \$17,000,000, together with any and all accrued interest thereon of approximately \$3,900,000 and outstanding warrants, for shares of Senior Cumulative Redeemable Preferred Stock, which must be redeemed in May 2005, and stock warrants to purchase 147.04 shares of common stock. The Senior Cumulative Redeemable Preferred Stock can be redeemed at 100% of its liquidation value, which is the principal and accreted dividends. The dividends on each share accrues on a daily basis at a rate of 15% per annum. Preferred stock dividends of approximately \$2,037,000 and \$3,716,000 were accrued during the years ended December 31, 1997 and 1998, respectively. If Radio One does not redeem all of the issued and outstanding preferred shares on the mandatory redemption date or upon the occurrence of an event of noncompliance, the holders may elect to have the Dividend Rate increase to 18% per annum. In the event Radio One does not meet any required performance target relating exclusively to the operation of WPXI-FM, the Dividend Rate for each preferred share shall be increased to 17% per annum.

Other Notes Payable

During 1996, Radio One entered into two notes totaling \$51,000 with NationsBank to purchase vehicles. These notes bear interest at 8.74% and 8.49%, require monthly principal and interest payments of \$789 and \$471 and mature on April 30, 2000, and December 2, 2000.

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

Refinancing of Debt

During 1997, Radio One retired \$45,600,000 of outstanding debt. Associated with the retirement of the debt, Radio One incurred certain early prepayment penalties and legal fees, and had to write-off certain deferred financing costs associated with the debt retired. These costs amounted to \$1,985,000 and were recorded as an extraordinary item in the accompanying statements of operations.

4. COMMITMENTS AND CONTINGENCIES:

Leases

Radio One has various operating leases for office space, studio space, broadcast towers and transmitter facilities which expire on various dates between May 1999 through October 15, 2003. One of these leases is for office and studio space in Baltimore, Maryland, and is with a partnership in which two of the partners are stockholders of the Company (see Note 6).

The following is a schedule of the future minimum rental payments required under the operating leases that have an initial or remaining noncancelable lease term in excess of one year as of December 31, 1998.

Year	

1999.....	\$1,007,000
2000.....	1,055,000
2001.....	1,075,000
2002.....	838,000
2003.....	830,000
Thereafter.....	4,578,000

Total rent expense for the years ended December 31, 1996, 1997 and 1998, was \$777,000, \$809,000 and \$888,000, respectively.

FCC Broadcast Licenses

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission (FCC) that have a maximum term of eight years prior to renewal. The Company's radio operating licenses expire at various times from October 1, 2003, to August 1, 2006. Although the Company may apply to renew its FCC 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.

Litigation

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

5. INCOME TAXES:

Effective January 1, 1996, Radio One elected to be treated as an S Corporation under Subchapter S of the Internal Revenue Code. As an S Corporation, the stockholders separately account for their pro-rata share of Radio One's income, deductions, losses and credits. Effective May 19, 1997, the Company's S Corporation status was terminated.

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

In connection with the conversion to a C corporation, in accordance with SEC Staff Accounting Bulletin 4.B, Radio One transferred the amount of the undistributed losses up to the amount of additional paid-in capital at the date of conversion to additional paid-in capital.

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109). Under SFAS 109, deferred income taxes reflect the impact of temporary differences between the assets and liabilities recognized for financial reporting purposes and amounts recognized for tax purposes. Deferred taxes are based on tax laws as currently enacted.

During 1998, the Company acquired the stock of three companies. Associated with these stock purchases, the Company allocated the purchase price to the related assets acquired, with the excess purchase price allocated to goodwill. In a stock purchase, for income tax purposes, the underlying assets of the acquired companies retain their historical tax basis. Accordingly, the Company recorded a deferred tax liability of approximately \$16,863,000 related to the difference between the book and tax basis for all of the assets acquired (excluding goodwill). The result of recording this deferred tax liability is reflected as additional goodwill of \$16,863,000 related to these acquisitions.

A reconciliation of the statutory federal income taxes to the recorded income tax provision for the years ended December 31, 1996, 1997 and 1998, is as follows:

	1996	1997	1998
	-----	-----	-----
Statutory tax (@ 35% rate).....	\$ (1,263,000)	\$ (1,730,000)	\$ (257,000)
Effect of state taxes, net of federal.....	(217,000)	(245,000)	(29,000)
Establishment of S corporation loss to its stockholders.....	1,480,000	984,000	--
Effect of net deferred tax asset in conversion to C corporation.....	--	(1,067,000)	--
Nondeductible goodwill.....	--	--	769,000
Valuation reserve.....	--	2,058,000	(2,058,000)
	-----	-----	-----
Benefit for income taxes.....	\$ --	\$ --	\$ (1,575,000)
	=====	=====	=====

The components of the provision for income taxes for the years ended December 31, 1997 and 1998, are as follows:

	1997	1998
	-----	-----
Current.....	\$ --	\$ 463,000
Deferred.....	(991,000)	20,000

Establishment of net deferred tax asset in conversion to C corporation.....	(1,067,000)	--
Valuation reserve.....	2,058,000	(2,058,000)
	-----	-----
Benefit for income taxes.....	\$ --	\$(1,575,000)
	=====	=====

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

Deferred income taxes reflect the net tax effect of temporary differences between the financial statement and tax basis of assets and liabilities. The significant components of the Company's deferred tax assets and liabilities as of December 31, 1997 and 1998, are as follows:

	1997	1998
	-----	-----
Deferred tax assets--		
FCC and other intangibles amortization.....	\$ 246,000	\$ 1,152,000
Reserve for bad debts.....	353,000	473,000
NOL carryforward.....	1,746,000	400,000
Accruals.....	--	268,000
Barter activity.....	--	85,000
Interest expense.....	--	479,000
Other.....	2,000	20,000
	-----	-----
Total deferred tax assets.....	2,347,000	2,877,000
	-----	-----
Deferred tax liabilities--		
FCC license.....	--	(16,525,000)
Depreciation.....	(279,000)	(539,000)
Other.....	(10,000)	(238,000)
	-----	-----
Total deferred tax liabilities.....	(289,000)	(17,302,000)
	-----	-----
Net deferred tax asset (liability).....	2,058,000	(14,425,000)
Less: Valuation reserve.....	(2,058,000)	--
	-----	-----
Net deferred taxes included in the accompanying consolidated balance sheets.....	\$ --	\$(14,425,000)
	=====	=====

A 100% valuation reserve was applied against the net deferred tax asset as of December 31, 1997, as its realization was not more likely than not to be realized. During the year ended December 31, 1998, this valuation allowance was reversed as the deferred tax assets were likely to be realized.

During 1998, the Company utilized its entire NOL carryforward, but acquired an approximate \$1,200,000 net operating loss from the purchase of Allur-Detroit, Inc. This net operating loss acquired can only be utilized as Allur-Detroit, Inc. has taxable income.

6. RELATED PARTY TRANSACTIONS:

Radio One leases office space for \$8,000 per month from a partnership in which two of the partners are stockholders of Radio One (Note 4). Total rent paid to the stockholders for fiscal years 1996, 1997 and 1998, was \$96,000, \$96,000 and \$96,000, respectively. Radio One also has a net receivable as of December 31, 1997 and 1998, of approximately \$68,000 and \$4,000, respectively, due from Radio One of Atlanta, Inc. (ROA), of which an executive officer and stockholder of Radio One is a major stockholder of ROA. Effective January 1, 1998 Radio One charged ROA a management fee of \$300,000 per year, and prior to January 1, 1998, the fee was \$100,000 per year.

The stockholders of Radio One of Atlanta, Inc. have agreed in principle to sell their shares of Radio One of Atlanta, Inc. to the Company in exchange for shares of the Company's Common Stock.

As of December 31, 1998, the Company has a loan outstanding of \$380,000, and accrued interest of \$7,000 from an officer. The loan is due May 2003 and bears interest at 5.6%.

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RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

December 31, 1996, 1997 and 1998

7. PROFIT SHARING:

Radio One has a 401(k) profit sharing plan for its employees. Radio One can contribute to the plan at the discretion of its Board of Directors. Radio One made no contribution to the plan during fiscal year 1996, 1997 or 1998.

8. SUBSEQUENT EVENTS:

In January 1999, the Company granted shares of common stock of the Company to an officer of the Company. These shares will vest over three years. The Company recognized compensation expense of approximately \$200,000 during 1999, which is the estimated value of the stock on the grant date.

On February 26, 1999, Radio One signed an asset purchase agreement for the broadcasting assets of two radio stations located in Richmond, Virginia, for approximately \$12,000,000. The Company expects to complete this transaction during the second quarter of 1999.

On February 10, 1999, Radio One signed an agreement to purchase the assets of a radio station located in the Richmond, Virginia, area for approximately \$4,600,000. Radio One made a deposit of \$200,000 related to this purchase.

In February 1999, Radio One signed a letter of intent to purchase the broadcasting assets of two radio stations located in Cleveland, Ohio, for approximately \$20,000,000. The Company expects to complete this transaction during the first half of 1999.

In March 1999, Radio One signed a letter of intent to purchase the broadcasting assets of four radio stations located in Richmond, Virginia for approximately \$34,000,000. The Company expects to complete this transaction during the first half of 1999.

In March 1999, the Company adopted a stock option and grant plan which provides for the issuance of qualified and nonqualified stock options and grants to full-time key employees. The Plan allows the issuance of common stock at the discretion of the Company's Board of Directors. There are no options currently outstanding under this plan.

During 1999, the Company made a \$1,000,000 investment in PNE Media Holdings, LLC, a privately-held outdoor advertising company.

The Company has also signed a nonbinding letter of intent to acquire another radio station.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of
Radio One of Atlanta, Inc.:

We have audited the accompanying consolidated balance sheets of Radio One of Atlanta, Inc. (a Delaware corporation) and subsidiary as of December 31, 1997 and 1998, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for each of the years in the three-year

period ended December 31, 1998. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Radio One of Atlanta, Inc. and subsidiary as of December 31, 1997 and 1998, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1998, in conformity with generally accepted accounting principles.

/s/ Arthur Andersen LLP

Baltimore, Maryland,
February 19, 1999

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS As of December 31, 1997 and 1998

	1997	1998
	-----	-----
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents.....	\$ 1,117,000	\$ 1,711,000
Trade accounts receivable, net of allowance for doubtful accounts of \$112,000 and \$312,000.....	1,259,000	2,479,000
Prepaid expenses and other.....	59,000	82,000
Due from Mableton.....	77,000	120,000
Income tax receivable.....	--	164,000
	-----	-----
Total current assets.....	2,512,000	4,556,000
PROPERTY AND EQUIPMENT, net.....	585,000	1,758,000
INTANGIBLE ASSETS, net.....	10,994,000	10,867,000
OTHER ASSETS.....	112,000	40,000
DEFERRED TAXES.....	--	60,000
	-----	-----
Total assets.....	\$14,203,000	\$17,281,000
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable.....	\$ 108,000	\$ 276,000
Accrued expenses.....	782,000	909,000
Current portion of long-term debt.....	568,000	327,000
Due to affiliate.....	68,000	4,000
	-----	-----
Total current liabilities.....	1,526,000	1,516,000
LONG-TERM DEBT AND DEFERRED INTEREST, net of current portion.....	13,398,000	15,525,000
	-----	-----
Total liabilities.....	14,924,000	17,041,000
	-----	-----
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, \$1 par value, 14,670 shares authorized, 10,000 shares issued and outstanding..	10,000	10,000
Additional paid-in capital.....	978,000	1,390,000

Accumulated deficit.....	(1,709,000)	(1,160,000)
	-----	-----
Total stockholders' (deficit) equity.....	(721,000)	240,000
	-----	-----
Total liabilities and stockholders' equity.....	\$14,203,000	\$17,281,000
	=====	=====

The accompanying notes are an integral part of these consolidated balance sheets.

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS
For the Years Ended December 31, 1996, 1997 and 1998

	1996	1997	1998
	-----	-----	-----
REVENUE:			
Broadcast revenue, including barter revenue of \$112,000, \$86,000 and \$51,000, respectively.....	\$4,257,000	\$6,525,000	\$11,577,000
Less: Agency commissions.....	497,000	794,000	1,437,000
	-----	-----	-----
Net broadcast revenue.....	3,760,000	5,731,000	10,140,000
	-----	-----	-----
OPERATING EXPENSES:			
Program and technical.....	1,017,000	1,432,000	1,418,000
Selling, general and administrative.....	1,426,000	1,994,000	4,111,000
Corporate expenses.....	241,000	637,000	667,000
Depreciation and amortization.....	429,000	577,000	896,000
	-----	-----	-----
Total operating expenses.....	3,113,000	4,640,000	7,092,000
	-----	-----	-----
Operating income.....	647,000	1,091,000	3,048,000
INTEREST EXPENSE, including amortization of deferred financing costs.....	839,000	1,663,000	2,007,000
OTHER EXPENSES, net.....	--	111,000	(7,000)
	-----	-----	-----
(Loss) income before provision for income taxes.....	(192,000)	(683,000)	1,048,000
PROVISION FOR INCOME TAXES.....	--	--	499,000
	-----	-----	-----
Net (loss) income.....	\$ (192,000)	\$ (683,000)	\$ 549,000
	=====	=====	=====

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

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Years Ended December 31, 1996, 1997 and 1998

	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' (Deficit) Equity
	-----	-----	-----	-----
BALANCE, December 31, 1995.....	\$ --	\$ --	\$ (834,000)	\$ (834,000)

Net loss.....	--	--	(192,000)	(192,000)
BALANCE, December 31, 1996.....	--	--	(1,026,000)	(1,026,000)
Net loss.....	--	--	(683,000)	(683,000)
Issuance of stock options below market.....	--	264,000	--	264,000
Tax benefit of issuance of stock options below market....	--	106,000	--	106,000
Allocation for stock issued in conjunction with debt.....	--	608,000	--	608,000
Issuance of common stock.....	10,000	--	--	10,000
BALANCE, December 31, 1997.....	10,000	978,000	(1,709,000)	(721,000)
Net income.....	--	--	549,000	549,000
Issuance of stock options below market.....	--	294,000	--	294,000
Tax benefit of issuance of stock options below market....	--	118,000	--	118,000
BALANCE, December 31, 1998.....	\$10,000	\$1,390,000	\$(1,160,000)	\$ 240,000

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

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS For the Years Ended December 31, 1996, 1997 and 1998

	1996	1997	1998
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss).....	\$(192,000)	\$ (683,000)	\$ 549,000
Adjustments to reconcile net income (loss) to net cash from operating activities:			
Depreciation and amortization.....	429,000	577,000	896,000
Amortization of debt financing costs and unamortized discount.....	399,000	172,000	630,000
Compensation expense from stock options granted.....	--	264,000	294,000
Loss on disposals.....	--	157,000	--
Deferred tax liability.....	--	--	58,000
Effect of change in operating assets and liabilities--			
Trade accounts receivable.....	(774,000)	(243,000)	(1,220,000)
Prepaid expenses and other.....	(16,000)	(4,000)	(23,000)
Due from Mableton.....	--	(77,000)	(43,000)
Income tax receivable.....	--	--	(164,000)
Other assets.....	--	(112,000)	72,000
Accounts payable.....	(22,000)	97,000	168,000
Accrued expenses.....	423,000	386,000	127,000
Due to affiliate.....	(19,000)	(10,000)	(64,000)
Net cash flows from operating activities.....	228,000	524,000	1,280,000
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment.....	(235,000)	(385,000)	(1,242,000)
Acquisition of Dogwood.....	--	(6,792,000)	--
Acquisition of intangibles.....	--	--	(678,000)
Net cash flows from investing activities.....	(235,000)	(7,177,000)	(1,920,000)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from debt issuance.....	--	7,577,000	2,000,000
Repayment of debt.....	--	--	(744,000)

Deferred debt financing costs.....	--	(60,000)	(22,000)
Issuance of common stock.....	--	10,000	--
	-----	-----	-----
Net cash flows from financing activities.....	--	7,527,000	1,234,000
	-----	-----	-----
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS.....	(7,000)	874,000	594,000
CASH AND CASH EQUIVALENTS, beginning of period.....	250,000	243,000	1,117,000
	-----	-----	-----
CASH AND CASH EQUIVALENTS, end of period....	\$ 243,000	\$1,117,000	\$1,711,000
	=====	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid for interest.....	\$ 441,000	\$1,305,000	\$1,616,000
	=====	=====	=====
Income taxes paid.....	\$ --	\$ --	\$ 499,000
	=====	=====	=====

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

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Business

Radio One of Atlanta, Inc. (the Company) owns and operates a radio station serving the Atlanta, Georgia, market, and its subsidiary, Dogwood Communications, Inc. (Dogwood) owns a radio station serving the Atlanta, Georgia market. The Company started operations in June, 1995. The Company is highly leveraged, which requires substantial interest payments and may impair the Company's ability to obtain additional financing. The Company's operating results are significantly affected by its market share in the Atlanta, Georgia market.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiary, Dogwood (see Note 2). All significant intercompany accounts and transactions have been eliminated in consolidation. The accompanying consolidated financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and money market accounts at various commercial banks. All cash equivalents have original maturities of 90 days or less. For cash and cash equivalents, cost approximates market value.

Property and Equipment

Property and equipment are recorded at cost and are being depreciated on a straight-line basis over various periods. The components of the Company's property and equipment as of December 31, 1997 and 1998, are as follows:

December 31,		Period of Depreciation
1997	1998	
-----	-----	-----

PROPERTY AND EQUIPMENT:

Transmitter towers.....	\$335,000	\$ 493,000	7 Years
Equipment.....	364,000	967,000	5 to 7 Years
Leasehold improvements.....	14,000	14,000	Life of Lease
Furniture and fixtures.....	--	185,000	5 to 7 Years
Construction in progress.....	--	296,000	
	-----	-----	
	713,000	1,955,000	
Less: Accumulated depreciation.....	128,000	197,000	
	-----	-----	
Property and equipment, net.....	\$585,000	\$1,758,000	
	=====	=====	

Depreciation expense for the fiscal years ended December 31, 1996, 1997 and 1998, was \$38,000, \$64,000 and \$69,000, respectively.

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Organizational Costs

As of December 31, 1998, Dogwood had \$24,000 of unamortized organization costs. In April 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position 98-5 (the "SOP") regarding financial reporting on the costs of start-up activities. Under the SOP, organizational costs are considered start-up costs and, commencing with fiscal years beginning after December 15, 1998, entities are required to expense such costs as they are incurred. The Company decided to expense the unamortized organizational costs as of December 31, 1998.

Revenue Recognition

In accordance with industry practice, revenue for commercial broadcasting advertisements is recognized when the commercial is broadcast.

Barter Arrangements

Certain program contracts provide for the exchange of advertising air time in lieu of cash payments for the rights to such programming. These contracts are recorded as the programs are aired at the estimated fair value of the advertising air time given in exchange for the program rights.

The Company broadcasts certain customers' advertising in exchange for equipment, merchandise and services. The estimated fair value of the equipment, merchandise or services received is recorded as deferred barter costs and the corresponding obligation to broadcast advertising is recorded as deferred barter revenue. The deferred barter costs are expensed or capitalized as they are used or received. Deferred barter revenue is recognized as the related advertising is aired.

Financial Instruments

Financial instruments as of December 31, 1997 and 1998, consist of cash and cash equivalents, trade accounts receivable, accounts payable, accrued expenses, and long-term debt, all of which the carrying amounts approximate fair value.

Reclassifications

Certain reclassifications have been made to the 1997 financial statements in order to conform with the 1998 presentation.

Comprehensive Income

The Company has adopted SFAS, No. 130, "Reporting Comprehensive Income." The Company does not have any comprehensive income adjustments.

Segment Reporting

The Company has adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information" as of December 31, 1998, and has determined the Company has only one segment, radio broadcasting.

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

2. DOGWOOD COMMUNICATIONS, INC.:

In April 1997, the Company's founder and stockholder transferred his 33 1/3% ownership interest in Dogwood to the Company in return for the Company assuming responsibility for certain liabilities of Dogwood. Concurrent with the transfer of ownership, the Company contributed approximately \$6 million to Dogwood to retire Dogwood's outstanding debt. This stockholder also assigned to the Company his option to purchase the portion of Dogwood owned by others. The Company exercised the option to purchase up to 80% of Dogwood during 1998, for \$100,000. The Company intends to exercise its option to purchase the remaining 20% for \$3.5 million during 1999.

The Company owns 33 1/3% of Dogwood, it has the ability to acquire an additional 46 2/3% for \$100,000, it has 45 1/2% of the voting control of Dogwood, and it programs the station owned by Dogwood through a local marketing agreement (LMA). During the years ended December 31, 1997 and 1998, Dogwood's primary activity was an LMA of the station to the Company (the station went on the air on December 16, 1997). As the Company controls Dogwood's operations, Dogwood has been consolidated with the Company in the accompanying financial statements.

3. INTANGIBLE ASSETS:

Intangible assets are being amortized on a straight-line basis over various periods. The intangible asset balances and periods of amortization as of December 31, 1997 and 1998, are as follows:

	December 31,		Period of Amortization
	1997	1998	
Debt financing costs.....	\$ 313,000	\$ 335,000	Life of debt
FCC broadcast license and other.....	11,602,000	12,280,000	15 Years
Organizational costs.....	203,000	--	5 Years
Total.....	12,118,000	12,615,000	
Less: Accumulated amortization.....	1,124,000	1,748,000	
Net intangible assets.....	\$10,994,000	\$10,867,000	

Amortization expense for the years ended December 31, 1996, 1997 and 1998, was \$391,000, \$513,000 and \$827,000, respectively. The amortization of the debt financing costs was charged to interest expense.

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RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

4. LONG-TERM DEBT:

The Company is obligated under a long-term senior note and various subordinated notes payable as follows:

	December 31,	
	1997	1998
Allied Investment Corporation and its affiliates (senior).....	\$10,000,000	\$12,000,000
Alta Subordinated Debt Partners III, L.P. (net of \$508,000 and \$360,000 of unamortized discount allocated to stock issuance).....	1,069,000	1,217,000
Syncom Capital Corporation (subordinate).....	1,000,000	1,000,000
Shareholder (subordinate).....	1,000,000	960,000
Design Media, Inc. (subordinate).....	235,000	--
Accrued interest on senior and subordinated notes...	662,000	675,000
Total.....	13,966,000	15,852,000
Less: Current portion of long-term debt.....	568,000	327,000
Total.....	\$13,398,000	\$15,525,000
	=====	=====

Allied Investment Corporation Debt

The start-up of the Company was partially financed through a \$4,000,000 long-term debt agreement with Allied Investment Corporation and certain of its affiliates (collectively Allied). The loan bore interest at 14%. Terms of the note required only partial interest payments until January 1, 1997.

In April 1997, the Company renegotiated the prior Allied debt. In connection with that renegotiation, Allied amended and restated the prior Allied debt to provide the Company and Dogwood (see Note 2) to become co-borrowers with respect to the \$4,000,000 debt and to jointly borrow an additional \$6,000,000. In connection with this amended and restated loan, new senior secured debentures totaling \$10,000,000 were issued jointly by the Company and Dogwood, whereby the Company will carry the debt on its books and Dogwood will act as the guarantor. The agreements have an interest rate that ranges from 12.5% to 13.5% and matures on March 1, 2001. Interest only payments are due monthly until May 1, 1999. Subsequent to that date, monthly principal and interest payments are due. Also, as part of the renegotiation, the Company signed notes for interest that had accrued but was unpaid as of December 31, 1996, on the prior Allied debt.

In September 1998, the Company borrowed an additional \$2,000,000 from Allied. This debt has an interest rate ranging from 12.5% to 13.5%, and principal and interest payments are due monthly until the debt matures on March 1, 2001.

In April 1997, the Company also amended and restated its Security Agreement with Allied which grants them a security interest in all of the Company's collateral, which includes all tangible and intangible property, all the issued and outstanding stock of the Company, and the Company's rights and interest in Dogwood.

The prior Allied debt was issued with detachable warrants that granted Allied the right to acquire an equity interest in the Company. The warrants have an aggregate exercise price of \$100 per share. During 1997, the warrants were exercised and the Company issued Allied 1,430 shares of common stock.

Subordinated Notes

In April 1997, the Company also entered into a \$1,577,000 Senior Secured Subordinated Promissory Note with Alta Subordinated Debt Partners III, L.P. The note has an interest rate of 11%, and the unpaid principal

issued 1,500 shares of common stock in connection with the note. The Company allocated the proceeds between debt and additional paid-in capital, based on the pro-rata value of the debt and the common stock. As such, \$969,000 was assigned to the debt and \$608,000 was assigned to the value of the common stock. The value assigned to the common stock was recorded as an increase in additional paid-in capital. The value assigned to the debt was less than the face value, and such discount will be amortized over the life of the related debt using the effective interest method.

The Syndicated Communications Venture Partners II, L.P. (Syncom) debt bears an interest rate of 11% on the original principal balance of \$1,000,000. In April 1997, the Company amended the subordinated note with Syncom. Under the new terms of the agreement, interest accrues and is added to the principal balance, except that beginning with the period of June 20, 1998, the Company is required to make \$18,958 monthly payments. Unpaid principal and accrued interest is due April 1, 2001.

During 1995, the Syncom note was issued with detachable stock warrants allowing Syncom to purchase 2,400 shares of the Company for a purchase price of \$100. During 1997, the warrants were exercised and the Company issued Syncom 2,400 shares of common stock.

This note is also secured by a security agreement for the property and equipment of the Company.

The Company has a note payable to its shareholder of \$1,000,000, which bears interest at 8%. Interest only payments were made monthly until July 1, 1998. At that time, monthly principal and interest payments of \$12,133 began. Unpaid principal is due June 20, 2002.

The Design Media, Inc.'s note of \$235,000 bore interest at 8%. Interest only payments were made monthly until July 1, 1998. During 1998, the note was repaid in full.

The aggregate maturities of debt as of December 31, 1998, are as follows:

Year ----	Total -----
1999.....	\$ 327,000
2000.....	1,620,000
2001.....	13,175,000
2002.....	730,000

Total.....	\$15,852,000 =====

5. LEASES:

The Company leases office space which expires in October 2004 and broadcast towers which expire through December 2009.

The following is a schedule of the future minimum rental payments required under the operating leases that have an initial or remaining noncancellable lease term in excess of one year as of December 31, 1998:

Year ----	
1999.....	\$170,000
2000.....	163,000
2001.....	164,000
2002.....	170,000
2003.....	170,000
Thereafter.....	259,000

RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Total rent expense for the years ending December 31, 1996, 1997 and 1998, was \$54,000, \$57,000 and \$93,000, respectively.

6. STOCK OPTION PLAN:

During 1997, the Company granted stock options to an officer of the Company for up to 700 shares of the Company's common stock for \$1.00 each. Of the 700 shares, 400 shares vested immediately and were exercised during 1997. The officer was granted the remaining options after certain performance results were achieved during 1998. These options granted in 1998 vested immediately. As the options to acquire 400 shares and 300 shares granted and vested during 1997 and 1998, respectively, were significantly below their estimated fair market value, the Company recognized compensation expense of \$264,000 and \$294,000 during 1997 and 1998, respectively. Compensation expense represented the difference between the estimated fair market value of the stock and the exercise price. The Company also recognized an income tax benefit of \$106,000 and \$118,000 during 1997 and 1998, respectively, related to the options, which has been recorded as additional paid-in capital.

7. INCOME TAXES:

Effective March 31, 1997, the Company converted from an S corporation to a C corporation. At the date of conversion, the Company had no additional paid-in capital to convert to retained earnings.

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109). Under SFAS 109, deferred income taxes reflect the impact of temporary differences between the assets and liabilities recognized for financial reporting purposes and amounts recognized for tax purposes. Deferred taxes are based on tax laws as currently enacted.

A reconciliation of the statutory federal income taxes to the recorded income tax provision for the years ended December 31, 1996, 1997 and 1998, is as follows:

	1996	1997	1998
	-----	-----	-----
Statutory tax (@ 35% rate).....	\$ (67,000)	\$ (239,000)	\$367,000
Effect of state taxes, net of federal.....	(9,000)	(32,000)	42,000
Nondeductible amortization.....	--	--	154,000
Effect of losses while an S corporation.....	76,000	264,000	--
Establish benefit for deferred taxes at C corporation			
Conversion.....	--	(57,000)	--
Valuation reserve.....	--	64,000	(64,000)
	-----	-----	-----
Provision for income taxes.....	\$ --	\$ --	\$499,000
	=====	=====	=====

The components of the provision for income taxes for the years ended December 31, 1997 and 1998, are as follows:

	1997	1998
	-----	-----
Current.....	\$ --	\$335,000
Deferred.....	(64,000)	228,000
Valuation reserve.....	64,000	(64,000)
	-----	-----
Provision for income taxes.....	\$ --	\$499,000

RADIO ONE OF ATLANTA, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Deferred income taxes reflect the net tax effect of temporary differences between the financial statement and tax basis of assets and liabilities. The significant components of the Company's deferred tax assets and liabilities as of December 31, 1997 and 1998, are as follows:

	1997	1998
	-----	-----
Deferred tax assets--		
Reserve for bad debts.....	\$ 44,000	\$118,000
NOL carryforward.....	79,000	--
	-----	-----
Total deferred tax assets.....	123,000	118,000
Deferred tax liabilities--		
Depreciation and amortization.....	(59,000)	(58,000)
	-----	-----
Net deferred tax asset.....	64,000	60,000
Less: Valuation reserve.....	(64,000)	--
	-----	-----
Net deferred taxes included in the accompanying consolidated balance sheets.....	\$ --	\$ 60,000
	=====	=====

A 100% valuation reserve was applied against the net deferred tax asset as of December 31, 1997, as its realization was not more likely than not to be realized. During 1998, this valuation allowance was reversed as the deferred tax assets would likely be realized. During 1998, the Company utilized its entire net operating loss carryforward.

8. RELATED PARTY TRANSACTIONS:

The Company is affiliated with Radio One, Inc., as a stockholder of the Company is also a stockholder of Radio One, Inc. The Company has a due to affiliate of \$68,000 and \$4,000 as of December 31, 1997 and 1998, respectively, for expenses paid by Radio One, Inc. on behalf of the Company and for administrative services. During the years ended December 31, 1996, 1997 and 1998, the Company incurred expenses of \$100,000, \$100,000 and \$300,000, respectively, for administrative services which Radio One, Inc. performed for the Company.

The Company has \$77,000 and \$120,000 recorded as a receivable from Mableton Investment Group (Mableton) as of December 31, 1997 and 1998, respectively. These balances represent costs incurred by the Company for research and feasibility studies on behalf of a new radio station to be owned by Mableton, a company owned by a stockholder of the Company.

The stockholders of the Company have agreed in principle to sell their shares of the Company to Radio One, Inc. in exchange for shares of Radio One, Inc.'s Common Stock. A stockholder of the Company will receive a \$1.2 million fee related to this acquisition.

Subsequent to year end, the Company made a \$271,000 unsecured loan to an employee. The loan bears interest at 5.56% and is payable on demand.

9. PROFIT SHARING:

The Company's employees participate in a 401K profit sharing plan sponsored by Radio One, Inc., an affiliate of the Company (see Note 8). The Company's contribution is at the direction of its Board of Directors. The Company made no contributions to the plan during fiscal years 1996, 1997 or 1998.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of
Radio One, Inc.:

We have audited the accompanying balance sheet of Bell Broadcasting Company (a Michigan Corporation) (the Company) as of December 31, 1997, and the related statements of operations, changes in stockholders' equity and cash flows for the years ended December 31, 1996 and 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bell Broadcasting Company as of December 31, 1997, and the results of its operations and its cash flows for the years ended December 31, 1996 and 1997, in conformity with generally accepted accounting principles.

/s/ ARTHUR ANDERSEN LLP

Baltimore, Maryland,
August 28, 1998

BELL BROADCASTING COMPANY

BALANCE SHEETS

As of December 31, 1997 and June 30, 1998

	December 31, 1997	June 30, 1998
	-----	-----
		(Unaudited)
ASSETS		
CURRENT ASSETS:		
Cash.....	\$ 226,000	\$ 186,000
Trade accounts receivable, net of allowance for doubtful accounts of \$28,000 and \$69,000, respectively.....	951,000	918,000
Current portion of notes receivable.....	13,000	14,000
Prepaid expenses and other.....	34,000	6,000
	-----	-----
Total current assets.....	1,224,000	1,124,000
PROPERTY AND EQUIPMENT, net.....	859,000	1,139,000
NOTES RECEIVABLE, net of current portion.....	491,000	184,000
OTHER ASSETS.....	38,000	20,000
	-----	-----
Total assets.....	\$2,612,000	\$2,467,000
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable.....	\$ 251,000	\$ 92,000
Accrued expenses.....	198,000	61,000
Current portion of long-term debt.....	149,000	--

Total current liabilities.....	598,000	153,000
LONG-TERM DEBT, net of current portion.....	592,000	--
Total liabilities.....	1,190,000	153,000
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock--Class A, \$2.00 par value, 800 shares authorized, issued and outstanding.....	2,000	2,000
Common stock--Class B, \$2.00 par value, 24,000 shares authorized, 20,071 and 20,071 shares issued and outstanding, respectively.....	40,000	40,000
Additional paid-in capital.....	198,000	1,308,000
Retained earnings.....	1,182,000	964,000
Total stockholders' equity.....	1,422,000	2,314,000
Total liabilities and stockholders' equity.....	\$2,612,000	\$2,467,000
	=====	=====

The accompanying notes are an integral part of these balance sheets.

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BELL BROADCASTING COMPANY

STATEMENTS OF OPERATIONS

For the Years Ended December 31, 1996 and 1997
and the Six Months Ended June 30, 1997 and 1998

	Year Ended December 31,		Six Months Ended June 30,	
	1996	1997	1997	1998
			(Unaudited)	(Unaudited)
REVENUE:				
Broadcast revenue, including barter revenue of \$121,000, \$151,000, \$14,000 and \$73,000, respectively.....	\$ 3,917,000	\$ 4,571,000	\$1,916,000	\$2,326,000
Less: Agency commissions....	537,000	537,000	229,000	301,000
Net broadcast revenue.....	3,380,000	4,034,000	1,687,000	2,025,000
OPERATING EXPENSES:				
Programming and technical...	1,154,000	1,335,000	723,000	675,000
Selling, general and administrative.....	1,520,000	1,544,000	715,000	748,000
Corporate expenses.....	849,000	816,000	301,000	663,000
Depreciation and amortization.....	130,000	148,000	68,000	63,000
Total operating expenses..	3,653,000	3,843,000	1,807,000	2,149,000
Operating (loss) income...	(273,000)	191,000	(120,000)	(124,000)
INTEREST EXPENSE.....	75,000	81,000	38,000	52,000
OTHER (INCOME) EXPENSE, net...	(5,000)	54,000	59,000	28,000
(Loss) income before (benefit) provision for income taxes.....	(343,000)	56,000	(217,000)	(204,000)
(BENEFIT) PROVISION FOR INCOME TAXES.....	(78,000)	44,000	(164,000)	14,000
Net (loss) income.....	\$ (265,000)	\$ 12,000	\$ (53,000)	\$ (218,000)

The accompanying notes are an integral part of these statements.

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BELL BROADCASTING COMPANY

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Years Ended December 31, 1996 and 1997
and the Six Months Ended June 30, 1998

	Common Stock Class A	Common Stock Class B	Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
BALANCE, January 1, 1996..	\$2,000	\$39,000	\$ 98,000	\$1,435,000	\$1,574,000
Net loss.....	--	--	--	(265,000)	(265,000)
Stock options granted below market.....	--	--	9,000	--	9,000
Stock bonus compensation.....	--	--	16,000	--	16,000
Issuance of common stock.....	--	--	9,000	--	9,000
BALANCE, December 31, 1996.....	2,000	39,000	132,000	1,170,000	1,343,000
Net income.....	--	--	--	12,000	12,000
Stock options granted below market.....	--	--	17,000	--	17,000
Stock bonus compensation.....	--	1,000	32,000	--	33,000
Issuance of common stock.....	--	--	17,000	--	17,000
BALANCE, December 31, 1997.....	2,000	40,000	198,000	1,182,000	1,422,000
Net loss.....	--	--	--	(218,000)	(218,000)
Capital contributed from former owners.....	--	--	672,000	--	672,000
Capital contributed from owners.....	--	--	438,000	--	438,000
BALANCE, June 30, 1998 (Unaudited).....	\$2,000	\$40,000	\$1,308,000	\$ 964,000	\$2,314,000

The accompanying notes are an integral part of these statements.

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BELL BROADCASTING COMPANY

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 1996 and 1997
and the Six Months Ended June 30, 1997 and 1998

December 31,		June 30,	
1996	1997	1997	1998
		(Unaudited)	(Unaudited)

CASH FLOWS FROM OPERATING

ACTIVITIES:

Net (loss) income.....	\$ (265,000)	\$ 12,000	\$ (53,000)	\$ (218,000)
Adjustments to reconcile net (loss) income to net cash from operating activities:				
Depreciation and amortization.....	130,000	148,000	68,000	63,000
Compensation expense related to stock bonus plan and stock granted below market price.....	25,000	50,000	--	--
Loss on disposal of assets...	--	(8,000)	(8,000)	--
Effect of change in operating assets and liabilities--				
Trade accounts receivable..	190,000	(156,000)	(35,000)	33,000
Prepaid expenses and other.....	(101,000)	119,000	19,000	19,000
Other assets.....	(1,000)	(17,000)	--	18,000
Accounts payable.....	56,000	(94,000)	(108,000)	(159,000)
Accrued expenses.....	(125,000)	41,000	(68,000)	(137,000)
	-----	-----	-----	-----
Net cash flows from operating activities....	(91,000)	95,000	(185,000)	(381,000)
	-----	-----	-----	-----

CASH FLOWS FROM INVESTING

ACTIVITIES:

Proceeds from sale of assets...	--	22,000	22,000	--
Principal payments received on notes.....	--	6,000	--	306,000
Acquisition of property and equipment.....	(140,000)	(211,000)	(109,000)	(403,000)
	-----	-----	-----	-----
Net cash flows from investing activities....	(140,000)	(183,000)	(87,000)	(97,000)
	-----	-----	-----	-----

CASH FLOWS FROM FINANCING

ACTIVITIES:

Proceeds from the issuance of debt.....	739,000	220,000	103,000	438,000
Repayment of debt.....	(642,000)	(211,000)	--	(438,000)
Issuance of common stock.....	9,000	17,000	--	--
Contributed capital.....	--	--	--	438,000
	-----	-----	-----	-----
Net cash flows from financing activities....	106,000	26,000	103,000	438,000
	-----	-----	-----	-----
DECREASE IN CASH.....	(125,000)	(62,000)	(169,000)	(40,000)
CASH, beginning of period.....	413,000	288,000	288,000	226,000
	-----	-----	-----	-----
CASH, end of period.....	\$ 288,000	\$ 226,000	\$ 119,000	\$ 186,000
	=====	=====	=====	=====

SUPPLEMENTAL DISCLOSURE OF CASH

FLOW INFORMATION:

Interest paid.....	\$ 73,000	\$ 81,000	\$ 38,000	\$ 55,000
	=====	=====	=====	=====
Income taxes paid.....	\$ 117,000	\$ --	\$ --	\$ 7,000
	=====	=====	=====	=====

The accompanying notes are an integral part of these statements.

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BELL BROADCASTING COMPANY

NOTES TO FINANCIAL STATEMENTS
December 31, 1996 and 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization

Bell Broadcasting Company (the Company), a Michigan corporation, is a radio broadcaster, broadcasting on two stations, WCHB-AM and WDTJ-FM (formerly WCHB-FM), both located in the Detroit metropolitan area. During 1996, the Federal Communications Commission (FCC) approved the construction permit to increase WCHB-AM's signal from 25 kilowatts to 50 kilowatts. In addition, in September 1997, the Canadian government approved WCHB-AM's proposal for a nighttime increase to 15 kilowatts, and the FCC granted a construction permit for the nighttime increase. The Company also owns one station in Kingsley, Michigan, WJZZ-AM.

The financial statements for the six months ended June 30, 1997 and 1998, are unaudited, but, in the opinion of management, such financial statements have been presented on the same basis as the audited financial statements for the year ended December 31, 1997, and include all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation of the financial position and results of operations and cash flows for these periods.

Financial Instruments

Financial instruments as of December 31, 1997, consist of cash, trade accounts receivables, notes receivables, accounts payable, accrued expenses and long-term debt, all of which the carrying amounts approximate fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using accelerated and straight-line methods over the estimated useful lives of the related assets.

The components of the Company's property and equipment as of December 31, 1997, are as follows:

	December 31, 1997	Period of Depreciation
	-----	-----
Construction in progress.....	\$ 122,000	--
Land.....	581,000	--
Buildings and improvements.....	149,000	10 to 31 years
Transmitter towers.....	754,000	7 to 15 years
Equipment.....	555,000	5 to 15 years
Leasehold improvements.....	12,000	7 to 19 years

Total property and equipment.....	2,173,000	
Less: Accumulated depreciation.....	1,314,000	

Property and equipment, net.....	\$ 859,000	
	=====	

BELL BROADCASTING COMPANY

NOTES TO FINANCIAL STATEMENTS--(Continued)

December 31, 1996 and 1997

Depreciation expense for the fiscal years ended December 31, 1996 and 1997, were \$120,000 and \$141,000, respectively.

Revenue Recognition

In accordance with industry practice, revenue for broadcast advertising is recognized when the commercial is broadcast.

Barter Arrangements

Certain program contracts provide for the exchange of advertising air time in lieu of cash payments for the rights to such programming. These contracts are recorded as the programs are aired at the estimated fair value of the advertising air time given in exchange for the program rights.

The Company broadcasts certain customers' advertising in exchange for equipment, merchandise and services. The estimated fair value of the equipment, merchandise or services received is recorded as deferred barter costs and the corresponding obligation to broadcast advertising is recorded as deferred barter revenue. The deferred barter costs are expensed or capitalized as they are used, consumed or received. Deferred barter revenue is recognized as the related advertising is aired.

Sale of WKNX

In June 1997, the Company sold the assets and rights of WKNX-AM for approximately \$210,000 and recognized a loss of approximately \$22,000. In connection with the sale, the Company obtained a note receivable from the purchasers of the station. The terms of the sale call for a note receivable bearing interest at 10% per annum, requiring monthly payments of approximately \$3,000 through June 2007. The note is secured by certain real estate and personal property and the pledge of the stock of Frankenmuth.

Supplemental Cash Flow Information

The Company issued 200 and 400 shares each of Class B Common Stock to two former officers of the Company during 1996 and 1997, respectively, at a price below the stock's estimated fair market value. Compensation expense of \$25,000 and \$50,000 was recorded in 1996 and 1997, respectively, in connection with the issuance (Note 6). In June 1997, the Company sold the assets and rights to WKNX-AM for a note receivable in the amount of \$210,000. (Also see Note 7.)

New Accounting Standards

During 1997, the Financial Accounting Standards Board (FASB) issued SFAS No. 130, "Reporting Comprehensive Income" (SFAS No. 130), which is effective for fiscal years beginning after December 15, 1997. This statement establishes standards for reporting and display of comprehensive income and its components. The Company believes the adoption of SFAS No. 130 will have no impact on the financial statements as the Company has no comprehensive income adjustments.

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BELL BROADCASTING COMPANY

NOTES TO FINANCIAL STATEMENTS--(Continued)

December 31, 1996 and 1997

During 1997, the FASB issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information" (SFAS No. 131), which is effective for fiscal years beginning after December 15, 1997. This statement establishes a new approach for determining segments within a company and reporting information on those segments. The Company has performed a preliminary assessment of this statement and believes that no disclosure is necessary as the Company has only one segment.

2. NOTES RECEIVABLE--RELATED PARTY:

In 1995, the Company loaned the trust of a deceased shareholder \$300,000 and received a note receivable. The note bears interest at the mid-term applicable federal rate (6.31% and 5.63% as of December 31, 1996 and 1997, respectively), with principal and interest due December 2000. The principal and all interest due were paid on June 30, 1998.

3. DEBT:

Debt consists of the following:

	December 31, 1997 -----
Note payable to bank, payable in monthly installments of \$12,000, including interest at 9.35% per annum, secured by land, equipment and the Company's AM broadcast license.....	\$641,000
Note payable to bank, payable in monthly installments of \$7,000, including interest at 9.35% per annum, secured by land, equipment and the Company's FM broadcast license.....	51,000
Note payable to bank, payable in monthly installments of \$1,000, including interest at 8.99% per annum, secured by vehicles.....	40,000
Note payable in monthly installments of \$400, including interest at 11% per annum, secured by transportation equipment.....	9,000

Total.....	741,000
Less: Current portion.....	149,000

Total long-term debt.....	\$592,000 =====

This outstanding debt was repaid as of June 30, 1998.

4. COMMITMENTS AND CONTINGENCIES:

Leases

During 1996 and 1997, the Company leased the facilities under three separate operating leases, one of which was with a related party (the former owners of the Company). The related party lease was on a month-to-month basis for the FM station building, at a rate of \$800 per month. The second lease covers the FM tower and transmitter space and expires in May 1999, with one optional renewal of five years. Monthly rent under this lease is currently \$4,000. In addition, the Company leases equipment under two operating leases expiring in 1999. Monthly rent under the equipment leases is \$450.

Rental expense for the years ended December 31, 1996 and 1997, was \$70,000 and \$60,000, respectively.

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BELL BROADCASTING COMPANY

NOTES TO FINANCIAL STATEMENTS--(Continued)

December 31, 1996 and 1997

Litigation

The Company has been named as defendant in various legal proceedings arising out of the normal course of business. It is the opinion of management, after consultation with legal counsel, that the amount, if any, of the Company's ultimate liability under all current legal proceedings will not have a material adverse effect on the financial position or results of operations of the Company.

5. STOCK OPTION AND BONUS PLANS:

The Company had an Incentive Stock Option Plan (the Stock Option Plan). The Company granted options to two employees of the Company to purchase up to 200 shares each of Class B Common Stock at a price equal to 50% of the fair market value of the stock on the exercise date. In 1996, the Stock Option Plan was extended for two years (January 1, 1996 to December 31, 1997). During 1996 and 1997, the Company granted options under the plan and recognized compensation expense because the option price was below the estimated market price of the stock.

The Company also had a Stock Bonus Plan (the Bonus Plan). Under provisions of the Bonus Plan, the Company could, at its discretion, award two employees of the Company up to an aggregate of 200 shares each of Class B Common Stock. The Bonus Plan was extended in 1996 for two years. During 1996, the Company awarded 50 shares to each employee under the Bonus Plan. During 1997, the Company awarded 100 shares to each employee for services performed. Compensation expense equal to the fair market value of the Class B Common Stock awarded has been recorded for 1996 and 1997 to reflect such awards.

Agreements between the Company and three of its former stockholders generally provide that none of their shares (as specifically defined) may be sold, transferred or exchanged without the prior written consent of the Company.

In addition, the agreements specify the rights of the stockholders and the obligations of the Company in the event of death, termination of employment or change in control of the Company. The agreements state that if a change in control of the Company occurs, the employees' right to exercise their options will cease. If the Company is required to repurchase any of the shares, the purchase price shall be the fair market value of such shares (as specifically defined). As of June 30, 1998, all options terminated.

The Company accounts for its stock option plans in accordance with Accounting Principles Board Opinion No. 25. Had compensation cost for the plans been determined consistent with Statement of Financial Accounting Standards No. 123, "Accounting for Stock Based Compensation," the difference in the Company's pro forma net income would have been immaterial.

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BELL BROADCASTING COMPANY

NOTES TO FINANCIAL STATEMENTS--(Continued)

December 31, 1996 and 1997

6. INCOME TAXES:

A reconciliation of the statutory federal income taxes to the recorded income tax (benefit) provision for the years ended December 31, 1996 and 1997 is as follows:

	December 31,	
	1996	1997
Statutory tax (@ 35% rate).....	\$ (120,000)	\$ 19,000
Effect of state taxes, net of federal.....	16,000	3,000
Effect of graduated tax rate.....	--	(12,000)
Other nondeductible items.....	23,000	28,000
Nondeductible compensation expense.....	3,000	6,000
	-----	-----
(Benefit) provision for income taxes.....	\$ (78,000)	\$ 44,000
	=====	=====

The components of the (benefit) provision for income taxes for the years ended December 31, 1996 and 1997 are as follows:

	December 31,	
	1996	1997
Current.....	\$ (105,000)	\$20,000
Deferred.....	27,000	24,000

(Benefit) provision for income taxes.....	\$ (78,000)	\$44,000
	=====	=====

Deferred income taxes reflect the net tax effect of temporary differences between the financial statement and tax basis of assets and liabilities. The significant components of the Company's deferred tax assets and liability as of December 31, 1997, are as follows:

	December 31, 1997

Deferred tax assets--	
Reserve for bad debts.....	\$ 10,000
Deferred tax liability--	
Other.....	(13,000)

Net deferred tax liability.....	\$ (3,000)
	=====

7. SALE OF CAPITAL STOCK:

On December 23, 1997, the stockholders of the Company entered into an Agreement with Radio One, Inc. to sell all of the issued and outstanding shares of the capital stock of the Company for approximately \$34 million. Prior to the sale, the stockholders of the Company assumed certain debt totaling \$771,000 and acquired certain assets of the Company totaling \$99,000. The net book value of the assets acquired and the liabilities assumed prior to the sale was recorded as a capital contribution from the owners. The sale to Radio One, Inc. was completed on June 30, 1998.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Shareholders of
Allur-Detroit, Inc.:

We have audited the accompanying balance sheet of Allur-Detroit, Inc. (a wholly owned subsidiary of Syndicated Communications Venture Partners II, LP) for the year ended December 31, 1997, and the related statements of operations, changes in stockholders' equity and cash flows for the year then ended. These financial statements are the responsibility of Allur-Detroit, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allur-Detroit, Inc. for the year ended December 31, 1997, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

/s/ MITCHELL & TITUS LLP

Washington, D.C.,
March 25, 1998

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ALLUR-DETROIT, INC.

BALANCE SHEETS

As of December 31, 1997 and September 30, 1998

	December 31, 1997	September 30, 1998
	-----	-----
		(Unaudited)
ASSETS		
CURRENT ASSETS:		
Cash.....	\$ 86,000	\$ 172,000
Trade accounts receivable, net of allowance of \$77,000.....	410,000	805,000
Prepaid expenses and other.....	55,000	42,000
	-----	-----
Total current assets.....	551,000	1,019,000
PROPERTY AND EQUIPMENT, net.....	75,000	82,000
INTANGIBLE ASSETS, net.....	7,563,000	7,429,000
	-----	-----
Total assets.....	\$8,189,000	\$8,530,000
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable an accrued expenses.....	\$ 829,000	\$1,056,000
	-----	-----
NOTES PAYABLE AND DEFERRED INTEREST.....	3,229,000	3,892,000
	-----	-----
Total liabilities.....	4,058,000	4,948,000
	-----	-----
COMMITMENTS		
CUMULATIVE REDEEMABLE PREFERRED STOCK, \$2,000 par value, 1,050 shares authorized, 1,050 and 975 shares issued and outstanding, respectively.....	2,100,000	1,950,000
STOCKHOLDERS' EQUITY:		
Common stock, \$1.00 par value, 1,000 shares authorized and 975 shares issued and outstanding.....	1,000	1,000
Additional paid-in capital.....	2,463,000	2,463,000
Accumulated deficit.....	(433,000)	(832,000)
	-----	-----
Total stockholders' equity.....	2,031,000	1,632,000
	-----	-----
Total liabilities and stockholders' equity.....	\$8,189,000	\$8,530,000
	=====	=====

The accompanying notes are an integral part of these balance sheets.

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ALLUR-DETROIT, INC.

STATEMENTS OF OPERATIONS

For the Year Ended December 31, 1997
and for the Nine Months Ended September 30, 1997 and 1998

	Nine Months Ended September 30,	
December 31,	-----	-----
1997	1997	1998
-----	-----	-----
	(Unaudited)	(Unaudited)

REVENUE:

Broadcast revenue.....	\$2,473,000	\$1,884,000	\$2,509,000
Less: Agency commissions.....	259,000	207,000	379,000
	-----	-----	-----
Net broadcast revenue.....	2,214,000	1,677,000	2,130,000
	-----	-----	-----
OPERATING EXPENSES:			
Programming and technical.....	894,000	477,000	592,000
Selling, general and administrative.....	1,467,000	1,247,000	1,412,000
Corporate expenses.....	36,000	27,000	27,000
Depreciation and amortization.....	245,000	183,000	167,000
	-----	-----	-----
Total operating expenses.....	2,642,000	1,934,000	2,198,000
	-----	-----	-----
Operating loss.....	(428,000)	(257,000)	(68,000)
	-----	-----	-----
INTEREST EXPENSE.....	222,000	147,000	281,000
OTHER INCOME (EXPENSE), net.....	217,000	126,000	(50,000)
	-----	-----	-----
Loss before provision for income taxes.....	(433,000)	(278,000)	(399,000)
PROVISION FOR INCOME TAXES.....	--	--	--
	-----	-----	-----
Net loss.....	\$ (433,000)	\$ (278,000)	\$ (399,000)
	=====	=====	=====

The accompanying notes are an integral part of these statements.

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ALLUR-DETROIT, INC.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Year Ended December 31, 1997
and for the Nine Months Ended September 30, 1998

	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	-----	-----	-----	-----
BALANCE, December 31, 1996.....	\$1,000	\$2,463,000	\$ --	\$2,464,000
Net loss.....	--	--	(433,000)	(433,000)
	-----	-----	-----	-----
BALANCE, December 31, 1997.....	1,000	2,463,000	(433,000)	2,031,000
Net loss.....	--	--	(399,000)	(399,000)
	-----	-----	-----	-----
BALANCE, September 30, 1998 (unaudited).....	\$1,000	\$2,463,000	\$ (832,000)	\$1,632,000
	=====	=====	=====	=====

The accompanying notes are an integral part of these statements.

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ALLUR-DETROIT, INC.

STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 1997
and for the Nine Months Ended September 30, 1997 and 1998

September 30,
December 31, -----

	1997	1997	1998
	-----	-----	-----
		(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss.....	\$ (433,000)	\$ (278,000)	\$ (399,000)
Adjustments to reconcile net loss to net cash from operating activities:			
Depreciation and amortization.....	245,000	183,000	167,000
Effect of change in operating assets and liabilities--			
Trade accounts receivable.....	32,000	(95,000)	(395,000)
Prepaid expenses and other.....	(45,000)	(59,000)	13,000
Accounts payable and accrued expenses.....	(172,000)	(60,000)	227,000
	-----	-----	-----
Net cash flows from operating activities.....	(373,000)	(309,000)	(387,000)
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of equipment.....	(39,000)	--	(40,000)
	-----	-----	-----
Net cash flows from investing activities.....	(39,000)	--	(40,000)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Redemption of preferred stock.....	--	--	(150,000)
Repayment of debt.....	(1,676,000)	(1,257,000)	--
Proceeds from notes payable.....	2,152,000	1,614,000	663,000
	-----	-----	-----
Net cash flows from financing activities.....	476,000	357,000	513,000
	-----	-----	-----
NET INCREASE IN CASH.....	64,000	48,000	86,000
CASH, beginning of period.....	22,000	22,000	86,000
	-----	-----	-----
CASH, end of period.....	\$ 86,000	\$ 70,000	\$ 172,000
	=====	=====	=====
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING INFORMATION:			
Interest paid.....	\$ 81,000	\$ --	\$ --
	=====	=====	=====
Income taxes paid.....	\$ --	\$ --	\$ --
	=====	=====	=====

The accompanying notes are an integral part of these statements.

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ALLUR-DETROIT, INC.

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION:

Allur-Detroit, Inc. (the Company) is a subsidiary of Syndicated Communications Ventures Partners II, LP (SYNCOM II). The Company's sole activity is to operate WWBR-FM, a radio station that broadcasts from Detroit, Michigan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Interim Financial Statements

The financial statements for the nine months ended September 30, 1997 and 1998, are unaudited but, in the opinion of management, such financial statements have been presented on the same basis as the audited financial statements for the year ended December 31, 1997, and include all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation of the financial position and results of operations and cash flows for these periods.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method.

The components of property and equipment as of December 31, 1997 and September 30, 1998, are as follows:

	December 31, 1997	September 30, 1998	Period of Depreciation
	-----	-----	-----
	(Unaudited)		
Leasehold improvements.....	\$ 7,000	\$ 8,000	10 years
Transmitter equipment.....	17,000	17,000	5 years
Studio and other technical equipment.....	46,000	59,000	7 years
Office furniture and equipment...	45,000	54,000	5 years
Automobiles.....	--	17,000	5 years
	-----	-----	
	115,000	155,000	
Less: Accumulated depreciation and amortization.....	40,000	73,000	
	-----	-----	
Property and equipment, net.....	\$ 75,000	\$ 82,000	
	=====	=====	

Intangible Assets

Management periodically reviews its unamortized intangible asset balances to ensure that those assets have not been impaired in accordance with the definition of Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived assets and for Long-Lived assets to be disposed of." As of

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ALLUR-DETROIT, INC.

NOTES TO FINANCIAL STATEMENTS--(Continued)

September 30, 1998, management has made such evaluations and believes that the net intangible asset is realizable. In any period which management believes an impairment has occurred, management will write down the asset in accordance with this standard.

Revenue Recognition

Revenue for advertising is recognized when the commercial is broadcasted.

Barter Arrangements

Certain program contracts provide for the exchange of advertising air time in lieu of cash payments for the rights to such programming. These contracts are recorded as the programs are aired at the estimated fair value of the advertising air time given in exchange for the program rights.

The Company broadcasts certain customers' advertising in exchange for equipment, merchandise and services. The estimated fair value of the equipment, merchandise or services received is recorded as deferred barter costs and the

corresponding obligation to broadcast advertising is recorded as deferred barter revenue. The deferred barter costs are expensed or capitalized as they are used, consumed or received. Deferred barter revenue is recognized as the related advertising is aired.

Financial Instruments

Financial instruments as of December 31, 1997, and September 30, 1998, consist of cash, trade accounts receivable, accounts payable, accrued expenses, preferred stock, and notes payable all of which the carrying amounts approximate fair value.

New Accounting Standards

During 1997, the Financial Accounting Standards Board (FASB) issued SFAS No. 130, "Reporting Comprehensive Income" (SFAS No. 130), which is effective for fiscal years beginning after December 15, 1997. This statement establishes standards for reporting and display of comprehensive income and its components. The Company adopted SFAS No. 130 during the nine months ended September 30, 1998, and has determined that the adoption of this statement has no impact on the financial statements, as the Company has no comprehensive income adjustments.

During 1997, the FASB issues SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information" (SFAS No. 131), which is effective for fiscal years beginning after December 15, 1997. This statement establishes a new approach for determining segments within a company and reporting information on those segments. The Company adopted this statement during the nine months ended September 30, 1998 and concluded that it had only one segment.

3. INTANGIBLE ASSETS:

Intangible asset balances and periods of amortization as of December 31, 1997, and September 30, 1998, are as follows:

	December 31, 1997	September 30, 1998	Period of Amortization
	-----	-----	-----
	(Unaudited)		
Goodwill and FCC license.....	\$7,768,000	\$7,768,000	40 years
Less: Accumulated amortization....	205,000	339,000	
	-----	-----	
	\$7,563,000	\$7,429,000	
	=====	=====	

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ALLUR-DETROIT, INC.

NOTES TO FINANCIAL STATEMENTS--(Continued)

Depreciation and amortization expense for the year ended December 31, 1997, and for the nine months ended September 30, 1997 and 1998, was \$245,000, \$183,000 and \$167,000, respectively.

4. RELATED PARTY TRANSACTIONS:

Notes Payable

Notes payable consist of the following:

December 31, 1997	September 30, 1998
-----	-----
(Unaudited)	

SYNCOM II--long-term debt--10% annually.....	\$1,676,000	\$1,676,000
SYNCOM III--long-term debt--10% annually.....	1,362,000	1,362,000
SYNCOM II--line of credit--8% annually.....	191,000	854,000
	-----	-----
Total.....	\$3,229,000	\$3,892,000
	=====	=====

The debt owed to SYNCOM II and SYNCOM III are due and payable in lump-sum the earlier of a sale of the license of Allur-Detroit, a sale of substantially all of the assets of Allur-Detroit, a sale of a controlling interest in the common stock shares of Allur-Detroit, or at December 31, 1999 (see Note 7). The debt is secured by the FCC license and assets of the Company.

Management Fee

The Company entered into an agreement with Syncom Management, Inc. whereby it pays \$36,000 per year for accounting services. Syncom Management, Inc. also provides management and financial services to SYNCOM II, the owner of the Company.

5. COMMITMENTS:

Operating Leases

The Company rents office space and transmittal sites under several operating leases. These leases expire at various dates through 2002, with most containing renewal options.

Future minimum rental payments under such noncancellable operating leases as of September 30, 1998, are as follows:

Year

1998 (remaining).....	\$37,000
1999.....	148,000
2000.....	148,000
2001.....	91,000
2002.....	98,000

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ALLUR-DETROIT, INC.

NOTES TO FINANCIAL STATEMENTS--(Continued)

6. CUMULATIVE REDEEMABLE PREFERRED STOCK:

On December 4, 1992, the Company issued 1,050 shares of cumulative redeemable preferred stock to PNC Bank, formerly Continental Bank. The preferred stock earns cumulative annual dividends of eight percent (8%) of par value.

Under the terms of the PNC Bank/Allur-Detroit settlement agreement of December 31, 1996, redemption of the preferred stock shall occur at the date when: (i) repayment is effected in full of principal and interest on lenders' new notes, or (ii) at the maturity date of the new notes when the lenders shall cause the Company to repay, whichever happens first. In such a situation, all outstanding shares of preferred stock shall be redeemed at a price equal to the par value, plus an amount equal to both accrued and undeclared dividends payable from available funds as stipulated in Section 2.2 of the Shareholders Agreement dated December 4, 1992. As of September 30, 1998, circumstances supporting the redemption of the preferred stock did not occur.

The Company had not declared and has not recorded an accrual for cumulative preferred stock dividends. At September 30, 1998, cumulative unpaid preferred dividends amounted to \$958,667. Such dividends, if declared, would have been

paid out of cumulative retained earnings of the Company, if any.

On February 20, 1998, the Company paid \$150,000, representing a partial payment toward the required redemption of the preferred stock held by PNC Bank. From this date hereof, the balance due for payment on the preferred stock is \$1,950,000. Subsequent to September 30, 1998, the \$1,950,000 of preferred stock was redeemed for the face value without the dividend being declared.

7. INCOME TAXES:

The Company accounted for income taxes in accordance with Statement of Financial Accounting standards No. 109, "Accounting for Income Taxes" (SFAS 109). Under SFAS 109, deferred income taxes reflect the impact of temporary differences between the assets and liabilities recognized for financial reporting purposes and amounts recognized for tax purposes. Deferred taxes are based on tax laws as currently enacted.

A reconciliation of the statutory federal income taxes to the recorded income tax provision for the year ended December 31, 1997, is as follows:

Statutory Tax (@ 35% rate).....	\$ (152,000)
Effect of state taxes, net of federal.....	(18,000)
Effect of graduated tax rate.....	5,000
Valuation reserve.....	165,000

Provision for income taxes.....	\$ --
	=====

The components of the provision for income taxes for the years ended December 31, 1997 are as follows:

Current.....	\$ --
Deferred.....	(165,000)
Valuation reserve.....	165,000

Provision for income taxes.....	\$ --
	=====

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ALLUR-DETROIT, INC.

NOTES TO FINANCIAL STATEMENTS--(Continued)

Deferred income taxes reflect the net tax effect of temporary differences between the financial statement and tax basis of assets and liabilities. The significant components of the Company's deferred tax assets and liabilities as of December 31, 1997, are as follows:

Deferred tax assets--	
NOL carryforward.....	\$180,000
Deferred tax liabilities--	
Depreciation.....	(15,000)
Net deferred tax asset--	165,000
Less:Valuation reserve.....	(165,000)

Deferred taxes included in the accompanying consolidated balance sheets.....	\$ --
	=====

A 100% valuation reserve has been applied against the net deferred tax

asset, as its realization is not considered to be more likely than not to be realized.

As of December 31, 1997, there was approximately \$400,000 of available net operating loss carry forwards that expire through 2011.

8. SUBSEQUENT EVENTS:

On October 26, 1998, the stockholders of the Company entered into a stock purchase agreement with Radio One, Inc. to sell all of the issued and outstanding shares of capital stock of the Company for approximately \$27 million. The sale is expected to be completed by December 31, 1998.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of
Radio One, Inc.:

We have audited the accompanying combined balance sheets of the Richmond operations of Sinclair Telecable, Inc., consisting of stations WCDX-FM, WPLZ-FM, WJRV-FM and WGCV-AM (the Stations) as of December 31, 1997 and 1998, and the related combined statements of operations and changes in station equity and cash flows for the years then ended. These financial statements are the responsibility of the Stations' management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying combined financial statements have been prepared from the separate records maintained by the Stations and may not be indicative of the conditions that would have existed or the results of operations had the Stations been operated as an unaffiliated entity. As discussed in Note 1, certain corporate overhead and other expenses represent allocations made by the Stations' parent.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Richmond operations of Sinclair Telecable, Inc., consisting of stations WCDX-FM, WPLZ-FM, WJRV-FM and WGCV-AM as of December 31, 1997 and 1998 and the results of their operations and their cash flows for the years then ended, in conformity with generally accepted accounting principles.

/s/ Arthur Andersen LLP

Baltimore, Maryland,
March 5, 1999

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THE RICHMOND OPERATIONS OF SINCLAIR TELECABLE, INC.

COMBINED BALANCE SHEETS As of December 31, 1997 and 1998

	1997	1998
--	------	------

ASSETS

CURRENT ASSETS:

Cash and cash equivalents.....	\$ 55,000	\$ 142,000
Trade accounts receivable, net of allowance for		

doubtful accounts of \$39,000 and \$50,000, respectively.....	1,282,000	1,400,000
Prepaid expenses and other.....	47,000	31,000
	-----	-----
Total current assets.....	1,384,000	1,573,000
PROPERTY AND EQUIPMENT, net.....	922,000	1,202,000
INTANGIBLE ASSETS, net.....	4,065,000	3,692,000
	-----	-----
Total assets.....	\$6,371,000	\$6,467,000
	=====	=====
LIABILITIES AND STATION EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses.....	\$ 423,000	\$ 566,000
COMMITMENTS		
STATION EQUITY.....	5,948,000	5,901,000
	-----	-----
Total liabilities and station equity.....	\$6,371,000	\$6,467,000
	=====	=====

The accompanying notes are an integral part of these combined balance sheets.

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THE RICHMOND OPERATIONS OF SINCLAIR TELECABLE, INC.

COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN STATION EQUITY
For the Years Ended December 31, 1997 and 1998

	1997	1998
	-----	-----
REVENUE:		
Broadcast revenue, including barter revenue of \$249,000 and \$304,000, respectively.....	\$8,330,000	\$8,509,000
Less: Agency commissions.....	1,041,000	1,051,000
	-----	-----
Net broadcast revenue.....	7,289,000	7,458,000
	-----	-----
OPERATING EXPENSES:		
Program and technical.....	1,313,000	1,498,000
Selling, general and administrative.....	3,025,000	3,170,000
Corporate allocations.....	311,000	413,000
Depreciation and amortization.....	569,000	648,000
	-----	-----
Total operating expenses.....	5,218,000	5,729,000
	-----	-----
Broadcast operating income.....	2,071,000	1,729,000
	-----	-----
Net income.....	2,071,000	1,729,000
STATION EQUITY, beginning of year.....	6,548,000	5,948,000
NET TRANSFER TO PARENT.....	(2,671,000)	(1,776,000)
	-----	-----
STATION EQUITY, end of year.....	\$5,948,000	\$5,901,000
	=====	=====

The accompanying notes are an integral part of these combined statements.

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THE RICHMOND OPERATIONS OF SINCLAIR TELECABLE, INC.

COMBINED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 1997 and 1998

	1997	1998
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income.....	\$ 2,071,000	\$ 1,729,000
Adjustments to reconcile net income to net cash from operating activities--		
Depreciation and amortization.....	569,000	648,000
Effect of change in operating assets and liabilities--		
Trade accounts receivable.....	109,000	(118,000)
Prepaid expenses and other.....	(33,000)	16,000
Accounts payable and accrued expenses.....	(63,000)	143,000
	-----	-----
Net cash flows from operating activities.....	2,653,000	2,418,000
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment.....	(49,000)	(555,000)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net transfer to parent.....	(2,671,000)	(1,776,000)
	-----	-----
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS.....	(67,000)	87,000
CASH AND CASH EQUIVALENTS, beginning of year.....	122,000	55,000
	-----	-----
CASH AND CASH EQUIVALENTS, end of year.....	\$ 55,000	\$ 142,000
	=====	=====

The accompanying notes are an integral part of these combined statements.

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THE RICHMOND OPERATIONS OF SINCLAIR TELECABLE, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS December 31, 1997 and 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Business

The radio stations, WCDX-FM, WPLZ-FM, WJRV-FM and WGCV-AM (Stations) are broadcast in the Richmond area. WCDX-FM, WPLZ-FM and WGCV-AM are owned by Sinclair Telecable, Inc. (Sinclair). WJRV-FM is owned by Commonwealth Broadcasting LLC (Commonwealth), a related party. Sinclair owns 25% of Commonwealth. The remaining 75% of Commonwealth is owned by some of the shareholders of Sinclair. Commonwealth has been fully consolidated into the combined financial statements of Sinclair Telecable, Inc. and Affiliates (combined, Sinclair).

In March 1999, Sinclair entered into a letter of intent with Radio One, Inc. to sell ultimately all of the tangible and intangible assets of these Richmond operations for approximately \$34 million. Sinclair and Radio One, Inc. intend to enter into a local marketing agreement under which Radio One, Inc. will operate these Richmond operations prior to completing its acquisition of these operations. Accordingly, these combined financial statements of the Richmond operations include the stations to be purchased by Radio One, Inc. All inter-station transactions have been eliminated in consolidation.

Basis of Presentation

The accompanying combined financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Stations are allocated certain corporate expenses for services provided

by Sinclair based upon the percentage of revenue of each station to total revenue of all stations operated by Sinclair. Though management is of the opinion that all allocations used are reasonable and appropriate, other allocations might be used that could produce results substantially different from those reflected herein and these cost allocations might not be indicative of amounts which might be paid to unrelated parties for similar services or if Stations had been operated on a stand-alone basis.

Sinclair corporate departmental expenses of \$311,000 and \$413,000 have been allocated to the Stations during 1997 and 1998, respectively, for management salaries and benefits, legal services, corporate office, and other miscellaneous expenses.

The acquisition of station WJRV-FM was partially financed with debt which was allocated to the Stations. This debt and related accrued interest expense was eliminated through cash transfers to the parent. Cash transfers in excess of amounts required to repay debt and secured interest reduces the Stations equity and is recorded as net transfer to parent.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and money market accounts at various commercial banks. All cash equivalents have original maturities of 90 days or less. For cash and cash equivalents, cost approximates market value.

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THE RICHMOND OPERATIONS OF SINCLAIR TELECABLE, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

December 31, 1997 and 1998

Property and Equipment

Property and equipment are recorded at cost and are being depreciated on a straight-line basis over various periods. The components of the Stations' property and equipment as of December 31, 1997 and 1998, are as follows:

	1997	1998	Period of Depreciation
	-----	-----	-----
PROPERTY AND EQUIPMENT:			
Land.....	\$ 57,000	\$ 57,000	--
Building and leasehold improvements...	140,000	147,000	31 or 10 years
Furniture and fixtures.....	179,000	241,000	7 or 10 years
Broadcasting equipment.....	2,145,000	2,611,000	5 to 7 years
Vehicles.....	55,000	75,000	5 years
	-----	-----	
	2,576,000	3,131,000	
Less: Accumulated depreciation.....	1,654,000	1,929,000	
	-----	-----	
Property and equipment, net.....	\$ 922,000	\$1,202,000	
	=====	=====	

Depreciation expenses for the fiscal years ended December 31, 1997 and 1998, were \$263,000 and \$275,000, respectively.

Revenue Recognition

In accordance with industry practice, revenue for broadcast advertising is recognized when the commercial is broadcast.

Barter Arrangements

Certain program contracts provide for the exchange of advertising air time in lieu of cash payments for the rights to such programming. These contracts are recorded as the programs are aired at the estimated fair value of the advertising air time given in exchange for the program rights.

Financial Instruments

Financial instruments as of December 31, 1997 and 1998, consist of cash and cash equivalents, trade accounts receivables, accounts payable and accrued expenses, all of which the carrying amounts approximate fair value except.

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THE RICHMOND OPERATIONS OF SINCLAIR TELECABLE, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

December 31, 1997 and 1998

2. INTANGIBLE ASSETS:

Intangible assets are being amortized on a straight-line basis over various periods. The intangible asset balances and periods of amortization as of December 31, 1997 and 1998, are as follows:

	1997	1998	Period of Amortization
	-----	-----	-----
FCC broadcast license.....	\$4,489,000	\$4,489,000	15 Years
Goodwill.....	45,000	45,000	40 Years
Debt financing.....	27,000	27,000	Life of Debt
Organizational costs.....	99,000	--	5 Years
	-----	-----	
Total.....	4,660,000	4,561,000	
Less: Accumulated amortization.....	595,000	869,000	
	-----	-----	
Net intangible assets.....	\$4,065,000	\$3,692,000	
	=====	=====	

Amortization expense for the fiscal years ended December 31, 1997 and 1998, was \$306,000 and \$373,000, respectively. During 1998, the Stations wrote off approximately \$69,000 of unamortized start-up costs.

3. INCOME TAXES:

As the Stations' parent company is an S corporation, no provision for income taxes has been included in the accompanying statements of operations.

4. COMMITMENTS:

The Stations lease office space for its office and broadcast studios and a tower site under operating leases which expire through January 1, 2020. Rent expense for the years ended December 31, 1997 and 1998, was \$152,000 and \$154,000, respectively. The future minimum rental payments for the next five years are as follows:

Year	

1999.....	\$ 185,000
2000.....	183,000
2001.....	189,000
2002.....	196,000
2003.....	104,000
Thereafter.....	1,335,000

5. PROFIT SHARING:

Sinclair Telecable, Inc. has a 401(k) profit sharing plan for its employees.

Sinclair Telecable, Inc. can contribute to the plan at the discretion of its Board of Directors. Sinclair Telecable, Inc. did not contribute to the plan during fiscal year 1997 or 1998.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of
Radio One, Inc.:

We have audited the accompanying combined balance sheet of the stations WKJS-FM and WSOJ-FM of FM-100 (the Stations) as of December 31, 1998, and the related combined statements of operations and changes in station deficit and cash flows for the year then ended. These financial statements are the responsibility of the Stations' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying combined financial statements have been prepared from the separate records maintained by the Stations and may not be indicative of the conditions that would have existed or the results of operations had the Stations been operated as an unaffiliated entity. As discussed in Note 1, certain corporate overhead and other expenses represent allocations made by the Stations' parent.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the stations WKJS-FM and WSOJ-FM of FM-100, Inc., as of December 31, 1998, and the results of their operations and their cash flows for the year then ended, in conformity with generally accepted accounting principles.

/s/ Arthur Andersen LLP

Baltimore, Maryland,
March 10, 1999

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STATIONS WKJS-FM AND WSOJ-FM OF FM 100 INC.

COMBINED BALANCE SHEET

AS OF DECEMBER 31, 1998
ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 34,000
Trade accounts receivable, net of allowance for doubtful accounts of \$28,000	326,000

Total current assets	360,000
PROPERTY AND EQUIPMENT, net	1,079,000
INTANGIBLE ASSETS, net	3,343,000

Total assets	\$4,782,000
	=====

LIABILITIES AND STATION DEFICIT

CURRENT LIABILITIES:	
Accounts payable and accrued expenses	\$ 168,000
Capital lease obligations	13,000

Total current liabilities	181,000
LONG-TERM LIABILITIES:	
Allocation of long-term debt	5,000,000
Capital lease obligations	49,000

Total liabilities	5,230,000
COMMITMENTS AND CONTINGENCIES	
STATION DEFICIT	(448,000)

Total liabilities and station deficit	\$4,782,000
	=====

The accompanying notes are an integral part of this combined balance sheet.

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STATIONS WKJS-FM AND WSOJ-FM OF FM 100 INC.

COMBINED STATEMENT OF OPERATIONS AND CHANGES IN STATION DEFICIT

FOR THE YEAR ENDED DECEMBER 31, 1998

REVENUE:	
Broadcast revenue, including barter revenue of \$169,000	\$1,187,000
Less: Agency commissions	125,000

Net broadcast revenue	1,062,000

OPERATING EXPENSES:	
Program and technical	192,000
Selling, general and administrative	810,000
Corporate allocations	15,000
Depreciation and amortization	416,000

Total operating expenses	1,433,000

Operating loss	(371,000)

OTHER INCOME (EXPENSE):	
Interest expense	(500,000)
Other income	21,000

Total other income (expense), net	(479,000)

Net loss	(850,000)
STATION EQUITY, beginning of year	177,000
NET TRANSFER FROM PARENT	225,000

STATION DEFICIT, end of year	\$ (448,000)
	=====

The accompanying notes are an integral part of this combined balance sheet.

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STATIONS WKJS-FM AND WSOJ-FM OF FM 100 INC.

COMBINED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 1998

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	\$ (850,000)
Adjustments to reconcile net loss to net cash used in operating activities-	
Depreciation and amortization	416,000
Effect of change in operating assets and liabilities-	
Trade accounts receivable	(257,000)
Prepaid expenses and other	3,000
Accounts payable and accrued expenses	99,000

Net cash flows used in operating activities	(589,000)

CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment	(58,000)

CASH FLOWS FROM FINANCING ACTIVITIES:	
Net transfer from parent	225,000
Proceeds from parent debt	427,000

Net cash flows from financing activities	652,000

INCREASE IN CASH	5,000
CASH, beginning of year	29,000

CASH, end of year	\$ 34,000
	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid for interest	\$ 477,000
	=====

The accompanying notes are an integral part of this combined balance sheet.

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STATIONS WKJS-FM AND WSOJ-FM OF FM 100 INC.

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization and Business

The radio stations, WKJS-FM and WSOJ-FM (the Stations) are broadcast in the Richmond area. The combined financial statements of the Stations were formed effective January 4, 1998, when FM 100, Inc. purchased station WKJS-FM for \$4,500,000. Station WSOJ-FM was owned by FM 100, Inc. since 1994.

In February 1999, FM 100, Inc. signed an agreement with Radio One, Inc. to sell all tangible and intangible assets for approximately \$12,000,000, subject to certain earn-out adjustments. The sale is expected to close during 1999. The accompanying combined financial statements include the assets, liabilities and results of operations of those stations to be acquired by Radio One, Inc. and were prepared from the financial statements of FM 100, Inc. All inter-station transactions have been eliminated in consolidation.

The Stations have incurred an operating loss of \$371,000 and a net loss of \$850,000 for the year ended December 31, 1998. Also, as of December 31, 1998, the Stations had a station deficit of \$448,000. These factors, along with others could negatively impact future operations of the Stations.

Basis of Presentation

The accompanying combined financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with

generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Stations are allocated certain corporate expenses for services provided by FM 100, Inc. based upon the percentage of revenue of each station to total revenue of all stations operated by FM 100, Inc. Though management is of the opinion that all allocations used are reasonable and appropriate, other allocations might be used that could produce results substantially different from those reflected herein and these cost allocations might not be indicative of amounts which might be paid to unrelated parties for similar services if the Stations had been operated on a stand-alone basis.

FM 100, Inc. corporate departmental expenses of \$15,000 have been allocated to the Stations during 1998 for accounting services and other miscellaneous expenses.

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STATIONS WKJS-FM AND WSOJ-FM OF FM 100 INC.

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

Property and Equipment

Property and equipment are recorded at cost and are being depreciated on a straight-line basis over various periods. The components of the Stations's property and equipment as of December 31, 1998, are as follows:

	1998	Period of Depreciation
	-----	-----
PROPERTY AND EQUIPMENT:		
Land.....	\$ 173,000	--
Building.....	646,000	15 years
Furniture and fixtures.....	211,000	10 years
Broadcasting equipment.....	262,000	7 years
Vehicles.....	17,000	5 years

	1,309,000	
Less: Accumulated depreciation.....	230,000	

Property and equipment, net.....	\$1,079,000	
	=====	

Depreciation expense for the fiscal year ended December 31, 1998, was \$102,000.

Revenue Recognition

In accordance with industry practice, revenue for broadcast advertising is recognized when the commercial is broadcast.

Barter Arrangements

Certain program contracts provide for the exchange of advertising air time in lieu of cash payments for the rights to such programming. These contracts are recorded as the programs are aired at the estimated fair value of the advertising air time given in exchange for the program rights.

Financial Instruments

Financial instruments as of December 31, 1998, consist of cash and cash equivalents, trade accounts receivables, accounts payable, accrued expenses, long-term debt, and capital leases, all of which the carrying amounts approximate fair value.

Supplemental Cash Flow Information

During 1998, FM 100, Inc. obtained a \$5,000,000 loan from a bank of which \$4,500,000 was used to finance the purchase of WKJS-FM and \$73,000 was used to pay debt issuance cost. The remaining \$427,000 transferred to the Stations for operating purposes.

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STATIONS WKJS-FM AND WSOJ-FM OF FM 100 INC.

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

2. INTANGIBLE ASSETS:

Intangible assets are being amortized on a straight-line basis over various periods. The intangible asset balances and periods of amortization as of December 31, 1998, are as follows:

	1998	Period of Amortization
	-----	-----
FCC broadcast license.....	\$3,628,000	15 Years
Debt financing.....	73,000	Life of Debt

Total.....	3,701,000	
Less: Accumulated amortization.....	358,000	

Net intangible assets.....	\$3,343,000	
	=====	

Amortization expense for the fiscal year ended December 31, 1998, was \$314,000.

3. LONG-TERM DEBT:

The acquisition of WKJS-FM was financed with \$4,500,000 of debt which has been allocated to the Stations. The debt accrued interest at 10% during 1998 and was originally due January 6, 1999, and has been refinanced to be due January 6, 2000.

FM 100, Inc. has borrowed \$500,000 from a bank which has been allocated down to the Stations. The debt accrued interest at 10% during 1998 and was originally due January 6, 1999 and has been refinanced to be due January 6, 2000.

As of December 31, 1998, the Stations had various capital leases for equipment.

4. INCOME TAXES:

As the Stations' parent company is an S-Corporation, no provision for income taxes has been included in the accompanying statements of operations.

5. COMMITMENTS:

The Stations lease office space for their office and broadcast studios under an operating lease which expires during 1999. Rent expense for the year ended December 31, 1998, was \$16,064. The future minimum rental payment is \$9,311.

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[RADIO ONE LOGO]

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the estimated expenses to be incurred in

connection with the issuance and distribution of the securities being registered, other than underwriting discounts and commissions, to be paid by Radio One:

SEC registration fee.....	*
Printing and engraving fees.....	*
Legal fees and expenses.....	*
Accounting fees and expenses.....	*
Blue Sky fees and expenses.....	*
Trustee fees.....	*
Directors' and Officers' Insurance.....	*
Miscellaneous.....	*
Total.....	\$

- -----

* To be filed by amendment

Item 14. Indemnification of Directors and Officers.

Radio One's Amended and Restated By-Laws incorporate substantially the provisions of the General Corporation Law of the State of Delaware (the "DGCL") in providing for indemnification of directors and officers against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that such person is or was an officer or director of Radio One. In addition, Radio One is authorized to indemnify employees and agents of Radio One and may enter into indemnification agreements with its directors and officers providing mandatory indemnification to them to the maximum extent permissible under Delaware law.

Radio One's Amended and Restated Certificate of Incorporation provides that Radio One shall indemnify (including indemnification for expenses incurred in defending or otherwise participating in any proceeding) its directors and officers to the fullest extent authorized or permitted by the DGCL, as it may be amended, and that such right to indemnification shall continue as to a person who has ceased to be a director or officer of Radio One and shall inure to the benefit of his or her heirs, executors and administrators except that such right shall not apply to proceedings initiated by such indemnified person unless it is a successful proceeding to enforce indemnification or such proceeding was authorized or consented to by the Board of Directors. Radio One's Amended and Restated Certificate of Incorporation also specifically provides for the elimination of the personal liability of a director to the corporation and its stockholders for monetary damages for breach of fiduciary duty as director. The provision is limited to monetary damages, applies only to a director's actions while acting within his or her capacity as a director, and does not entitle Radio One to limit director liability for any judgment resulting from (a) any breach of the director's duty of loyalty to Radio One or its stockholders; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law; (c) paying an illegal dividend or approving an illegal stock repurchase; or (d) any transaction from which the director derived an improper benefit.

Section 145 of the DGCL provides generally that a person sued (other than in a derivative suit) as a director, officer, employee or agent of a corporation may be indemnified by the corporation for reasonable expenses, including counsel fees, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that the person's conduct was unlawful. In the case of a derivative suit, a director, officer, employee or agent of the corporation may be indemnified by the corporation for reasonable expenses, including attorneys' fees, if the person has acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, except that no

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indemnification shall be made in the case of a derivative suit in respect of any claim as to, which such director, officer, employee or agent has been adjudged to be liable to the corporation unless the Delaware Court of Chancery or the court in which such action or suit was brought shall determine that such person is fairly and reasonably entitled to indemnity for proper

expenses. Indemnification is mandatory under section 145 of the DGCL in the case of a director or officer who is successful on the merits in defense of a suit against him.

The Underwriting Agreement provides that the Underwriters are obligated, under certain circumstances, to indemnify Radio One, the directors, certain officers and controlling persons of Radio One, Inc. against certain liabilities, including liabilities under the Securities Act. Reference is made to the form of Underwriting Agreement filed as Exhibit 1.1 hereto.

Radio One has entered into indemnification agreements with the directors and certain officers pursuant to which Radio One has agreed to maintain directors' and officers' insurance and to indemnify such officers to the fullest extent permitted by applicable law except for certain claims described therein. [Reference is made to the form of Director and Officer Indemnification Agreement filed as Exhibit [to come] hereto.]

Radio One maintains directors and officers liability insurance for the benefit of its directors and certain of its officers.

Item 15. Recent Sales of Unregistered Securities.

On May 15, 1997, Radio One issued approximately \$85.0 million (aggregate principal amount) of 12% senior subordinated notes to certain investors. Such notes were offered pursuant to Rule 144A under the Securities Act.

On , Radio One issued approximately \$ million of Series A and Series B 15% senior cumulative preferred stock to certain investors. Such shares were issued pursuant to the exemption from registration provided by Section 4(2) of Securities Act.

On January 25, 1999, Radio One issued an aggregate of shares of Common Stock to its Chief Financial Officer in connection with his employment agreement. These shares were issued pursuant to the exemption from registration provided by Rule 701 under the Securities Act.

On February 25, 1999, pursuant to a plan of recapitalization, Radio One issued to the holders of its Class A Common Stock, in exchange for all of the outstanding shares of Class A Common Stock, 46.15 shares of Class B Common Stock and 92.3 shares of Class C Common Stock. These shares were issued pursuant to the exemption from registration provided by Section 4(2) of the Securities Act.

On March , 1999, Radio One issued an aggregate of shares of Common Stock to the shareholders of ROA in connection with Radio One's acquisition of ROA. These shares were issued pursuant to the exemption from registration provided by Section 4(2) of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

(a) The following exhibits are filed as part of this registration statement.

- 1.1 [Underwriting Agreement] (/5/)
- 3.1 Amended and Restated Certificate of Incorporation of Radio One, Inc.
- 3.2 Amended and Restated By-laws of Radio One, Inc.
- 4.1(/1/) Indenture dated as of May 15, 1997 among Radio One, Inc., Radio One Licenses, Inc. and United States Trust Company of New York.

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(1) Incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 1997 (File No. 333-30795; Film No. 98581327).

(2) Incorporated by reference to Radio One's Current Report on Form 8-K filed July 13, 1998 (File No. 333-30795; Film No. 98665139).

(3) Incorporated by reference to Radio One's Current Report on Form 8-K filed January 12, 1999 (File No. 333-30795; Film No. 99504706).

(4) Incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 1998 (File No. 333-30795; Film No. 98688998).

(5) To be filed by Amendment to this Registration Statement on Form S-1.

- 4.2(/2/) First Supplemental Indenture dated as of June 30, 1998, to Indenture dated as of May 15, 1997, by and among Radio One, Inc., as Issuer and United States Trust Company of New York, as Trustee, by and among Radio One, Inc., Bell Broadcasting Company, Radio One of Detroit, Inc., and United States Trust Company of New York, as Trustee.
- 4.3(/3/) Second Supplemental Indenture dated as of December 23, 1998, to Indenture dated as of May 15, 1997, by and among Radio One, Inc., as Issuer and United States Trust Company of New York, as Trustee, by and among Radio One, Inc., Allur-Detroit, Allur Licenses, Inc., and United States Trust Company of New York, as Trustee.
- 4.4(/1/) Purchase Agreement dated as of May 14, 1997 among Radio One, Inc., Radio One Licenses, Inc., Credit Suisse First Boston Corporation and NationsBanc Capital Markets, Inc.
- 4.5(/1/) Registration Rights Agreement dated as of May 14, 1997 among Radio One, Inc., Radio One Licenses, Inc., Credit Suisse First Boston Corporation and NationsBanc Capital Markets, Inc.
- 4.6(/1/) Standstill Agreement dated as of May 19, 1997 among Radio One, Inc., Radio One Licenses, Inc., NationsBank of Texas, N.A., United States Trust Company of New York and the other parties thereto.
- 4.7(/4/) Standstill Agreement dated as of June 30, 1998 among Radio One, Inc., the subsidiaries of Radio One, Inc., United States Trust Company of New York and the other parties thereto.
- 5.1(/5/) Form of Opinion and consent of Kirkland & Ellis.
- 8.1(/5/) Form of Opinion and consent of Kirkland & Ellis.
- 10.1(/1/) Office Lease dated February 3, 1997 between National Life Insurance Company and Radio One, Inc. for premises located at 5900 Princess Garden Parkway, Lanham, Maryland, as amended on February 24, 1997.
- 10.2(/1/) Purchase Option Agreement dated February 3, 1997 between National Life Insurance Company and Radio One, Inc. for the premises located at 5900 Princess Garden Parkway, Lanham, Maryland.
- 10.3(/1/) Office Lease commencing November 1, 1993 between Chalrep Limited Partnership and Radio One, Inc., with respect to the property located at 100 St. Paul Street, Baltimore, Maryland.
- 10.4(/1/) Preferred Stockholders' Agreement dated as of May 14, 1997 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
- 10.5(/4/) First Amendment to Preferred Stockholders' Agreement dated as of June 30, 1998 among Radio One, Inc., Radio One Licenses, Inc., and the other parties thereto.
- 10.6 Second Amendment to Preferred Stockholders' Agreement dated as of November 23, 1998 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
- 10.7 Third Amendment to Preferred Stockholders' Agreement dated as of December 23, 1998 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
- 10.8 Fourth Amendment to Preferred Stockholders' Agreement dated as of December 31, 1998 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
- 10.9(/1/) Warrant holders' Agreement dated as of June 6, 1995, as amended by the First Amendment to Warrant holders' Agreement dated as of May 19, 1997, among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
- 10.10(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Syncom Capital Corporation.
- 10.11(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Alliance Enterprise Corporation.
- 10.12(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Greater Philadelphia Venture Capital Corporation, Inc.
- 10.13(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Opportunity Capital Corporation.
- 10.14(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Capital Dimensions Venture Fund, Inc.

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- (5) To be filed by Amendment to this Registration Statement on Form S-1.

- 10.15(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued

to TSG Ventures Inc.

10.16(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Fulcrum Venture Capital Corporation.

10.17(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Alta Subordinated Debt Partners III, L.P.

10.18(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to BancBoston Investments, Inc.

10.19(/1/) Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Grant M. Wilson.

10.20(/4/) Credit Agreement dated June 30, 1998 among Radio One, Inc., as the borrower and NationsBank, N.A., as Documentation Agent and Credit Suisse First Boston as the Agent.

10.21(/1/) Management Agreement dated as of August 1, 1996 by and between Radio One, Inc. and Radio One of Atlanta, Inc.

10.22(/1/) Fifth Amendment dated as of July 31, 1997 to that certain Letter of Intent dated March 12, 1997 by and* between Radio One, Inc. and Allied Capital Financial Corporation, as amended.

10.23(/1/) Sixth Amendment dated as of September 8, 1997 to that certain Letter of Intent dated March 12, 1997 by and between Radio One, Inc. and Allied Capital Financial Corporation, as amended.

10.24(/1/) Time Management and Services Agreement dated March 17, 1998, among WYCB Acquisition Corporation, Broadcast Holdings, Inc., and Radio One, Inc.

10.25(/1/) Stock Purchase Agreement dated December 23, 1997, between the shareholders of Bell Broadcasting Company and Radio One, Inc.

10.26(/1/) Option and Stock Purchase Agreement dated November 19, 1997, among Allied Capital Financial Corporation, G. Cabell Williams III, Broadcast Holdings, Inc. and WYCB Acquisition Corporation.

10.27(/1/) Amended and Restated Warrant of Radio One, Inc., dated January 9, 1998, issued to TSG Ventures L.P.

10.28(/1/) Stock Purchase Warrant of Radio One, Inc., dated March 16, 1998 issued to Allied Capital Financial Corporation.

10.29(/1/) Amended and Restated Credit Agreement dated May 19, 1997 among several lenders, NationsBank of Texas, N.A. and Radio One, Inc.

10.30(/1/) First Amendment to Credit Agreement dated December 31, 1997 among several lenders, NationsBank of Texas, N.A. and Radio One, Inc.

10.31(/1/) Amendment to Preferred Stockholders' Agreement dated as of December 31, 1997 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.

10.32(/1/) Assignment and Assumption Agreement dated October 23, 1997, between Greater Philadelphia Venture Capital Corporation, Inc. and Alfred C. Liggins, III.

10.33(/1/) Agreement dated February 20, 1998 between WUSQ License Limited Partnership and Radio One, Inc.

10.34(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Capital Dimensions Venture Fund Inc.

10.35(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Fulcrum Venture Capital Corporation.

10.36(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Syncom Capital Corporation.

10.37(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Alfred C. Liggins, III.

10.38(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to TSG Ventures L.P.

10.39(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Alliance Enterprise Corporation.

10.41(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Alta Subordinated Debt Partners III, L.P.

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(5) To be filed by Amendment to this Registration Statement on Form S-1.

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10.42(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to BancBoston Investments Inc.

10.43(/4/) Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Grant M. Wilson.

10.44(/5/) [Merger Agreement relating to the acquisition of Radio One of Atlanta, Inc.]

10.45(/5/) Asset Purchase Agreement dated as of November 23, 1998 relating to the acquisition of

WFUN- FM, licensed to Bethalto, Illinois.

10.46(/5/) [Asset Purchase Agreement relating to the Acquisition of WENZ-FM and WERE-AM, both licensed to Cleveland, Ohio.]

10.47(/5/) Asset Purchase Agreement dated as of February 10, 1999 relating to the acquisition of WDYL-FM, licensed to Chester, Virginia.

10.48(/5/) Asset Purchase Agreement dated as of February 26, 1999 relating to the acquisition of WJKS-FM, licensed to Crewe Virginia, and WSOJ-FM, licensed Petersburg, Virginia.

10.49(/5/) [Asset Purchase Agreement relating to the acquisition of WCDX-FM, licensed to Mechanicsville, Virginia, WPLZ-FM, licensed to Petersburg, Virginia, WJRV-FM licensed to Richmond, Virginia, and WGCV-AM licensed to Petersburg, Virginia.]

21.1 Subsidiaries of Radio One, Inc.

23.1 Consent of Arthur Andersen, L.L.P.

23.2 Consent of Mitchell & Titus, L.L.P.

23.3(/5/) Consent of Kirkland & Ellis (included in Exhibit 5.1).

23.4(/5/) Consent of Kirkland & Ellis (included in Exhibit 8.1).

27.1 Financial Data Schedule (included on pages S1-S3).

99.1 Form of Letter of Transmittal.

- - - - -

(1) Incorporated by reference to Radio One's Annual Report filed on Form 10-K for the period ended December 31, 1997 (File No. 333-30795; Film No. 98581327).

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(5) To be filed by Amendment to this Registration Statement on Form S-1.

Item 17. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to provisions described in Item 14 above, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the registrant pursuant to Rule 424 (b) (1) or (4) or 497 (h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating

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to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the Underwriting Agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Lanham, Maryland on March 12, 1999.

RADIO ONE, INC.

BY: ___ /s/ Alfred C. Liggins, II ___ I
 Name: Alfred C. Liggins, III
 Title:
 President and Chief Executive
 Officer

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POWER OF ATTORNEY AND SIGNATURES

We, the undersigned officers and directors of Radio One, Inc., hereby severally constitute and appoint Alfred C. Liggins, III and Scott R. Royster and each of them singly, our true and lawful attorneys, with full power to them and each of them singly, to sign for us in our names in the capacities indicated below, all pre-effective and post-effective amendments to this Registration Statement (or any other registrar on statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act), and generally to do all things in our names and on our behalf in such capacities to enable Radio One, Inc. to comply with the provisions of the Securities Act, as amended, and all requirements of the SEC.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Radio One, Inc.

Signature -----	Title(s) -----	Date ----
___/s/ Catherine L. Hughe___s Catherine L. Hughes	Chairperson of the Board of Directors	March 12, 1999
___/s/ Terry L. Jone___s Terry L. Jones	Director	March 12, 1999
___/s/ Brian W. McNeill___ Brian W. McNeill	Director	March 12, 1999
/s/ Alfred C. Liggins, II_I Alfred C. Liggins, III	President and Chief Executive Officer (Principal Executive Officer) and Director	March 12, 1999
___/s/ Scott R. Royste___r Scott R. Royster	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 12, 1999

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RADIO ONE, INC. AND SUBSIDIARIES INDEX TO SCHEDULES

	Page ----
Report of Independent Public Accountants.....	S-2
Schedule II - Valuation and Qualifying Accounts.....	S-3

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of
Radio One, Inc.

We have audited in accordance with generally accepted auditing standards, the consolidated balance sheets and statements of operations, changes in stockholders' deficit and cash flows of Radio One, Inc. and subsidiaries (the Company) included in this registration statement and have issued our report thereon dated . Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule listed in the accompanying index is the responsibility of the Company's management and is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

Baltimore, Maryland,
, 1999

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RADIO ONE, INC. AND SUBSIDIARIES SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS FOR THE YEARS ENDED DECEMBER 31, 1996, 1997, and 1998 (IN THOUSANDS)

Description	Balance at Beginning of Year	Additions Charged to Expense	Acquired from Acquisitions	Deductions	Balance at End of Year
-----	-----	-----	-----	-----	-----
ALLOWANCE FOR DOUBTFUL ACCOUNTS:					
1996.....	\$ 669	\$ 628	\$ --	\$ 532	\$ 765
1997.....	765	894	--	755	904
1998.....	904	1,942	258	1,861	1,243
TAX VALUATION RESERVE:					
1996.....	1,067	--	--	1,067	--
1997.....	--	2,058	--	--	2,058
1998.....	2,058	--	--	2,058	--

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EXHIBIT INDEX

Exhibit No.	Description
-----	-----
1.1	[Underwriting Agreement] (/5/)
3.1	Amended and Restated Certificate of Incorporation of Radio One, Inc.
3.2	Amended and Restated By-laws of Radio One, Inc.
4.1 (/1/)	Indenture dated as of May 15, 1997 among Radio One, Inc., Radio One Licenses, Inc. and United States Trust Company of New York.
4.2 (/2/)	First Supplemental Indenture dated as of June 30, 1998, to Indenture dated as of May 15, 1997, by and among Radio One, Inc., as Issuer and United States Trust Company of New York, as Trustee, by and among Radio One, Inc., Bell Broadcasting Company, Radio One of Detroit, Inc., and United States Trust Company of New York, as Trustee.
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4.4 (/1/)	Purchase Agreement dated as of May 14, 1997 among Radio One, Inc., Radio One Licenses, Inc., Credit Suisse First Boston Corporation and NationsBanc Capital Markets, Inc.
4.5 (/1/)	Registration Rights Agreement dated as of May 14, 1997 among Radio One, Inc.,

- Radio One Licenses, Inc., Credit Suisse First Boston Corporation and NationsBanc Capital Markets, Inc.
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- (5) To be filed by Amendment to this Registration Statement on Form S-1.

Exhibit No. -----	Description -----
10.9(/1/)	Warrantholders' Agreement dated as of June 6, 1995, as amended by the First Amendment to Warrantholders' Agreement dated as of May 19, 1997, among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
10.10(/1/)	Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Syncom Capital Corporation.
10.11(/1/)	Amended and Restated Warrant of Radio One, Inc. dated as of May 19, 1997, issued to Alliance Enterprise Corporation.
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issued to Grant M. Wilson.

10.20(/4/) Credit Agreement dated June 30, 1998 among Radio One, Inc., as the borrower and NationsBank, N.A., as Documentation Agent and Credit Suisse First Boston as the Agent.

10.21(/1/) Management Agreement dated as of August 1, 1996 by and between Radio One, Inc. and Radio One of Atlanta, Inc.

10.22(/1/) Fifth Amendment dated as of July 31, 1997 to that certain Letter of Intent dated March 12, 1997 by and* between Radio One, Inc. and Allied Capital Financial Corporation, as amended.

10.23(/1/) Sixth Amendment dated as of September 8, 1997 to that certain Letter of Intent dated March 12, 1997 by and between Radio One, Inc. and Allied Capital Financial Corporation, as amended.

10.24(/1/) Time Management and Services Agreement dated March 17, 1998, among WYCB Acquisition Corporation, Broadcast Holdings, Inc., and Radio One, Inc.

10.25(/1/) Stock Purchase Agreement dated December 23, 1997, between the shareholders of Bell Broadcasting Company and Radio One, Inc.

10.26(/1/) Option and Stock Purchase Agreement dated November 19, 1997, among Allied Capital Financial Corporation, G. Cabell Williams III, Broadcast Holdings, Inc. and WYCB Acquisition Corporation.

10.27(/1/) Amended and Restated Warrant of Radio One, Inc., dated January 9, 1998, issued to TSG Ventures L.P.

10.28(/1/) Stock Purchase Warrant of Radio One, Inc., dated March 16, 1998 issued to Allied Capital Financial Corporation.

10.29(/1/) Amended and Restated Credit Agreement dated May 19, 1997 among several lenders, NationsBank of Texas, N.A. and Radio One, Inc.

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- (1) Incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 1997 (File No. 333-30795; Film No. 98581327).
- (2) Incorporated by reference to Radio One's Current Report on Form 8-K filed July 13, 1998 (File No. 333-30795; Film No. 98665139).
- (3) Incorporated by reference to Radio One's Current Report on Form 8-K filed January 12, 1999 (File No. 333-30795; Film No. 99504706).
- (4) Incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 1998 (File No. 333-30795; Film No. 98688998).
- (5) To be filed by Amendment to this Registration Statement on Form S-1.

Exhib No. -----	Description -----
10.30(/1/)	First Amendment to Credit Agreement dated December 31, 1997 among several lenders, NationsBank of Texas, N.A. and Radio One, Inc.
10.31(/1/)	Amendment to Preferred Stockholders' Agreement dated as of December 31, 1997 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto.
10.32(/1/)	Assignment and Assumption Agreement dated October 23, 1997, between Greater Philadelphia Venture Capital Corporation, Inc. and Alfred C. Liggins, III.
10.33(/1/)	Agreement dated February 20, 1998 between WUSQ License Limited Partnership and Radio One, Inc.
10.34(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Capital Dimensions Venture Fund Inc.
10.35(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Fulcrum Venture Capital Corporation.
10.36(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Syncom Capital Corporation.
10.37(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Alfred C. Liggins, III.
10.38(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to TSG Ventures L.P.
10.39(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Alliance Enterprise Corporation.
10.41(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Alta Subordinated Debt Partners III, L.P.
10.42(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to BancBoston Investments Inc.
10.43(/4/)	Amended and Restated Warrant of Radio One, Inc. dated as of June 30, 1998 issued to Grant M. Wilson.
10.44(/5/)	[Merger Agreement relating to the acquisition of Radio One of Atlanta, Inc.]
10.45(/5/)	Asset Purchase Agreement dated as of November 23, 1998 relating to the acquisition of WFUN- FM, licensed to Bethalto, Illinois.

- 10.46(/5/) [Asset Purchase Agreement relating to the Acquisition of WENZ-FM and WERE-AM, both licensed to Cleveland, Ohio.]
- 10.47(/5/) Asset Purchase Agreement dated as of February 10, 1999 relating to the acquisition of WDYL-FM, licensed to Chester, Virginia.
- 10.48(/5/) Asset Purchase Agreement dated as of February 26, 1999 relating to the acquisition of WJKS-FM, licensed to Crewe Virginia, and WSOJ-FM, licensed Petersburg, Virginia.
- 10.49(/5/) [Asset Purchase Agreement relating to the acquisition of WCDX-FM, licensed to Mechanicsville, Virginia, WPLZ-FM, licensed to Petersburg, Virginia, WJRV-FM licensed to Richmond, Virginia, and WGCV-AM licensed to Petersburg, Virginia.]
 - 21.1 Subsidiaries of Radio One, Inc.
 - 23.1 Consent of Arthur Andersen, L.L.P.
 - 23.2 Consent of Mitchell & Titus, L.L.P.
- 23.3(/5/) Consent of Kirkland & Ellis (included in Exhibit 5.1).
- 23.4(/5/) Consent of Kirkland & Ellis (included in Exhibit 8.1).
 - 27.1 Financial Data Schedule (included on pages S1-S3).
 - 99.1 Form of Letter of Transmittal.

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- (1) Incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 1997 (File No. 333-30795; Film No. 98581327).
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- (4) Incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 1998 (File No. 333-30795; Film No. 98688998).
- (5) To be filed by Amendment to this Registration Statement on Form S-1.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

RADIO ONE, INC.

This Amended and Restated Certificate of Incorporation of Radio One, Inc., was duly adopted in accordance with the provisions of Sections 141, 228, 242 and 245 of the Delaware General Corporation Law. The original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on July 15, 1996.

ARTICLE I - Name

The name of the corporation is Radio One, Inc. (hereinafter referred to as the "Corporation").

ARTICLE II - Registered Office

The post office address of the registered office of the Corporation in the State of Delaware is 9 East Loockerman Street, Dover, Kent County, Delaware 19901. The name of the registered agent of the Corporation at that address is National Registered Agents, Inc.

ARTICLE III - Purpose

The purpose of the Corporation is to acquire, operate, and maintain radio stations and television stations and to engage in any other lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "DGCL").

ARTICLE IV - Capital Stock

Section 4.1 General. The total number of shares of capital stock which the Corporation has authority to issue is 293,000 shares, consisting of: (i) 140,000 shares of 15% Series A Cumulative Redeemable Preferred Stock, par value \$.01 per share (the "Series A Preferred"), (ii) 150,000 shares of 15% Series B Cumulative Redeemable Preferred Stock, par value \$.01 per share (the "Series B Preferred," and together with the Series A Preferred, the "Preferred Stock"), (iii) 1,000 shares of Class A Common Stock, par value \$.01 per share (the "Class A Common"), (iv) 1,000 shares of Class B Common Stock, par value \$.01 per share (the "Class B Common"), and (v) 1,000 shares of Class C Common Stock, par value \$.01 per share (the "Class C Common" and together with the Class A Common and the Class B Common, the "Common Stock"). The Preferred Stock and Common Stock are hereinafter sometimes collectively referred to as "Capital Stock." Certain capitalized terms used herein are defined in Section 4.4(c) of this ARTICLE IV below.

Section 4.2 Preferred Stock. Except as otherwise provided in this Section 4.2 of this ARTICLE IV or as otherwise required by applicable law, all shares of Series A Preferred and Series B Preferred

shall be identical in all respects and shall entitle the holders thereof to the same rights and privileges and shall be subject to the same qualifications, limitations and restrictions.

(a) Dividends.

(i) General Obligation. To the extent permitted under the DGCL, the Corporation shall pay preferential cumulative dividends to the holders of the Preferred Stock as provided in this Section 4.2(a)(i) of this ARTICLE IV. Except as otherwise provided herein, dividends on each share of Preferred Stock (a "Preferred Share") shall accrue on a daily basis at the rate of 15% per annum (the "Dividend Rate") on the sum of (A) the Liquidation Value thereof plus (B) all unpaid accumulated dividends thereon, if any, from and including the date of issuance of such Preferred Share to and including the date on which the Liquidation Preference Amount of such Preferred Share is paid. Notwithstanding the foregoing, if the Corporation does not redeem all of the issued and

outstanding Preferred Shares on the Mandatory Redemption Date (as defined in Section 4.2(d)(i) of this ARTICLE IV) or, upon the occurrence of an Event of Noncompliance (as defined in the Preferred Stockholders' Agreement) (such failure to redeem or occurrence of an Event of Noncompliance, a "Noncompliance Event"), the Majority Holders may elect, by written notice to the Corporation, to have the Dividend Rate increase to 18% per annum (the "Noncompliance Dividend Rate") and dividends shall accrue on each Preferred Share on a daily basis at the Noncompliance Dividend Rate on the sum of (x) the Liquidation Value thereof plus (y) all unpaid accumulated dividends thereon, if any, commencing on the date of the occurrence of such Noncompliance Event (after the expiration of all applicable cure periods) and continuing until (I) such Default is cured pursuant to the terms of the Preferred Stockholders' Agreement or waived by the Majority Holders or (II) the date on which the Liquidation Preference Amount of such Preferred Share is paid. Dividends on Preferred Shares shall accrue whether or not they have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. The date on which the Corporation initially issues any Preferred Share shall be deemed to be its "date of issuance" regardless of the number of times transfer of such Preferred Share is made on the stock records maintained by or for the Corporation and regardless of the number of certificates which may be issued to evidence such Preferred Share.

(ii) Special WPHI-FM Dividend. Notwithstanding the provisions of Section 4.2(a)(i) of this ARTICLE IV, in the event the Corporation does not meet any performance target listed below relating exclusively to the operation of WPHI-FM, the Dividend Rate for each Preferred Share shall be increased to 17% per annum (the "Retroactive Dividend Rate") and dividends shall accrue on each Preferred Share on a daily basis at the Retroactive Dividend Rate on the sum of (A) the Liquidation Value thereof plus (B) all unpaid accumulated dividends thereon, if any, for the period commencing on the date of issuance of such Preferred Share until (x) such time as the Corporation first meets a performance target at a subsequent date or such noncompliance is waived by the Majority Holders or (y) the date on which the Liquidation Preference Amount of such Preferred Share is paid:

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AS OF THE TWELVE-MONTH PERIOD ENDING	BROADCAST CASH FLOW (\$)
-----	-----
12/31/98	1,517
3/31/99	1,669
6/30/99	1,878
9/30/99	2,097
12/31/99	2,346
3/31/00	2,446
6/30/00	2,583
9/30/00	2,727
12/31/00	2,891
3/31/01	2,987
6/30/01	3,121
9/30/01	3,261
12/31/01	3,419
3/31/02	3,451
6/30/02	3,494
9/30/02	3,539
12/31/02	3,590
3/31/03	3,623
6/30/03	3,669
9/30/03	3,716
12/31/03	3,770
and in each calendar quarter thereafter for the immediately prior twelve-month period through the Mandatory Redemption	

Any right to receive dividends on a Preferred Share at the Retroactive Dividend Rate shall transfer with each such Preferred Share.

(iii) Dividend Reference Date. To the extent not paid on December 31 of each year, beginning December 31, 1997 (the "Dividend Reference Date"), all dividends which have accrued on each Preferred Share issued and outstanding during the one-year period (or other period in the case of the initial Dividend Reference Date) ending upon each such Dividend Reference Date shall be accumulated and shall remain accumulated dividends with respect to such Preferred Share until paid. All dividends paid on a Preferred Share shall be applied first to, and to the extent of, unpaid dividends that have accrued (but which have not been accumulated) and then to, and to the extent of, accumulated dividends, if any.

(iv) Distribution of Partial Dividend Payments. Except as otherwise provided herein, if at any time the Corporation pays less than the total amount of unpaid dividends accrued on the Preferred Shares then outstanding, such payment shall be distributed ratably among

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the holders thereof based upon the aggregate amount of accumulated and accrued but unpaid dividends on the Preferred Shares held by each such holder.

(b) Liquidation. Upon any Liquidation of the Corporation, provided all indebtedness for money borrowed of the Corporation (including, without limitation, the Senior Indebtedness) has been finally and indefeasibly paid in full in cash, each holder of Preferred Shares shall be entitled to be paid in cash, before and in preference to any distribution or payment of any asset, capital, surplus or earnings of the Corporation is made to the holders of other Capital Stock, an amount equal to the aggregate Liquidation Preference Amount of the Preferred Shares held by such holder, and the holders of Preferred Shares shall not be entitled to any other payment in respect of their Preferred Shares. If upon any such Liquidation of the Corporation, the funds to be distributed among the holders of the Preferred Shares are insufficient to permit payment to such holders of the aggregate Liquidation Preference Amount for such Preferred Shares in cash, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders based on the aggregate Liquidation Preference Amount of the Preferred Shares held by each such holder. The Corporation shall provide written notice of any such Liquidation, not less than 60 days prior to the payment date stated therein, to each record holder of Preferred Shares.

(c) Priority of Preferred Stock. So long as any Preferred Share remains outstanding, neither the Corporation nor any Subsidiary of the Corporation shall redeem, purchase or otherwise acquire directly or indirectly, or set apart funds for the redemption, purchase or acquisition of, any other Capital Stock, nor shall the Corporation directly or indirectly pay or declare any dividend or make any distribution upon any other Capital Stock (other than a dividend payable solely in Junior Securities); provided, however, notwithstanding the foregoing, the Corporation may purchase Junior Securities in accordance with the provisions of the Warrantholders' Agreement.

(d) Redemptions.

(i) Mandatory Redemption. On May 29, 2005 (the "Mandatory Redemption Date"), the Company will be required, subject to applicable law, to redeem all issued and outstanding Preferred Shares, together with any and all accumulated and accrued but unpaid dividends thereon.

(ii) Redemptions at the Option of the Corporation. The Corporation shall have the right (but not the obligation) to redeem issued and outstanding Preferred Shares, subject to applicable law, as follows:

(A) the Corporation may at any time, and from time to time, redeem all or a portion of the issued and outstanding shares of Series A Preferred; provided, however, that upon the timely delivery of a Participation Notice as set forth in clause (v) of this Section 4.2(d), any holder of shares of Series B Preferred shall have the right to participate in such redemption and the number of Preferred Shares to be redeemed from each holder of Series A Preferred and each holder of Series B Preferred that has delivered a timely Participation Notice shall be the number of Preferred Shares determined by multiplying the total number of Preferred Shares

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the Corporation has elected to redeem as specified in the Final Redemption Notice by a fraction, the numerator of which shall be the total number of shares of Series A Preferred held by such holder or the total number of shares of Series B Preferred specified in such holder's timely delivered Participation Notice, as the case may be, and the denominator of which shall be the sum of the total number of outstanding shares of Series A Preferred and the number of shares of Series B Preferred that are the subject of timely delivered Participation Notices;

(B) the Corporation may at any time, and from time to time, redeem issued and outstanding Preferred Shares having an aggregate Liquidation Value of up to \$2,000,000, provided that the Corporation has paid all accumulated and accrued but unpaid dividends on all of the outstanding Preferred Shares in full simultaneously with or prior to such redemption; and

(C) on or after June 6, 1999, the Corporation may at any time, and from time to time, redeem all or any portion of the issued and outstanding Preferred Shares .

(iii) Redemption at the Option of the Holders of Preferred Shares. The Majority Holders shall have the right (but not the obligation) to require the Corporation (and if the Majority Holders exercise such right, the Corporation shall be obligated) to redeem issued and outstanding Preferred Shares, subject to applicable law, as follows:

(A) if permitted by the terms of the Debt Agreements, upon the consummation of an Initial Public Offering, the Majority Holders may require the Company to apply an amount not to exceed the Net Cash Proceeds received by the Corporation from the Initial Public Offering to redeem the maximum number of Shares of Preferred Stock that may be redeemed given the amount elected by the Majority Holders to be so applied; and

(B) after all outstanding indebtedness for money borrowed of the Corporation (including, without limitation, the Senior Indebtedness) has been finally and indefeasibly paid in full in cash and any commitment to fund related thereto shall have been terminated, if a Redemption Event (as defined in the Preferred Stockholders' Agreement) is existing, the Majority Holders may require the Company to redeem all or any portion of the outstanding Preferred Shares.

(iv) Redemption Payment. For each Preferred Share which is to be redeemed, the Corporation shall pay to the holder thereof on the Redemption Date (upon surrender by such holder at the Corporation's principal office of the certificate representing such Preferred Share) an amount in immediately available funds equal to the Liquidation Preference Amount. If the funds of the Corporation legally available for redemption of Preferred Shares on any Redemption Date are insufficient to redeem the total number of Preferred Shares to be redeemed on such date, those funds which are legally available shall be used to redeem the maximum possible number of Preferred Shares ratably among the holders of the Preferred Shares to be redeemed based upon the aggregate Liquidation Preference Amount held by each such holder. At any time thereafter when additional funds of the Corporation are legally available for the redemption of Preferred Shares, such

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funds shall immediately be used to redeem the balance of the Preferred Shares which the Corporation has become obligated to redeem on any Redemption Date but which it has not redeemed.

(v) Notice of Redemption on the Mandatory Redemption Date. After September 1, 2004, and on or prior to November 29, 2004, the Corporation shall give written notice (a "Mandatory Redemption Notice") by mail, postage prepaid, overnight courier or facsimile to the holders of the then outstanding Preferred Shares at the address of each such holder appearing on the books of the Corporation or given by such holder to the Corporation, which notice shall set forth the Mandatory Redemption Date and the Liquidation Preference Amount for each Preferred Share. The Mandatory Redemption Notice shall further call upon such holders to surrender to the Corporation on or before the Mandatory Redemption Date at the place designated in the notice such holder's certificate or certificates representing the Preferred Shares to be redeemed on the Mandatory Redemption Date or an indemnification and loss certificate therefor. On or before the Mandatory Redemption Date, each holder of Preferred Shares to be redeemed shall surrender the certificate evidencing such shares, or such

indemnification and loss certificate, to the Corporation.

(vi) Notice of Redemption at the Election of the Corporation. The Corporation shall provide prior written notice (the "Redemption Notice") of any redemption of Preferred Shares to each record holder of Preferred Shares not more than 60 nor less than 30 days prior to the date on which a redemption of Preferred Shares is expected to be made pursuant to Section 4.2(d)(ii), and which shall set forth the series and number of Preferred Shares to be redeemed, the date on which such redemption is to take place and the Liquidation Preference Amount for each Preferred Share on such date. Such Redemption Notice shall be sent by mail, postage prepaid, overnight courier or facsimile to the address of each such holder appearing on the books of the Corporation or given by such holder to the Corporation for the purpose of notice. The Redemption Notice shall further call upon such holders to surrender to the Corporation or before the applicable Redemption Date at the place designated in the Redemption Notice such holder's certificate or certificates representing the shares to be redeemed on the applicable Redemption Date or an indemnification and loss certificate therefor. On or before the applicable Redemption Date, each holder of Preferred Shares called for redemption shall surrender the certificate evidencing such Preferred Shares, or such indemnification and loss certificate, to the Corporation. With respect to any election by the Corporation to redeem all or any portion of the Series A Preferred pursuant to Section 4.2(d)(i)(A) of this ARTICLE IV, (A) any holders of Series B Preferred that intend to participate in such redemption shall provide written notice of such intention to the Corporation (the "Participation Notice") within five days of receipt of a Redemption Notice, and such Participation Notice shall set forth the number of shares of Series B Preferred that such holder desires to have redeemed by the Corporation, and (B) if the Corporation receives any timely Participation Notices, the Corporation may elect either (a) to redeem the number of Preferred Shares originally set forth in its Redemption Notice or (b) to redeem a greater number of Preferred Shares. Upon making such election, the Corporation shall provide written notice to each holder of Preferred Shares setting forth the total number of Preferred Shares the Corporation has so elected to redeem and the Series and number of Preferred Shares that shall be redeemed from each holder of Series A Preferred and each holder of Series B Preferred that has delivered a timely Participation Notice no later than two days prior to the applicable Redemption Date (the "Final Redemption Notice").

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(vii) Notice of Redemption at the Election of the Holders. With respect to any election by the Majority Holders to cause the Corporation to redeem all or any portion of the issued and outstanding Preferred Shares pursuant to Section 4.2(d)(iii) of this ARTICLE IV, the Majority Holders shall provide written notice of such election to the Corporation not more than 60 nor less than 30 days prior to the date on which such redemption is to be made and such notice shall set forth the number of Preferred Shares to be redeemed and the date on which such redemption is to take place (the "Put Notice"). The Corporation shall notify the record holders of Preferred Shares promptly of (A) the commencement of the Initial Public Offering (and the amount of Net Cash Proceeds received therefrom) and (B) the first date on which all outstanding indebtedness for money borrowed of the Corporation (including, without limitation, the Senior Indebtedness) has been finally and indefeasibly paid in full in cash and any commitment to fund related thereto shall have been terminated.

(viii) Determination of the Number of Each Holder's Preferred Shares to be Redeemed. Except in redemptions pursuant to Section 4.2(d)(ii)(A) of this ARTICLE IV, the number of Preferred Shares to be redeemed from each holder thereof in redemptions hereunder shall be the number of Preferred Shares determined by multiplying the total number of Preferred Shares to be redeemed by a fraction, the numerator of which shall be the total number of Preferred Shares then held by such holder and the denominator of which shall be the total number of Preferred Shares then issued and outstanding. In case fewer than the total number of Preferred Shares represented by any certificate are redeemed, a new certificate representing the number of unredeemed Preferred Shares shall be issued to the holder thereof without cost to such holder within three business days after surrender of the certificate representing the redeemed Preferred Shares.

(ix) Dividends After Redemption Date. No Preferred Share is entitled to any dividends that accrue after the date on which the Liquidation Preference Amount of such Preferred Share is paid to the holder thereof. On such date all rights of the holder of such Preferred Share shall cease, and such

Preferred Share shall not be deemed to be issued and outstanding.

(x) Redeemed or Otherwise Acquired Preferred Shares. Any Preferred Shares which are redeemed or otherwise acquired by the Corporation shall be canceled and shall not be reissued, sold or transferred.

(xi) Other Redemptions or Acquisitions. Neither the Corporation nor any Subsidiary shall redeem or otherwise acquire any Preferred Stock, except as expressly authorized herein or pursuant to a purchase offer made pro rata to all holders of Preferred Stock on the basis of the number of Preferred Shares owned by each such holder.

(e) Voting Rights. Except as provided in ARTICLE VII of this Amended and Restated Certificate of Incorporation or as otherwise required by applicable law, the holders of Preferred Shares shall have no right to vote on any matters to be voted on by the Corporation's stockholders.

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(f) Restrictions and Limitations. For so long as any Preferred Share is outstanding, without the written consent of the Majority Holders, the Corporation shall not fail to comply with Sections 6.1, 6.3, 6.4, 6.7 and 6.11 of the Preferred Stockholders' Agreement.

Section 4.3 Common Stock. Except as otherwise provided in Section 4.3 of this ARTICLE IV or as otherwise required by applicable law, all shares of Class A Common, Class B Common and Class C Common shall be identical in all respects and shall entitle the holders thereof to the same rights and privileges and shall be subject to the same qualifications, limitations and restrictions.

(a) Voting Rights. At every meeting of the stockholders, except as specifically otherwise required by law, the holders of Class A Common shall be entitled to one vote per share, and the holders of Class B Common shall be entitled to ten votes per share, on all matters presented for a vote of the stockholders of the Corporation, provided that, at every meeting of the stockholders called for the election of directors the holders of Class A Common, voting separately as a class, shall be entitled to elect two of the directors to be elected at such meeting. The holders of Class A Common and Class B Common, voting together as a class, shall be entitled to elect the remaining number of directors to be elected at such meeting. Directors elected by the holders of a class or classes of Common Stock may be removed, with or without cause, only by a vote of the holders of a majority of the shares of such class or classes of Common Stock then outstanding. If, during the interval between annual meetings of stockholders for the election of directors, the number of directors who have been elected by the holders of any class or classes of Common Stock shall, by reason of resignation, death or removal, be reduced, the vacancy or vacancies in the directors elected by the holders of such class or classes of Common Stock may be filled by a majority vote of the remaining directors elected by the holders of such class or classes of Common Stock then in office. Any director elected to fill any such vacancy by the remaining directors then in office may be removed from office by a vote of the holders of a majority of the shares of such class or classes of Common Stock then outstanding. Except as otherwise required by law, the holders of the Class A Common and the holders of the Class B Common shall in all matters not specified in this Section 4.3(a) vote together as a single class, provided that the holders of shares of the Class A Common shall be entitled to one (1) vote per share and the holders of shares of the Class B Common shall be entitled to ten (10) votes per share. Except to the extent provided in ARTICLE VII of this Amended and Restated Certificate of Incorporation or as required by applicable law, the holders of Class C Common shall have no right to vote on any matter presented for a vote of the stockholders of the Corporation (including, without limitation, the election or removal of directors of the Corporation), and Class C Common shall not be included in determining the number of shares voting or entitled to vote on such matters. The Board of Directors of the Corporation shall have concurrent power with the holders of Class A Common and Class B Common to adopt, amend or repeal the Bylaws of the Corporation. A consolidation or merger, or the sale, lease, exchange, mortgage, pledge, or other disposition of all, or substantially all, of the property or assets of the Corporation, if not made in the usual and regular course of its business, shall require a resolution adopted by a majority of the Board of Directors of the Corporation and the authorization of an affirmative vote of at least two-thirds of the outstanding shares of Class A Common.

(b) Dividends. As and when dividends are declared or paid with

respect to shares of Common Stock, whether in cash, property or securities of the Corporation, the holders of Class A Common,

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the holders of Class B Common and the holders of Class C Common shall be entitled to receive such dividends pro rata at the same rate per share for each such class of Common Stock; provided that (i) if dividends are declared or paid in shares of Common Stock, the dividends payable to the holders of Class A Common shall be payable in shares of Class A Common, the dividends payable to the holders of Class B Common shall be payable in shares of Class B Common and dividends payable to the holders of Class C Common shall be payable in shares of Class C Common, and (ii) if the dividends consist of other voting securities of the Corporation, the Corporation shall make available to each holder of Class C Common dividends consisting of non-voting securities (except as otherwise required by law) of the Corporation which are otherwise identical to the voting securities and which are convertible into such voting securities on the same terms as the Class C Common is convertible into the Class A Common. The rights of the holders of Common Stock to receive dividends are subject to the provisions of the Preferred Stock.

(c) Reservation. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock: (i) Class A Common in a quantity sufficient to provide for the conversion of all outstanding shares of the Class B Common and Class C Common into Class A Common; and (ii) Class C Common in a quantity sufficient to provide for the conversion of all outstanding shares of the Class A Common into Class C Common.

(d) Conversion of Common Stock.

(i) General Provisions. Subject to the terms and conditions stated herein, the holder of any shares of either Class A Common or Class C Common shall have the right at any time, at such holder's option, to convert all or a portion of the shares of the class of Common Stock so held into the same number of shares of the other class of Common Stock. Such right of conversion shall be exercised (A) by giving written notice (the "Notice") to the Corporation at least ten (10) days prior to the Conversion Date (as defined below) specified therein that the holder elects to convert a stated number of shares of Class A Common or Class C Common into shares of the other class of Common Stock on the date specified in such Notice or on such later date following any Deferral Period (as defined below) on which conversion may occur (the "Conversion Date") and (B) by surrendering the certificate or certificates representing at least the number of shares of Class A Common or Class C Common to be converted to the Corporation at its principal office at any time during the usual business hours on or before the Conversion Date, duly endorsed in blank by the owner of the certificate so surrendered, together with a statement of the name or names (with addresses) of the Person or Persons in whose name or names the certificate or certificates for shares issued on conversion shall be registered. Promptly after receipt of the Notice, the Corporation shall send written notice of such holder's intent to convert to each other registered holder of any shares of Class A Common or Class C Common at such other holder's address as shown on the stock transfer records of the Corporation. The Corporation shall not convert or directly or indirectly redeem, purchase or otherwise acquire any share of Class A Common or take any other action affecting the voting rights of such share if such action will increase the percentage of outstanding voting securities owned or controlled by any Regulated Stockholder (other than any Regulated Stockholder which requested that the Corporation take such action) and the effect thereof would cause such Regulated Stockholder and its Affiliates to hold in the aggregate 5% or more of the outstanding shares of Class A Common unless the Corporation gives written notice (the "Deferral

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Notice") of such action to each such Regulated Stockholder. The Corporation will defer making any such conversion, redemption, purchase or other acquisition, or taking any such other action, for a period of 30 days (the "Deferral Period") after giving the Deferral Notice in order to allow each such Regulated Stockholder to determine whether it wishes to convert or take any other action with respect to the Common Stock it owns, controls or has the power to vote. If any such Regulated Stockholder then elects to convert any shares of Class A Common into shares of Class C Common, it shall notify the Corporation in writing within 20 days of the issuance of the Deferral Notice, in which case the Corporation shall promptly notify from time to time each other Regulated

Stockholder holding shares of Common Stock of each proposed conversion and the proposed transaction and each Regulated Stockholder may notify the Corporation in writing of its election to convert shares of Class A Common into Class C Common at any time prior to the end of the Deferral Period. The Corporation shall effect the conversions requested by all Regulated Stockholders in response to the Deferral Notice and the notices issued pursuant to the immediately preceding sentence at the end of the Deferral Period.

(ii) Conversion of Class B Common. Each share of Class B Common shall also be convertible, at the option of the holder thereof, into one fully paid and nonassessable share of Class A Common. The procedures for conversion of Class C Common into Class A Common, as set forth in paragraph (i) of this Section 4.3(d), shall also be applicable to the conversion of Class B Common into Class A Common. Shares of Class B Common that have been converted hereunder shall not be cancelled but shall remain as treasury shares unless retired by resolution of the Board of Directors.

(iii) Regulated Stockholders. No Regulated Stockholder shall exercise its rights as a holder of shares of Class C Common to convert such shares into shares of Class A Common, or otherwise acquire shares of Class A Common, if, after giving effect to such exercise, such Regulated Stockholder and its Affiliates would own 5% or more of the outstanding Class A Common; provided, however, that the foregoing restrictions shall cease and terminate as to any shares of Class C Common or any Regulated Stockholder, when, in the opinion of counsel reasonably satisfactory to the Corporation, such restrictions are no longer required in order to assure compliance with Regulation Y or when Regulation Y shall cease to be in effect. The Corporation shall rely conclusively on a certificate of a Regulated Stockholder as to whether or not a conversion of shares of Class C Common into, or an acquisition of, shares of Class A Common will be in compliance with the provisions of the immediately preceding sentence, and, notwithstanding the immediately preceding sentence, to the extent not inconsistent with Regulation Y, such conversion rights may be exercised or shares of Class A Common may be so acquired in the event that: (A) the Corporation shall vote to merge or consolidate with or into any other Person and, after giving effect to such merger or consolidation, such Regulated Stockholder and its Affiliates would not own 5% or more of the outstanding voting securities of the surviving Person; (B) such Regulated Stockholder desires to sell shares of Class A Common into which all or part of its shares of Class C Common are to be converted in connection with any proposed purchase of Class A Common by another Person (other than a Regulated Stockholder or an Affiliate thereof); or (C) such Regulated Stockholder intends to sell shares of Class A Common into which all or part of its shares of Class C Common are to be converted pursuant to a registration statement under the Securities Act of 1933, as amended (the "1933 Act"), which has been declared effective.

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(iv) Class B Stockholders. Class B Stockholders (as hereinafter defined) and Class B Permitted Transferees (as hereinafter defined) may exercise their respective rights as a holder of shares of Class C Common to convert such shares into shares of Class A Common, or otherwise acquire shares of Class A Common, only in the event that: (A) the Corporation shall merge or consolidate with or into, or otherwise acquire, any other Person and such Class B Stockholder or Class B Permitted Transferee receive shares of Class A Common in exchange for such Class B Stockholder's or Class B Permitted Transferee's interest in such other Person; (B) such Class B Stockholder or Class B Permitted Transferee desires to sell shares of Class A Common into which all or part of its shares of Class C Common are to be converted in connection with any proposed purchase of Class A Common by another Person (other than a Class B Stockholder or a Class B Permitted Transferee); or (C) such Class B Stockholder or Class B Permitted Transferee intends to sell shares of Class A Common into which all or part of its shares of Class C Common are to be converted pursuant to a registration statement under the 1933 which has been declared effective.

(v) Surrender of Certificates. Subject to the other provisions of this Section 4.3 and of ARTICLE IX of this Amended and Restated Certificate of Incorporation, promptly after (A) the Conversion Date and (B) the surrender of such certificate or certificates representing the share or shares of Class A Common, Class B Common or Class C Common to be converted, the Corporation shall issue and deliver, or cause to be issued and delivered, to the holder requesting conversion, registered in such name or names as such holder may direct, a certificate or certificates for the number of shares of the class of Common Stock issuable upon the conversion of such share or shares, together with a certificate or certificates evidencing any balance of the shares of the

class surrendered to the Corporation but not then being converted. To the extent permitted by law, such conversion shall be deemed to have been effected as of the close of business on the later of the Conversion Date or the date upon which the Corporation shall have received the certificate or certificates representing the shares to be converted, and at such time the rights of the holder of such share or shares as such holder shall cease, and the person or person in whose name or names any certificate or certificates for shares shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of such shares of Class A Common or Class C Common, as the case may be.

(e) Listing. If the shares of Class A Common required to be reserved for the purpose of conversion hereunder require listing on any national securities exchange, before such shares are issued upon conversion, the Corporation will, at its expense and as expeditiously as possible, use its commercially reasonable best efforts to cause such shares to be listed or duly approved for listing on such national securities exchange.

(f) No Charge. The issuance of certificates representing Common Stock upon conversion of Class A Common, Class B Common or Class C Common, as hereinabove set forth shall be made without charge or any expense or issuance tax in respect thereof; provided, however, that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the holder of the shares converted.

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(g) Transfer of Class B Common. (i) A Beneficial Owner (as hereinafter defined) of shares of Class B Common (herein referred to as a "Class B Stockholder") may transfer, directly or indirectly, shares of Class B Common, whether by sale, assignment, gift or otherwise, only to a Class B Permitted Transferee (as hereinafter defined) and no Class B Stockholder may otherwise transfer Beneficial Ownership (as hereinafter defined) of any shares of Class B Common. In the event of any attempted transfer of the Beneficial Ownership of any shares of Class B Common in violation of the limitation provided in the preceding sentence, the shares of Class B Common with respect to which the transfer of such Beneficial Ownership has been attempted shall be deemed to have been converted automatically, without further deed or action by or on behalf of any person, into shares of Class A Common. A "Class B Permitted Transferee" shall be, if the Class B Stockholder is an individual:

- (A) the estate of the Class B Stockholder or any legatee, heir or distributees thereof;
- (B) the spouse or former spouse of the Class B Stockholder;
- (C) any parent or grandparent and any lineal descendant (including any adopted child) of any parent or grandparent of the Class B Stockholder or of the Class B Stockholder's spouse or former spouse;
- (D) any guardian or custodian (including a custodian for purposes of the Uniform Gift to Minors Act or Uniform Transfers to Minors Act) for, or any executor, administrator, conservator and/or other legal representative of, the Class B Stockholder and/or any Class B Permitted Transferee or Class B Permitted Transferees thereof;
- (E) a trust (including a voting trust), and any savings or retirement account, such as an individual retirement account for purposes of federal income tax laws, whether or not involving a trust, principally for the benefit of such Class B Stockholder and/or any Class B Permitted Transferee or Class B Permitted Transferees thereof, including any trust in respect of which such Class B Stockholder and/or any Class B Permitted Transferee or Class B Permitted Transferees thereof has any general or special power of appointment or general or special non-testamentary power or special testamentary power of appointment limited to any Class B Permitted Transferee or Class B Permitted Transferees;
- (F) any corporation, partnership or other business entity if Substantial Beneficial Ownership thereof is held by such Class B Stockholder and/or any Class B Permitted Transferee or Class B Permitted Transferees thereof; provided, however, that if such Class B

Stockholder, and all Class B Permitted Transferees thereof, cease, for

whatever reason, to hold Substantial Beneficial Ownership of such corporation, partnership or other business entity, then any and all shares of Class B Common that such corporation, partnership or other business entity is the Beneficial Owner of shall be deemed to be converted automatically, without further deed or action by or on behalf of any person, into shares of Class A Common;

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- (G) any Founding Investor and/or any Class B Permitted Transferee or Class B Permitted Transferees of a Founding Investor; and
- (H) the Corporation.

A "Class B Permitted Transferee" shall be, if the Class B Stockholder is a corporation, partnership or other business entity:

- (A) any employee benefit plan, or trust thereunder or therefor, sponsored by the Class B Stockholder;
- (B) any trust (including any voting or liquidating trust) principally for the benefit of the Class B Stockholder and/or any Class B Permitted Transferee or Class B Permitted Transferees thereof;
- (C) any corporation, partnership or other business entity if Substantial Beneficial Ownership thereof is held by such Class B Stockholder and/or any Class B Permitted Transferee or Class B Permitted Transferees thereof; provided, however, that if such Class B Stockholder, and all

Class B Permitted Transferees thereof, cease, for whatever reason, to hold Substantial Beneficial Ownership of such corporation, partnership or other business entity, then any and all shares of Class B Common that such corporation, partnership or other business entity is the Beneficial Owner of shall be deemed to be converted automatically, without further deed or action by or on behalf of any person, into shares of Class A Common;
- (D) the stockholders of the corporation, partners of the partnership or other owners of equity interests in any other business entity, who receive such shares, by way of dividend or distribution (upon dissolution, liquidation or otherwise), provided that such transfer will not result in Beneficial Ownership of any of such shares by any person who did not have the power to control such corporation, partnership or business entity at the time such corporation, partnership or business entity first acquired Beneficial Ownership of such shares of Class B Common (other than by any person who qualifies as a Class B Permitted Transferee pursuant to any other provision of this paragraph (i) of this Section 4.3(g));
- (E) the Corporation; and
- (F) any Founding Investor and/or any Class B Permitted Transferee or Class B Permitted Transferees of a Founding Investor.

(ii) Any person who holds shares of Class B Common for the Beneficial Ownership of another, including (A) any broker or dealer in securities; (B) any clearing house; (C) any bank, trust company, savings and loan association or other financial institution; (D) any other nominee; and (E) any savings plan or account or related trust, such as an individual retirement account, principally for the benefit of any individual, may transfer such shares to the person or

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persons for whose benefit it holds such shares. Notwithstanding anything to the contrary set forth herein, any holder of Class B Common may pledge such shares to a pledgee pursuant to a bona fide pledge of such shares as collateral security for indebtedness due to the pledgee, provided that such shares may not be transferred to or registered in the name of the pledgee unless such pledgee is a Class B Permitted Transferee. In the event of foreclosure or other similar action by the pledgee, such pledged shares shall automatically, without any act or deed on the part of the Corporation or any other person, be converted into shares of Class A Common unless within five business days after such foreclosure

or similar event such pledged shares are returned to the pledgor or transferred to a Class B Permitted Transferee. The foregoing provisions of this paragraph shall not be deemed to restrict or prevent any transfer of such shares by operation of law upon incompetence, death, dissolution or bankruptcy of any Class B Stockholder or any provision of law providing for, or judicial order of, forfeiture, seizure or impoundment

(iii) Any transferee of shares of Class B Common pursuant to a transfer made in violation of paragraphs (i) and (ii) of this Section 4.3(g) shall have no rights as a stockholder of the Corporation and no other rights against or with respect to the Corporation except the right to receive, in accordance with paragraph (ii) of Section 4.3(d) or paragraphs (i) and (ii) of this Section 4.3(g), as applicable, shares of Class A Common upon the conversion of such transferred shares. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, the Corporation shall, to the full extent permitted by law, be entitled to issue shares of Class B Common to any person from time to time.

(iv) The Corporation and any transfer agent of Class B Common may as a condition to the transfer or the registration of any transfer of shares of Class B Common permitted by paragraphs (i) and (ii) of this Section 4.3(g) require the furnishing of such affidavits or other proof as they deem necessary to establish that such transferee is a Class B Permitted Transferee.

(v) For purposes of paragraph (i) of this Section 4.3(g): (A) the term "Beneficial Ownership" in respect of shares of Class B Common shall mean possession of the power and authority, either singly or jointly with another, to vote or dispose of or to direct the voting or disposition of such shares and the term "Beneficial Owner" in respect of shares of Class B Common shall mean the person or persons who possess such power and authority; and (B) the term "Substantial Beneficial Ownership" in respect of any corporation, partnership or other business entity shall mean possession of the power and authority, either singly or jointly with another, to vote or dispose of or to direct the voting or disposition of at least 80% of each class of equity ownership interest in such corporation, partnership or other business entity.

(h) No Interference. Except as otherwise provided in ARTICLE IX of this Amended and Restated Certificate of Incorporation, the Corporation will not close its books against the transfer of any share of Common Stock or of any of the shares of Common Stock issued or issuable upon the conversion of such shares of Common Stock in any manner which interferes with the timely conversion of any of such shares.

(i) Mergers, Consolidations. In the case of a merger or consolidation which reclassifies or changes the shares of Common Stock, or in the case of the consolidation or merger

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of the Corporation with or into another corporation or corporations or the transfer of all or substantially all of the assets of the Corporation to another corporation or corporations, each share of Class B Common and Class C Common shall thereafter be convertible into the number of shares of stock or other securities or property to which a holder of shares of Class A Common would have been entitled upon such reclassification, change, consolidation, merger or transfer, and, in any such case, appropriate adjustment (as determined in good faith by the Corporation's Board of Directors) shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holders of the Class B Common and Class C Common to the end that the provisions set forth herein shall thereafter be applicable, as nearly as reasonably may be practicable, in relation to any shares of stock or other securities on property thereafter deliverable upon the conversion of shares of Class B Common and Class C Common. In case of any such merger or consolidation, the resulting or surviving corporation (if not the Corporation) shall expressly assume the obligation to deliver, upon conversion of the Class B Common and Class C Common, such stock or other securities or property as the holders of the Class B Common and Class C Common remaining outstanding shall be entitled to receive pursuant to the provisions hereof, and to make provisions for the protection of the conversion rights provided for in this ARTICLE IV. The Corporation shall not be party to any merger, consolidation or recapitalization pursuant to which any Regulated Stockholder would be required to take (A) any voting securities which would cause such holder to violate any law, regulation or other requirement of any governmental body applicable to such Regulated Stockholder, or (B) any securities convertible into voting securities which if

such conversion took place would cause such Regulated Stockholder to violate any law, regulation or other requirement of any governmental body applicable to such Regulated Stockholder other than securities which are specifically provided to be convertible only in the event that such conversion may occur without any such violation.

(j) Liquidation, Dissolution or Winding Up. Subject to the provisions of the Preferred Stock, in the event of any Liquidation of the Corporation, all remaining assets of the Corporation shall be distributed to holders of the Common Stock pro rata at the same rate per share of each class of Common Stock according to their respective holdings of shares of the Common Stock.

Section 4.4 Miscellaneous. Subject to the provisions of ARTICLE IX of this Amended and Restated Certificate of Incorporation:

(a) Registration of Transfer. The Corporation shall keep at its principal office a register for the registration of Capital Stock. Upon the surrender of any certificate representing Capital Stock at such place, the Corporation shall, at the request of the record holder of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of shares as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate, and dividends shall accrue on the Capital Stock represented by such new certificate from the date to which dividends have been fully paid on such Capital Stock represented by the surrendered certificate. The issuance of new certificates shall be

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made without charge to the original holders of the surrendered certificates for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such issuance.

(b) Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder shall be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of any class or series of Capital Stock, and in the case of any such loss, theft or destruction, upon receipt of an indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor its own agreement shall be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class or series represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate, and dividends shall accrue on the Capital Stock represented by such new certificate from the date to which dividends have been fully paid on such lost, stolen, destroyed or mutilated certificate.

(c) Definitions. The following terms shall have the following meanings:

"Advance of Expenses" has the meaning set forth in Section 8.2.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person (it being understood that for purposes of this definition, the term "control" (including with correlative meaning the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise).

"Beneficial Ownership" has the meaning set forth in Section 4.3(g) (v).

"Broadcast Cash Flow" has the meaning given to such term in the Preferred Stockholders' Agreement.

"Capital Stock" has the meaning set forth in Section 4.1.

"Class A Common" has the meaning set forth in Section 4.1.

"Class B Common" has the meaning set forth in Section 4.1.

"Class B Permitted Transferee" has the meaning set forth in Section 4.3(g).

"Class B Stockholder" has the meaning set forth in Section 4.3(g).

"Class C Common" has the meaning set forth in Section 4.1.

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"Common Stock" has the meaning set forth in Section 4.1.

"Communications Act" has the meaning set forth in Section 9.1.

"Conversion Date" has the meaning set forth in Section 4.2(d)(i).

"Corporation" has the meaning set forth in Article I.

"Date of Issuance" has the meaning set forth in Section 4.2(a)(i).

"Debt Agreements" means, collectively, the Indenture, the Senior Loan Agreement, and any other agreement governing indebtedness for borrowed money of the Corporation permitted by the Preferred Stockholders' Agreement.

"Deferral Notice" has the meaning set forth in Section 4.3(d)(i).

"Deferral Period" has the meaning set forth in Section 4.3(d)(i).

"DGCL" has the meaning set forth in Article III.

"Dividend Rate" has the meaning set forth in Section 4.2(a)(i).

"Dividend Reference Date" has the meaning set forth in Section 4.2(a)(iii).

"FCC" has the meaning set forth in Section 9.1.

"Final Adjudication" has the meaning set forth in Section 8.2.

"Final Redemption Notice" has the meaning set forth in Section 4.2(d)(vi).

"Founding Investor" means Alfred C. Liggins, III or Catherine L. Hughes.

"Indemnatee" has the meaning set forth in Section 8.2.

"Indenture" means that certain Indenture, dated as of May 15, 1997, pursuant to which the Corporation issued 12% Senior Subordinated Notes due 2004.

"Initial Public Offering" means the first sale by the Corporation of Common Stock of the Corporation to the public in an offering pursuant to an effective registration statement filed with the Securities and Exchange Commission pursuant to the 1933 Act, as then in effect; provided that an Initial Public Offering shall not include an offering made in connection with a business acquisition or combination or an employee benefit plan.

"Junior Securities" means (i) any class or series of Capital Stock of the Corporation, whether now existing or hereafter authorized, that is junior to any of the Series A Preferred or the

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Series B Preferred in priority with respect to dividends or distributions or upon Liquidation, and (ii) any rights, warrants, options, convertible or exchangeable securities, exercisable for or convertible or exchangeable into, directly or indirectly, any class or series of capital stock described in clause (i) of this definition, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

"Liquidation" with respect to the Corporation, means the liquidation, dissolution or winding up of the Corporation. Except as permitted under the

Preferred Stockholders' Agreement, a consolidation, merger or capital reorganization of the Corporation (except (i) into or with a wholly-owned subsidiary of the Corporation with requisite stockholder approval or (ii) a merger in which the beneficial owners of the Corporation's outstanding Capital Stock immediately prior to such transaction (assuming for this purpose that all outstanding warrants, options and other securities convertible into Capital Stock that are outstanding at such time have been exercised or converted, as applicable) hold no less than fifty-one percent (51%) of the voting power of the resulting entity) or a sale, transfer or other disposition of all or substantially all of the assets of the Corporation shall be regarded as a liquidation, dissolution or winding up of the affairs of the Corporation, and shall constitute a Liquidation.

"Liquidation Preference Amount" means, with respect to a Preferred Share, the Liquidation Value for such Preferred Share plus all accumulated and accrued but unpaid dividends on such Preferred Share.

"Liquidation Value" of any Preferred Share shall be equal to \$100.00.

"Majority Holders" means, collectively, the holders of a majority of the issued and outstanding Preferred Shares as of the date of determination.

"Management Investors" means, collectively, Alfred C. Liggins, Catherine L. Hughes, and Jerry A. Moore III.

"Mandatory Redemption Date" has the meaning set forth in Section 4.2(d) (i).

"Mandatory Redemption Notice" has the meaning set forth in Section 4.2(d) (v).

"Net Cash Proceeds" means the gross cash proceeds actually received by the Corporation from an Initial Public Offering, net of attorneys' fees, accountants' fees, all discounts, underwriters' commissions, brokerage, consultant or other customary fees and commissions, and all other reasonable fees and expenses actually incurred by the Corporation in connection with such Initial Public Offering.

"New Investors" means, collectively, Alta Subordinated Debt Partners III, L.P., BancBoston Investments Inc. and Grant M. Wilson.

"1933 Act" has the meaning set forth in Section 4.3(d) (iii).

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"Noncompliance Dividend Rate" has the meaning set forth in Section 4.2(a) (i).

"Noncompliance Event" has the meaning set forth in Section 4.2(a) (i).

"Notice" has the meaning set forth in Section 4.3(d) (i).

"Original Investors" means, collectively, Syncom Capital Corporation, Alliance Enterprise Corporation, Greater Philadelphia Venture Capital Corporation, Inc., Opportunity Capital Corporation, Capital Dimensions Venture Fund, Inc., TSG Ventures Inc. and Fulcrum Venture Capital Corporation.

"Participation Notice" has the meaning set forth in Section 4.2(d) (vi).

"Person" means an individual, a partnership, a joint venture, a corporation, an association, a joint stock company, a limited liability company, a trust, an unincorporated association and any other entity or organization.

"Preferred Share" has the meaning set forth in Section 4.2(a) (i).

"Preferred Stock" has the meaning set forth in Section 4.1.

"Preferred Stockholders' Agreement" means that certain Preferred Stockholders' Agreement, dated as of May 14, 1997, by and among the Corporation, the Original Investors, the New Investors and the Management Investors, as the same may be amended from time to time.

"Proceeding" has the meaning set forth in Section 8.2.

"Put Notice" has the meaning set forth in Section 4.2(d) (vii).

"Redemption Date" as to any Preferred Share means the date specified in any Redemption Notice or Put Notice, as applicable; provided, that no such date shall be a Redemption Date unless the Liquidation Preference Amount is actually paid in full on such date, and if not so paid in full, the Redemption Date shall be the date on which such amount is fully paid.

"Redemption Notice" has the meaning set forth in Section 4.2(d) (vi).

"Regulated Stockholder" means any stockholder that is subject to the provisions of Regulation Y and which holds shares of Common Stock of the Corporation, so long as such stockholder shall hold, and only with respect to, such shares of Common Stock or shares issued upon conversion of such shares.

"Regulation Y" means Regulation Y of the Board of Governors of the Federal Reserve System (12 C.F.R. Part 225) or any successor to such regulation.

"Retroactive Dividend Rate" has the meaning set forth in Section 4.2(a) (ii).

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"Senior Indebtedness" has the meaning given to such term in that certain Standstill Agreement, dated as of June 30, 1998, among the Corporation, the Subsidiaries of the Corporation party thereto, the New Investors, the Original Investors, the Management Investors, Credit Suisse First Boston, and United States Trust Company of New York.

"Senior Loan Agreement" has the meaning given to such term in the Preferred Stockholders' Agreement.

"Series A Preferred " has the meaning set forth in Section 4.1.

"Series B Preferred " has the meaning set forth in Section 4.1.

"Subsidiary" means any corporation with respect to which another specified corporation has the power to vote or direct the voting of sufficient securities to elect directors having a majority of the voting power of the board of directors of such corporation.

"Substantial Beneficial Ownership" has the meaning set forth in Section 4.3(g) (v).

"Undertaking" has the meaning set forth in Section 8.2.

"Warrantholders' Agreement" means that certain Warrantholders' Agreement, dated as of June 6, 1995, by and among the Corporation, the Subsidiaries of the Corporation party thereto, the Original Investors, the New Investors and the Management Investors, as amended by the First Amendment to Warrantholders' Agreement dated as of May 19, 1997, and as thereafter amended from time to time.

ARTICLE V - Existence

The Corporation is to have a perpetual existence.

ARTICLE VI - General Provisions

Section 6.1 Dividends. The Board of Directors of the Corporation shall have authority from time to time to set apart out of any assets of the Corporation otherwise available for dividends a reserve or reserves as working capital or for any other purpose or purposes, and to abolish or add to any such reserve or reserves from time to time as said Board may deem to be in the interest of the Corporation; and said Board shall likewise have power to determine in its discretion, except as herein otherwise provided, what part of the assets of the Corporation available for dividends in excess of such reserve or reserves shall be declared in dividends and paid to the stockholders of the Corporation.

Section 6.2 Issuance of Stock. The shares of all classes and series of Capital Stock of the Corporation may be issued by the Corporation from time to time for such consideration as from time to time may be fixed by the Board of

Directors of the Corporation, provided that shares having a par value shall not be issued for a consideration less than such par value, as determined by the Board.

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At any time, or from time to time, the Corporation may grant rights or options to purchase from the Corporation any shares of its Capital Stock of any class or series to run for such period of time, for such consideration, upon such terms and conditions, and in such form as the Board of Directors of the Corporation may determine. The Board of Directors of the Corporation shall have authority, as provided by law, to determine that only a part of the consideration which shall be received by the Corporation for the shares of its Capital Stock having a par value be capital provided that the amount of the part of such consideration so determined to be capital shall at least be equal to the aggregate par value of such shares. The excess, if any, at any time, of the total net assets of the Corporation over the amount so determined to be capital, as aforesaid, shall be surplus. All classes and series of Capital Stock of the Corporation shall be and remain at all times nonassessable.

The Board of Directors of the Corporation is hereby expressly authorized, in its discretion, in connection with the issuance of any obligations or Capital Stock of the Corporation (but without intending hereby to limit its general power so to do in other cases), to grant rights or options to purchase Capital Stock of the Corporation of any class or series upon such terms and during such period as the Board of Directors of the Corporation shall determine, and to cause such rights to be evidenced by such warrants or other instruments as it may deem advisable.

Section 6.3 Inspection of Books and Records. The Board of Directors of the Corporation shall have power from time to time to determine to what extent and at what times and places and under what conditions and regulations the accounts and books of the Corporation, or any of them, shall be open to the inspection of the stockholders; and no stockholder shall have any right to inspect any account or book or document of the Corporation, except as conferred by the laws of the State of Delaware, unless and until authorized so to do by resolution of the Board of Directors or the stockholders of the Corporation.

Section 6.4 Location of Meetings, Books and Records. Except as otherwise provided in the Bylaws, the stockholders of the Corporation and the Board of Directors of the Corporation may hold their meetings and have an office or offices outside of the State of Delaware, and, subject to the provisions of the laws of said State, may keep the books of the Corporation outside of said State at such places as may, from time to time, be designated by the Board of Directors.

Section 6.5 Board of Directors Meeting. The Board of Directors shall be comprised of the number of directors specified in the Corporation's Bylaws, and such directors shall be elected in the manner contemplated by such Bylaws.

ARTICLE VII - Amendments

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner now or hereinafter prescribed herein and by the laws of the State of Delaware, and all rights conferred upon stockholders herein are granted subject to this reservation. Notwithstanding the foregoing or anything contained in this Amended and Restated Certificate of Incorporation to the contrary, no amendment, modification or waiver shall be binding or effective with respect to any provision of (i) Section 4.2 of ARTICLE IV (or any definitions used therein) or clause (i) of this ARTICLE VII

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without the prior written consent of the Majority Holders at the time such action is taken, (ii) Section 4.3 of ARTICLE IV (or any definitions used therein) or clause (ii) of this ARTICLE VII without the prior written consent of the Majority Holders and holders of a majority of the Common Stock outstanding at the time such action is taken, or (iii) ARTICLE VIII or clause (iii) of this ARTICLE VII without the affirmative vote of the holders of at least two-thirds of the outstanding shares of Class A Common of the Corporation and the prior written consent of the Majority Holders; provided, that no such action under clause (iii) of this ARTICLE VII shall change (A) the redemption, conversion,

voting or other rights of any class or series of Preferred Stock without the prior written consent of the holders of a majority of each such class or series of Preferred Stock then outstanding, (B) the conversion or voting rights of any class of Common Stock without the prior written consent of the holders of a majority of each class of Common Stock then outstanding, and (C) the percentage required to approve any amendment, modification or waiver described herein, without the prior written consent of holders of that percentage of the class or series of Capital Stock then required to approve such amendment, modification or waiver.

ARTICLE VII - Liability

Section 8.1 Limitation of Liability.

(a) To the fullest extent permitted by the DGCL as it now exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than permitted as of the date this Amended and Restated Certificate of Incorporation is filed with the State of Delaware), and except as otherwise provided in the Corporation's Bylaws, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages arising from a breach of fiduciary duty owed to the Corporation or its stockholders.

(b) Any repeal or modification of the foregoing paragraph by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

Section 8.2 Right to Indemnification. Each person who was or is made party or is threatened to be made a party to or is otherwise involved (including involvement as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter, an "indemnatee"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide for broader indemnification rights than permitted as of the date this Amended and Restated Certificate of Incorporation is filed with the State of Delaware), against all expense, liability and loss (including attorneys' fees, judgments, fines,

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excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnatee in connection therewith and such indemnification shall continue as to an indemnatee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnatee's heirs, executors and administrators; provided, however, that except as provided in Section 8.3 of this ARTICLE VIII with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnatee in connection with a proceeding (or part thereof) initiated by such indemnatee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section 8.2 of this ARTICLE VIII shall be a contract right and shall include the obligation of the Corporation to pay the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advance of expenses"); provided, however, that if and to the extent that the Board of Directors of the Corporation requires, an advance of expenses incurred by an indemnatee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnatee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnatee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnatee is not entitled to be indemnified for such expenses under this Section 8.2 or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to

employees and agents of the Corporation with the same or lesser scope and effect as the foregoing indemnification of directors and officers.

Section 8.3 Procedure for Indemnification. Any indemnification of a director or officer of the Corporation or advance of expenses under Section 8.2 of this ARTICLE VIII shall be made promptly, and in any event within forty-five days (or, in the case of an advance of expenses, twenty days) upon the written request of the director or officer. If a determination by the Corporation that the director or officer is entitled to indemnification pursuant to this ARTICLE VIII is required, and the Corporation fails to respond within sixty days to a written request for indemnity, the Corporation shall be deemed to have approved the request. If the Corporation denies a written request for indemnification or advance of expenses, in whole or in part, or if payment in full pursuant to such request is not made within forty-five days (or, in the case of an advance of expenses, twenty days), the right to indemnification or advances as granted by this ARTICLE VIII shall be enforceable by the director or officer in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses where the undertaking required pursuant to Section 8.2 of this ARTICLE VIII, if any, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense

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to the action or create a presumption that the claimant has not met the applicable standard of conduct. The procedure for indemnification of other employees and agents for whom indemnification is provided pursuant to Section 8.2 of this ARTICLE VIII shall be the same procedure set forth in this Section 8.3 for directors or officers, unless otherwise set forth in the action of the Board of Directors of the Corporation providing for indemnification for such employee or agent.

Section 8.4 Insurance. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was a director, officer, employee or agent of the Corporation or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, whether or not the Corporation would have the power to indemnify such person against such expenses, liability or loss under the DGCL.

Section 8.5 Service for Subsidiaries. Any person serving as a director, officer, employee or agent of another Corporation, partnership, limited liability company, joint venture or other enterprise, at least 50% of whose equity interests are owned by the Corporation (hereinafter a "subsidiary" for this ARTICLE VIII) shall be conclusively presumed to be serving in such capacity at the request of the Corporation.

Section 8.6 Reliance. Persons who after the date of the adoption of this provision become or remain directors or officers of the Corporation or who, while a director or officer of the Corporation, become or remain a director, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this ARTICLE VIII in entering into or continuing such service. The rights to indemnification and to the advance of expenses conferred in this ARTICLE VIII shall apply to claims made against an indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to the adoption hereof.

Section 8.7 Non-Exclusivity of Rights. The rights to indemnification and to the advance of expenses conferred in this ARTICLE VIII shall not be exclusive of any other right which any person may have or hereafter acquire

under this Amended and Restated Certificate of Incorporation or under any statute, Bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

Section 8.8 Merger or Consolidation. For purposes of this ARTICLE VIII, references to "the Corporation" shall include any constituent corporation (including any constituent of a constituent) absorbed into the Corporation in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this ARTICLE VIII with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

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ARTICLE IX - Alien Ownership of Stock

Section 9.1 Applicability. This ARTICLE IX shall be applicable to the Corporation so long as the provisions of Section 310 of the Communications Act of 1934, as the same may be amended from time to time (the "Communications Act") (or any successor, provisions thereto) are applicable to the Corporation. As used herein, the term "alien" shall have the meaning ascribed thereto by the Federal Communications Commission ("FCC") on the date hereof and in the future as Congress or the FCC may change such meaning from time to time. If the provisions of Section 310 of the Communications Act (or any successor provisions thereto) are amended, the restrictions in this ARTICLE IX shall be amended in the same way, and as so amended, shall apply to the Corporation. The Board of Directors of the Corporation may make such rules and regulations as it shall deem necessary or appropriate to enforce the provisions of this ARTICLE IX.

Section 9.2 Voting. Except as otherwise provided by law, not more than twenty percent of the aggregate number of shares of Capital Stock of the Corporation outstanding in any class or series entitled to vote on any matter before a meeting of stockholders of the Corporation shall at any time be for the account of aliens or their representatives or for the account of a foreign government or representative thereof, or for the account of any corporation organized under the laws of a foreign country.

Section 9.3 Stock Certificates. Shares of Capital Stock issued to or held by or for the account of aliens and their representatives, foreign governments and representatives thereof, and corporations organized under the laws of foreign countries shall be represented by Foreign Share Certificates. All other shares of Capital Stock shall be represented by Domestic Share Certificates. All of such certificates shall be in such form not inconsistent with this Amended and Restated Certificate of Incorporation as shall be prepared or approved by the Board of Directors of the Corporation.

Section 9.4 Limitation on Foreign Ownership. Except as otherwise provided by law, not more than twenty percent of the aggregate number of shares of Capital Stock of the Corporation outstanding shall at any time be owned of record by or for the account of aliens or their representatives or by or for the account of a foreign government or representatives thereof, or by or for the account of any corporation organized under the laws of a foreign country. Shares of Capital Stock shall not be transferable on the books of the Corporation to aliens or their representatives, foreign governments or representatives thereof, or corporations organized under the laws of foreign countries if, as a result of such transfer, the aggregate number of shares of Capital Stock owned by or for the account of aliens and their representatives, foreign governments and representatives thereof, and corporations organized under the laws of foreign countries shall be more than twenty percent of the number of shares of Capital Stock then outstanding. If it shall be found by the Corporation that Capital Stock represented by a Domestic Share Certificate is, in fact, held by or for the account of aliens or their representative, foreign governments or representatives thereof, or corporations organized under the laws of foreign countries, then such Domestic Share Certificate shall be canceled and a new certificate representing such Capital Stock marked "Foreign Share Certificate" shall be issued in lieu thereof, but only to the extent that after such issuance the Corporation shall be in compliance with this ARTICLE IX; provided, however, that if, and to the

extent, such issuance would violate this ARTICLE IX, then, the holder of such Capital Stock shall not be entitled to vote, to receive dividends, or to have any other rights with regard to such Capital Stock to such extent, except the right to transfer such Capital Stock to a citizen of the United States.

Section 9.5 Transfer of Foreign Share Certificates. Any Capital Stock represented by Foreign Share Certificates may be transferred either to aliens or non-alien. In the event that any Capital Stock represented by a certificate marked "Foreign Share Certificate" is sold or transferred to a non-alien, then such non-alien shall be required to exchange such certificate for a certificate marked "Domestic Share Certificate." If the Board of Directors of the Corporation reasonably determines that a Domestic Share Certificate has been or is to be transferred to or for the account of aliens or their representatives, foreign governments or representatives thereof, or corporations organized under the laws of foreign countries, the Corporation shall issue a new certificate for the shares of Capital Stock transferred to the transferee marked "Foreign Shares Certificate", cancel the old Domestic Share Certificate, and record the transaction upon its books, but only to the extent that after such transfer is complete, the Corporation shall be in compliance with this ARTICLE IX.

Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, the transfer or conversion of the Corporation's Capital Stock, whether voluntary or involuntary, shall not be permitted, and shall be ineffective, if such transfer or conversion would (i) violate (or would result in violation of) the Communications Act or any of the rules or regulation promulgated thereunder or (ii) require the prior approval of the FCC, unless such prior approval has been obtained.

ARTICLE X - Section 203 Election

The Corporation expressly elects not to be governed by Section 203 of Title 8 of the DGCL.

ARTICLE XI - Plan of Recapitalization

In order to (i) effect certain changes in the stock of the Corporation and the rights of stockholders of the Corporation and (ii) effect certain reclassifications of the stock of the Corporation, the provisions of the Plan of Recapitalization, attached hereto as Exhibit A, are hereby incorporated herein by reference and such provisions shall be deemed effective upon, and simultaneously with, this Amended and Restated Certificate of Incorporation becoming effective.

IN WITNESS WHEREOF, said Radio One, Inc. has caused its corporate seal to be hereunto affixed and this Amended and Restated Certificate of Incorporation to be signed by Alfred C. Liggins, III, its President, and attested by Scott R. Royster, one of its Vice Presidents, this 25th day of February, 1999.

RADIO ONE, INC.

By: /s/ Alfred C. Liggins, III,

Alfred C. Liggins, III, President

[SEAL]

ATTEST:

By: /s/ Scott R. Royster

Scott R. Royster, Vice President

EXHIBIT A

PLAN OF RECAPITALIZATION
FOR RADIO ONE, INC.

Present Capitalization

1. Immediately prior to the time at which this Plan of Recapitalization becomes effective, as hereinafter set forth, the authorized capitalization of Radio One, Inc. (the "Corporation") was 292,000 shares, consisting of: (i) 140,000 shares of 15% Series A Cumulative Redeemable Preferred Stock, par value \$.01 per share (the "Series A Preferred"), (ii) 150,000 shares of 15% Series B Cumulative Redeemable Preferred Stock, par value \$.01 per share (the "Series B Preferred," and together with the Series A Preferred, the "Preferred Stock"), (iii) 1,000 shares of Class A Common Stock, par value \$.01 per share (the "Existing Class A Common"), and (iv) 1,000 shares of Class B Common Stock, par value \$.01 per share (the "Existing Class B Common"), of which, 84,843.03 shares of Series A Preferred, 124,467.10 shares of Series B Preferred, and 140.42 shares of Existing Class A Common are issued, fully paid and nonassessable, and outstanding. The outstanding shares of Existing Class A Common are held by the following stockholders of record:

No. of Shares	

Catherine L. Hughes	75.00
Alfred C. Liggins, III	62.45
Jerry A. Moore III	1.00

	138.45
	=====

The Proposed Plan of Recapitalization

2. The Corporation proposes to increase the present authorized capital stock of the Corporation to 293,000 shares by authorizing a new class of common stock consisting of 1,000 shares of Class C Common Stock, par value \$.01 per share (the "Class C Common").

3. The Corporation proposes to amend and restate the Amended and Restated Certificate of Incorporation of the Corporation to (i) provide for the Class C Common, (ii) amend the rights and preferences of the Existing Class A Common and the Existing Class B Common (as so amended, the "New Class A Common" and the "New Class B Common"), and (iii) effect certain other modifications, all as set forth in the Amended and Restated Certificate of Incorporation of the Corporation, to which this Plan of Recapitalization is attached.

4. The Corporation proposes to reclassify and split each of the presently issued and outstanding shares of Existing Class A Common

Ex. A-1

into one-third of a share of New Class B Common and two-thirds of a share of Class C Common and each fractional share of Existing Class A Common into an appropriate pro rata number of shares (including fractional shares) of New Class B Common and Class C Common.

5. The amount of capital which will represent the aggregate number of shares of New Class B Common and Class C Common to be issued pursuant to this plan shall be \$1.3845.

6. If the stockholders approve the foregoing plan and the Amended

and Restated Certificate of Incorporation, and after the plan becomes effective, (i) all rights appertaining to the Existing Class A Common, or accruing by virtue of the ownership thereof, shall immediately cease and terminate, and the holders thereof shall surrender the certificates therefor to the Corporation for cancellation, and receive and accept in lieu thereof certificates of New Class B Common and Class C Common in exchange for and in substitution of the Existing Class A Common as above provided, (ii) all warrants exercisable for shares of Existing Class A Common shall thereafter be exercisable for the same number of shares of New Class A Common, and (iii) any rights then outstanding to obtain shares of Existing Class B Common shall thereafter represent the right to obtain the same number of shares of New Class C Common. Nothing herein is intended, nor shall be deemed, to affect any of the rights and preferences of the holders of the Preferred Stock as set forth in the Amended and Restated Certificate of Incorporation.

Method of Carrying out the Plan

7. Under this Plan of Recapitalization, when the reclassification described herein has become effective, the New Class B Common and Class C Common shall be issued as provided above and the outstanding shares of Existing Class A Common shall be canceled.

Conditions Upon which the Plan Will Become Effective

8. This Plan of Recapitalization shall become effective (i) after it has been duly adopted by the Board of Directors of the Corporation and duly approved by the stockholders of the Corporation and (ii) upon, and simultaneously with, the Amended and Restated Certificate of Incorporation of the Corporation becoming effective.

IN WITNESS WHEREOF, RADIO ONE, INC., pursuant to authority duly given by its Board of Directors has caused this Plan of Recapitalization to be duly executed by its President and its corporate seal to be affixed hereto and attested by its Vice President.

RADIO ONE, INC.

By: _____
President

[SEAL]

Attest:

By: _____
Vice President

AMENDED AND RESTATED
BYLAWS
OF
RADIO ONE, INC.
(as of February 25, 1999)

ARTICLE I - OFFICES

Section 1. Registered Office. The registered office in the State of

Delaware shall be at 9 East Loockerman Street, in the City of Dover, County of Kent. The name of the corporation's registered agent at such address shall be National Registered Agents, Inc. The registered office or registered agent of the corporation may be changed from time to time by action of the board of directors on the filing of a certificate or certificates as required by law.

Section 2. Other Offices. The corporation may also have offices at

such other places, both within and without the State of Delaware, as the board of directors may from time to time determine or the business of the corporation may require.

ARTICLE II - MEETINGS OF STOCKHOLDERS

Section 1. Place and Time of Meetings. An annual meeting of the

stockholders shall be held each year, beginning in the year 1998, prior to the last day of April. At such meeting, the stockholders shall elect the directors of the corporation and conduct such other business as may come before the meeting. The time and place of the annual meeting shall be determined by the board of directors. Special meetings of the stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Special meetings of the stockholders may be called by the president or the chairman of the board for any purpose and shall be called by the secretary if directed by the board of directors.

Section 2. Notice. Whenever stockholders are required or permitted

to take action at a meeting, written or printed notice of every annual or special meeting of the stockholders, stating the place, date, time, and, in the case of special meetings, the purpose or purposes, of such meeting, shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting. All such notices shall be delivered, either personally or by mail, by or at the direction of the board of directors, the chairman of the board, the chief executive officer, the president or the secretary, and if mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage prepaid and addressed to the stockholder at his or her address as it appears on the records of the corporation.

Section 3. Stockholders List. The officer having charge of the stock

ledger of the corporation shall make, at least 10 days before every meeting of the stockholders, a complete list arranged in alphabetical order of the stockholders entitled to vote at such meeting, specifying the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 4. Quorum. The presence of stockholders entitled to cast at

least a majority of the votes that all stockholders are entitled to cast on a matter to be acted upon at a meeting of the stockholders shall constitute a quorum for the purposes of consideration and action on the matter, except as otherwise provided by statute or by the certificate of incorporation. If a quorum is not present, the holders of the shares present in person or represented by proxy at the meeting and entitled to vote thereat shall have the power, by the affirmative vote of the holders of a majority of such shares, to adjourn the meeting to another time or place. Unless the adjournment is for more than thirty days or unless a new record date is set for the adjourned meeting, no notice of the adjourned meeting need be given to any stockholder, provided that the time and place of the adjourned meeting were announced at the meeting at which the adjournment was taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting.

Section 5. Vote Required. When a quorum is present or represented by

proxy at any meeting, the vote of a majority of the votes cast by all stockholders entitled to vote and, if any stockholders are entitled to vote as a class, the vote of a majority of the votes cast by the stockholders entitled to vote as a class, whether such stockholders are present in person or represented by proxy at the meeting, shall be the act of the stockholders, unless the question is one upon which by express provisions of an applicable statute or of the certificate of incorporation a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 6. Voting Rights. Except as otherwise provided by the

Delaware General Corporation Law or by the certificate of incorporation of the corporation or any amendments thereto and subject to Section 3 of ARTICLE VI

hereof, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of capital stock held by such stockholder.

Section 7. Proxies. Each stockholder entitled to vote at a meeting

of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period.

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Section 8. Action by Written Consent. Any action required to be

taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of capital stock entitled to vote thereon were present and voted, and shall be delivered to the corporation by delivery to its registered office in the State of Delaware or the corporation's principal place of business or an officer or agent of the corporation having custody of the books in which proceedings of meetings are recorded. All consents delivered in accordance with this section shall be deemed to be recorded when so delivered. No written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest date on which any consent is delivered to the corporation as required by this section, written consents signed by the holders of a sufficient number of shares to take such corporate action are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing. Any action taken pursuant to such written consent of the stockholders shall have the same force and effect as if taken by the stockholders at a meeting thereof.

Section 1. Number, Election and Term of Office. The board of

directors shall be five (5) in number, including the Class A Directors (as hereinafter defined); provided, however, the number of members of the board of directors shall be increased to nine (9) at the election of Investors (as defined in the Preferred Stockholders' Agreement (the "PSA") dated as of May 14, 1997 among Radio One, Inc., Radio One Licenses, Inc., and the other parties thereto and the Warrantholders' Agreement (the "WA") dated as of June 6, 1995 among Radio One, Inc., Radio One Licenses, Inc. and the other parties thereto, as amended by the First Amendment to Warrantholders' Agreement dated as of the Closing Date (as defined in the PSA), as applicable) in accordance with, and subject to the terms and conditions of, Section 10 of the PSA or Article VI of the WA, as applicable (an election to increase the size of the board of directors is referred to herein as the "Special Election"). The board of directors shall include two directors elected by the holders of the Class A Common Stock by class vote pursuant to the amended and restated certificate of incorporation of the corporation (the "Class A Directors"). The directors shall be elected at the annual meeting of stockholders, except for the Class A Directors and except as provided in Section 3 of this ARTICLE III, and each

director elected shall hold office until the next annual meeting of stockholders and until a successor is duly elected and qualified or until his or her death, resignation or removal as hereinafter provided. The Class A Directors shall be elected at each annual meeting of stockholders commencing with the annual meeting of stockholders to be held in 2000.

Section 2. Removal and Resignation. Any director or the entire board

of directors may be removed at any time, with or without cause, by the vote of a majority of the votes cast by all stockholders entitled to vote at an election of directors, except that the Class A Directors may be removed only by the vote of the holders of a majority of the shares of Class A Common Stock, and

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except as otherwise provided by statute. Any director may resign at any time upon written notice to the corporation.

Section 3. Vacancies. Vacancies and newly created directorships

resulting from any increase in the authorized number of directors may be filled only by the vote of a majority of the votes cast by all stockholders then entitled to vote at an election of directors at an annual or special meeting of stockholders, and each director so chosen shall hold office until the next annual meeting of stockholders and until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided; provided, however, that any vacancy resulting from the resignation or removal of a Class A Director may be filled only by the vote of the holders of a majority of the shares of Class A Common Stock; and provided, further, that any vacancy created as a result of the Special Election shall be filled in the manner provided for in Section 10 of the PSA or Article VI of the WA, as applicable, and a director so elected shall continue to serve as a director until the date on which the Special Election is no longer in effect, at which time the number of directors constituting the board of directors of the corporation shall decrease to such number as constituted the whole board of directors of the corporation immediately prior to the exercise of the Special Election.

Section 4. Annual Meetings. The annual meeting of each newly elected

board of directors shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of stockholders.

Section 5. Other Meetings and Notice. Regular meetings, other than

the annual meeting, of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of the board. Special meetings of the board of directors may be called by or at the request of the chairman, the chief executive officer or the president on at least 24 hours notice to each director, either personally, by telephone, by mail, or by telegraph; in like manner and on like notice the secretary must call a special meeting on the written request of a majority of directors; in like manner on like notice, the secretary must call a special meeting on the written request of Investors holding a majority of the outstanding Preferred Shares (as

defined in the PSA); provided that any such request made by such Investors must be called in good faith for a reasonable business purpose.

Section 6. Quorum. A majority of the total number of directors shall

constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 7. Committees. The board of directors may, by resolution

passed by a majority of the whole board, designate one or more committees. Each committee shall consist of one or more of the directors of the corporation, which, to the extent provided in such resolution and not otherwise limited by statute, shall have and may exercise the powers of the board of directors in the management and affairs of the corporation including without limitation the power to declare a dividend and to authorize the issuance of stock. The board of directors may designate one or more

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directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors. Each committee shall keep regular minutes of its meetings and report the same to the directors when required.

Section 8. Committee Rules. Each committee of the board of directors

may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by the resolution of the board of directors designating such committee, but in all cases the presence of at least a majority of the members of such committee shall be necessary to constitute a quorum. In the event that a member and that member's alternate, if alternates are designated by the board of directors as provided in Section 7 of this ARTICLE III, of such committee is/are absent or disqualified, the member or

members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in place of any such absent or disqualified member.

Section 9. Communications Equipment. Members of the board of

directors or any committee thereof may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in the meeting pursuant to this section shall constitute presence in person at the meeting.

Section 10. Action by Written Consent. Any action required or

permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the board of directors or committee.

ARTICLE IV - OFFICERS

Section 1. Number. The officers of the corporation shall be elected

by the board of directors and shall consist of a chairman of the board (if the board of directors so deems advisable and elects), a president (who shall perform the functions of the chairman of the board if none be elected), one or more vice-presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary or desirable by the board of directors. Any number of offices may be held by the same person. In its

discretion, the board of directors may choose not to fill any office for any period as it may deem advisable, except the offices of president and secretary.

Section 2. Election and Term of Office. The officers of the

corporation shall be elected annually by the board of directors at the meeting of the board of directors held after each annual meeting of stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until

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the next annual meeting of the board of directors and until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent elected by the board of

directors may be removed by the board of directors whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of death,

resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term by the board of directors then in office.

Section 5. Compensation. Compensation of all officers shall be fixed

by the board of directors, and no officer shall be prevented from receiving such compensation by virtue of the fact that he or she is also a director of the corporation.

Section 6. Chairman of the Board. The chairman shall preside at all

meetings of the board of directors and all meetings of the stockholders and shall have such other powers and perform such duties as may from time to time be assigned to him by the board of directors.

Section 7. The Chief Executive Officer. The chief executive officer

of the corporation shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors.

The chief executive officer shall have overall management of the business of the corporation and its subsidiaries and shall see that all orders and resolutions of the boards of directors of the corporation and its subsidiaries are carried into effect. The chief executive officer shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The chief executive officer shall have general powers of supervision and shall be the final arbitrator of all differences among officers of the corporation and its subsidiaries, and such decision as to any matter affecting the corporation and its subsidiaries subject only to the boards of directors.

Section 8. The President. The president shall have such powers and

perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors.

The president shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of

the corporation. The president shall have general powers of

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supervision and shall be the final arbitrator of all differences between officers of the corporation, and such decision as to any matter affecting the corporation subject only to the board of directors.

Section 9. Vice Presidents. The vice-president, or if there shall be

more than one, the vice-presidents in the order determined by the board of directors, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties and have such other powers as the board of directors may, from time to time, determine or these bylaws may prescribe.

Section 10. The Secretary and Assistant Secretaries. The secretary

shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and the board of directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors; perform such other duties as may be prescribed by the board of directors or president, under whose supervision he or she shall be; shall have custody of the corporate seal of the corporation and the secretary, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 11. The Treasurer and Assistant Treasurer. The treasurer

shall have the custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation; shall deposit all monies and other valuable effects in the name and to the credit of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements; and shall render to the president and the board of directors, at its regular meeting or when the board of directors so requires, an account of the corporation. If required by the board of directors, the treasurer shall give the corporation a bond (which shall be rendered every six years) in such sums and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of the office of treasurer and for the restoration to the corporation, in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the possession or under the control of the treasurer belonging to the corporation. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors, shall in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 12. Other Officers, Assistant Officers and Agents. Officers,

assistant officers and agents, if any, other than those whose duties are provided for in these bylaws, shall have such

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authority and perform such duties as may from time to time be prescribed by resolution of the board of directors.

ARTICLE V - INDEMNIFICATION OF OFFICERS, DIRECTORS AND OTHERS

Section 1. Right to Indemnification. Each person who was or is made

party or is threatened to be made a party to or is otherwise involved (including involvement as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter, an "indemnatee"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the corporation to the fullest extent authorized by the Delaware General Corporation Law ("DGCL"), as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide for broader indemnification rights than permitted as of the date of these bylaws), against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnatee in connection therewith and such indemnification shall continue as to an indemnatee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnatee's heirs, executors and administrators; provided, however, that except as provided in Section 2 of this ARTICLE V with

respect to proceedings to enforce rights to indemnification, the corporation shall indemnify any such indemnatee in connection with a proceeding (or part thereof) initiated by such indemnatee only if such proceeding (or part thereof) was authorized by the board of directors of the corporation. The right to indemnification conferred in this Section 1 of this ARTICLE V shall be a

contract right and shall include the obligation of the corporation to pay the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advance of expenses"); provided, however, that if and to the extent that the board of directors of the corporation requires, an advance of expenses incurred by an indemnatee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnatee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnatee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnatee is not entitled to be indemnified for such expenses under this Section 1 or otherwise. The corporation may, by action of its board of directors, provide indemnification to employees and agents of the corporation with the same or lesser scope and effect as the foregoing indemnification of directors and officers.

Section 2. Procedure for Indemnification. Any indemnification of a

director or officer of the corporation or advance of expenses under Section 1 of this ARTICLE V shall be made promptly, and in any event within forty-five days

(or, in the case of an advance of expenses, twenty days) upon the written request of the director or officer. If a determination by the corporation that

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the director or officer is entitled to indemnification pursuant to this ARTICLE V is required, and the corporation fails to respond within sixty days

to a written request for indemnity, the corporation shall be deemed to have approved the request. If the corporation denies a written request for indemnification or advance of expenses, in whole or in part, or if payment in full pursuant to such request is not made within forty-five days (or, in the case of an advance of expenses, twenty days), the right to indemnification or advances as granted by this ARTICLE V shall be enforceable by the director or

officer in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses where the undertaking required pursuant to Section 1 of this ARTICLE V, if any, has been

tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the DGCL for the corporation to indemnify the claimant for the amount claimed, but the burden of such defense shall be on the corporation. Neither the failure of the corporation (including its board of directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the corporation (including its board of directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct. The procedure for indemnification of other employees and agents for whom indemnification is provided pursuant to Section 1 of this ARTICLE V shall be the

same procedure set forth in this Section 2 for directors or officers, unless otherwise set forth in the action of the board of directors of the corporation providing for indemnification for such employee or agent.

Section 3. Insurance. The corporation may purchase and maintain

insurance on its own behalf and on behalf of any person who is or was a director, officer, employee or agent of the corporation or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, whether or not the corporation would have the power to indemnify such person against such expenses, liability or loss under the DGCL.

Section 4. Service for Subsidiaries. Any person serving as a

director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture or other enterprise, at least 50% of whose equity interests are owned by the corporation (hereinafter a "subsidiary" for purposes of this ARTICLE V) shall be conclusively presumed to be serving in

such capacity at the request of the corporation.

Section 5. Reliance. Persons who after the date of the adoption of

these bylaws become or remain directors or officers of the corporation or who, while a director or officer of the corporation, become or remain a director, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this ARTICLE V in entering into or continuing such service. The

rights to indemnification and to the advance of expenses conferred in this ARTICLE V shall apply to claims
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made against an indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to the adoption hereof.

Section 6. Non-Exclusivity of Rights. The rights to indemnification

and to the advance of expenses conferred in this ARTICLE V shall not be

exclusive of any other right which any person may have or hereafter acquire under these bylaws or the corporation's certificate of incorporation or under any statute, agreement, vote of stockholders or disinterested directors or otherwise.

Section 7. Merger or Consolidation. For purposes of this ARTICLE V,

references to "the corporation" shall include any constituent corporation (including any constituent of a constituent) absorbed into the corporation in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of

another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this ARTICLE V with respect to the

resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

ARTICLE VI - CERTIFICATES OF STOCK

Section 1. Form. Subject to ARTICLE X of the certificate of

incorporation, every holder of stock in the corporation shall be entitled to have a certificate, signed by, or in the name of the corporation by the president or a vice-president, and the secretary or an assistant secretary of the corporation, certifying the number of shares owned by him or her in the corporation. Where a certificate is signed (1) by a transfer agent or an assistant transfer agent other than the corporation or its employee or (2) by a registrar, other than the corporation or its employee, the signature of any such president, vice-president, secretary, or assistant secretary may be facsimile. In case any officer or officers have signed a certificate or certificates, or whose facsimile signature or signatures have been used on certificate or certificates, shall cease to be such officer or officers of the corporation whether because of death, resignation or otherwise before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used on such certificate or certificates had not ceased to be such officer or officers of the corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered or canceled, except as otherwise provided in Section 2 with respect to lost, stolen or destroyed certificates.

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Section 2. Lost Certificates. Subject to ARTICLE X of the

certificate of incorporation, the board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 3. Fixing a Record Date. The board of directors may fix in

advance a record date for the determination of stockholders entitled to notice of, and to vote at, any meeting of stockholders and any adjournment thereof; stockholders entitled to consent to corporate action in writing without a meeting; stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or entitled to exercise any rights in respect to any change, conversion or exchange of stock; or, for the purpose of any other lawful action, which record date may not precede the date on which the resolution fixing such record date is adopted by the board of directors. The record date for the determination of stockholders entitled to notice of, and to vote at, a meeting of stockholders shall not be more than 60 days nor less than 10 days before the date of such meeting. The record date for the determination of stockholders entitled to consent to corporate action in writing without a meeting shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the board of directors. The record date for the determination of stockholders with respect to any other action shall not be more than 60 days before the date of such action. If no record date is fixed: the record date for determining stockholders entitled to notice of, and

to vote at, a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; the record date for determining stockholders entitled to consent to corporate action in writing without a meeting when no prior action by the board of directors is required by the Delaware General Corporation Law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded; and, the record date for determining stockholders with respect to any other action shall be the close of business on the day on which the board of directors adopts the resolution relating thereto.

ARTICLE VII - GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the

corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the certificate of incorporation. Before payment of any dividend, there may be set aside out of any funds of the corporation available for

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dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, equalize dividends, repair or maintain any property of the corporation, or for any other purpose, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Checks, Drafts or Orders. All checks, drafts, or other

orders for the payment of money by or to the corporation and all notes and other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner, as shall be determined by resolution of the board of directors or a duly authorized committee thereof.

Section 3. Contracts. The board of directors may authorize any

officer or officers, or any agent or agents, of the corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 4. Loans. The corporation may lend money to, or guarantee

any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the board of directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing contained in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

Section 5. Fiscal Year. The fiscal year of the corporation shall be

fixed by resolution of the board of directors.

Section 6. Corporate Seal. The board of directors shall provide a

corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 7. Voting Securities Owned by Corporation. Voting securities

in any other corporation held by the corporation shall be voted by the president or the vice president, unless the board of directors specifically confers authority to vote with respect thereto upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 8. Inspection of Books and Records. Any stockholder of

record, in person or by attorney or other agent, shall, upon written demand upon oath stating the purpose thereof, have the right during the usual hours of business to inspect for any proper purpose the corporation's stock ledger, a list of its stockholders, and its other books and records, and to make copies or extracts therefrom. A proper purpose shall mean any purpose reasonably related to such person's interest as

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a stockholder. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in the State of Delaware or at its principal place of business.

Section 9. Section Headings. Section headings in these bylaws are

for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 10. Inconsistent Provisions. In the event that any provision

of these bylaws is or becomes inconsistent with any provision of the certificate of incorporation, the Delaware General Corporation Law or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VII - AMENDMENTS

These bylaws may be amended, altered or repealed and new bylaws adopted at any meeting of the board of directors by a majority vote, provided that the affirmative vote of the holders of a majority of the shares of common stock of the corporation then entitled to vote and of any series or class of preferred stock then outstanding shall be required to adopt any provision inconsistent with, or to amend or repeal any provision of, Section 1 or 3 of ARTICLE III or this ARTICLE VIII. The fact that the power to adopt, amend, alter

or repeal the bylaws has been conferred upon the board of directors shall not divest the stockholders of the same powers.

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SECOND AMENDMENT TO PREFERRED STOCKHOLDERS' AGREEMENT

THIS AMENDMENT (this "Amendment") is executed to be effective as of

November 23, 1998 (the "Effective Date") among ALTA SUBORDINATED DEBT PARTNERS

III, L.P., BANCOSTON INVESTMENTS INC., GRANT M. WILSON, SYNCOM CAPITAL CORPORATION, ALLIANCE ENTERPRISE CORPORATION, ALFRED C. LIGGINS, III, as successor in interest to Greater Philadelphia Venture Capital Corporation, Inc., OPPORTUNITY CAPITAL CORPORATION, MEDALLION CAPITAL, INC., TSG VENTURES L.P. and FULCRUM VENTURE CAPITAL CORPORATION (collectively, the "Investors"), RADIO ONE, INC. (the "Company") and RADIO ONE LICENSES, INC., a subsidiary of the Company, and ALFRED C. LIGGINS, CATHERINE L. HUGHES and JERRY A. MOORE III (the "Management Stockholders"), with reference to that certain Preferred

Stockholders' Agreement (as amended, supplemented and otherwise modified from time to time, the "Agreement") entered into as of May 14, 1997 by and among

the Investors, the Company, and the Management Shareholders. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

R E C I T A L S:
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WHEREAS, the Agreement imposes certain affirmative and negative covenants on the Company;

WHEREAS, after reviewing certain information provided by the Company concerning performance during 1998 and expected expenditures, the Investors are willing to amend the Agreement to provide for modifications to the covenants subject to performance and observance in full of each of the covenants, conditions and other terms set forth below.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto hereby agree as follows:

Section 1. AMENDMENTS TO AGREEMENT

Subject to the terms and conditions set forth herein, and in reliance upon the representations of the Company herein contained, the Agreement is hereby amended as follows:

(a) Section 4.2 of the Agreement is hereby amended by substituting the number "\$2,850,000" for the number "\$1,935,000".

(b) Section 4.3 of the Agreement is hereby deleted in its entirety and is replaced with the following:

Except for those capital expenditures described on Appendix A hereto, the

Company will not make, incur, assume or otherwise become liable for Capital Expenditures in excess of \$300,000 for any fiscal period, except that the amount shall be \$2,100,000 for fiscal year 1998; provided, however, that if

the Company does not incur Capital Expenditures in an aggregate amount of \$300,000 during any fiscal year period, the Company may add such

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unused portion of permitted Capital Expenditures to the amount of the Capital Expenditure allotment for the following fiscal year period.

(c) Section 5.9(a) of the Agreement is hereby deleted in its entirety and is replaced with the following:

(a) ensure that meetings of the Board of Directors of the Company are held at least four (4) times each year (provided that the number may be reduced to three (3) for fiscal year 1998) at intervals of not more than four (4) months (provided that the interval requirement shall not apply to fiscal year 1998) and that annual meetings (the "Annual Meetings") of the stockholders of the Company be held each year within 180 days of the Company's fiscal year end;

Section 2. REPRESENTATIONS AND WARRANTIES.

In order to induce the Investors to enter into this Amendment, Company represents and warrants to the Investors that the representations and warranties contained in Section 2 of the Agreement are true, correct and complete in all

material respects on and as of the date hereof to the same extent as though made on and as of such date, except for changes that were consented to in writing by the Investors and except as disclosed on Attachment A hereto.

Section 3. MISCELLANEOUS

(a) Ratification and Confirmation of Agreement. Except as specifically amended hereby, the Agreement shall remain in full force and effect and is hereby ratified and confirmed, and the execution, delivery and performance of this Amendment shall not, except as expressly provided herein, operate as an amendment of any provision of the Agreement or as a waiver of any right, power or remedy of the Investors under the Agreement. Without limiting the generality of the foregoing, the amendments set forth in Section 1 above shall be limited

precisely as set forth above, and nothing in this Amendment shall be deemed (i) to constitute a waiver of compliance by the Company with respect to any other provision or condition of the Agreement or (ii) to prejudice any right or remedy that the Investors may now have or may have in the future under or in connection with the Agreement.

(b) Headings. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(c) Applicable Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

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(d) Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

RADIO ONE, INC.

/s/ Alfred C. Liggins, III

By: _____
Name: Alfred C. Liggins, III
Title: President

RADIO ONE LICENSES, INC.

/s/ Alfred C. Liggins, III

By: _____
Name: Alfred C. Liggins, III
Title: President

ALTA SUBORDINATED DEBT
PARTNERS III, L.P.

By: Alta Subordinated Debt Management III,
L.P., its General Partner

/s/ Brian W. McNeill

By: _____
Name: Brian W. McNeill
Title: General Partner

BANCOSTON INVESTMENTS INC.

/s/ Lars A. Swanson

By: _____
Name: Lars A. Swanson
Title: Assistant Vice President

GRANT WILSON

/s/ Grant M. Wilson

Name: Grant M. Wilson
Title: Individual

SYNCOM CAPITAL CORPORATION

/s/ Terry L. Jones

By: _____
Name: Terry L. Jones
Title:

ALLIANCE ENTERPRISE CORPORATION

/s/ Divakar Kamath

By: _____
Name: Divakar Kamath
Title: Executive Vice President

ALFRED C. LIGGINS, III

/s/ Alfred C. Liggins, III
By: _____
Name: Alfred C. Liggins, III
Title: Individual

OPPORTUNITY CAPITAL CORPORATION

/s/ J. Peter Thompson
By: _____
Name: J. Peter Thompson
Title: President

MEDALLION CAPITAL, INC.

/s/ Dean Pickerell
By: _____
Name: Dean Pickerell
Title: President

TSG VENTURES L.P.

By: TSGVI Associates, Inc., its General
Partner

/s/ Duane Hill
By: _____
Name: Duane Hill
Title: President

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FULCRUM VENTURE CAPITAL CORPORATION

/s/ Brian Argrett
By: _____
Name: Brian Argrett
Title: President

MANAGEMENT STOCKHOLDERS

/s/ Alfred C. Liggins, III

Alfred C. Liggins, III, individually

/s/ Catherine L. Hughes

Catherine L. Hughes, individually

/s/ Jerry A. Moore III

Jerry A. Moore III, individually

THIRD AMENDMENT TO PREFERRED STOCKHOLDERS' AGREEMENT

This THIRD AMENDMENT TO PREFERRED STOCKHOLDERS' AGREEMENT (this "Amendment"), dated as of December 23, 1998, by and among the investors listed as Series A Investors on Schedule A hereto (the "Series A Preferred Investors"), the investors listed as Series B Investors on Schedule B hereto (the "Series B Preferred Investors"), Radio One, Inc., a Delaware corporation (the "Company"), Radio One Licenses, Inc., a Delaware corporation ("ROL"), and Alfred C. Liggins ("Liggins"), Catherine L. Hughes ("Hughes") and Jerry A. Moore III ("Moore") (Liggins, Hughes and Moore are hereinafter collectively referred to as the "Management Stockholders," and together with the Company and ROL as the "Interested Parties," and each an "Interested Party").

WHEREAS, the Series A Preferred Investors, the Series B Preferred Investors, the Company, ROL and the Management Stockholders entered into a Preferred Stockholders' Agreement (the "Amended Original Agreement") dated as of May 14, 1997, as amended by that certain First Amendment, dated as of June 30, 1998, and that certain Second Amendment, dated as of November 23, 1998; and

WHEREAS, in connection with the closing of the transactions contemplated by that certain Stock Purchase Agreement dated as of October 26, 1998, by and among the Company and Syndicated Communications Venture Partners II, L.P., a Delaware limited partnership (the "Detroit Allur Acquisition"), as to which the Investors have previously given their consent by letter agreement dated October 2, 1998, the Company desires to enter into a First Amendment (the "First Amendment") to that certain Credit Agreement, dated as of June 30, 1998, by and among the Company, Several Lenders from time to time thereto, NationsBank, N.A., and Credit Suisse First Boston (the "CSFB Agreement"); and

WHEREAS, certain approvals, consents and amendments to the Amended Original Agreement are required in order for the Company to enter into the First Amendment and to take certain actions in connection therewith and in connection with the Detroit Allur Acquisition.

NOW, THEREFORE, the parties hereto agree as follows:

1. Formation of Allur Licenses, Inc. The parties hereto hereby consent pursuant to Section 6.4 of the Amended Original Agreement to the formation of Allur Licenses, Inc., a Delaware corporation, for the purpose of acting as a License Subsidiary (as such term is defined in the Amended Original Agreement) holding the licenses, permits and authorizations required for and/or used in the ownership and operation of the radio stations to be acquired in the Detroit Allur Acquisition. It is understood and agreed that, after the consummation of the Detroit Allur Acquisition, Allur Licenses, Inc. will be wholly owned by the Company's then direct subsidiary, Allur-Detroit, Inc.

2. CSFB Agreement.

(a) The parties hereto hereby consent to the First Amendment to the CSFB Agreement and to the incurrence of indebtedness in the maximum principal amount of \$57,500,000 on the terms and conditions contemplated by the CSFB Agreement, together with any and all interests, fees and other charges as contemplated thereby and documents executed in connection with such First Amendment.

(b) The Amended Original Agreement is hereby amended to delete Section 6.1(b) thereof in its entirety and replace it with the following:

"(b) Indebtedness in a principal amount not in excess of \$57,500,000 outstanding under the Credit Agreement dated as of June 30, 1998 by and among the Company, Credit Suisse First Boston, as Agent, and the several lenders from time to time party thereto, as such agreement may be amended, modified, replaced, renewed or otherwise changed except as respect to the

maximum principal amount of such Indebtedness or its rate of amortization (the "CSFB Loan Agreement") and any refinancing of the Indebtedness under the CSFB Loan Agreement on terms substantially similar or more favorable to the Company than the terms of the CSFB Loan Agreement, provided that such refinancing shall not (i) increase the interest rates to a rate greater than the rate provided for under the terms of the CSFB Loan Agreement, (ii) materially change the rate of amortization of the CSFB Loan Agreement, (iii) extend the maturity of the CSFB Debt beyond its current maturity or (iv) increase the principal amount of the CSFB Debt in an amount in excess of \$57,500,000; provided, that the Borrower is not otherwise in violation of this clause (b)."

3. Miscellaneous.

(a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS. EACH OF THE INVESTORS AND THE INTERESTED PARTIES HEREBY REPRESENTS, WARRANTS AND AGREES THAT THE NEGOTIATION OF THIS AGREEMENT HAS TAKEN PLACE IN THE COMMONWEALTH OF MASSACHUSETTS. EACH OF THE INTERESTED PARTIES HEREBY ACKNOWLEDGES THAT IT HAS CAREFULLY REVIEWED AND UNDERSTANDS THE TERMS OF THIS AGREEMENT, HAS OBTAINED AND CONSIDERED THE ADVICE OF COUNSEL WITH RESPECT TO SUCH TERMS AND HAS HAD AN OPPORTUNITY TO FULLY NEGOTIATE SUCH TERMS.

(b) This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies of this Amendment, each of which may be signed by less than all of the parties hereto, but together all such copies are signed by all of the parties hereto.

(c) This Amendment amends the Amended Original Agreement and wherever reference is made in the Amended Original Agreement to "the Agreement" or "this Agreement," such

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reference shall refer to the Amended Original Agreement as amended hereby. The terms of this Amendment shall control any conflict between the Amended Original Agreement and this Amendment. Otherwise, all other terms and conditions of the Amended Original Agreement shall remain in full force and effect.

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3

SCHEDULE A

Syncom Capital Corporation

Alliance Enterprise Corporation

Opportunity Capital Corporation

Medallion Capital, Inc.

TSG Ventures, L.P.

Fulcrum Venture Capital Corporation

Alfred C. Liggins, III

(successor-in-interest to Greater Philadelphia Venture Capital Corporation, Inc.)

SCHEDULE B

Alta Subordinated Debt Partners III, L.P.

BancBoston Investments Inc.

Grant M. Wilson

IN WITNESS WHEREOF, the undersigned have executed this Third Amendment to Preferred Stockholders' Agreement as a sealed instrument as of the day and year first above written.

COMPANY:

RADIO ONE, INC.

By: /s/ Alfred C. Liggins, III

Name: Alfred C. Liggins, III

Title: President

SUBSIDIARY:

RADIO ONE LICENSES, INC.

By: Alfred C. Liggins, III

Name: Alfred C. Liggins, III

Title: President

[Signature Page to First Amendment to Preferred Stockholders' Agreement]

SERIES B PREFERRED INVESTORS:

ALTA SUBORDINATED DEBT

PARTNERS III, L.P.

By: Alta Subordinated Debt

Management III, L.P., its

General Partner

By: /s/ Brian W. McNeill

Name: Brian W. McNeill

Title: General Partner

BANCBOSTON INVESTMENTS INC.

By: /s/ Lars A. Swanson

Name: Lars A. Swanson

Title: Assistant Vice President

/s/ Grant M. Wilson

Grant M. Wilson, individually

[Signature Page to First Amendment to Preferred Stockholders' Agreement]

SERIES A PREFERRED INVESTORS:

SYNCOM CAPITAL CORPORATION

By: /s/ Terry L. Jones

Name: Terry L. Jones

Title:

ALLIANCE ENTERPRISE CORPORATION

By: /s/ Divakar Kamath

Name: Divakar Kamath
Title: Executive Vice President

OPPORTUNITY CAPITAL CORPORATION

By: /s/ J. Peter Thompson

Name: J. Peter Thompson
Title: President

MEDALLION CAPITAL, INC.

By: /s/ Dean Pickerell

Name: Dean Pickerell
Title: President

TSG VENTURES L.P.
as successor-in-interest to TSG Ventures Inc.

[Signature Page to First Amendment to Preferred Stockholders' Agreement]

BY: TSGVI Associates, Inc., its General
Partner

By: /s/ Duane Hill

Name: Duane Hill
Title: President

FULCRUM VENTURE CAPITAL CORPORATION

By: /s/ Brian Argrett

Name: Brian Argrett
Title: President

/s/ Alfred C. Liggins, III

Alfred C. Liggins, III, as successor-in-
interest to Greater Philadelphia Venture
Capital Corporation, Inc.

MANAGEMENT STOCKHOLDERS:

/s/ Alfred C. Liggins, III

Alfred C. Liggins, III, individually

/s/ Catherine L. Hughes

Catherine L. Hughes, individually

/s/ Jerry A. Moore III

Jerry A. Moore III, individually

[Signature Page to First Amendment to Preferred Stockholders' Agreement]

FOURTH AMENDMENT TO PREFERRED STOCKHOLDERS' AGREEMENT

THIS AMENDMENT (this "Amendment") is executed to be effective as of

December 31, 1998 (the "Effective Date") among ALTA SUBORDINATED DEBT PARTNERS

III, L.P., BANCOSTON INVESTMENTS INC., GRANT M. WILSON, SYNCOM CAPITAL CORPORATION, ALLIANCE ENTERPRISE CORPORATION, ALFRED C. LIGGINS, III, as successor in interest to Greater Philadelphia Venture Capital Corporation, Inc., OPPORTUNITY CAPITAL CORPORATION, MEDALLION CAPITAL, INC., TSG VENTURES L.P. and FULCRUM VENTURE CAPITAL CORPORATION (collectively, the "Investors"), RADIO ONE, INC. (the "Company") and RADIO ONE LICENSES, INC., a subsidiary of the Company, and ALFRED C. LIGGINS, CATHERINE L. HUGHES and JERRY A. MOORE III (the "Management Stockholders"), with reference to that certain Preferred

Stockholders' Agreement (as amended, supplemented and otherwise modified from time to time, the "Agreement") entered into as of May 14, 1997 by and among the

Investors, the Company, and the Management Shareholders. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

R E C I T A L S:
- - - - -

WHEREAS, the Agreement imposes certain affirmative and negative covenants on the Company;

WHEREAS, after reviewing certain information provided by the Company concerning performance during 1998 and expected expenditures, the Investors are willing to amend the Agreement to provide for modifications to the covenants subject to performance and observance in full of each of the covenants, conditions and other terms set forth below.;

WHEREAS, pursuant to Section 12.1 of the Agreement, holders of the majority of the outstanding shares of Preferred Stock, are permitted to make certain amendments the Agreement;

WHEREAS, the substance of this amendment is such that the holders of a majority of the outstanding shares of Preferred Stock are permitted to amend the Agreement; and

WHEREAS, the undersigned Investors, Alta Subordinated Debt Partners III, L.P. ("Alta") and BancBoston Investments, Inc. ("BancBoston"), together hold a majority of the outstanding shares of Preferred Stock.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto hereby agree as follows:

Section 1. AMENDMENTS TO AGREEMENT

Subject to the terms and conditions set forth herein, and in reliance upon the representations of the Company herein contained, the Agreement is hereby amended as follows:

(a) Section 4.3 of the Agreement is hereby deleted in its entirety and is replaced with the following:

- 1 -

Except for those capital expenditures described on Appendix A hereto, the

Company will not make, incur, assume or otherwise become liable for Capital Expenditures in excess of \$300,000 for any fiscal period, except that the amount shall be \$2,300,000 for fiscal year 1998; provided, however, that if

the Company does not incur Capital Expenditures in an aggregate amount of \$300,000 during any fiscal year period, the Company may add such unused portion of permitted Capital Expenditures to the amount of the Capital Expenditure allotment for the following fiscal year period.

Section 2. REPRESENTATIONS AND WARRANTIES.

In order to induce the Investors to enter into this Amendment, Company represents and warrants to the Investors that the representations and warranties contained in Section 2 of the Agreement are true, correct and complete in all

material respects on and as of the date hereof to the same extent as though made on and as of such date, except for changes that were consented to in writing by the Investors.

Section 3. MISCELLANEOUS

(a) Ratification and Confirmation of Agreement. Except as specifically amended hereby, the Agreement shall remain in full force and effect and is hereby ratified and confirmed, and the execution, delivery and performance of this Amendment shall not, except as expressly provided herein, operate as an amendment of any provision of the Agreement or as a waiver of any right, power or remedy of the Investors under the Agreement. Without limiting the generality of the foregoing, the amendments set forth in Section 1 above shall be limited

precisely as set forth above, and nothing in this Amendment shall be deemed (i) to constitute a waiver of compliance by the Company with respect to any other provision or condition of the Agreement or (ii) to prejudice any right or remedy that the Investors may now have or may have in the future under or in connection with the Agreement.

(b) Headings. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(c) Applicable Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

(d) Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

RADIO ONE, INC.

By: /s/ Alfred C. Liggins, III

Name: Alfred C. Liggins, III
Title: President

RADIO ONE LICENSES, INC.

By: /s/ Alfred C. Liggins, III

Name: Alfred C. Liggins, III
Title: President

ALTA SUBORDINATED DEBT
PARTNERS III, L.P.

By: Alta Subordinated Debt Management III,
L.P., its General Partner

By: /s/ Brian W. McNeill

Name: Brian W. McNeill
Title: General Partner

BANCOSTON INVESTMENTS INC.

By: /s/ Sanford Anstey

Name: Sanford Anstey
Title:

Exhibit 21.1. Subsidiaries of Radio One, Inc.

Radio One Licenses, Inc., a Delaware corporation, is a restricted subsidiary of Radio One, Inc. and does business under the following call letters:

WKYS-FM
WMMJ-FM
WOL-AM
WYCB-AM
WERQ-FM
WOLB-AM
WWIN-FM
WWIN-AM
WPHI-FM

WYCB Acquisition Corporation, a Delaware corporation, and Broadcast Holdings, Inc., a District of Columbia corporation, are unrestricted subsidiaries of Radio One, Inc., and do business under the following call letters:

WYCB-AM

Bell Broadcasting Company ("Bell"), a Michigan corporation, is a restricted subsidiary of Radio One, Inc. Radio One of Detroit, Inc. ("Radio One of Detroit"), a Delaware corporation, is a restricted subsidiary of Bell. Bell and Radio One of Detroit do business under the following call letters:

WCHB-AM
WDTJ-FM
WJZZ-AM

Allur-Detroit, Inc. ("Allur-Detroit"), a Delaware corporation, is a restricted subsidiary of Radio One, Inc. Allur Licenses, Inc. ("Allur Licenses"), a Delaware Corporation, is a restricted subsidiary of Allur-Detroit. Allur-Detroit and Allur Licenses do business under the following call letters:

WWBR-FM

Radio One of Atlanta, Inc. ("ROA"), a Delaware corporation, is a restricted subsidiary of Radio One, Inc. ROA Licenses, Inc. ("ROA Licenses"), a Delaware Corporation, is a restricted subsidiary of ROA. ROA and ROA Licenses do business under the following call letters:

WHTA-FM

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent top the use of our reports and to all references to our firm included in or made a part of this registration statement.

/s/ Arthur Andersen, LLP

Baltimore, Maryland
March 12, 1999

To the Board of Directors of
Radio One, Inc.

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the inclusion in this registration statement on Form S-1 of our report dated March 25, 1998, on our audit of the financial statements of ALLUR-DETROIT, INC. We also consent to the reference to our firm under the caption "Experts".

/s/ Mitchell & Titus, LLP
Mitchell & Titus, LLP
Washington, D.C.
March 10, 1999

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