

April 18, 2002

Mr. Raul Alarcon
Spanish Broadcasting System
2601 South Bayshore Drive
Penthouse II
Coconut Grove, Florida 33133

Privileged And Confidential

Via Facsimile (305) 444-2179 and Overnight Delivery

Dear Raul:

Thank you for your letter of April 17, 2002. I appreciated the opportunity to read your proposal to HBC. I am sure Mac and his board will seriously consider the proposal. I have great confidence that HBC will consider any offer that it feels will enhance shareholder value for the equity holders.

As you know, Clear Channel is a passive investor and can have no voice in this decision until and unless it is brought to us for a vote. This is due not only to the terms of our stockholders agreement with HBC, but more fundamentally due to FCC regulations that would risk having HBC radio stations becoming attributable to Clear Channel should we become less than passive in HBC events. So we must remain ever vigilant in following the rules of our ownership stake in HBC and stay passive in this issue, unless, and until, it is presented to us for a vote. Only at that time can we make our voice heard.

Very truly yours


L. Lowry Mays

LLM:sjh



ClearChannel Worldwide

200 East Basse Road • San Antonio, TX 78209-8328 • www.clearchannel.com

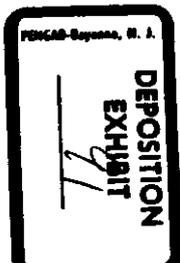
210 832-3301 T.F.
805-0734 F.A.

CONFIDENTIAL

SBS020403



*Comparison of SBSA and UVN Proposals
May 13, 2002*



CC 0002278

Summary Observations

Value Creation

- ◆ At first glance, the Spanish Broadcasting ("SBSA") offer appears to provide greater value to Hispanic Broadcasting ("HSP") shareholders than the Univision ("UVN") offer 41% SBSA premium vs 25% UVN premium
- ◆ However, a more "accurate" comparison requires that HSP adjust the analysis for dilution and consider the feasibility of the combined company achieving the required synergies or multiple expansion necessary for the acquiror's shareholders to breakeven and HSP shareholders to retain the full extent of the premium
 - As "adjusted", the UVN premium is 19% while the SBSA premium is 10%
 - To retain the entire premium for HSP shareholders, with HSP shares not declining in value, the required synergies as a percent of the combined company's EBITDA is only 5% of UVN/HSP 2002E EBITDA compared to 27% of SBSN/HSP 2002E EBITDA
 - Alternatively, the 2002E EBITDA trading multiple for UVN/HSP would need to expand less than two points to **34.4x** compared to almost ten points to **44.1x** for SBSN/HSP to retain the premium
 - This would suggest that the UVN proposal is a safer bet to attain a high premium for HSP shareholders

Strategic Position

- ◆ A combination with SBSA would create the second largest public radio company (based on firm value) with 80 stations and a dominant presence in Spanish radio
 - Barriers to other radio operators creating Spanish language stations are relatively low, as evidenced by Big City's recent reformatting of WYNY to target the **18 - 49** year old "Spanglish" market
 - Provides **the** opportunity to rationalize competition in L.A. market; overlap of combined company will only force divestitures in L.A. (combination creates **8 FM's** and 1 AM)
 - Combined market cap remains small (**\$3-4** billion) and does not diminish the ability of UVN or GE to buy the consolidated company, however, the resulting voting power of the Alarcon family (potentially 54-60%) would be a factor
- ◆ A combination with UVN would be the category killer in Hispanic entertainment with a superior growth profile
 - Barriers to entry on **TV** business are higher given ownership of content
 - Can leverage greater size / scale with advertisers and suppliers
 - **If** desire to increase presence in radio, could buy SBSA at a later date

CC 0002279

Summary Observations (continued)

Exchange Ratio Analysis

- ◆ The 0.791x exchange ratio offered by UVN represents a 20-25% premium consistently over the exchange ratio during the last few years
- ◆ In contrast, the SBSA offer appears to take advantage of a historically low exchange ratio; the implied 2.396x exchange ratio (\$9.14 in cash and 1.81 SBSA shares) represents a 8-19% discount over the average exchange ratio during the last few years

Relative Valuation Multiples and Growth Prospects

- ◆ UVN and SBSA are currently valued at 32.3x and 35.4x 2002E EBITDA respectively, but on a growth adjusted basis, UVN is valued at 1.5x compared to SBSA at 1.9x reflecting UVN's strong growth prospects
- ◆ UVN embodies superior growth potential with '02-'03 estimated EBITDA growth of approximately 31% compared to approximately 22% for SBSA; in addition, the launch of a second network at UVN indicates continued strong growth in the future

Balance Sheet Considerations

- ◆ The SBSA proposal assumes distributing \$1 billion in cash to HSP shareholders, this is a much riskier structure for HSP as it causes pro forma leverage to soar to 12.8x 2001 EBITDA and would potentially raise concerns at the rating agencies and cause multiple contraction
- ◆ The UVN / HSP leverage is more palatable at 3.0x 2001 EBITDA, and HSP shareholders would benefit from the higher Baa3 / BB+ credit rating at UVN

Clear Channel Considerations

- ◆ Ability to monetize - float, average daily trading volume, etc.
- ◆ Convert to voting shares?
- ◆ Legal ability to obtain registration rights
- ◆ Potential disparity in economic and voting ownership, especially by the Alarcon family
- ◆ In a SBSA transaction, CCU will get \$259MM in cash which is not tax efficient compared to an all stock transaction
- ◆ Potential affiliate issues given ownership of SBSNHSP (19%)

CC 0002280

**UVN proposal appears more attractive than SBSA proposal:
More desirable strategic positioning and higher chance of retaining premium**

Comparison of Two Bids



(Dollars in millions except per share data)

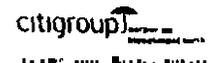
Cash Per Share	\$9.14	
% of total consideration	24%	
Exchange Ratio (Adjusted for Cash)	2.396x	
Exchange Ratio (Unadjusted for Cash)	1.812	0.791x
Value of Consideration in Cash	\$1,000	
Value of Consideration in Stock	3,104	\$3.137
Total Consideration (Unadjusted for Dilution)	\$4,104	\$3.137
Assumed Debt	17	17
Total Firm Value	\$4,121	\$3,653
Value Creation - At First Glance		
Implied Share Price	\$37.52	\$33.28
Implied Premium	41%	25%
Implied 2002E EBITDA Multiple	40.5x	43.0x
Value Creation - Adjusted For Dilution (a)		
Adjusted Share Price	\$29.27	\$31.59
Adjusted Premium	10%	19%
Adjusted 2002E EBITDA Multiple	37.8x	40.8x
Current Equity Value of Acquirer	\$1,023	\$10,804
HSP Pro Forma Ownership	75.2%	25.2%
CCU Pro Forma Ownership	19.3	6.5
CCU Cash Consideration	\$259	

Note: SBSA transaction assumes \$1 billion in cash and the remainder in stock
 (a) Assumes current weighted average multiple



- Creates dominant presence in radio
- Questions about vulnerability to competitors
- Potential disparity between economic and voting ownership is more conspicuous
- Creates dominant Hispanic entertainment company
- Protects HSP with higher barriers to entry in television due to content
- Greater size / scale for leverage with advertisers and suppliers

CC 8682281



Public Market Valuation Parameters



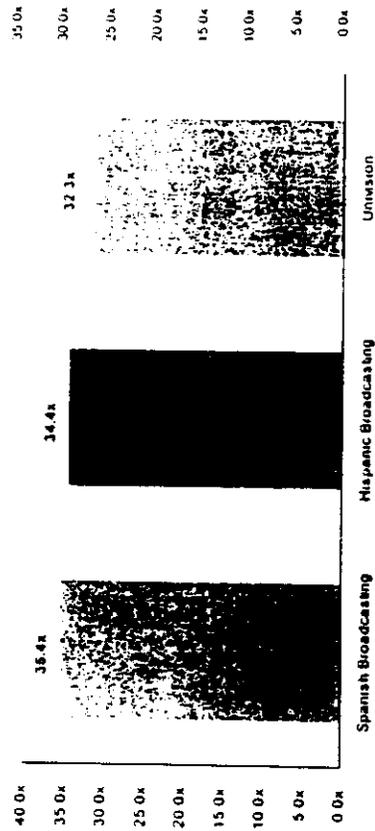
Stock Price (5/8/02)	\$26.61	\$15.66	\$42.07
Fully Diluted Shares Outstanding	1099	667	2711
Total Equity Value	\$2,923.7	\$1,045.0	\$11,403.2
Less: Option Proceeds	(19.3)	(21.7)	(598.8)
Equity Value	\$2,904.4	\$1,023.3	\$10,804.4
Plus: Total Debt (a)	\$30.0	\$552.6	\$1,453.7
Less: Cash and Cash Equivalents	(13.5)	(51.6)	(327.8)
Firm Value	\$2,920.9	\$1,524.3	\$11,930.3
Less: Unconsolidated Assets	--	(3.0)	(468.9)
Adjusted Firm Value	\$2,920.9	\$1,521.3	\$11,461.4
2002E EBITDA	\$85.0	\$43.0	\$355.0
2003E EBITDA	102.0	53.0	447.0
Firm Value / 2002E EBITDA	34.4x	35.4x	32.3x
Firm Value / 2003E EBITDA	28.6	28.7	25.6
Total Debt / 2002E EBITDA	0.4x	12.9x	4.1x
Total Debt / 2003E EBITDA	0.3	10.4	3.3
Senior Implied Rating	NR / BB	B1 / B+	Baa3 / BB+

(a) Pro forma adjustment of \$225 million to reflect Spanish Broadcasting's pending acquisition of KXOL-FM
Source: Wall Street Research.

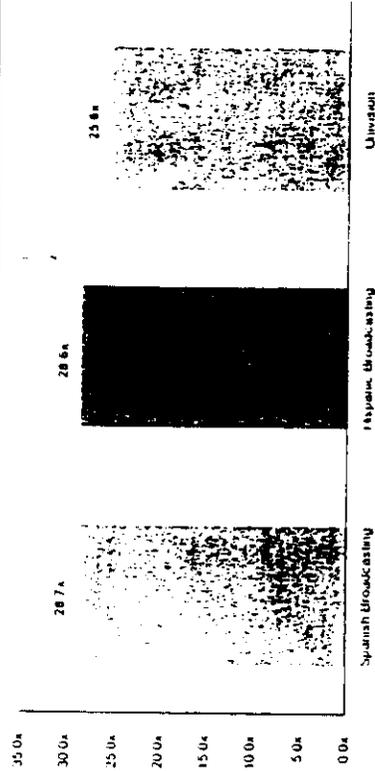
CC 0002282

Public Market Valuation Multiple

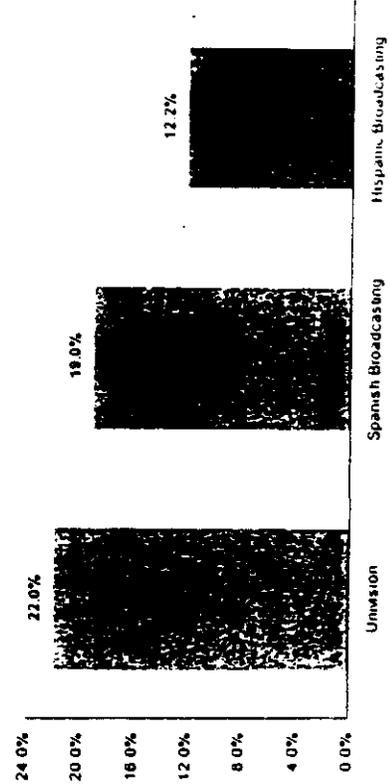
FV/2002E EBITDA



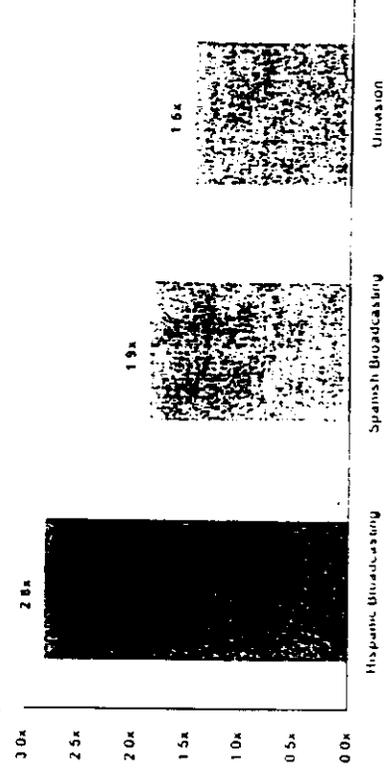
FV/2003E EBITDA



2001 - 2003E EBITDA CAGR



Growth Adj. FV/2002E EBITDA



Summary of SBSA Proposal

CC 0002284

SBSA Transaction Highlights

- ◆ The combination of HSP and SBSA is a good strategic fit, creating a dominant player in Spanish language radio with 80 stations
 - Combination would create the 2nd largest public radio company (based on firm value)
- ◆ The SBSA offer appears to have a high premium (41%) at first glance, however, the highly dilutive nature of the transaction results in reduced value to HSP shareholders
- ◆ **For** a more accurate reflection of value creation, the premium calculation should be adjusted for the dilution, which results in
 - A decline in the implied share price from \$37.52 to \$29.27
 - A decline in the implied premium from 41% to 10%
- ◆ Consequently, the pro forma company must achieve significant synergies or multiple expansion for SBSA shareholders to breakeven and HSP shareholders to retain the full premium
 - If one believes these benefits are unlikely, then SBSA is buying HSP very cheaply at only an 10% premium
- ◆ Pro forma for the transaction, CCU would own a 19.3% economic stake in the combined company
 - High ownership by former HSP shareholders brings into question which party is the true acquiror
- ◆ The cash portion of the transaction allows CCU to get some immediate monetization
 - However, pro forma leverage will be significant at 12.8x 2001 EBITDA
 - May put further pressure on stock price
 - Not tax-efficient compared to an all stock transaction or DEC's structure being considered

CC 0002285

Review of SBSA's Proposal

Offer Summary

Cash per Share	\$9.14
Exchange Ratio (Adjusted for Cash)	2.396x
Exchange Ratio (Unadjusted for Cash)	1.812
Implied HSP Price	\$37.52
Implied 2002 BCF Multiple	42.6x
Implied 2003 BCF Multiple	36.0
Implied 2002 EBITDA Multiple	48.5x
Implied 2003 EBITDA Multiple	40.4

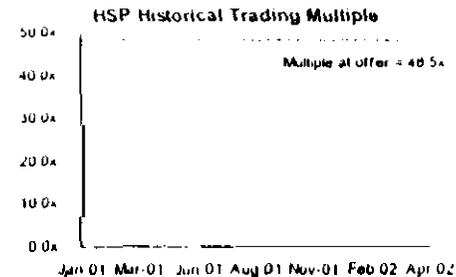
Premium Summary

	Average		Premium to Average	
	Stock Price	Exchange Ratio	Stock Price	Exchange Ratio (a)
Current	\$26.61	1.70x	41%	41%
1 month	27.60	1.81	36	32
3 months	27.70	2.11	35	14
6 months	26.41	2.37	42	1
1 year	23.56	2.61	59	(8)

(a) For comparative purposes, the cash and stock value of SBSA's proposal implies an exchange ratio of 2.396x which is used to calculate the above premiums

Rationale for HSP

- A 41% premium based on closing prices as of 5/8/02 implies a \$37.52 share price for HSP, composed of an aggregate of \$1 billion in cash and the remaining in SBSA stock. This represents
 - 48.5x 2002E EBITDA and 40.4x 2003E EBITDA

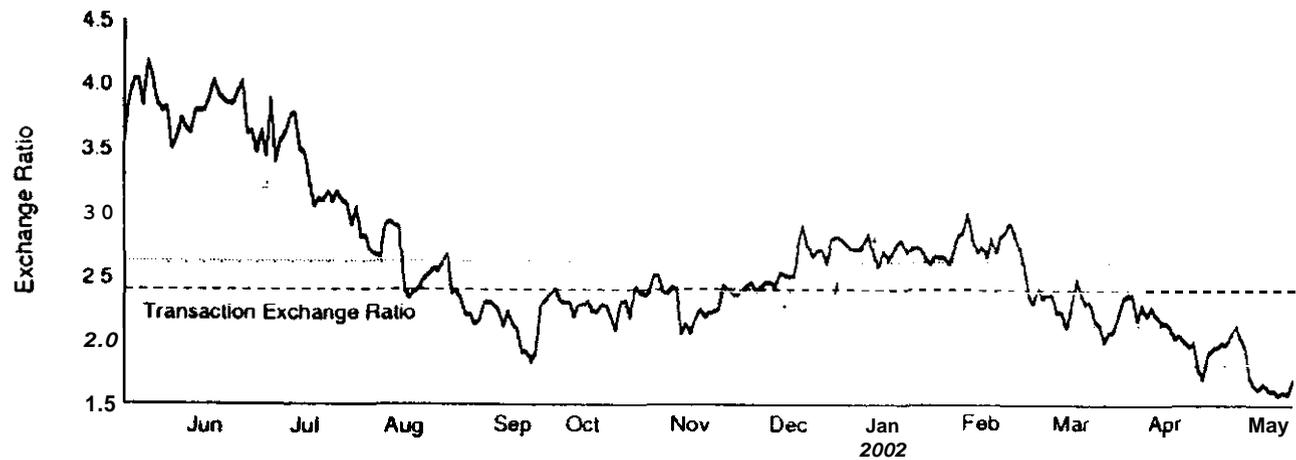


- The \$37.52 per HSP share equals to \$9.14 in cash and 1.81 SBSA shares for each HSP share
- The proposed transaction represents
 - A 8% discount to the average exchange ratio over the past year
 - A 41% premium to the current exchange ratio (closing price as of 05/08/02)
- Pro forma for the transaction, SBSA shareholders will only own 25% of the combined business
 - Implies the transaction is more a takeover of SBSA at a significant discount than an acquisition of HSP at a premium
- Pre-tax synergies required for break-even as a percent of combined EBITDA is approximately 27%

CC 0002286

Relative Valuation Analysis - Last Twelve Months

- ◆ The implied exchange ratio including both the cash and stock value of SBSA's offer represents a 41% premium to the current exchange ratio HSP should consider that the current exchange ratio of 1.70x reflects a 35% discount to the 2.61x trailing twelve month average



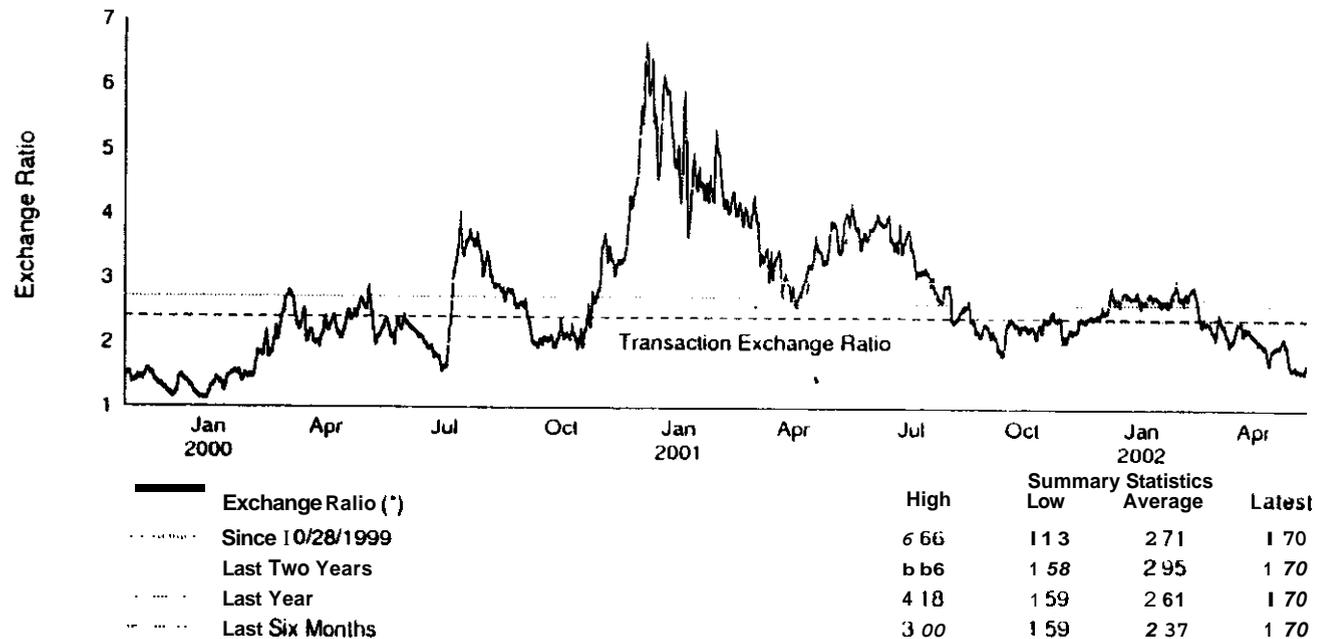
	High	Low	Average	Latest
Exchange Ratio(*)				
Last Year	4.18	1.59	2.61	1.70
Last Six Months	3.00	1.59	2.37	1.70
Last Three Months	2.91	1.29	2.11	1.70
Last Month	2.12	1.59	1.81	1.70

(*) Price of Hispanic Broadcasting Divided by Price of Spanish Broadcasting

CC 0002287

Relative Valuation Analysis – Since 10/28/1999

- ◆ The historical exchange ratio has been volatile
- ◆ For comparative purposes, the cash and stock value of SBSA's proposal implies an exchange ratio of 2.396x, which represents a 12% discount to the historical average exchange ratio of 2.71x



(*) Price of Hispanic Broadcasting Divided by Price of Spanish Broadcasting

CC 0002288

EBITDA Impact Analysis at 41% Premium (\$1 Billion in Cash, Remaining in Stock)

(In millions, except per share data)

	Spanish Standalone	Hispanic Standalone	All Deal
Offer Price per Share			\$37.52
Cash per Share			\$9.14
Exchange Ratio			1.81x
Premium			41.0%
Adj. Firm Value / 2002E EBITDA			
2002E EBITDA	\$43.0	\$85.0	\$128.0
Multiple (a)	35.4x	34.4x	34.7x
Adj. Firm Value	\$1,521.3	\$2,920.9	\$4,442.1
Equity Value	\$1,023.3	\$2,904.4	\$2,927.6
Fully Diluted Shares (TSM)	65.3	109.1	263.6
Implied Share Price	\$15.66	\$26.61	\$11.11
% Accretion / (Dilution)			(29.1)%
Synergies for Breakeven			\$34.6
Pre-Tax Synergies Required as a Percent of Combined EBITDA			27.0%
Breakeven Multiple			44.1x
Net Debt / 2002E EBITDA	11.7x	0.2x	11.9x
Adj. Firm Value / 2003E EBITDA			
2003E EBITDA	\$53.0	\$102.0	\$155.0
Multiple (a)	28.7x	28.6x	28.7x
Adj. Firm Value	\$1,521.3	\$2,920.9	\$4,442.1
Equity Value	\$1,023.3	\$2,904.4	\$2,927.6
Fully Diluted Shares (TSM)	65.3	109.1	263.6
Implied Share Price	\$15.66	\$26.61	\$11.11
% Accretion / (Dilution)			(29.1)%
Synergies for Breakeven			\$41.9
Pre-Tax Synergies Required as a Percent of Combined EBITDA			27.0%
Breakeven Multiple			36.4x
Net Debt / 2003E EBITDA	9.5x	0.2x	9.8x
% Value Creation to HSP Shareholders Assuming No Synergies			
Net Debt / 2001 EBITDA			12.8x
Pro Forma Ownership			
% Spanish	100.0%	--	24.8%
% Hispanic	--	100.0%	75.2%
% Clear Channel			19.3%

Note: Stock prices as of May 8, 2002

Pro Forma for pending Spanish Broadcasting acquisition of KXOL-FM

(a) The combined multiple in the "All Deal" column assumes the weighted average of current public market multiples

CC 0002289

citigroup
corporation
incorporated in USA

Wall Street Research Estimates Comparison



Implied Exchange Ratio

Merrill Lynch
Jessica Reif Cohen

Rating (02/10/02) Strong Buy
Price Target \$1500

'02 EBITOA \$43.0
'03 EBITDA 53.0

'02 Net Income \$1.1
'03 Net Income (2.0)

Rating (02/22/02) Neutral / Strong Buy
Price Target NA

'02 EBITDA \$84.0
'03 EBITDA 89.0

'02 Net Income \$40.1
'03 Net Income 44.2

NA

Lehman Brothers
William M. Myers

Rating (05/01/02) Strong Buy
Price Target \$20.00

'02 EBITOA \$53.9
'03 EBITOA 65.4

Rating (03/04/02) Buy
Price Target \$25.00

'02 EBITDA \$86.4
'03 EBITDA NA

1.250x

CC 0002290

Comparison of Operating Statistics



(Dollars in millions)

	2001	2002E	2003E	CAGR
Revenue	\$130.9	\$142.4	\$150.0	
<i>Growth</i>	2.1%	8.8%	5.3%	7.0%
BCF	\$47.8	\$54.0	\$64.5	
<i>Growth</i>	(23.3%)	13.0%	19.4%	16.2%
<i>Margin</i>	36.5	37.9	43.0	
EBITDA	\$37.4	\$43.0	\$53.0	
<i>Growth</i>	(27.4%)	15.0%	23.3%	19.0%
<i>Margin</i>	28.6	30.2	35.3	

Source: Wall Street Research



	2001	2002E	2003E	CAGR
Revenue	\$240.8	\$256.0	\$282.1	
<i>Growth</i>	1.4%	6.3%	10.2%	8.2%
BCF	\$89.2	\$96.7	\$114.6	
<i>Growth</i>	(12.4%)	7.6%	18.5%	12.9%
<i>Margin</i>	37.3	37.8	40.6	
EBITDA	\$81.0	\$85.0	\$102.0	
<i>Growth</i>	(14.0%)	4.9%	20.0%	12.2%
<i>Margin</i>	33.6	33.2	36.2	

Source: SSB Research

CC 6662291

Summary of UVN Proposal

CC 3002292

UVN Transaction Highlights

- The combination of UVN and HSP would create the dominant Hispanic media company and would be very well received by the investment community
- The UVN offer of a 0.791x exchange ratio implies a 25% premium to the current HSP share price (as of **5/8/02**)
- After adjusting for dilution the UVN proposal still represents a 19% premium, significantly higher than the SBSA offer of 10%
 - In addition, the synergies / multiple expansion required to recover the premium appear to be far more realistic in a UVN transaction
 - **5% of pro forma UVN/HSP 2002E EBITDA** required
- **It is important to** note that HSP currently trades at a premium to UVN based on forward EBITDA multiples
 - **HSP 34.4x 2002E EBITDA** vs. **UVN 32.3x 2002E EBITDA**
 - Because UVN is currently launching their **second** network (Telefutura) and its EBITDA is ramping up significantly (**30+% EBITDA growth** projected from 2002-2003) UVN's EBITDA multiple **is** potentially overstated today
- Pro forma for the transaction, CCU would own a 6.5 % stake in the combined company
 - CCU's ownership stake would be significantly more liquid in a UVN transaction than in a SBSA transaction and, **as** a result, would be easier to monetize / hedge

CC 0002293

Review of UVN's Proposal

Offer Summary

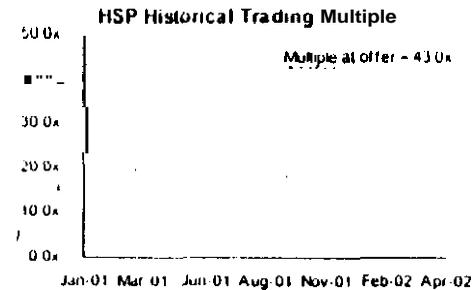
Offer Exchange Rate	0.791
Implied HSP Price	\$33.28
Implied 2002 ECF Multiple	38.4x
Implied 2003 BCF Multiple	32.5
Implied 2002 EBITDA Multiple	43.0x
Implied 2003 EBITDA Multiple	35.8

Premium Summary

	Average		Premium to Average	
	Stock Price	Exchange Rate	Stock Price	Exchange Ratio
Current	\$26.61	0.63x	25%	25%
1 month	27.60	0.66	21	20
3 months	27.70	0.66	20	20
6 months	26.41	0.65	26	22
1 year	23.56	0.64	41	24

Rationale for HSP

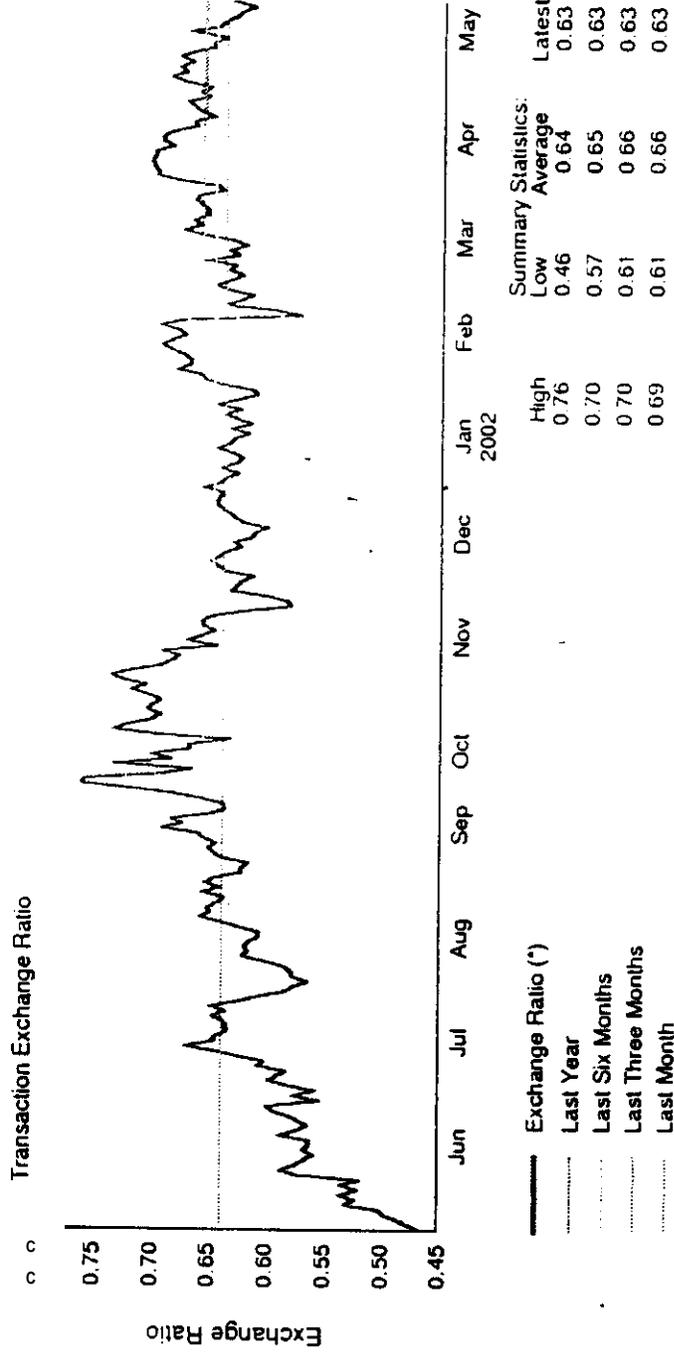
- ◆ A 0.791x exchange ratio implies a \$33.28 per share price for HSP as of 05/08/02. This represents
 - A premium to the target price of **SSB** (\$28) and Deutsche Bank (\$29), though below the target price of CSFE (\$34)
 - 43.0x 2002E EBITDA and 35.8x 2003E EBITDA



- A 0.791x exchange ratio represents
 - A 24% premium to the average exchange ratio over the past 12 months of 0.64x
 - A 25% premium to the current exchange ratio (closing price as of 05/08/02)
- **Additional considerations**
 - UVN is an attractive growth vehicle expected by Wall Street to grow more rapidly than HSP with '02-'03 estimated EBITDA growth of 31% vs. 20% for HSP

Relative Valuation Analysis – Last Twelve Months

- ◆ UVN's 0.791x exchange ratio offer represents a significant premium to the trailing twelve month averages

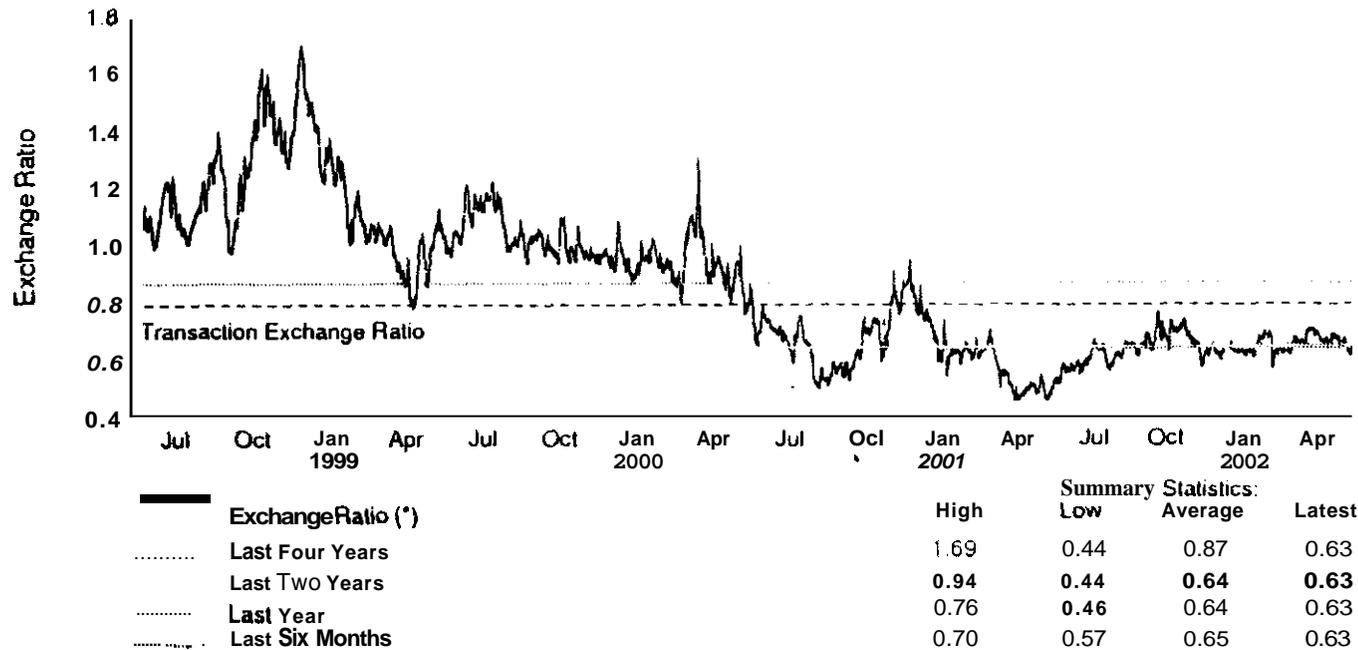


(*) Price of Hispanic Broadcasting Divided by Price of Univision Communications

CC 0002295

Relative Valuation Analysis - Last 4 Years

- UVN's 0.791x exchange ratio offer represents a 24% premium to the one and two year historical averages



(*) Price of Hispanic Broadcasting Divided by Price of Univision Communications

CC 0002296

EBITDA Impact Analysis at 0.791x Exchange Ratio

(In millions, except per share data)

	Univision Standalone	Hispanic Standalone	At Deal 0.791x
Offer Price per Share			\$33.28
Premium			25.1%
Adj. Firm Value / 2002E EBITDA			
2002E EBITDA	\$355.0	\$85.0	\$440.0
Multiple (a)	32.3x	34.4x	32.7x
Adj. Firm Value	\$11,461.4	\$2,920.9	\$14,382.2
Equity Value	\$10,804.4	\$2,904.4	\$13,708.8
Fully Diluted Shares (TSM)	256.8	109.1	343.3
Implied Share Price	\$42.07	\$26.61	\$39.94
% Accretion / (Dilution)			(5.1)%
Synergies for Breakeven			\$22.4
Pre-Tax Synergies Required as a Percent of Combined EBITDA			5.1%
Breakeven Multiple			34.4x
Net Debt / 2002E EBITDA	3.2x	0.2x	2.6
Adj. Firm Value / 2003E EBITDA			
2003E EBITDA	\$447.0	\$192.0	\$639.0
Multiple (a)	25.6x	28.6x	26.2x
Adj. Firm Value	\$11,461.4	\$2,920.9	\$14,382.2
Equity Value	\$10,804.4	\$2,904.4	\$13,708.8
Fully Diluted Shares (TSM)	256.8	109.1	343.3
Implied Share Price	\$42.07	\$26.61	\$39.94
% Accretion / (Dilution)			(5.1)%
Synergies for Breakeven			\$28.0
Pre-Tax Synergies Required as a Percent of Combined EBITDA			5.1%
Breakeven Multiple			27.5x
Net Debt / 2003E EBITDA	2.5x	0.2x	2.1
% Value Creation to HSP Shareholders Assuming No Synergies			19%
Net Debt / 2001 EBITDA			3.0x
Pro Forma Ownership			
% Univision	100.0%		74.8%
% Hispanic		100.0%	25.2%
% Clear Channel			0.5%

Note: Stock prices as of May 8, 2002

(a) The combined multiple in the "At Deal" column assumes the weighted average of current public market multiples

CC 0002297

Cash Net Income Impact Analysis at 0.791x Exchange Ratio

(In millions, except per share data)

	Univision Standalone	Hispanic Standalone	At Deal 0.7910 x
2002 Cash Net Income Impact			
Cash Net Income	\$81.4	\$45.3	\$126.7
Shares Outstanding (TSM)	256.8	109.1	343.3
Equity Value / 2002 Cash Net Income	132.7 x	64.1 x	
Cash Net Income / Share	\$0.32	\$0.42	\$0.37
% Accretion (Dilution)			165%
Pre-tax Synergies (or No Dilution)			\$(29.9)
Breakeven Equity Value / Cash Net Income			114.0 x
2003 Cash Net Income Impact			
Cash Net Income	\$159.3	\$56.2	\$215.3
Shares Outstanding (TSM)	256.8	109.1	343.3
Equity Value / 2003 Cash Net Income	67.8 x	51.8 x	
Cash Net Income / Share	\$0.62	\$0.51	\$0.63
% Accretion (Dilution)			111%
Pre-tax Synergies (or No Dilution)			\$(4.0)
Breakeven Equity Value / Cash Net Income			67.1 x

Note: Stock prices as of May 8, 2002

Per share values based on current TSM shares outstanding

CC 0002298

Wall Street Research Estimates Comparison

	 UNIVISION		 HBC <small>HARRIS BANK CORPORATION</small>		Implied Exchange Ratio
Salomon Smith Barney	Rating (03/23/02)	Outperform	Rating (3/22/02)	Neutral	
Nraj Gupta	Price Target	143.00	Price Target	\$28.00	0.651x
	'02 EBITDA	\$360.1	'02 EBITDA	\$10.9	
	'03 EBITDA	472.0	'03 EBITDA	104.2	
	'02 Net Income	\$81.4	'02 Net Income	\$45.3	
	'03 Net Income	159.3	'03 Net Income	53.0	
Merrill Lynch	Rating (04/15/02)	Strong Buy	Rating (02/22/02)	Neutral / Strong Buy	
Jessica Reif Cohen	Price Target	152.00	Price Target	NA	NA
	'02 EBITDA	1355.0	'02 EBITDA	\$129.0	
	'03 EBITDA	NA	'03 EBITDA	141.0	
	'02 Net Income	\$107.4	'02 Net Income	\$42.5	
	'03 Net Income	NA	'03 Net Income	50.2	
Deutsche Bank	Rating (02/06/02)	Strong Buy	Rating (02/22/02)	Buy	
Andrew Marcus	Price Target	\$45.00	Price Target	\$29.00	0.644x
	'02 EBITDA	1370.0	'02 EBITDA	\$85	
	'03 EBITDA	452.9	'03 EBITDA	94	
	'02 Net Income	\$116.2	'02 Net Income	\$44	
	'03 Net Income	1756	'03 Net Income	50	
CSFB	Rating (02/10/02)	Buy	Rating (04/16/02)	Buy	
Paul Sweeney	Price Target	\$45.00	Price Target	134.00	0.756x
	'02 EBITDA	1362.2	'02 EBITDA	\$88.4	
	'03 EBITDA	NA	'03 EBITDA	109.6	
	'02 Net Income	NA	'02 Net Income	147.6	
	'03 Net Income	NA	'03 Net Income	61.4	

CC 0002299

Comparison of Operating Statistics



(Dollars in millions)

	2001	2002E	2003E	CAGR
Revenue				
Core-Broadcasting	\$864.2	\$964.6	\$1,063.3	
Second Network	7.6	100.0	125.0	
Music Division	9.9	14.0	17.5	
Internet	6.2	14.6	22.0	
Total Revenue	\$887.9	\$1,093.2	\$1,227.8	
<i>Growth</i>	2.9%	23.1%	12.3%	17.6%
Total BCF	\$324.0	\$372.1	\$484.6	
<i>Growth</i>	(6.6%)	14.9%	30.2%	22.3%
Margin	36.5	34.0	39.5	
EBITDA				
Core-Broadcasting	\$359.4	\$377.8	\$477.4	
Second Network	(10.0)	(6.3)	15	
Music Division	(1.5)	..	2.8	
Internet	(35.5)	(11.4)	(9.7)	
Total EBITDA	\$312.4	\$360.1	\$472.0	
<i>Growth</i>	(6.2%)	15.3%	31.1%	22.9%
Margin	35.2	32.9	38.4	

Source: SSB Research

	2001	2002E	2003E	CAGR
Revenue	\$240.8	\$256.0	\$282.1	
<i>Growth</i>	14%	6.3%	10.2%	8.2%
ECF	\$89.8	\$96.7	\$114.6	
<i>Growth</i>	(12.4%)	7.6%	18.5%	12.9%
Margin	37.3	37.8	40.6	
EEITDA	\$81.0	\$85.0	\$102.0	
<i>Growth</i>	(14.0%)	4.9%	20.0%	12.2%
Margin	33.6	33.2	36.2	