

Statement Regarding Pending Litigation

In an abundance of caution, the HBC Licensees report that on June 12, 2002, Spanish Broadcasting System, Inc. filed a Complaint against Hispanic Broadcasting Corporation (“HBC”) and Clear Channel Communications, Inc. (“CCCI”) in the United States District Court, Southern District of Florida, Miami Division (Civil Action #02-21755). The Complaint alleges that the named Defendants have engaged in “predatory conduct” in violation of various federal and state anti-trust statutes, etc. HBC and CCCI will vigorously contest these allegations. No action has been taken with regard to the matters raised in the Complaint. The HBC Licensees will inform the Commission in the event there is an “adverse finding” or “adverse final action” with respect to any of the matters set forth in Section III, Question 6.