

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|--|-----------------------------------|---|-----------------------------|
| 1 Issuer's name | | 2 Issuer's employer identification number (EIN) | |
| CLEAR CHANNEL OUTDOOR HOLDINGS, INC. | | 86-0812139 | |
| 3 Name of contact for additional information | 4 Telephone No. of contact | 5 Email address of contact | |
| SCOTT T. BICK | 210-832-3536 | TAX@CLEARCHANNEL.COM | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact | | 7 City, town, or post office, state, and Zip code of contact | |
| 200 EAST BASSE ROAD | | SAN ANTONIO, TX 78209 | |
| 8 Date of action | | 9 Classification and description | |
| AUGUST 11, 2014 | | CLASS A & CLASS B COMMON STOCK | |
| 10 CUSIP number | 11 Serial number(s) | 12 Ticker symbol | 13 Account number(s) |
| 18451C109 | | CCO | |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ CLEAR CHANNEL OUTDOOR HOLDINGS, INC. DECLARED A SPECIAL CASH DIVIDEND OF \$175 MILLION (OR APPROXIMATELY \$0.4865 PER SHARE, BASED ON SHARES OUTSTANDING AT THE CLOSE OF BUSINESS ON JULY 18, 2014), WHICH WAS PAID ON AUGUST 11, 2014 TO CLASS A AND CLASS B STOCKHOLDERS OF RECORD AT THE CLOSE OF BUSINESS ON AUGUST 4, 2014. THE CASH DISTRIBUTION ON AUGUST 11, 2014 IS CURRENTLY EXPECTED TO BE IN EXCESS OF EARNINGS AND PROFITS.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE CASH DISTRIBUTION OF \$0.4865 PER SHARE ON AUGUST 11, 2014 SHOULD REDUCE THE BASIS OF EACH COMMON SHARE HELD BY EACH SHAREHOLDER ON THE DATE OF RECORD, BASED ON THE EXPECTATION THAT THE DISTRIBUTION WILL NOT BE OUT OF EARNINGS AND PROFITS.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE ISSUER HAD NEGATIVE ACCUMULATED EARNINGS AND PROFITS AS OF DECEMBER 31, 2013. THE ISSUER EXPECTS TO INCUR A NET DEFICIT TO ITS EARNINGS AND PROFITS FOR THE YEAR ENDED DECEMBER 31, 2014. ACCORDINGLY, ALL HOLDERS OF ALL OUTSTANDING SHARES OF THE ISSUER MUST REDUCE THE BASIS IN THEIR COMMON SHARES BY AN AMOUNT EQUAL TO 100% OF THE 2014 DISTRIBUTIONS RECEIVED.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►
SECTION 301(C)-DISTRIBUTIONS OF PROPERTY, AMOUNT TAXABLE
SECTION 306(A)-DIVIDENDS DEFINED, GENERAL RULE

18 Can any resulting loss be recognized? ► FOR U.S. FEDERAL INCOME TAX PURPOSES, THE DISTRIBUTIONS WILL NOT RESULT IN ANY TAX LOSS FOR ANY COMMON SHAREHOLDER OF THE ISSUER.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE TAX YEAR IS CALENDAR YEAR 2014. FINAL DETERMINATION OF THE TAX STATUS OF THE DISTRIBUTION IS SUBJECT TO RECOMPUTATION BASED ON THE CURRENT YEAR'S ULTIMATE FINANCIAL RESULTS.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ► *Scott T. Bick* Date ► 8/27/14

Print your name ► SCOTT T. BICK Title ► SENIOR VICE PRESIDENT

| | | | | | |
|-------------------------------|----------------------------|----------------------|------|---|------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | Firm's name ► | Firm's EIN ► | | | |
| | Firm's address ► | Phone no. | | | |