
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 2, 2023

LAMAR ADVERTISING COMPANY

(Exact name of registrants as specified in its charter)

Delaware
(States or other jurisdictions
of incorporation)

001-36756
(Commission File
Numbers)

47-0961620
(IRS Employer
Identification Nos.)

5321 Corporate Blvd., Baton Rouge, Louisiana 70808
(Address of principal executive offices and zip code)

(225) 926-1000
(Registrants' telephone number, including area code)

N/A
(Former name or former address, if change since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Lamar Advertising Company securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.001 par value	LAMR	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On November 2, 2023, Lamar Advertising Company announced via press release its results for the quarter ended September 30, 2023. A copy of Lamar's press release is hereby furnished to the Commission and incorporated by reference herein as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Lamar Advertising Company, dated November 2, 2023, reporting Lamar's financial results for the quarter ended September 30, 2023.
104	Cover Page Interactive Data File - (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

Date: November 2, 2023

LAMAR ADVERTISING COMPANY

By: /s/ Jay L. Johnson
Jay L. Johnson
Executive Vice President, Chief Financial Officer, and Treasurer



5321 Corporate Boulevard
Baton Rouge, LA 70808

**Lamar Advertising Company Announces
Third Quarter Ended September 30, 2023 Operating Results**

Three Month Results

- Net revenue was \$542.6 million
- Net income was \$140.4 million
- Adjusted EBITDA was \$265.7 million

Nine Month Results

- Net revenue was \$1.56 billion
- Net income was \$347.5 million
- Adjusted EBITDA was \$717.6 million

Baton Rouge, LA – November 2, 2023 - Lamar Advertising Company (the “Company” or “Lamar”) (Nasdaq: LAMR), a leading owner and operator of outdoor advertising and logo sign displays, announces the Company’s operating results for the third quarter ended September 30, 2023.

“In the third quarter, we demonstrated impressive operating leverage, increasing revenue while decreasing expenses on a year-over-year, acquisition-adjusted basis,” Lamar chief executive Sean Reilly said. “The broader advertising environment remains challenging. Nevertheless, based on current bookings, we are pacing to reach or even slightly exceed the upper end of our revised guidance for full-year diluted AFFO per share.”

Third Quarter Highlights

- Net revenue increased 2.9%
- Adjusted EBITDA increased 5.8%
- Diluted AFFO per share increased 0.5%

Third Quarter Results

Lamar reported net revenues of \$542.6 million for the third quarter of 2023 versus \$527.4 million for the third quarter of 2022, a 2.9% increase. Operating income for the third quarter of 2023 increased \$7.1 million to \$188.1 million as compared to \$181.0 million for the same period in 2022. Lamar recognized net income of \$140.4 million for the third quarter of 2023 as compared to net income of \$146.2 million for the same period in 2022, a decrease of \$5.8 million, primarily related to an increase in interest expense of \$11.5 million over the same period in 2022. Net income per diluted share was \$1.37 and \$1.44 for the three months ended September 30, 2023 and 2022, respectively.

Adjusted EBITDA for the third quarter of 2023 was \$265.7 million versus \$251.2 million for the third quarter of 2022, an increase of 5.8%.

Cash flow provided by operating activities was \$222.5 million for the three months ended September 30, 2023 versus \$224.5 million for the third quarter of 2022, a decrease of \$1.9 million. Free cash flow for the third quarter of 2023 was \$181.0 million as compared to \$176.0 million for the same period in 2022, a 2.9% increase.

For the third quarter of 2023, funds from operations, or FFO, was \$210.0 million versus \$207.9 million for the same period in 2022, an increase of 1.0%. Adjusted funds from operations, or AFFO, for the third quarter of 2023 was \$208.8 million compared to \$206.4 million for the same period in 2022, an increase of 1.2%. Diluted AFFO per share increased 0.5% to \$2.04 for the three months ended September 30, 2023 as compared to \$2.03 for the same period in 2022.

Acquisition-Adjusted Three Months Results

Acquisition-adjusted net revenue for the third quarter of 2023 increased 1.6% over acquisition-adjusted net revenue for the third quarter of 2022. Acquisition-adjusted EBITDA for the third quarter of 2023 increased 4.5% as compared to acquisition-adjusted

EBITDA for the third quarter of 2022. Acquisition-adjusted net revenue and acquisition-adjusted EBITDA include adjustments to the 2022 period for acquisitions and divestitures for the same time frame as actually owned in the 2023 period. See “Reconciliation of Reported Basis to Acquisition-Adjusted Results”, which provides reconciliations to GAAP for acquisition-adjusted measures.

Nine Month Results

Lamar reported net revenues of \$1.56 billion for the nine months ended September 30, 2023 versus \$1.50 billion for the nine months ended September 30, 2022, a 3.9% increase. Operating income for the nine months ended September 30, 2023 increased \$15.8 million to \$483.7 million as compared to \$467.9 million for the same period in 2022. Lamar recognized net income of \$347.5 million for the nine months ended September 30, 2023 as compared to net income of \$372.5 million for the same period in 2022, a decrease of \$25.0 million, primarily related to an increase in interest expense of \$40.3 million over the same period in 2022. Net income per diluted share was \$3.39 and \$3.66 for the nine months ended September 30, 2023 and 2022, respectively.

Adjusted EBITDA for the nine months ended September 30, 2023 was \$717.6 million versus \$685.8 million for the same period in 2022, an increase of 4.6%.

Cash flow provided by operating activities was \$529.4 million for the nine months ended September 30, 2023, a decrease of \$7.7 million as compared to the same period in 2022. Free cash flow for the nine months ended September 30, 2023 was \$453.5 million as compared to \$477.0 million for the same period in 2022, a 4.9% decrease.

For the nine months ended September 30, 2023, funds from operations, or FFO, was \$554.2 million versus \$561.8 million for the same period in 2022, a decrease of 1.4%. Adjusted funds from operations, or AFFO, for the nine months ended September 30, 2023 was \$547.3 million compared to \$555.2 million for the same period in 2022, a decrease of 1.4%. Diluted AFFO per share decreased 1.8% to \$5.36 for the nine months ended September 30, 2023 as compared to \$5.46 for the same period in 2022.

Liquidity

As of September 30, 2023, Lamar had \$645.7 million in total liquidity that consisted of \$606.3 million available for borrowing under its revolving senior credit facility and \$39.4 million in cash and cash equivalents. There were \$135.0 million in borrowings outstanding under the Company’s revolving credit facility and \$247.1 million outstanding under the Accounts Receivable Securitization Program as of the same date.

Recent Developments

Subsequent to September 30, 2023, Lamar paid down \$70.0 million of its outstanding borrowings under the Company’s revolving credit facility. Currently, there is \$65.0 million in outstanding balances under the revolving credit facility.

Forward-Looking Statements

This press release contains forward-looking statements, including statements regarding sales trends. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected in these forward-looking statements. These risks and uncertainties include, among others: (1) our significant indebtedness; (2) the state of the economy and financial markets generally, and the effect of the broader economy on the demand for advertising; (3) the continued popularity of outdoor advertising as an advertising medium; (4) our need for and ability to obtain additional funding for operations, debt refinancing or acquisitions; (5) our ability to continue to qualify as a Real Estate Investment Trust (“REIT”) and maintain our status as a REIT; (6) the regulation of the outdoor advertising industry by federal, state and local governments; (7) the integration of companies and assets that we acquire and our ability to recognize cost savings or operating efficiencies as a result of these acquisitions; (8) changes in accounting principles, policies or guidelines; (9) changes in tax laws applicable to REITs or in the interpretation of those laws; (10) our ability to renew expiring contracts at favorable rates; (11) our ability to successfully implement our digital deployment strategy; and (12) the market for our Class A common stock. For additional information regarding factors that may cause actual results to differ materially from those indicated in our forward-looking statements, we refer you to the risk factors included in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022, as supplemented by any risk factors contained in our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. We caution investors not to place undue reliance on the forward-looking statements contained in this document. These statements speak only as of the date of this document, and we undertake no obligation to update or revise the statements, except as may be required by law.

Use of Non-GAAP Financial Measures

The Company has presented the following measures that are not measures of performance under accounting principles generally accepted in the United States of America (“GAAP”): adjusted earnings before interest, taxes, depreciation and amortization (“adjusted EBITDA”), free cash flow, funds from operations (“FFO”), adjusted funds from operations (“AFFO”), diluted AFFO per share, outdoor operating income, acquisition-adjusted results and acquisition-adjusted consolidated expense. Our management reviews our performance by focusing on these key performance indicators not prepared in conformity with GAAP. We believe these non-GAAP performance indicators are meaningful supplemental measures of our operating performance and should not be considered in isolation of, or as a substitute for their most directly comparable GAAP financial measures.

Our Non-GAAP financial measures are determined as follows:

- We define adjusted EBITDA as net income before income tax expense (benefit), interest expense (income), loss (gain) on extinguishment of debt and investments, equity in earnings (loss) of investees, stock-based compensation, depreciation and amortization, gain or loss on disposition of assets, transaction expenses and investments and capitalized contract fulfillment costs, net.
- Adjusted EBITDA margin is defined as adjusted EBITDA divided by net revenues.
- Free cash flow is defined as adjusted EBITDA less interest, net of interest income and amortization of deferred financing costs, current taxes, preferred stock dividends and total capital expenditures.
- We use the National Association of Real Estate Investment Trusts definition of FFO, which is defined as net income before gains or losses from the sale or disposal of real estate assets and investments and real estate related depreciation and amortization and including adjustments to eliminate unconsolidated affiliates and non-controlling interest.
- We define AFFO as FFO before (i) straight-line revenue and expense; (ii) capitalized contract fulfillment costs, net; (iii) stock-based compensation expense; (iv) non-cash portion of tax provision; (v) non-real estate related depreciation and amortization; (vi) amortization of deferred financing costs; (vii) loss on extinguishment of debt; (viii) transaction expenses; (ix) non-recurring infrequent or unusual losses (gains); (x) less maintenance capital expenditures; and (xi) an adjustment for unconsolidated affiliates and non-controlling interest.
- Diluted AFFO per share is defined as AFFO divided by weighted average diluted common shares outstanding.
- Outdoor operating income is defined as operating income before corporate expenses, stock-based compensation, capitalized contract fulfillment costs, net, transaction expenses, depreciation and amortization and loss (gain) on disposition of assets.
- Acquisition-adjusted results adjusts our net revenue, direct and general and administrative expenses, outdoor operating income, corporate expense and EBITDA for the prior period by adding to, or subtracting from, the corresponding revenue or expense generated by the acquired or divested assets before our acquisition or divestiture of these assets for the same time frame that those assets were owned in the current period. In calculating acquisition-adjusted results, therefore, we include revenue and expenses generated by assets that we did not own in the prior period but acquired in the current period. We refer to the amount of pre-acquisition revenue and expense generated by or subtracted from the acquired assets during the prior period that corresponds with the current period in which we owned the assets (to the extent within the period to which this report relates) as “acquisition-adjusted results”.
- Acquisition-adjusted consolidated expense adjusts our total operating expense to remove the impact of stock-based compensation, depreciation and amortization, transaction expenses, capitalized contract fulfillment costs, net, and loss (gain) on disposition of assets and investments. The prior period is also adjusted to include the expense generated by the acquired or divested assets before our acquisition or divestiture of such assets for the same time frame that those assets were owned in the current period.

Adjusted EBITDA, FFO, AFFO, diluted AFFO per share, free cash flow, outdoor operating income, acquisition-adjusted results and acquisition-adjusted consolidated expense are not intended to replace other performance measures determined in accordance with GAAP. Free cash flow, FFO and AFFO do not represent cash flows from operating activities in accordance with GAAP and, therefore, these measures should not be considered indicative of cash flows from operating activities as a measure of liquidity or of funds available to fund our cash needs, including our ability to make cash distributions. Adjusted EBITDA, free cash flow, FFO, AFFO, diluted AFFO per share, outdoor operating income, acquisition-adjusted results and acquisition-adjusted consolidated expense are presented as we believe each is a useful indicator of our current operating performance. Specifically, we believe that these metrics are useful to an investor in evaluating our operating performance because (1) each is a key measure used by our management team for purposes of decision making and for evaluating our core operating results; (2) adjusted EBITDA is widely used in the industry to measure operating performance as it excludes the

impact of depreciation and amortization, which may vary significantly among companies, depending upon accounting methods and useful lives, particularly where acquisitions and non-operating factors are involved; (3) adjusted EBITDA, FFO, AFFO, diluted AFFO per share and acquisition-adjusted consolidated expense each provides investors with a meaningful measure for evaluating our period-over-period operating performance by eliminating items that are not operational in nature and reflect the impact on operations from trends in occupancy rates, operating costs, general and administrative expenses and interest costs; (4) acquisition-adjusted results is a supplement to enable investors to compare period-over-period results on a more consistent basis without the effects of acquisitions and divestitures, which reflects our core performance and organic growth (if any) during the period in which the assets were owned and managed by us; (5) free cash flow is an indicator of our ability to service debt and generate cash for acquisitions and other strategic investments; (6) outdoor operating income provides investors a measurement of our core results without the impact of fluctuations in stock-based compensation, depreciation and amortization and corporate expenses; and (7) each of our Non-GAAP measures provides investors with a measure for comparing our results of operations to those of other companies.

Our measurement of adjusted EBITDA, FFO, AFFO, diluted AFFO per share, free cash flow, outdoor operating income, acquisition-adjusted results and acquisition-adjusted consolidated expense may not, however, be fully comparable to similarly titled measures used by other companies. Reconciliations of adjusted EBITDA, FFO, AFFO, diluted AFFO per share, free cash flow, outdoor operating income, acquisition-adjusted results and acquisition-adjusted consolidated expense to the most directly comparable GAAP measures have been included herein.

Conference Call Information

A conference call will be held to discuss the Company's operating results on Thursday, November 2, 2023 at 8:00 a.m. central time. Instructions for the conference call and Webcast are provided below:

Conference Call

All Callers: 1-800-420-1271 or 1-785-424-1634
Passcode: 63104

Live Webcast: www.lamar.com/About/Investors/Presentations

Webcast Replay: www.lamar.com/About/Investors/Presentations
Available through Thursday, November 9, 2023 at 11:59 p.m. eastern time

Company Contact: Buster Kantrow
Director of Investor Relations
(225) 926-1000
bkantrow@lamar.com

General Information

Founded in 1902, Lamar Advertising (Nasdaq: LAMR) is one of the largest outdoor advertising companies in North America, with approximately 363,000 displays across the United States and Canada. Lamar offers advertisers a variety of billboard, interstate logo, transit and airport advertising formats, helping both local businesses and national brands reach broad audiences every day. In addition to its more traditional out-of-home inventory, Lamar is proud to offer its customers the largest network of digital billboards in the United States with approximately 4,700 displays.

LAMAR ADVERTISING COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net revenues	\$ 542,609	\$ 527,390	\$ 1,555,078	\$ 1,496,630
Operating expenses (income)				
Direct advertising expenses	175,305	169,740	515,606	493,926
General and administrative expenses	79,201	84,212	248,392	250,185
Corporate expenses	22,414	22,242	73,520	66,715
Stock-based compensation	3,916	5,108	16,362	14,331
Capitalized contract fulfillment costs, net	(117)	(772)	(203)	(463)
Transaction expenses	—	93	—	3,769
Depreciation and amortization	74,636	65,833	222,919	202,210
Gain on disposition of assets	(879)	(53)	(5,243)	(1,990)
Total operating expense	354,476	346,403	1,071,353	1,028,683
Operating income	188,133	180,987	483,725	467,947
Other expense (income)				
Loss on extinguishment of debt	115	—	115	—
Interest income	(621)	(248)	(1,559)	(742)
Interest expense	45,070	33,545	130,163	89,824
Equity in earnings of investee	(699)	(1,554)	(1,326)	(2,655)
	43,865	31,743	127,393	86,427
Income before income tax expense	144,268	149,244	356,332	381,520
Income tax expense	3,843	3,056	8,821	8,976
Net income	140,425	146,188	347,511	372,544
Earnings attributable to non-controlling interest	408	—	833	—
Net income attributable to controlling interest	140,017	146,188	346,678	372,544
Preferred stock dividends	91	91	273	273
Net income applicable to common stock	\$ 139,926	\$ 146,097	\$ 346,405	\$ 372,271
Earnings per share:				
Basic earnings per share	\$ 1.37	\$ 1.44	\$ 3.40	\$ 3.67
Diluted earnings per share	\$ 1.37	\$ 1.44	\$ 3.39	\$ 3.66
Weighted average common shares outstanding:				
Basic	101,960,356	101,580,997	101,890,573	101,469,918
Diluted	102,130,614	101,685,965	102,085,016	101,599,157
OTHER DATA				
Free Cash Flow Computation:				
Adjusted EBITDA	\$ 265,689	\$ 251,196	\$ 717,560	\$ 685,804
Interest, net	(42,823)	(31,720)	(123,684)	(84,555)
Current tax expense	(2,588)	(2,417)	(7,911)	(7,125)
Preferred stock dividends	(91)	(91)	(273)	(273)
Total capital expenditures	(39,145)	(41,006)	(132,152)	(116,808)
Free cash flow	\$ 181,042	\$ 175,962	\$ 453,540	\$ 477,043

SUPPLEMENTAL SCHEDULES
SELECTED BALANCE SHEET AND CASH FLOW DATA
(IN THOUSANDS)

	September 30, 2023	December 31, 2022
	(Unaudited)	
Selected Balance Sheet Data:		
Cash and cash equivalents	\$ 39,395	\$ 52,619
Working capital deficit	\$ (312,074)	\$ (361,485)
Total assets	\$ 6,572,322	\$ 6,475,214
Total debt, net of deferred financing costs (including current maturities)	\$ 3,401,705	\$ 3,312,805
Total stockholders' equity	\$ 1,186,842	\$ 1,195,374

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(Unaudited)			
Selected Cash Flow Data:				
Cash flows provided by operating activities	\$ 222,546	\$ 224,475	\$ 529,420	\$ 537,105
Cash flows used in investing activities	\$ 115,916	\$ 94,086	\$ 245,925	\$ 402,464
Cash flows used in financing activities	\$ 114,955	\$ 142,559	\$ 296,736	\$ 154,842

SUPPLEMENTAL SCHEDULES
UNAUDITED RECONCILIATIONS OF NON-GAAP MEASURES
(IN THOUSANDS)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Reconciliation of Cash Flows Provided by Operating Activities to Free Cash Flow:				
Cash flows provided by operating activities	\$ 222,546	\$ 224,475	\$ 529,420	\$ 537,105
Changes in operating assets and liabilities	900	(5,237)	65,357	59,581
Total capital expenditures	(39,145)	(41,006)	(132,152)	(116,808)
Preferred stock dividends	(91)	(91)	(273)	(273)
Capitalized contract fulfillment costs, net	(117)	(772)	(203)	(463)
Transaction expenses	—	93	—	3,769
Other	(3,051)	(1,500)	(8,609)	(5,868)
Free cash flow	<u>\$ 181,042</u>	<u>\$ 175,962</u>	<u>\$ 453,540</u>	<u>\$ 477,043</u>

Reconciliation of Net Income to Adjusted EBITDA:				
Net income	\$ 140,425	\$ 146,188	\$ 347,511	\$ 372,544
Loss on extinguishment of debt	115	—	115	—
Interest income	(621)	(248)	(1,559)	(742)
Interest expense	45,070	33,545	130,163	89,824
Equity in earnings of investee	(699)	(1,554)	(1,326)	(2,655)
Income tax expense	3,843	3,056	8,821	8,976
Operating income	188,133	180,987	483,725	467,947
Stock-based compensation	3,916	5,108	16,362	14,331
Capitalized contract fulfillment costs, net	(117)	(772)	(203)	(463)
Transaction expenses	—	93	—	3,769
Depreciation and amortization	74,636	65,833	222,919	202,210
Gain on disposition of assets	(879)	(53)	(5,243)	(1,990)
Adjusted EBITDA	<u>\$ 265,689</u>	<u>\$ 251,196</u>	<u>\$ 717,560</u>	<u>\$ 685,804</u>

Capital expenditure detail by category:				
Billboards - traditional	\$ 11,658	\$ 12,165	\$ 40,619	\$ 30,388
Billboards - digital	18,057	19,218	59,598	61,172
Logo	2,368	3,636	9,499	9,639
Transit	1,001	817	2,390	3,021
Land and buildings	2,094	2,467	9,785	5,102
Operating equipment	3,967	2,703	10,261	7,486
Total capital expenditures	<u>\$ 39,145</u>	<u>\$ 41,006</u>	<u>\$ 132,152</u>	<u>\$ 116,808</u>

SUPPLEMENTAL SCHEDULES
UNAUDITED RECONCILIATIONS OF NON-GAAP MEASURES
(IN THOUSANDS)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Reconciliation of Reported Basis to Acquisition-Adjusted Results^(a):						
Net revenue	\$ 542,609	\$ 527,390	2.9 %	\$ 1,555,078	\$ 1,496,630	3.9 %
Acquisitions and divestitures	—	6,733		—	28,706	
Acquisition-adjusted net revenue	542,609	534,123	1.6 %	1,555,078	1,525,336	1.9 %
Reported direct advertising and G&A expenses	254,506	253,952	0.2 %	763,998	744,111	2.7 %
Acquisitions and divestitures	—	3,787		—	17,321	
Acquisition-adjusted direct advertising and G&A expenses	254,506	257,739	(1.3)%	763,998	761,432	0.3 %
Outdoor operating income	288,103	273,438	5.4 %	791,080	752,519	5.1 %
Acquisition and divestitures	—	2,946		—	11,385	
Acquisition-adjusted outdoor operating income	288,103	276,384	4.2 %	791,080	763,904	3.6 %
Reported corporate expense	22,414	22,242	0.8 %	73,520	66,715	10.2 %
Acquisitions and divestitures	—	—		—	—	
Acquisition-adjusted corporate expenses	22,414	22,242	0.8 %	73,520	66,715	10.2 %
Adjusted EBITDA	265,689	251,196	5.8 %	717,560	685,804	4.6 %
Acquisitions and divestitures	—	2,946		—	11,385	
Acquisition-adjusted EBITDA	<u>\$ 265,689</u>	<u>\$ 254,142</u>	4.5 %	<u>\$ 717,560</u>	<u>\$ 697,189</u>	2.9 %

(a) Acquisition-adjusted net revenue, direct advertising and general and administrative expenses, outdoor operating income, corporate expenses and EBITDA include adjustments to 2022 for acquisitions and divestitures for the same time frame as actually owned in 2023.

SUPPLEMENTAL SCHEDULES
UNAUDITED RECONCILIATIONS OF NON-GAAP MEASURES
(IN THOUSANDS)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Reconciliation of Net Income to Outdoor Operating Income:						
Net income	\$ 140,425	\$ 146,188	(3.9)%	\$ 347,511	\$ 372,544	(6.7)%
Loss on extinguishment of debt	115	—		115	—	
Interest expense, net	44,449	33,297		128,604	89,082	
Equity in earnings of investee	(699)	(1,554)		(1,326)	(2,655)	
Income tax expense	3,843	3,056		8,821	8,976	
Operating income	188,133	180,987	3.9 %	483,725	467,947	3.4 %
Corporate expenses	22,414	22,242		73,520	66,715	
Stock-based compensation	3,916	5,108		16,362	14,331	
Capitalized contract fulfillment costs, net	(117)	(772)		(203)	(463)	
Transaction expenses	—	93		—	3,769	
Depreciation and amortization	74,636	65,833		222,919	202,210	
Gain on disposition of assets	(879)	(53)		(5,243)	(1,990)	
Outdoor operating income	<u>\$ 288,103</u>	<u>\$ 273,438</u>	5.4 %	<u>\$ 791,080</u>	<u>\$ 752,519</u>	5.1 %

SUPPLEMENTAL SCHEDULES
UNAUDITED RECONCILIATIONS OF NON-GAAP MEASURES
(IN THOUSANDS)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
<u>Reconciliation of Total Operating Expense to Acquisition-Adjusted Consolidated Expense:</u>						
Total operating expense	\$ 354,476	\$ 346,403	2.3 %	\$ 1,071,353	\$ 1,028,683	4.1 %
Gain on disposition of assets	879	53		5,243	1,990	
Depreciation and amortization	(74,636)	(65,833)		(222,919)	(202,210)	
Transaction expenses	—	(93)		—	(3,769)	
Capitalized contract fulfillment costs, net	117	772		203	463	
Stock-based compensation	(3,916)	(5,108)		(16,362)	(14,331)	
Acquisitions and divestitures	—	3,787		—	17,321	
Acquisition-adjusted consolidated expense	<u>\$ 276,920</u>	<u>\$ 279,981</u>	(1.1)%	<u>\$ 837,518</u>	<u>\$ 828,147</u>	1.1 %

**SUPPLEMENTAL SCHEDULES
UNAUDITED REIT MEASURES
AND RECONCILIATIONS TO GAAP MEASURES
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Adjusted Funds from Operations:				
Net income	\$ 140,425	\$ 146,188	\$ 347,511	\$ 372,544
Depreciation and amortization related to real estate	71,519	63,089	213,925	193,164
Gain from sale or disposal of real estate, net of tax	(806)	(10)	(5,113)	(1,783)
Adjustments for unconsolidated affiliates and non-controlling interest	(1,107)	(1,364)	(2,159)	(2,135)
Funds from operations	\$ 210,031	\$ 207,903	\$ 554,164	\$ 561,790
Straight-line expense	1,136	741	3,476	2,884
Capitalized contract fulfillment costs, net	(117)	(772)	(203)	(463)
Stock-based compensation expense	3,916	5,108	16,362	14,331
Non-cash portion of tax provision	1,255	639	910	1,851
Non-real estate related depreciation and amortization	3,117	2,743	8,994	9,046
Amortization of deferred financing costs	1,626	1,577	4,920	4,527
Loss on extinguishment of debt	115	—	115	—
Transaction expenses	—	93	—	3,769
Capitalized expenditures-maintenance	(13,402)	(13,008)	(43,642)	(44,681)
Adjustments for unconsolidated affiliates and non-controlling interest	1,107	1,364	2,159	2,135
Adjusted funds from operations	\$ 208,784	\$ 206,388	\$ 547,255	\$ 555,189
Divided by weighted average diluted common shares outstanding	102,130,614	101,685,965	102,085,016	101,599,157
Diluted AFFO per share	\$ 2.04	\$ 2.03	\$ 5.36	\$ 5.46