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):
SEPTEMBER 15, 1999

LAMAR ADVERTISING COMPANY
(Exact name of registrant as specified in its charter)

DELAWARE	0-30242	72-1449411
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

LAMAR MEDIA CORP.
(Exact name of registrant as specified in its charter)

DELAWARE	001-12407	72-1205791
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

5551 CORPORATE BOULEVARD, BATON ROUGE, LOUISIANA 70808
(Address of principal executive offices and zip code)

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

EXPLANATORY NOTE

On July 20, 1999, Lamar Advertising Company completed a corporate reorganization to create a new holding company structure. The reorganization was accomplished through a merger under section 251(g) of the Delaware General Corporation Law. At the effective time of the merger, all stockholders of Lamar Advertising Company became stockholders in a new holding company and Lamar Advertising Company became a wholly-owned subsidiary of the new holding company. The new holding company took the Lamar Advertising Company name and the old Lamar Advertising Company was renamed Lamar Media Corp. In the merger, all outstanding shares of old Lamar Advertising Company's capital stock were converted into shares of the new holding company with the same voting powers, designations, preference and rights, and the same qualifications, restrictions and limitations, as the shares of old Lamar Advertising Company. Following the restructuring, the Class A common stock of the new holding company trades under the symbol "LAMR" on the Nasdaq National Market with the same CUSIP number as the old Lamar Advertising Company's Class A common stock.

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On September 15, 1999, Lamar Media Corp. acquired all of the outstanding capital stock of Chancellor Media Outdoor Corporation and Chancellor Media Whiteco Outdoor Corporation (collectively "Chancellor Outdoor") for consideration consisting of approximately $700 million of cash and 26,227,273 shares of Lamar Advertising Company Class A Common Stock valued at approximately $947 million. As a result of this acquisition, Lamar Media Corp. acquired outdoor advertising assets consisting of approximately 42,700 outdoor advertising display faces. Funds for the acquisition were provided from borrowings under Lamar Media Corp.'s revolving credit facility with a group of banks led by The Chase Manhattan Bank. The nature and amount of the consideration paid in the acquisition were determined by negotiation between Lamar Advertising Company and Chancellor Media Corporation of Los Angeles and Chancellor Mezzanine Holdings Corporation, the parent entities of Chancellor Outdoor, following a bidding process in which Chancellor Media Corporation of Los Angeles and Chancellor Mezzanine Holdings Corporation solicited proposals from potential acquirers. Prior to the acquisition there was no material relationship between Chancellor Outdoor or their respective parent corporations, on the one hand, and Lamar Advertising Company or any of its affiliates, directors or officers, or any associate of any such director or officer, on the other hand.

ITEM 5. OTHER EVENTS.

Lamar Advertising Company and Lamar Media Corp. are also filing this report to provide updated historical financial statements and related notes for Chancellor Outdoor as well as to include updated pro forma financial information of Lamar Advertising Company giving effect to the acquisition.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

99.1 Unaudited consolidated balance sheet of Chancellor Media Outdoor Corporation as of June 30, 1999 and unaudited consolidated statement of operations, stockholders' deficit and cash flow for the six-month period ended June 30, 1999. Filed herewith.

99.2 Unaudited condensed consolidated pro forma statement of earnings (loss) of Lamar Advertising Company giving effect to the Chancellor Outdoor acquisition for the year ended December 31, 1998 and the six months ended June 30, 1999 and unaudited condensed consolidated pro forma balance sheet of Lamar Advertising Company giving effect to the Chancellor Outdoor acquisition at June 30, 1999. Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 22, 1999 LAMAR ADVERTISING COMPANY

By: /s/ KEITH A. ISTRE

Keith A. Istre
Treasurer and Chief Financial Officer

Date: November 22, 1999 LAMAR MEDIA CORP.

By: /s/ KEITH A. ISTRE

Keith A. Istre
Treasurer and Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Unaudited consolidated balance sheet of Chancellor Media Outdoor Corporation as of June 30, 1999 and unaudited consolidated statement of operations, stockholders' deficit and cash flow for the six-month period ended June 30, 1999. Filed herewith.
99.2	Unaudited condensed consolidated pro forma statement of earnings (loss) of Lamar Advertising Company giving effect to the Chancellor Outdoor acquisition for the year ended December 31, 1998 and the six months ended June 30, 1999 and unaudited condensed consolidated pro forma balance sheet of Lamar Advertising Company, giving effect to the Chancellor Outdoor acquisition at June 30, 1999. Filed herewith.

EXHIBIT 99.1

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

CONSOLIDATED BALANCE SHEET
UNAUDITED
(DOLLARS IN THOUSANDS)

	JUNE 30, 1999
ASSETS	
Current assets:	
Cash	$ 726
Accounts receivable, net of allowance for uncollectible accounts of $6,353	33,795
Prepaid land rent	12,308
Deferred tax asset	2,711
Inventories	3,557
Other current assets	4,751
Total current assets	57,848
Property and equipment:	
Land	18,514
Advertising structures	1,191,399
Buildings and improvements	10,257
Equipment and vehicles	10,925
Construction-in-progress	17,090
Total cost	1,248,185
Accumulated depreciation	(74,442)
Net property and equipment	1,173,743
Intangible assets:	
Goodwill	477,402
Other	32,727
Total cost	510,129
Accumulated amortization	(14,558)
Net intangible assets	495,571
Prepaid land rent, non-current	134
Total assets	$ 1,727,296
LIABILITIES AND EQUITY	
Current liabilities:	
Notes payable, current	$ 645
Accounts payable	3,020
Accrued payroll and employee benefits	5,549
Other accrued liabilities	5,259
Total current liabilities	14,473
Commitments and contingencies	--
Deferred tax liabilities	93,526
Notes payable, long-term	1,753
Equity	1,617,544
Total liabilities and equity	$ 1,727,296

See accompanying notes to consolidated financial statements.

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

CONSOLIDATED STATEMENT OF OPERATIONS
UNAUDITED
(DOLLARS IN THOUSANDS)

	FOR THE SIX MONTHS ENDED JUNE 30, 1999
Revenues	$ 120,107
Less: agency commissions	9,218
Net revenues	110,889
Operating expenses	58,734
Corporate general and administrative expenses	5,884
Depreciation and amortization	63,527
Loss from operations	(17,256)
Other (income) expense	69
Interest expense	126
Loss before taxes	(17,451)
Income tax expense (benefit)	(4,823)
Net loss	$ (12,628)

See accompanying notes to consolidated financial statements.

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

CONSOLIDATED STATEMENT OF EQUITY
UNAUDITED
(DOLLARS IN THOUSANDS)

	FOR THE SIX MONTHS ENDED JUNE 30, 1999
Beginning balance	$ 1,614,526
Contributions from parent, net	15,646
Net loss	(12,628)
	$ 1,617,544

See accompanying notes to consolidated financial statements.

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

CONSOLIDATED STATEMENT OF CASH FLOW
UNAUDITED
(DOLLARS IN THOUSANDS)

	FOR THE SIX MONTHS ENDED JUNE 30, 1999
Net loss	$ (12,628)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	54,165
Amortization of intangibles	9,362
Deferred tax benefit	(6,072)
Changes in assets and liabilities:	
Accounts receivable	(7,358)
Other assets	(2,734)
Accounts payable and accrued expenses	(8,445)
Total adjustments	38,918
Net cash provided by operating activities	26,290
Cash flows from investing activities:	
Purchases of property and equipment and construction of advertising structures	(16,419)
Net cash used in investing activities	(16,419)
Cash flows from financing activities:	
Distributions to parent	(10,903)
Principal payments on note payable	(265)
Net cash used in financing activities	(11,168)
Net increase in cash	(1,297)
Cash, at beginning of period	2,023
Cash, at end of period	$ 726

See accompanying notes to consolidated financial statements.

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

1. ORGANIZATION AND SIGNIFICANT ACQUISITIONS

The Chancellor Media Outdoor Corporation (the "Company"), a wholly-owned subsidiary of Chancellor Media Corporation of Los Angeles ("CMCLA"), operated approximately 38,000 outdoor advertising display faces in 37 states as of December 31, 1998. The Company was formed on July 22, 1998; however, the Company held no assets until the acquisition of Martin Media, Martin & MacFarlane and certain affiliated companies on July 31, 1998 and the Company had no results of operations until August 1, 1998. On June 1, 1999, Chancellor Media Corporation ("CMC"), the indirect parent of CMCLA, announced that it had entered into a definitive agreement to sell the Company (see Note 8). The accompanying consolidated financial statements do not include any effects related to the proposed transaction.

On July 31, 1998, CMCLA acquired Martin Media L.P., Martin & MacFarlane and certain affiliated companies ("Martin") for a total purchase price of $615,117, which consisted of $612,848 in cash and included various other direct acquisition costs and the assumption of notes payable of $2,270. As part of the Martin transaction, CMCLA acquired an asset purchase agreement with Kunz & Company and paid an additional $6,000 in cash for a purchase option deposit previously paid in by Martin. Martin operated 13,700 billboards and outdoor displays in 12 states serving 23 markets.

On November 13, 1998, CMCLA acquired approximately 1,000 billboards and outdoor display faces from Kunz & Company for $40,264 in cash, of which $6,000 was previously paid as a purchase option deposit in connection with the Martin acquisition on July 31, 1998. The Company had previously been operating these properties under a management agreement effective July 31, 1998.

On December 1, 1998, CMCLA acquired the assets and working capital of the outdoor advertising division of Whiteco Industries, Inc. ("Whiteco"), which operated approximately 22,500 billboards and outdoor displays in 34 states, for $981,698 in cash, including various other direct acquisition costs.

Between September and December 1998, CMCLA acquired approximately 670 additional billboards and outdoor displays in various markets for approximately $23,582 in cash.

On January 21, 1999 and February 9, 1999, CMCLA acquired approximately 4,500 outdoor display faces from Triumph Outdoor Holdings and certain affiliated companies for $37,006 in cash including working capital and direct acquisition costs ("the Triumph Acquisition"). In connection with the Triumph Acquisition, CMCLA paid approximately $1,000 to an entity controlled by James A. McLaughlin, the President and Chief Operating Officer of the Company. An additional $700 that may be paid to such entity is currently held in escrow, subject to satisfaction of indemnity claims, if any.

Between January and May 1999, CMCLA acquired approximately 250 additional billboards and outdoor displays in various transactions for approximately $11,900 in cash.

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)
(DOLLARS IN THOUSANDS)

The above acquisitions were accounted for under the purchase method of accounting. After acquisition, CMCLA pushed down the applicable stock, assets and/or liabilities of the acquired entities to the Company as non-cash contributions. The contributions were made at cost and therefore no related gain or loss was recognized by CMCLA. These acquisitions are non-cash transactions that are not reflected in the consolidated statement of cash flows. The accompanying consolidated financial statements include the results of operations of the acquired entities from their respective date of acquisition.

A summary of net assets acquired during 1998 follows:

Cash	$ 6,716
Accounts receivable, net	25,908
Other current assets	14,747
Property and equipment	1,221,858
Intangible assets	499,044
Other assets	1,195
Accounts payable and accrued expenses	(10,752)
Deferred tax liabilities	(98,042)
Other liabilities	(13)
Total net assets acquired	1,660,661
Less:	
Cash acquired	6,716
Notes payable	2,268
Cash paid for acquisitions by CMCLA	$ 1,651,677

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles. All significant intercompany balances and transactions have been eliminated in consolidation. Corporate overhead costs related to the Company are included as expenses in the accompanying financial statements. Management considers the inclusion of such expenses reasonable. The corporate overhead expenses may not necessarily be indicative of expenses that would have been incurred if the Company had operated as a separate entity.

Interim Financial Statements

The financial information as of June 30, 1999 and with respect to the six months then ended is unaudited. In the opinion of management, the financial statements contain all adjustments, consisting of normal recurring accruals, necessary for the fair presentation of the results for such period. The information is not necessarily indicative of the results of operations to be expected for the fiscal year end.

Advertising Contracts and Revenue Recognition

Outdoor advertising revenue is derived from contracts with advertisers for the rental of outdoor advertising space and is recognized on an accrual basis ratably over the terms of the contracts, which generally cover periods

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)
(DOLLARS IN THOUSANDS)

of one month up to five years. Costs associated with the outdoor advertising operations, including contract costs and land rental, are expensed over the related contract term.

Prepaid Land Leases

The majority of the Company's outdoor advertising structures are located on leased land. Land rent is typically paid in advance for periods ranging from one to twelve months. Prepaid land leases are expensed ratably over the related rental term.

Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Advertising structures	15 years
Building and improvements	35 years
Equipment and vehicles	5-10 years

Repair and maintenance costs are charged to expense as incurred.

Goodwill and Other Intangible Assets

Intangible assets consist of goodwill, non-compete agreements, municipal contracts and franchise agreements. Intangible assets resulting from acquisitions are valued based upon estimated fair values. The Company amortizes such intangible assets using the straight-line method over estimated useful lives of 40 years for goodwill, five years for non-compete agreements and ten years for municipal contracts and franchise agreements. The Company evaluates the propriety of the carrying amount of intangible assets and related amortization periods to determine whether current events or circumstances warrant adjustments to the carrying value and/or revised estimates of amortization periods. These evaluations consist of the projection of undiscounted cash flows over the remaining amortization periods of the related intangible assets.

The projections are based on historical trend lines of actual results, adjusted for expected changes in operating results. At this time, the Company believes that no impairment of goodwill or other intangible assets has occurred and that no revisions to the amortization periods are warranted.

Cash Equivalents

The Company considers temporary cash investments purchased with original maturities of three months or less to be cash equivalents.

Disclosure of Certain Significant Risks and Uncertainties

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 the disclosure of contingent assets and liabilities at 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. In the opinion of management, credit risk with respect to trade receivables is limited due to the large number of diversified customers and the geographic diversification of the Company's customer base. The Company

CHANCELLOR MEDIA OUTDOOR CORPORATION
(A WHOLLY-OWNED SUBSIDIARY OF CHANCELLOR MEDIA CORPORATION OF LOS ANGELES)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)
(DOLLARS IN THOUSANDS)

performs ongoing credit evaluations of its customers and believes that adequate allowances for any uncollectible trade receivables are maintained. At December 31, 1998, no receivable from any customer exceeded 5% of equity and no customer accounted for more than 10% of net revenues during the period July 22, 1998 through December 31, 1998.

3. CONTINGENCIES

The Company is involved in various claims and lawsuits, which are generally incidental to its business. The Company is vigorously contesting all of these matters and believes that the ultimate resolution of these matters will not have a materially adverse effect on its consolidated financial position, cash flows or results of operations.

The Company, together with its consolidated subsidiaries, has guaranteed certain debt obligations issued by CMCLA of approximately $4,096,000. In addition to the Company, other subsidiaries of CMCLA guarantee the debt.

4. SUBSEQUENT EVENT

On September 15, 1999, CMCLA sold the Company to Lamar Media Corp. ("Lamar") for approximately $1,600,000 in stock and cash. Under the terms of the agreement, Lamar paid $700,000 in cash and issued approximately 26,227,000 shares of its common stock. Following the transaction, CMCLA owns approximately 30% of Lamar's common stock and will have the right to appoint two members to Lamar's board of directors, increasing the size of the board to ten members.

EXHIBIT 99.2

LAMAR ADVERTISING COMPANY
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following sets forth unaudited pro forma condensed consolidated financial information for Lamar Advertising Company ("Lamar"). The unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 1998 gives effect to the acquisition of Outdoor Communications, Inc. (as filed in Lamar's 8K/A filed June 8, 1999) and the acquisition by Lamar (the "Stock Purchase") of Chancellor Outdoor as if the transactions had occurred on January 1, 1998. The unaudited pro forma condensed consolidated statement of operations for the six months ended June 30, 1999 gives effect to the acquisition of Chancellor Outdoor as if the transaction had occurred at the beginning of the period. The unaudited pro forma condensed consolidated balance sheet as of June 30, 1999 gives effect to the acquisition of Chancellor Outdoor as if the transaction had occurred on June 30, 1999.

For purposes of the pro forma financial information (i) the pro forma statement of operations of the Company for the year ended December 31, 1998 (as adjusted for the OCI acquisition) has been combined with the statement of operations of Chancellor Outdoor for the period July 22, 1998 (inception) to December 31, 1998, the statement of operations of Martin Media L.P. ("Martin Media") for the seven months ended July 31, 1998, the statement of operations of Martin & Macfarlane, Inc. for the seven months ended July 31, 1998 and the statement of income of the Outdoor Division of Whiteco Industries ("Whiteco") the eleven months ended November 30, 1998 (ii) the statement of operations of the Company for the six month period ended June 30, 1999 has been combined with the statement of operations of Chancellor Outdoor for the same period and (iii) the balance sheet of the Company as of June 30, 1999 has been combined with the balance sheet of Chancellor Outdoor as of June 30, 1999.

The unaudited pro forma condensed consolidated financial statements give effect to the acquisitions under the purchase method of accounting. The pro forma adjustments are described in the accompanying notes and are based on preliminary estimates and certain assumptions that management of the Company believes reasonable under the circumstances.

The unaudited pro forma condensed consolidated financial statements have been prepared by the Company's management. The unaudited pro forma data are not designed to represent and do not represent what the Company's results of operations or financial position would have been had the aforementioned acquisition been completed on or as of the dates assumed, and are not intended to project the Company's results of operations for any future period or as of any future date. The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the audited and unaudited consolidated financial statements and notes of the Company, Chancellor Outdoor, Martin Media, Martin & Macfarlane, Inc., Whiteco and Outdoor Communications, Inc., included in the Current Report on Form 8-K filed by Lamar Advertising Company on July 7, 1999.

LAMAR ADVERTISING COMPANY
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 1998
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	PRO FORMA LAMAR ADJUSTED FOR OCI THE ACQUISITION	CHANCELLOR OUTDOOR JULY 22, 1998 TO DECEMBER 31, 1998	MARTIN MEDIA JAN 1, 1998 TO JULY 31, 1998	MARTIN & MACFARLANE JAN 1, 1998 TO JULY 31, 1998
Revenues, net	$ 332,754	47,605	29,655	16,576
Direct advertising expenses	108,781	23,505	14,364	10,526
General and administrative expenses	69,662	1,981	6,450	4,193
Depreciation and amortization	112,805	25,990	11,223	3,471
	291,248	51,476	32,037	18,190
Operating income	41,506	(3,871)	(2,382)	(1,614)
Other expense (income):				
Interest income	(762)	--	(20)	--
Interest expense	80,581	105	8,527	2,244
Loss (gain) on disposition of assets	(729)	--	--	(465)
Other expenses (income)	314	(156)	(473)	(537)
	79,404	(51)	8,034	1,242
Income (Loss) before income taxes	(37,898)	(3,820)	(10,416)	(2,856)
Income tax expense (benefit)	(6,368)	345	--	10
Net Income (loss)	(31,530)	(4,165)	(10,416)	(2,866)
Preferred stock dividends	365			
Net loss applicable to common stock	$ (31,895)			
Net loss per common share	$ (0.62)			
Weighted average number of shares outstanding	51,361,522			

	WHITECO JAN 1, 1998 TO NOV 30, 1998	COMBINED CHANCELLOR OUTDOOR 12/31/98	ACQUISITION ADJUSTMENTS	PRO FORMA COMBINED
Revenues, net	119,630	213,466	(9,656) (6)	536,564
Direct advertising expenses	43,665	92,060	(4,865) (6)	195,976
General and administrative expenses	26,296	38,920	(2,734) (1)	105,848
Depreciation and amortization	10,342	51,026	97,179 (2)	261,010
	80,303	182,006	89,580	562,834
Operating income	39,327	31,460	(99,236)	(26,270)
Other expense (income):				
Interest income	(134)	(154)	154 (3)	(762)
Interest expense	35	10,911	40,032 (4)	131,524
Loss (gain) on disposition of assets	(1,418)	(1,883)	--	(2,612)
Other expenses	--	(1,166)	--	(852)
	(1,517)	7,708	40,186	127,298
Income (Loss) before income taxes	40,844	23,752	(139,422)	(153,568)
Income tax expense (benefit)	--	355	(42,698) (5)	(48,711)
Net income (loss)	40,844	23,397	(96,724)	(104,857)
Preferred stock dividends				365
Net loss applicable to common stock				$ (105,222)

Net loss per common share		$ (1.36)
Weighted average number of shares outstanding	26,227,273	77,588,795

LAMAR ADVERTISING COMPANY
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 1999
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	LAMAR	CHANCELLOR OUTDOOR	ACQUISITION ADJUSTMENTS	PRO FORMA COMBINED
Revenues, net	$ 183,575	110,889	(4,052)(6)	290,412
Direct advertising expenses	60,245	58,734	(2,076)(6)	116,903
General and administrative expenses	40,853	5,884	--	46,737
Depreciation and amortization	64,213	63,527	10,575 (2)	138,315
	165,311	128,145	8,499	301,955
Operating income	18,264	(17,256)	(12,551)	(11,543)
Other expense (income):				
Interest income	(955)	--	--	(955)
Interest expense	36,379	126	25,136(4)	61,641
Gain on disposition of assets	(477)	--	--	(477)
Other expenses	--	69	--	69
	34,947	195	25,136	60,278
Loss before income taxes	(16,683)	(17,451)	(37,687)	(71,821)
Income tax expense (benefit)	(1,766)	(4,823)	(15,297)(5)	(21,886)
Loss before cumulative effect of a change in accounting principle	(14,917)	(12,628)	(22,390)	(49,935)
Loss before cumulative effect of a change in accounting principle per common share	$ (0.25)			$ (0.57)
Weighted average number of shares outstanding	61,185,610		26,227,273	87,412,883

LAMAR ADVERTISING COMPANY
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
JUNE 30, 1999
(DOLLARS IN THOUSANDS)

	LAMAR	CHANCELLOR OUTDOOR	PROFORMA ADJUSTMENTS		PRO FORMA COMBINED
Cash	$ 4,249	726	(3,714)	(7)	1,261
Net receivables	46,593	33,795	--		80,388
Other current assets	15,648	23,327	(2,711)	(8)	36,264
Total current assets	66,490	57,848	(6,425)		117,913
Property, plant and equipment, net	546,128	1,173,743	(527,818)	(9)	1,192,053
Intangibles	781,217	495,571	582,140	(10)	1,858,928
Other assets	17,099	134	--		17,233
Total assets	$ 1,410,934	1,727,296	47,897		3,186,127
Current maturities of long-term debt	4,078	645	--		4,723
Other current liabilities	38,456	13,828	5,500	(11)	57,784
	42,534	14,473	5,500		62,507
Long-term debt	885,306	1,753	700,000	(12)	1,587,059
Deferred income	1,283	--	--		1,283
Other liabilities	4,833	--	--		4,833
Deferred tax liability	21,848	93,526	12,949	(13)	128,323
Total Liabilities	955,804	109,752	718,449		1,784,005
Stockholders' equity	455,130	1,617,544	(670,552)	(14)	1,402,122
Total liabilities and stockholders' equity	$ 1,410,934	1,727,296	47,897		3,186,127

For purposes of determining the pro forma effect of the Chancellor Outdoor acquisition on the Company's Condensed Consolidated Statements of Operations for the year ended December 31, 1998 and the six months ended June 30, 1999, the following adjustments have been made:

		12/31/98	06/30/99
(1)	To eliminate expenses in Chancellor Outdoor's combined financial statement related to management fees that would not have existed had the transaction taken place at the beginning of the year		
	General and administrative expenses	(2,734)	--
(2)	To record incremental amortization and depreciation due to the application of purchase accounting. Depreciation and amortization are calculated using accelerated and straight line methods over the estimated useful lives of the assets generally from 5-15 years.	97,179	10,575
(3)	To eliminate historical interest income that would not have existed had the Stock Purchase taken place on January 1, 1998	154	--
(4)	To eliminate historical interest expense in Chancellor Outdoor's combined financial statements and record interest expense related to the debt acquired and incurred in the acquisition. (A difference of .125% in the rate of interest would have changed income by $875 and $434 for the year ended December 31, 1998 and six months ended June 30, 1999, respectively.)		
	Historical interest expense	(10,911)	(126)
	Interest expense on debt acquired and incurred in the Stock Purchase	50,943	25,262
		40,032	25,136
(5)	To record the tax effect on pro forma statements for the Stock Purchase	(42,698)	(15,297)
(6)	To record the effect on net revenues and direct expenses of the Chancellor Outdoor divestiture required by the Department of Justice in May 1999 and the divestiture required by the Department of Justice as a condition of this Stock Purchase		
	Net revenues	(9,656)	(4,052)
	Direct advertising expenses	(4,865)	(2,076)

The terms of the Stock Purchase Agreement include the issuance of 26,227,273 Class A Common Stock at an average stock price of $36.11 per share and $704 million in cash for a total purchase price of $1,650,706. The acquisition will be accounted for under the purchase method of accounting. The following is a summary of the preliminary allocation of the purchase price of the acquisition:

Current assets	$ 55,137
Property, plant and equipment	645,925
Goodwill	287,051
Other intangibles	790,660
Other assets	134
Current liabilities	(19,973)
Long-term liabilities	(108,228)
	1,650,706

For purposes of determining the pro forma effect of the Chancellor Outdoor acquisition on the Company's unaudited Condensed Consolidated Balance Sheet as of June 30, 1999, the following adjustments have been made:

	Pro Forma Adjustments
(7) Cash	
To record the net effect on cash as a result of the Stock Purchase and related divestures.	(3,714)
(8) Other current assets	
To eliminate historical deferred tax assets not acquired in the Stock Purchase.	(2,711)
(9) Property, Plant and Equipment, net:	
To record the decrease in property, plant and equipment from the allocation of the purchase price for the Stock Purchase.	(527,818)
(10) Intangibles:	
To record the increase in intangibles resulting from the allocation of the purchase price of the Stock Purchase.	582,140
(11) Other current liabilities:	
To record the accrual of transition costs and other liabilities assumed in the Stock Purchase.	5,500

(12) Long-term debt:

To record the increase in debt related to financing the Stock Purchase

Borrowings under the Credit Facility	700,000
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(13) Deferred Tax Liability:

To record the increase in the deferred tax liability created as a result of the application of purchase accounting.	12,949
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(14) Stockholders' Equity

To eliminate Chancellor Outdoor's historical stockholders' equity as a result of the Stock Purchase	(1,617,544)
To record the issuance of Class A Common Stock as a result of the acquisition.	946,992

	(670,552)
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