UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended March 31, 2024

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from __________ to __________

Commission File Number 1-36756

Lamar Advertising Company

Commission File Number 1-12407

Lamar Media Corp.

(Exact name of registrants as specified in their charters)

Delaware	**47-0961620**
Delaware	**72-1205791**
(State or other jurisdiction of incorporation or organization)	***(I.R.S Employer Identification No.)***
5321 Corporate Blvd., Baton Rouge, LA	**70808**
(Address of principal executive offices)	**(Zip Code)**

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

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 each registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether each registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether Lamar Advertising Company is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if Lamar Advertising Company 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. ☐

Indicate by check mark whether Lamar Media Corp. is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. ☐

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if Lamar Media Corp. 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. ☐

Indicate by check mark whether Lamar Advertising Company is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

Indicate by check mark whether Lamar Media Corp. is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

The number of shares of Lamar Advertising Company's Class A common stock outstanding as of April 26, 2024: 87,820,609

The number of shares of the Lamar Advertising Company's Class B common stock outstanding as of April 26, 2024: 14,420,085

The number of shares of Lamar Media Corp. common stock outstanding as of April 26, 2024: 100

This combined Form 10-Q is separately filed by (i) Lamar Advertising Company and (ii) Lamar Media Corp. (which is a wholly owned subsidiary of Lamar Advertising Company). Lamar Media Corp. meets the conditions set forth in general instruction H(1) (a) and (b) of Form 10-Q and is, therefore, filing this form with the reduced disclosure format permitted by such instruction.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information included in this report is forward-looking in nature within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. This report uses terminology such as "anticipates," "believes," "plans," "expects," "future," "intends," "may," "will," "should," "estimates," "predicts," "potential," "continue" and similar expressions to identify forward-looking statements. Examples of forward-looking statements in this report include statements about:

- our future financial performance and condition;
- our business plans, objectives, prospects, growth and operating strategies;
- our future capital expenditures and level of acquisition activity;
- our ability to integrate acquired assets and realize operating efficiency from acquisitions;
- market opportunities and competitive positions;
- our future cash flows and expected cash requirements;
- estimated risks;
- our ability to maintain compliance with applicable covenants and restrictions included in Lamar Media's senior credit facility, Accounts Receivable Securitization Program and the indentures relating to its outstanding notes;
- stock price;
- estimated future dividend distributions; and
- our ability to remain qualified as a Real Estate Investment Trust ("REIT").

Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors, including but not limited to the following, any of which may cause the actual results, performance or achievements of Lamar Advertising Company (referred to herein as the "Company" or "Lamar Advertising") or Lamar Media Corp. (referred to herein as "Lamar Media") to differ materially from those expressed or implied by the forward-looking statements:

- the state of the economy and financial markets generally and their effects on the markets in which we operate and the broader demand for advertising;
- the levels of expenditures on advertising in general and outdoor advertising in particular;
- risks and uncertainties relating to our significant indebtedness;
- the demand for outdoor advertising and its continued popularity as an advertising medium;
- our need for, and ability to obtain, additional funding for acquisitions, operations and debt refinancing;
- increased competition within the outdoor advertising industry;
- the regulation of the outdoor advertising industry by federal, state and local governments;
- our ability to renew expiring contracts at favorable rates;
- the integration of businesses and assets that we acquire and our ability to recognize cost savings and operating efficiencies as a result of these acquisitions;
- our ability to successfully implement our digital deployment strategy;
- the market for our Class A common stock;
- changes in accounting principles, policies or guidelines;
- our ability to effectively mitigate the threat of and damages caused by hurricanes and other kinds of severe weather;
- our ability to maintain our status as a REIT; and
- changes in tax laws applicable to REITs or in the interpretation of those laws.

The forward-looking statements in this report are based on our current good faith beliefs, however, actual results may differ due to inaccurate assumptions, the factors listed above or other foreseeable or unforeseeable factors. Consequently, we cannot guarantee that any of the forward-looking statements will prove to be accurate. The forward-looking statements in this report speak only as of the date of this report, and Lamar Advertising and Lamar Media expressly disclaim any obligation or undertaking to update or revise any forward-looking statement contained in this report, except as required by law.

For a further description of these and other risks and uncertainties, the Company encourages you to read carefully Item 1A to the combined Annual Report on Form 10-K for the year ended December 31, 2023 of the Company and Lamar Media (the “2023 Combined Form 10-K”), filed on February 23, 2024, and as such risk factors may be further updated or supplemented, from time to time, in our future combined Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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PART I — FINANCIAL INFORMATION

ITEM 1. — FINANCIAL STATEMENTS

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)

	March 31, 2024	December 31, 2023
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36,405	$ 44,605
Receivables, net of allowance for doubtful accounts of $11,952 and $12,477 in 2024 and 2023, respectively	298,509	301,189
Other current assets	41,162	27,392
Total current assets	376,076	373,186
Property, plant and equipment	4,289,440	4,274,831
Less accumulated depreciation and amortization	(2,731,409)	(2,708,361)
Net property, plant and equipment	1,558,031	1,566,470
Operating lease right of use assets	1,302,629	1,315,433
Financing lease right of use assets	10,471	11,184
Goodwill	2,035,220	2,035,271
Intangible assets, net	1,150,081	1,171,434
Other assets	92,559	90,644
Total assets	$ 6,525,067	$ 6,563,622
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	$ 18,435	$ 18,238
Current maturities of long-term debt, net of deferred financing costs of $339 and $380 in 2024 and 2023, respectively	585,763	250,018
Current operating lease liabilities	174,955	210,568
Current financing lease liabilities	1,331	1,331
Accrued expenses	79,483	107,195
Deferred income	132,644	126,547
Total current liabilities	992,611	713,897
Long-term debt, net of deferred financing costs of $27,380 and $28,865 in 2024 and 2023, respectively	2,815,573	3,091,109
Operating lease liabilities	1,066,058	1,075,285
Financing lease liabilities	14,282	14,614
Deferred income tax liabilities	12,293	12,047
Asset retirement obligation	396,539	397,991
Other liabilities	44,074	41,891
Total liabilities	5,341,430	5,346,834
Stockholders' equity:		
Series AA preferred stock, par value $0.001, $63.80 cumulative dividends, 5,720 shares authorized; 5,720 shares issued and outstanding at 2024 and 2023	—	—
Class A common stock, par value $0.001, 362,500,000 shares authorized; 88,711,167 and 88,486,495 shares issued at 2024 and 2023, respectively; 87,820,609 and 87,645,560 outstanding at 2024 and 2023, respectively	89	88
Class B common stock, par value $0.001, 37,500,000 shares authorized, 14,420,085 shares issued and outstanding at 2024 and 2023	14	14
Additional paid-in capital	2,129,944	2,103,282
Accumulated comprehensive loss	(820)	(428)
Accumulated deficit	(874,130)	(819,235)
Cost of shares held in treasury, 890,558 and 840,935 shares at 2024 and 2023, respectively	(72,688)	(67,347)
Non-controlling interest	1,228	414
Stockholders' equity	1,183,637	1,216,788
Total liabilities and stockholders' equity	$ 6,525,067	$ 6,563,622

See accompanying notes to condensed consolidated financial statements.

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Condensed Consolidated Statements of Income and Comprehensive Income
(Unaudited)
(In thousands, except share and per share data)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Statements of Income		
Net revenues	$ 498,150	$ 471,332
Operating expenses (income)		
Direct advertising expenses (exclusive of depreciation and amortization)	175,645	168,432
General and administrative expenses (exclusive of depreciation and amortization)	89,161	85,135
Corporate expenses (exclusive of depreciation and amortization)	35,704	28,527
Depreciation and amortization	75,228	73,125
Gain on disposition of assets	(2,188)	(2,688)
	373,550	352,531
Operating income	124,600	118,801
Other (income) expense		
Interest income	(467)	(461)
Interest expense	44,487	41,444
Equity in loss (earnings) of investee	559	(178)
	44,579	40,805
Income before income tax expense	80,021	77,996
Income tax expense	1,522	1,798
Net income	78,499	76,198
Net income attributable to non-controlling interest	275	157
Net income attributable to controlling interest	78,224	76,041
Cash dividends declared and paid on preferred stock	91	91
Net income applicable to common stock	$ 78,133	$ 75,950
Earnings per share:		
Basic earnings per share	$ 0.77	$ 0.75
Diluted earnings per share	$ 0.76	$ 0.74
Cash dividends declared per share of common stock	$ 1.30	$ 1.25
Weighted average common shares used in computing earnings per share:		
Weighted average common shares outstanding basic	102,115,159	101,792,317
Weighted average common shares outstanding diluted	102,447,333	101,963,563
Statements of Comprehensive Income		
Net income	$ 78,499	$ 76,198
Other comprehensive loss		
Foreign currency translation adjustments	(392)	(2)
Comprehensive income	78,107	76,196
Net income attributable to non-controlling interest	275	157
Comprehensive income attributable to controlling interest	$ 77,832	$ 76,039

See accompanying notes to condensed consolidated financial statements.

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)
(In thousands, except share and per share data)

	Series AA PREF Stock	Class A CMN Stock	Class B CMN Stock	Treasury Stock	Add'l Paid in Capital	Accumulated Comprehensive Loss	Accumulated Deficit	Non-controlling interest	Total
Balance, December 31, 2023	$ —	$ 88	$ 14	$ (67,347)	$ 2,103,282	$ (428)	$ (819,235)	414	$ 1,216,788
Non-cash compensation	—	—	—	—	2,745	—	—	—	2,745
Issuance of 137,350 shares of common stock through stock awards	—	1	—	—	17,868	—	—	—	17,869
Exercise of 47,000 shares of stock options	—	—	—	—	3,415	—	—	—	3,415
Issuance of 40,322 shares of common stock through employee purchase plan	—	—	—	—	3,652	—	—	—	3,652
Purchase of 49,623 shares of treasury stock	—	—	—	(5,341)	—	—	—	—	(5,341)
Foreign currency translation	—	—	—	—	—	(392)	—	—	(392)
Net income	—	—	—	—	—	—	78,224	275	78,499
Reallocation of capital	—	—	—	—	(1,018)	—	—	1,018	—
Dividends ($1.30 per common share) and other distributions	—	—	—	—	—	—	(133,028)	(479)	(133,507)
Dividends ($15.95 per preferred share)	—	—	—	—	—	—	(91)	—	(91)
Balance, March 31, 2024	$ —	$ 89	$ 14	$ (72,688)	$ 2,129,944	$ (820)	$ (874,130)	$ 1,228	$ 1,183,637

	Series AA PREF Stock	Class A CMN Stock	Class B CMN Stock	Treasury Stock	Add'l Paid in Capital	Accumulated Comprehensive Loss	Accumulated Deficit	Non-controlling interest	Total
Balance, December 31, 2022	$ —	$ 88	$ 14	$ (61,358)	$ 2,061,671	$ (659)	$ (804,382)	—	$ 1,195,374
Non-cash compensation	—	—	—	—	3,305	—	—	—	3,305
Issuance of 161,050 shares of common stock through stock awards	—	—	—	—	15,934	—	—	—	15,934
Exercise of 10,595 shares of stock options	—	—	—	—	678	—	—	—	678
Issuance of 45,232 shares of common stock through employee purchase plan	—	—	—	—	3,530	—	—	—	3,530
Purchase of 56,808 shares of treasury stock	—	—	—	(5,946)	—	—	—	—	(5,946)
Foreign currency translation	—	—	—	—	—	(2)	—	—	(2)
Net income	—	—	—	—	—	—	76,041	157	76,198
Reallocation of capital	—	—	—	—	(1,016)	—	—	397	(619)
Dividends ($1.25 per common share) and other distributions	—	—	—	—	—	—	(127,460)	(214)	(127,674)
Dividends ($15.95 per preferred share)	—	—	—	—	—	—	(91)	—	(91)
Balance, March 31, 2023	$ —	$ 88	$ 14	$ (67,304)	$ 2,084,102	$ (661)	$ (855,892)	$ 340	$ 1,160,687

See accompanying notes to condensed consolidated financial statements.

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash flows from operating activities:		
Net income	$ 78,499	$ 76,198
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	75,228	73,125
Stock-based compensation	14,466	8,040
Amortization included in interest expense	1,631	1,642
Gain on disposition of assets	(2,188)	(2,688)
Equity in loss (earnings) of investee	559	(178)
Deferred tax expense (benefit)	246	(1,152)
Provision for doubtful accounts	312	1,397
Changes in operating assets and liabilities		
Decrease (increase) in:		
Receivables	2,229	24,208
Prepaid expenses	(6,746)	(10,833)
Other assets	(6,306)	(7,523)
Increase (decrease) in:		
Trade accounts payable	325	(1,911)
Accrued expenses	(20,355)	(24,010)
Operating lease liabilities	(32,035)	(40,801)
Other liabilities	4,697	13,198
Net cash provided by operating activities	110,562	108,712
Cash flows from investing activities:		
Acquisitions	(18,265)	(13,627)
Capital expenditures	(29,482)	(42,285)
Proceeds from disposition of assets and investments	2,731	3,248
Net cash used in investing activities	(45,016)	(52,664)
Cash flows from financing activities:		
Cash used for purchase of treasury stock	(5,341)	(5,947)
Net proceeds from issuance of common stock	7,067	4,208
Principal payments on long-term debt	(98)	(93)
Principal payments on financing leases	(333)	(333)
Payments on revolving credit facility	(70,000)	(20,000)
Proceeds received from revolving credit facility	143,000	90,000
Proceeds received from accounts receivable securitization program	6,900	9,800
Payments on accounts receivable securitization program	(21,200)	(25,000)
Debt issuance costs	(23)	(25)
Distributions to non-controlling interest	(479)	(214)
Dividends/distributions	(133,119)	(127,551)
Net cash used in financing activities	(73,626)	(75,155)
Effect of exchange rate changes in cash and cash equivalents	(120)	10
Net decrease in cash and cash equivalents	(8,200)	(19,097)
Cash and cash equivalents at beginning of period	44,605	52,619
Cash and cash equivalents at end of period	$ 36,405	$ 33,522
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 42,520	$ 39,430
Cash paid for foreign, state and federal income taxes	$ 2,953	$ 3,182

See accompanying notes to condensed consolidated financial statements.

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In thousands, except share and per share data)

1. Significant Accounting Policies

The information included in the foregoing interim condensed consolidated financial statements is unaudited. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the Company's financial position and results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the entire year. These interim condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and the notes thereto included in the 2023 Combined Form 10-K. Subsequent events, if any, are evaluated through the date on which the financial statements are issued.

2. Revenues

Advertising revenues: The majority of our revenues are derived from contracts for advertising space on billboard, logo and transit displays. Contracts which do not meet the criteria of a lease under ASC 842, *Leases* are accounted for under ASC 606, *Revenue from Contracts with Customers*. The majority of our advertising space contracts do not meet the definition of a lease under ASC 842 and are therefore accounted for under ASC 606. The contract revenues are recognized ratably over their contract life. Costs to fulfill a contract, which include our costs to install advertising copy onto billboards, are capitalized and amortized to direct advertising expenses (exclusive of depreciation and amortization) in the Condensed Consolidated Statements of Income and Comprehensive Income.

Other revenues: Our other component of revenue primarily consists of production services which includes creating and printing the advertising copy. Revenue for production contracts is recognized under ASC 606. Contract revenues for production services are recognized upon satisfaction of the contract which is typically less than one week.

Arrangements with multiple performance obligations: Our contracts with customers may include multiple performance obligations. For such arrangements, we allocate revenue to each performance obligation based on the relative standalone selling price. We determine standalone selling prices based on the prices charged to customers using expected cost plus margin.

Deferred revenues: We record deferred revenues when cash payments are received or due in advance of our performance obligation. The term between invoicing and when a payment is due is not significant. For certain services we require payment before the product or services are delivered to the customer. The balance of deferred income is considered short-term and will be recognized in revenue within twelve months.

Practical expedients and exemptions: The Company is utilizing the following practical expedients and exemptions from ASC 606. We generally expense sales commissions when incurred because the amortization period is one year or less. These costs are recorded within direct advertising expenses (exclusive of depreciation and amortization). We do not disclose the value of unsatisfied performance obligations as the majority of our contracts with customers have an original expected length of less than one year. For contracts with customers which exceed one year, the future amount to be invoiced to the customer corresponds directly with the value to be received by the customer.

The following table presents our disaggregated revenue by source for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024	**2023**
Billboard advertising	$ 439,385	$ 417,175
Logo advertising	20,742	20,310
Transit advertising	38,023	33,847
Net revenues	$ 498,150	$ 471,332

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In thousands, except share and per share data)

3. Leases

During the three months ended March 31, 2024 and 2023, we had operating lease costs of $79,252 and $79,446, respectively, and variable lease costs of $13,442 and $12,374, respectively. These operating lease costs are recorded in direct advertising expenses (exclusive of depreciation and amortization). For the three months ended March 31, 2024 and 2023, we recorded a loss of $8 and $145, respectively, in gain on disposition of assets related to the amendment and termination of lease agreements. Cash payments of $137,917 and $117,332 were made reducing our operating lease liabilities for the three months ended March 31, 2024 and 2023, respectively, and are included in cash flows provided by operating activities in the Condensed Consolidated Statements of Cash Flows.

We elected the short-term lease exemption which applies to certain of our vehicle agreements. This election allows the Company to not recognize lease right of use assets ("ROU assets") or lease liabilities for agreements with a term of twelve months or less. We recorded $2,527 and $2,411 in direct advertising expenses (exclusive of depreciation and amortization) for these agreements during the three months ended March 31, 2024 and 2023, respectively.

Our operating leases have a weighted-average remaining lease term of 12.7 years. The weighted-average discount rate of our operating leases is 5.1%. Also, during the periods ended March 31, 2024 and 2023, we obtained $2,424 and $4,942, respectively, of leased assets in exchange for new operating lease liabilities, which includes liabilities obtained through acquisitions.

The following is a summary of the maturities of our operating lease liabilities as of March 31, 2024:

2024	$ 156,243
2025	200,354
2026	172,599
2027	149,277
2028	126,426
Thereafter	922,664
Total undiscounted operating lease payments	1,727,563
Less: Imputed interest	(486,550)
Total operating lease liabilities	$ 1,241,013

During the three months ended March 31, 2024 and 2023, $713 of amortization expense for each period and $120 and $130 of interest expense relating to our financing lease liabilities were recorded in depreciation and amortization and interest expense, respectively, in the Condensed Consolidated Statements of Income and Comprehensive Income. Cash payments of $333 were made reducing our financing lease liabilities for each of the three months ended March 31, 2024 and 2023, and are included in cash flows used in financing activities in the Condensed Consolidated Statements of Cash Flows. Our financing leases have a weighted-average remaining lease term of 3.7 years and a weighted-average discount rate of 3.1%.

Due to our election not to reassess conclusions about lease identification as part of the adoption of ASC 842, *Leases*, our transit agreements were accounted for as leases on January 1, 2019. As we enter into new or renew current transit agreements, those agreements do not meet the criteria of a lease under ASC 842, therefore they are no longer accounted for as a lease. For the three months ended March 31, 2024 and 2023, non-lease variable transit payments were $23,563 and $20,318, respectively. These transit expenses are recorded in direct advertising expenses (exclusive of depreciation and amortization) on the Condensed Consolidated Statements of Income and Comprehensive Income.

4. Stock-Based Compensation

Equity Incentive Plan. Lamar Advertising's 1996 Equity Incentive Plan, as amended, (the "Incentive Plan") has reserved 17.5 million shares of Class A common stock for issuance to directors and employees, including shares underlying granted options and common stock reserved for issuance under its performance-based incentive program. Options granted under the plan expire ten years from the grant date with vesting terms ranging from three to five years and include 1) options that vest in one-fifth increments beginning on the grant date and continuing on each of the first four anniversaries of the grant date and 2) options that cliff-vest on the fifth anniversary of the grant date. All grants are made at fair market value based on the closing price of our Class A common stock as reported on the Nasdaq Global Select Market on the date of grant.

(In thousands, except share and per share data)

We use a Black-Scholes-Merton option pricing model to estimate the fair value of share-based awards. The Black-Scholes-Merton option pricing model incorporates various and highly subjective assumptions, including expected term and expected volatility. The Company had no granted options of its Class A common stock during the three months ended March 31, 2024. At March 31, 2024 a total of 1,514,026 shares were available for future grant.

Stock Purchase Plan. On May 30, 2019, our shareholders approved Lamar Advertising's 2019 Employee Stock Purchase Plan (the "2019 ESPP"). The number of shares of Class A common stock available under the 2019 ESPP was automatically increased by 87,645 shares on January 1, 2024 pursuant to the automatic increase provisions of the 2019 ESPP.

The following is a summary of 2019 ESPP share activity for the three months ended March 31, 2024:

	Shares
Available for future purchases, January 1, 2024	242,292
Additional shares reserved under 2019 ESPP	87,645
Purchases	(40,322)
Available for future purchases, March 31, 2024	289,615

Stock compensation. Unrestricted shares of our Class A common stock may be awarded to key officers, employees and directors under the Incentive Plan. The number of shares to be issued, if any, are generally dependent on the level of achievement of performance measures for key officers and employees, as determined by the Company's Compensation Committee based on our 2024 results. Any shares issued based on the achievement of performance goals will be issued in the first quarter of 2025. The shares subject to these awards can range from a minimum of 0% to a maximum of 120% of the target number of shares depending on the level at which the goals are attained. Under the Incentive Plan, the Company's Compensation Committee may also award additional shares in its discretion based on other factors, which awards, if any, for 2025, will also be issued in the first quarter of 2025.

For the three months ended March 31, 2024 and 2023, the Company recorded $9,925 and $4,590, respectively, as stock-based compensation expense.

LTIP Units. In addition to stock compensation, the Company may issue LTIP Units of Lamar Advertising Limited Partnership (the "OP"), a subsidiary of the Company, to certain officers, employees and directors under the Incentive Plan of the Company. Such LTIP Units are subject to vesting and forfeiture conditions based on performance criteria approved by the Compensation Committee. The Compensation Committee may also make discretionary grants of LTIP Units based on other factors. LTIP Units are a class of units intended to qualify as "profits interests" of the OP. The LTIP Units convert into Common Units of the OP upon the occurrence of certain events. Common Units are redeemable by the holder for shares of the Company's Class A common stock after a holding period of twelve months, or may be paid out in cash at the option of the general partner of the OP. As of March 31, 2024, the OP has a total of 260,800 LTIP Units issued and outstanding to the Company's executive officers, of which 140,800 LTIP units have vested. For the three months ended March 31, 2024 and 2023, the Company recorded $3,062 and $1,891, respectively, as stock-based compensation expense related to these LTIP Units.

Restricted stock compensation. Annually, each non-employee director automatically receives a restricted stock award of our Class A common stock upon election or re-election. The awards vest 50% on grant date and 50% on the last day of the directors' one year term. For the three months ended March 31, 2024 and 2023, the Company recorded $137 and $101, respectively, in stock-based compensation expense related to these awards.

LAMAR ADVERTISING COMPANY
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In thousands, except share and per share data)

5. Depreciation and Amortization

The Company includes all categories of depreciation and amortization on a separate line in its Condensed Consolidated Statements of Income and Comprehensive Income. The amounts of depreciation and amortization expense excluded from the following operating expenses in its Condensed Consolidated Statements of Income and Comprehensive Income are as follows:

	Three Months Ended March 31,	
	2024	2023
Direct advertising expenses	$ 69,676	$ 68,316
General and administrative expenses	1,315	1,280
Corporate expenses	4,237	3,529
	$ 75,228	$ 73,125

6. Goodwill and Other Intangible Assets

The following is a summary of intangible assets at March 31, 2024 and December 31, 2023:

	Estimated Life (Years)	March 31, 2024		December 31, 2023	
		Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortizable intangible assets:					
Customer lists and contracts	7—10	$ 731,112	$ 647,080	$ 731,156	$ 640,635
Non-competition agreements	3—15	72,020	66,662	71,960	66,455
Site locations	15	2,968,419	1,918,650	2,955,324	1,891,078
Other	2—15	52,598	41,676	52,578	41,416
		$ 3,824,149	$ 2,674,068	$ 3,811,018	$ 2,639,584
Unamortizable intangible assets:					
Goodwill		$ 2,288,756	$ 253,536	$ 2,288,807	$ 253,536

7. Asset Retirement Obligations

The Company’s asset retirement obligations include the costs associated with the removal of its structures, resurfacing of the land and retirement cost, if applicable, related to the Company’s outdoor advertising portfolio. The following table reflects information related to our asset retirement obligations:

Balance at December 31, 2023	$ 397,991
Additions to asset retirement obligations	189
Accretion expense	1,721
Liabilities settled	(3,362)
Balance at March 31, 2024	$ 396,539

8. Distribution Restrictions

Lamar Media’s ability to make distributions to Lamar Advertising is restricted under both the terms of the indentures relating to Lamar Media’s outstanding notes and by the terms of its senior credit facility. As of March 31, 2024 and December 31, 2023, Lamar Media was permitted under the terms of its outstanding notes to make transfers to Lamar Advertising in the form of cash dividends, loans or advances in amounts up to $4,459,349 and $4,438,406, respectively.

As of March 31, 2024, Lamar Media’s senior credit facility allows it to make transfers to Lamar Advertising in any taxable year up to the amount of Lamar Advertising’s taxable income (without any deduction for dividends paid). In addition, as of

(In thousands, except share and per share data)

March 31, 2024, transfers to Lamar Advertising are permitted under Lamar Media's senior credit facility and as defined therein up to the available cumulative credit, as long as no default has occurred and is continuing and, after giving effect to such distributions, (i) the total debt ratio is less than 7.0 to 1 and (ii) the secured debt ratio does not exceed 4.5 to 1. As of March 31, 2024 and December 31, 2023, the total debt ratio was less than 7.0 to 1 and Lamar Media's secured debt ratio was less than 4.5 to 1, and the available cumulative credit was $3,209,829 and $3,188,886, respectively.

9. Earnings Per Share

The calculation of basic earnings per share excludes any dilutive effect of stock options, while diluted earnings per share includes the dilutive effect of stock options and LTIP units. There were no dilutive shares excluded from this calculation resulting from their anti-dilutive effect for the three months ended March 31, 2024 or 2023.

10. Long-term Debt

Long-term debt consists of the following at March 31, 2024 and December 31, 2023:

	March 31, 2024		
	Debt	Deferred financing costs	Debt, net of deferred financing costs
Senior Credit Facility	$ 1,092,285	$ 7,617	$ 1,084,668
Accounts Receivable Securitization Program	235,700	339	235,361
3 3/4% Senior Notes	600,000	4,647	595,353
3 5/8% Senior Notes	550,000	6,032	543,968
4% Senior Notes	549,536	5,473	544,063
4 7/8% Senior Notes	400,000	3,611	396,389
Other notes with various rates and terms	1,534	—	1,534
	3,429,055	27,719	3,401,336
Less current maturities	(586,102)	(339)	(585,763)
Long-term debt, excluding current maturities	$ 2,842,953	$ 27,380	$ 2,815,573

	December 31, 2023		
	Debt	Deferred financing costs	Debt, net of deferred financing costs
Senior Credit Facility	$ 1,019,222	$ 8,266	$ 1,010,956
Accounts Receivable Securitization Program	250,000	380	249,620
3 3/4% Senior Notes	600,000	4,923	595,077
3 5/8% Senior Notes	550,000	6,226	543,774
4% Senior Notes	549,516	5,675	543,841
4 7/8% Senior Notes	400,000	3,775	396,225
Other notes with various rates and terms	1,634	—	1,634
	3,370,372	29,245	3,341,127
Less current maturities	(250,398)	(380)	(250,018)
Long-term debt, excluding current maturities	$ 3,119,974	$ 28,865	$ 3,091,109

Senior Credit Facility

On February 6, 2020, Lamar Media entered into a Fourth Amended and Restated Credit Agreement (the “Fourth Amended and Restated Credit Agreement”) with certain of Lamar Media’s subsidiaries as guarantors, JPMorgan Chase Bank, N.A. as administrative agent and the lenders party thereto, under which the parties agreed to amend and restate Lamar Media’s existing senior credit facility. The Fourth Amended and Restated Credit Agreement amended and restated the Third Amended and Restated Credit Agreement dated as of May 15, 2017, as amended (the “Third Amended and Restated Credit Agreement”).

The senior credit facility, as established by the Fourth Amended and Restated Credit Agreement (the “senior credit facility”), consists of (i) a $750,000 senior secured revolving credit facility which will mature on July 31, 2028, subject to certain conditions (see description of Amendment No. 4 below) (the “revolving credit facility”), (ii) a $600,000 senior secured Term B loan facility (the “Term B loans”) which will mature on February 6, 2027, (iii) a $350,000 senior secured Term A loan facility (the "Term A loans") which will mature on February 6, 2025, and (iv) an incremental facility (the “Incremental Facility”) pursuant to which Lamar Media may incur additional term loan tranches or increase its revolving credit facility subject to a pro forma secured debt ratio of 4.50 to 1.00, as well as certain other conditions including lender approval. Lamar Media borrowed all $600,000 in Term B loans on February 6, 2020. The entire amount of the Term B loans will be payable at maturity. The net proceeds from the Term B loans, together with borrowings under the revolving portion of the senior credit facility and a portion of the proceeds of the issuance of the 3 3/4% Senior Notes due 2028 and 4% Senior Notes due 2030 (both as described below), were used to repay all outstanding amounts under the Third Amended and Restated Credit Agreement, and all revolving commitments under that facility were terminated.

The Term B loans mature on February 6, 2027 with no required amortization payments. The Term B loans bear interest at rates based on the Term Secured Overnight Financing Rate ("Term SOFR") plus a credit spread adjustment of 0.10% (Term SOFR plus such credit spread adjustment, the "Adjusted Term SOFR Rate”) or the Adjusted Base Rate, at Lamar Media’s option. Term B loans bearing interest at a rate based on Term SOFR bear interest at a rate per annum equal to the Adjusted Term SOFR Rate plus 1.50%. Term B loans bearing interest at a rate based on the Adjusted Base Rate bear interest at a rate per annum equal to the Adjusted Base Rate plus 0.50%.

The revolving credit facility bears interest at rates based on Term SOFR ("Term SOFR revolving loans”) or the Adjusted Base Rate (“Base Rate revolving loans”), at Lamar Media’s option. Term SOFR revolving loans bear interest at a rate per annum equal to the Adjusted Term SOFR Rate plus 1.50% (or the Adjusted Term SOFR Rate plus 1.25% at any time the Total Debt Ratio is less than or equal to 3.25 to 1). Base Rate revolving loans bear interest at a rate per annum equal to the Adjusted Base Rate plus 0.50% (or the Adjusted Base Rate plus 0.25% at any time the total debt ratio is less than or equal to 3.25 to 1). The guarantees, covenants, events of default and other terms of the senior credit facility apply to the Term B loans and revolving credit facility.

On July 29, 2022, Lamar Media entered into Amendment No. 2 ("Amendment No. 2") to the Fourth Amended and Restated Credit Agreement with certain of Lamar Media's subsidiaries as guarantors, JPMorgan Chase Bank, N.A. as administrative agent and the lenders party thereto. Amendment No. 2 established the Term A loans as a new class of incremental term loans. The Term A loans will mature on February 6, 2025 with no required amortization payments prior to maturity and bear interest at rates based on Term SOFR ("Term SOFR Term A loans") or the Adjusted Base Rate ("Base Rate Term A loans"), at Lamar Media's option. Term SOFR Term A loans bear interest at a rate per annum equal to the Adjusted Term SOFR Rate plus 1.50% (or the Adjusted Term SOFR Rate plus 1.25% at any time the Total Debt Ratio is less than or equal to 3.25 to 1). Base Rate Term A loans bear interest at a rate per annum equal to the Adjusted Base Rate plus 0.50% (or the Adjusted Base Rate plus 0.25% at any time the total debt ratio is less than or equal to 3.25 to 1). The covenants, events of default and other terms of the senior credit facility apply to the Term A loans. Lamar Media borrowed all $350,000 in Term A loans on July 29, 2022. The entire amount of the Term A loans will be payable at maturity. Proceeds from the Term A loans were used to repay outstanding balances on the revolving credit facility and a portion of the outstanding balance on the Accounts Receivable Securitization Program.

On April 26, 2023, Lamar Media entered into Amendment No. 3 ("Amendment No. 3") to the Fourth Amended and Restated Credit Agreement with certain of Lamar Media's subsidiaries as guarantors, JPMorgan Chase Bank N.A. as administrative agent and the lenders party thereto. Amendment No. 3 replaced the London Interbank Offered Rates as administered by the ICE

Benchmark Administration with Term SOFR as the successor rate, as set in the Fourth Amended and Restated Credit Agreement. All other material terms and conditions of the Fourth Amended and Restated Credit Agreement remain unchanged by Amendment No. 3.

On July 31, 2023, Lamar Media entered into Amendment No. 4 (the "Amendment No. 4"), to the Fourth Amended and Restated Credit Agreement with certain of Lamar Media's subsidiaries as guarantors, JPMorgan Chase Bank, N.A., as administrative agent and the lenders party thereto. Amendment No. 4 extends the maturity date of Lamar Media's $750,000 revolving credit facility such that the revolving credit facility matures July 31, 2028; provided, that, if on the date (a "Springing Maturity Test Date") that is 91 days prior to either the then scheduled maturity date of Lamar Media's Term B loans (which is currently February 6, 2027) or the February 15, 2028 maturity date of Lamar Media's 3 3/4% Notes, the Company and its restricted subsidiaries do not have sufficient liquidity (defined as unrestricted cash and cash equivalents of the Company and its restricted subsidiaries plus unused commitments under the revolving credit facility) to repay in full the aggregate outstanding amount (including all accrued and unpaid interest, premiums and make-whole amounts (if any)) of the Term B loans or the 3 3/4% Notes (as applicable), the revolving credit facility will mature on such Springing Maturity Test Date. On the maturity date of the revolving credit facility, the entire principal amount of revolving loans outstanding under the revolving credit facility, together with all accrued and unpaid interest on such revolving loans, will be due and payable.

Amendment No. 4 also establishes a $75,000 swingline as a sublimit of the revolving credit facility, which allows Lamar Media to borrow revolving loans on a same-day basis, in an aggregate outstanding principal amount of up to $75,000. In addition, Amendment No. 4 amends the provisions of the Fourth Amended and Restated Credit Agreement related to incremental facilities to allow Lamar Media to establish, from time to time, one or more new incremental revolving facilities on the terms, and subject to the conditions, set forth therein.

As of March 31, 2024, there were $143,000 in borrowings outstanding under the revolving credit facility. Availability under the revolving credit facility is reduced by the amount of any letters of credit outstanding. Lamar Media had $8,603 in letters of credit outstanding as of March 31, 2024 resulting in $598,397 of availability under its revolving credit facility. Revolving credit loans may be requested under the revolving credit facility at any time prior to its maturity.

The terms of Lamar Media’s senior credit facility and the indentures relating to Lamar Media’s outstanding notes restrict, among other things, the ability of Lamar Advertising and Lamar Media to:

- dispose of assets;
- incur or repay debt;
- create liens;
- make investments; and
- pay dividends.

The senior credit facility contains provisions that allow Lamar Media to conduct its affairs in a manner that allows Lamar Advertising to qualify and remain qualified as a REIT, including by allowing Lamar Media to make distributions to Lamar Advertising required for the Company to qualify and remain qualified for taxation as a REIT, subject to certain restrictions.

Lamar Media’s ability to make distributions to Lamar Advertising is also restricted under the terms of these agreements. Under Lamar Media’s senior credit facility, the Company must maintain a specified secured debt ratio as long as a revolving credit commitment, revolving loan or letter of credit remains outstanding, and in addition, must satisfy a total debt ratio in order to incur debt, make distributions or make certain investments.

Lamar Advertising and Lamar Media were in compliance with all of the terms of their indentures and the senior credit facility provisions during the periods presented.

Accounts Receivable Securitization Program

On December 18, 2018, Lamar Media entered into a $175,000 Receivable Financing Agreement (the “Receivable Financing Agreement”) with its wholly-owned special purpose entities, Lamar QRS Receivables, LLC and Lamar TRS Receivables, LLC (the “Special Purpose Subsidiaries”) (the "Accounts Receivable Securitization Program"). The Accounts Receivable Securitization Program is limited to the availability of eligible accounts receivable collateralizing the borrowings under the agreements governing the Accounts Receivable Securitization Program.

Pursuant to two separate Purchase and Sale Agreements dated December 18, 2018, each of which is among Lamar Media as initial Servicer, certain of Lamar Media’s subsidiaries and a Special Purpose Subsidiary, the subsidiaries sold substantially all of their existing and future accounts receivable balances to the Special Purpose Subsidiaries. The Special Purpose Subsidiaries use the accounts receivable balances to collateralize loans pursuant to the Accounts Receivable Securitization Program. Lamar Media retains the responsibility of servicing the accounts receivable balances pledged as collateral under the Accounts Receivable Securitization Program and provides a performance guaranty.

On June 24, 2022, Lamar Media and the Special Purpose Subsidiaries entered into the Sixth Amendment (the "Sixth Amendment") to the Receivables Financing Agreement. The Sixth Amendment increased the Accounts Receivable Securitization Program from $175,000 to $250,000 and extended the maturity date of the Accounts Receivable Securitization Program to July 21, 2025. Additionally, the Sixth Amendment provides for the replacement of LIBOR-based interest rate mechanics with Term SOFR based interest rate mechanics for the Accounts Receivable Securitization Program.

As of March 31, 2024 there was $235,700 outstanding aggregate borrowings under the Accounts Receivable Securitization Program. Lamar Media had no additional availability for borrowing under the Accounts Receivable Securitization Program as of March 31, 2024. The commitment fees based on the amount of unused commitments under the Accounts Receivable Securitization Program were immaterial during the three months ended March 31, 2024.

The Accounts Receivable Securitization Program will mature on July 21, 2025. Lamar Media may amend the facility to extend the maturity date, enter into a new securitization facility with a different maturity date, or refinance the indebtedness outstanding under the Accounts Receivable Securitization Program using borrowings under its senior credit facility or from other financing sources.

The Accounts Receivable Securitization Program is accounted for as a collateralized financing activity, rather than a sale of assets, and therefore: (i) accounts receivable balances pledged as collateral are presented as assets and the borrowings are presented as liabilities on our Condensed Consolidated Balance Sheets, (ii) our Condensed Consolidated Statements of Income and Comprehensive Income reflect the associated charges for bad debt expense (a component of general and administrative expenses) related to the pledged accounts receivable and interest expense associated with the collateralized borrowings and (iii) receipts from customers related to the underlying accounts receivable are reflected as operating cash flows and borrowings and repayments under the collateralized loans are reflected as financing cash flows within our Condensed Consolidated Statements of Cash Flows.

4% Senior Notes

On February 6, 2020, Lamar Media completed an institutional private placement of $400,000 aggregate principal amount of 4% Senior Notes due 2030 (the “Original 4% Notes”). The institutional private placement on February 6, 2020 resulted in net proceeds to Lamar Media of approximately $395,000.

On August 19, 2020, Lamar Media completed an institutional private placement of an additional $150,000 aggregate principal amount of its 4% Notes (the “Additional 4% Notes”, and together with the Original 4% Notes, the "4% Notes"). Other than with respect to the date of issuance and issue price, the Additional 4% Notes have the same terms as the Original 4% Notes. The institutional private placement on August 19, 2020 resulted in net proceeds to Lamar Media of approximately $146,900.

At any time prior to February 15, 2025, Lamar Media may redeem some or all of the 4% Notes at a price equal to 100% of the aggregate principal amount, plus accrued and unpaid interest thereon and a make-whole premium. On or after February 15, 2025, Lamar Media may redeem the 4% Notes, in whole or in part, in cash at redemption prices specified in the 4% Notes. In addition, if the Company or Lamar Media undergoes a change of control, Lamar Media may be required to make an offer to purchase each holder's 4% Notes at a price equal to 101% of the principal amount of the 4% Notes, plus accrued and unpaid interest, up to but not including the repurchase date.

3 3/4% Senior Notes

On February 6, 2020, Lamar Media completed an institutional private placement of $600,000 aggregate principal amount of 3 3/4% Senior Notes due 2028 (the "3 3/4% Notes"). The institutional private placement on February 6, 2020 resulted in net proceeds to Lamar Media of approximately $592,500.

On or after February 15, 2023, Lamar Media may redeem the 3 3/4% Notes, in whole or in part, in cash at redemption prices specified in the 3 3/4% Notes. In addition, if the Company or Lamar Media undergoes a change of control, Lamar Media may be required to make an offer to purchase each holder's 3 3/4% Notes at a price equal to 101% of the principal amount of the 3 3/4% Notes, plus accrued and unpaid interest, up to but not including the repurchase date.

4 7/8% Senior Notes

On May 13, 2020, Lamar Media completed an institutional private placement of $400,000 aggregate principal amount of 4 7/8% Senior Notes due 2029 (the "4 7/8% Notes"). The institutional private placement on May 13, 2020 resulted in net proceeds to Lamar Media of approximately $395,000.

On or after January 15, 2024, Lamar Media may redeem the 4 7/8% Notes, in whole or in part, in cash at redemption prices specified in the 4 7/8% Notes. In addition, if the Company or Lamar Media undergoes a change of control, Lamar Media may be required to make an offer to purchase each holder's 4 7/8% Notes at a price equal to 101% of the principal amount of the 4 7/8% Notes, plus accrued and unpaid interest, up to but not including the repurchase date.

3 5/8% Senior Notes

On January 22, 2021, Lamar Media completed an institutional private placement of $550,000 aggregate principal amount of 3 5/8% Senior Notes due 2031 (the "3 5/8% Notes"). The institutional private placement on January 22, 2021 resulted in net proceeds to Lamar Media of approximately $542,500.

At any time prior to January 15, 2026, Lamar Media may redeem some or all of the 3 5/8% Notes at a price equal to 100% of the aggregate principal amount, plus accrued and unpaid interest thereon and a make-whole premium. On or after January 15, 2026, Lamar Media may redeem the 3 5/8% Notes, in whole or in part, in cash at redemption prices specified in the 3 5/8% Notes. In addition, if the Company or Lamar Media undergoes a change of control, Lamar Media may be required to make an offer to purchase each holder's 3 5/8% Notes at a price equal to 101% of the principal amount of the 3 5/8% Notes, plus accrued and unpaid interest, up to but not including the repurchase date.

Debt Repurchase Program

On March 16, 2020, the Company's Board of Directors authorized Lamar Media to repurchase up to $250,000 in outstanding senior or senior subordinated notes and other indebtedness outstanding from time to time under its Fourth Amended and Restated Credit Agreement. On February 23, 2023, the Board of Directors authorized the extension of the repurchase program through September 30, 2024. There were no repurchases under the program as of March 31, 2024.

11. Fair Value of Financial Instruments

At March 31, 2024 and December 31, 2023, the Company's financial instruments included cash and cash equivalents, marketable securities, accounts receivable, investments, accounts payable and borrowings. The fair values of cash and cash equivalents, accounts receivable, accounts payable and short-term borrowings and current portion of long-term debt approximated carrying values because of the short-term nature of these instruments. Investment contracts are reported at fair values. The estimated fair value of the Company's long-term debt (including current maturities) was $3,248,868 which does not exceed the carrying amount of $3,429,055 as of March 31, 2024. The majority of the fair value is determined using observed prices of publicly traded debt (level 1 in the fair value hierarchy) and the remaining is valued based on quoted prices for similar debt (level 2 in the fair value hierarchy).

12. New Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires companies to disclose disaggregated information related to the effective tax rate reconciliation and income taxes paid. This guidance is effective for public entities as of December 15, 2024. We do not anticipate the adoption of this guidance will have a material impact on the Company's consolidated financial statements.

13. Dividends/Distributions

During the three months ended March 31, 2024 and 2023, the Company declared and paid cash distributions in an aggregate amount of $133,028 or $1.30 per share and $127,460 or $1.25 per share, respectively. The amount, timing and frequency of future distributions will be at the sole discretion of the Board of Directors and will be declared based upon various factors, a number of which may be beyond the Company's control, including financial condition and operating cash flows, the amount required to maintain REIT status and reduce any income and excise taxes that the Company otherwise would be required to pay, limitations on distributions in our existing and future debt instruments, the Company's ability to utilize net operating losses to offset, in whole or in part, the Company's distribution requirements, limitations on its ability to fund distributions using cash generated through its taxable REIT subsidiaries (TRSs), the impact of general economic conditions on the Company's operations and other factors that the Board of Directors may deem relevant. During the three months ended March 31, 2024 and 2023, the Company paid cash dividend distributions to holders of its Series AA Preferred Stock in an aggregate amount of $91 or $15.95 per share for each period.

14. Information about Geographic Areas

Revenues from external customers attributable to foreign countries totaled $7,704 and $6,076 for the three months ended March 31, 2024 and 2023, respectively. Net carrying value of long-lived assets located in foreign countries totaled $13,065 and $13,930 as of March 31, 2024 and December 31, 2023, respectively. All other revenues from external customers and long-lived assets relate to domestic operations.

15. Stockholders' Equity

Sales Agreement. On June 21, 2021, the Company entered into an equity distribution agreement (the "2021 Sales Agreement") with J.P. Morgan Securities LLC, Wells Fargo Securities LLC, Truist Securities, Inc., SMBC Nikko Securities America, Inc. and Scotia Capital (USA) Inc. as our sales agents (each a "Sales Agent", and collectively, the "Sales Agents"), which replaced the prior Sales Agreement with substantially similar terms. Under the terms of the 2021 Sales Agreement, the Company may, from time to time, issue and sell shares of its Class A common stock, having an aggregate offering price of up to $400,000, through the Sales Agents as either agents or principals.

Sales of the Class A common stock, if any, may be made in negotiated transactions or transactions that are deemed to be "at-the-market offerings" as defined in Rule 415 under the Securities Act of 1933, as amended, including sales made directly on or through the Nasdaq Global Select Market and any other existing trading market for the Class A common stock, or sales made to or directly through a market maker other than on an exchange. The Company has no obligation to sell any of the Class A Common stock under the 2021 Sales Agreement and may at any time suspend solicitations and offers under the 2021 Sales Agreement.

As of March 31, 2024, no shares of our Class A common stock have been sold under the 2021 Sales Agreement and accordingly $400,000 remained available to be sold under the 2021 Sales Agreement as of March 31, 2024.

Shelf Registration. On June 21, 2021, the Company filed an automatically effective shelf registration statement that allows Lamar Advertising to offer and sell an indeterminate amount of additional shares of its Class A common stock. During the three months ended March 31, 2024 and the year ended December 31, 2023, the Company did not issue any shares under this shelf registration.

Stock Repurchase Program. On March 16, 2020, the Company's Board of Directors authorized the repurchase of up to $250,000 of the Company's Class A common stock. On February 23, 2023, the Board of Directors authorized the extension of the repurchase program through September 30, 2024. There were no repurchases under the program as of March 31, 2024.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In thousands, except share data)

	March 31, 2024 (Unaudited)	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 35,905	$ 44,105
Receivables, net of allowance for doubtful accounts of $11,952 and $12,477 in 2024 and 2023, respectively	298,509	301,189
Other current assets	41,162	27,392
Total current assets	375,576	372,686
Property, plant and equipment	4,289,440	4,274,831
Less accumulated depreciation and amortization	(2,731,409)	(2,708,361)
Net property, plant and equipment	1,558,031	1,566,470
Operating lease right of use assets	1,302,629	1,315,433
Financing lease right of use assets	10,471	11,184
Goodwill	2,025,068	2,025,119
Intangible assets, net	1,149,613	1,170,967
Other assets	86,937	85,021
Total assets	$ 6,508,325	$ 6,546,880
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Trade accounts payable	$ 18,435	$ 18,238
Current maturities of long-term debt, net of deferred financing costs of $339 and $380 in 2024 and 2023, respectively	585,763	250,018
Current operating lease liabilities	174,955	210,568
Current financing lease liabilities	1,331	1,331
Accrued expenses	69,524	97,464
Deferred income	132,644	126,547
Total current liabilities	982,652	704,166
Long-term debt, net of deferred financing costs of $27,380 and $28,865 in 2024 and 2023, respectively	2,815,573	3,091,109
Operating lease liabilities	1,066,058	1,075,285
Financing lease liabilities	14,282	14,614
Deferred income tax liabilities	12,293	12,047
Asset retirement obligation	396,539	397,991
Other liabilities	44,074	41,891
Total liabilities	5,331,471	5,337,103
Stockholder's equity:		
Common stock, par value $0.01, 3,000 shares authorized, 100 shares issued and outstanding at 2024 and 2023	—	—
Additional paid-in-capital	3,200,451	3,173,789
Accumulated comprehensive loss	(820)	(428)
Accumulated deficit	(2,024,005)	(1,963,998)
Non-controlling interest	1,228	414
Stockholder's equity	1,176,854	1,209,777
Total liabilities and stockholder's equity	$ 6,508,325	$ 6,546,880

See accompanying notes to condensed consolidated financial statements.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Condensed Consolidated Statements of Income and Comprehensive Income
(Unaudited)
(In thousands, except share and per share data)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Statements of Income		
Net revenues	$ 498,150	$ 471,332
Operating expenses (income)		
Direct advertising expenses (exclusive of depreciation and amortization)	175,645	168,432
General and administrative expenses (exclusive of depreciation and amortization)	89,161	85,135
Corporate expenses (exclusive of depreciation and amortization)	35,566	28,391
Depreciation and amortization	75,228	73,125
Gain on disposition of assets	(2,188)	(2,688)
	373,412	352,395
Operating income	124,738	118,937
Other (income) expense		
Interest income	(467)	(461)
Interest expense	44,487	41,444
Equity in loss (earnings) of investee	559	(178)
	44,579	40,805
Income before income tax expense	80,159	78,132
Income tax expense	1,522	1,798
Net income	78,637	76,334
Net income attributable to non-controlling interest	275	157
Net income attributable to controlling interest	$ 78,362	$ 76,177
Statements of Comprehensive Income		
Net income	$ 78,637	$ 76,334
Other comprehensive loss		
Foreign currency translation adjustments	(392)	(2)
Comprehensive income	78,245	76,332
Net income attributable to non-controlling interest	275	157
Comprehensive income attributable to controlling interest	$ 77,970	$ 76,175

See accompanying notes to condensed consolidated financial statements.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholder's Equity
(Unaudited)
(In thousands, except share and per share data)

	Common Stock	Additional Paid-In Capital	Accumulated Comprehensive Loss	Accumulated Deficit	Non-controlling interest	Total
Balance, December 31, 2023	$ —	$ 3,173,789	$ (428)	$ (1,963,998)	$ 414	$ 1,209,777
Contribution from parent	—	27,680	—	—	—	27,680
Reallocation of capital	—	(1,018)	—	—	1,018	—
Foreign currency translations	—	—	(392)	—	—	(392)
Net income	—	—	—	78,362	275	78,637
Dividend to parent	—	—	—	(138,369)	(479)	(138,848)
Balance, March 31, 2024	$ —	$ 3,200,451	$ (820)	$ (2,024,005)	$ 1,228	$ 1,176,854

	Common Stock	Additional Paid-In Capital	Accumulated Comprehensive Loss	Accumulated Deficit	Non-controlling interest	Total
Balance, December 31, 2022	$ —	$ 3,132,178	$ (659)	$ (1,944,018)	$ —	$ 1,187,501
Contribution from parent	—	23,447	—	—	—	23,447
Reallocation of capital	—	(1,016)	—	—	397	(619)
Foreign currency translations	—	—	(2)	—	—	(2)
Net income	—	—	—	76,177	157	76,334
Dividend to parent	—	—	—	(133,406)	(214)	(133,620)
Balance, March 31, 2023	$ —	$ 3,154,609	$ (661)	$ (2,001,247)	$ 340	$ 1,153,041

See accompanying notes to condensed consolidated financial statements.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities:		
Net income	$ 78,637	$ 76,334
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	75,228	73,125
Non-cash compensation	14,466	8,040
Amortization included in interest expense	1,631	1,642
Gain on disposition of assets	(2,188)	(2,688)
Equity in loss (earnings) of investee	559	(178)
Deferred tax expense (benefit)	246	(1,152)
Provision for doubtful accounts	312	1,397
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Receivables	2,229	24,208
Prepaid expenses	(6,746)	(10,833)
Other assets	(6,306)	(7,523)
Increase (decrease) in:		
Trade accounts payable	325	(1,911)
Accrued expenses	(20,355)	(24,010)
Operating lease liabilities	(32,035)	(40,801)
Other liabilities	(16,145)	(6,269)
Net cash provided by operating activities	89,858	89,381
Cash flows from investing activities:		
Acquisitions	(18,265)	(13,627)
Capital expenditures	(29,482)	(42,285)
Proceeds from disposition of assets and investments	2,731	3,248
Net cash used in investing activities	(45,016)	(52,664)
Cash flows from financing activities:		
Principal payments on long-term debt	(98)	(93)
Principal payments on financing leases	(333)	(333)
Payments on revolving credit facility	(70,000)	(20,000)
Proceeds received from revolving credit facility	143,000	90,000
Proceeds received from accounts receivable securitization program	6,900	9,800
Payments on accounts receivable securitization program	(21,200)	(25,000)
Debt issuance costs	(23)	(25)
Distributions to non-controlling interest	(479)	(214)
Contributions from parent	27,680	23,447
Dividend to parent	(138,369)	(133,406)
Net cash used in financing activities	(52,922)	(55,824)
Effect of exchange rate changes in cash and cash equivalents	(120)	10
Net decrease in cash and cash equivalents	(8,200)	(19,097)
Cash and cash equivalents at beginning of period	44,105	52,119
Cash and cash equivalents at end of period	$ 35,905	$ 33,022
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 42,520	$ 39,430
Cash paid for foreign, state and federal income taxes	$ 2,953	$ 3,182

See accompanying notes to condensed consolidated financial statements.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

1. Significant Accounting Policies

The information included in the foregoing interim condensed consolidated financial statements is unaudited. In the opinion of management all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of Lamar Media's financial position and results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the entire year. These interim condensed consolidated financial statements should be read in conjunction with Lamar Media's consolidated financial statements and the notes thereto included in the 2023 Combined Form 10-K.

Certain notes are not provided for the accompanying condensed consolidated financial statements as the information in notes 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 14 and 15 to the condensed consolidated financial statements of Lamar Advertising included elsewhere in this report is substantially equivalent to that required for the condensed consolidated financial statements of Lamar Media. Earnings per share data is not provided for Lamar Media, as it is a wholly owned subsidiary of the Company.

2. Summarized Financial Information of Subsidiaries

Separate condensed consolidating financial information for Lamar Media, subsidiary guarantors and non-guarantor subsidiaries is presented below. Lamar Media and its subsidiary guarantors have fully and unconditionally guaranteed Lamar Media's obligations with respect to its publicly issued notes. All guarantees are joint and several. As a result of these guarantee arrangements, we are required to present the following condensed consolidating financial information. The following condensed consolidating financial information should be read in conjunction with the accompanying consolidated financial statements and notes. The condensed consolidating financial information is provided as an alternative to providing separate financial statements for guarantor subsidiaries. Separate financial statements of Lamar Media's subsidiary guarantors are not included because the guarantees are full and unconditional and the subsidiary guarantors are 100% owned and jointly and severally liable for Lamar Media's outstanding publicly issued notes. The accounts for all companies reflected herein are presented using the equity method of accounting for investments in subsidiaries.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

Condensed Consolidating Balance Sheet as of March 31, 2024

	Lamar Media Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Lamar Media Consolidated
			(unaudited)		
ASSETS					
Total current assets	$ 27,664	$ 45,183	$ 302,729	$ —	$ 375,576
Net property, plant and equipment	—	1,542,340	15,691	—	1,558,031
Operating lease right of use assets	—	1,270,193	32,436	—	1,302,629
Intangibles and goodwill, net	—	3,157,772	16,909	—	3,174,681
Other assets	4,619,892	344,234	235,405	(5,102,123)	97,408
Total assets	$ 4,647,556	$ 6,359,722	$ 603,170	$ (5,102,123)	$ 6,508,325
LIABILITIES AND STOCKHOLDER'S EQUITY					
Current liabilities:					
Current maturities of long-term debt	$ 350,000	$ 402	$ 235,361	$ —	$ 585,763
Current operating lease liabilities	—	167,509	7,446	—	174,955
Other current liabilities	33,531	176,596	11,807	—	221,934
Total current liabilities	383,531	344,507	254,614	—	982,652
Long-term debt	2,814,441	1,132	—	—	2,815,573
Operating lease liabilities	—	1,042,549	23,509	—	1,066,058
Other noncurrent liabilities	273,958	422,941	342,381	(572,092)	467,188
Total liabilities	3,471,930	1,811,129	620,504	(572,092)	5,331,471
Stockholder's equity	1,175,626	4,548,593	(17,334)	(4,530,031)	1,176,854
Total liabilities and stockholder's equity	$ 4,647,556	$ 6,359,722	$ 603,170	$ (5,102,123)	$ 6,508,325

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

Condensed Consolidating Balance Sheet as of December 31, 2023

	Lamar Media Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Lamar Media Consolidated
ASSETS					
Total current assets	$ 33,875	$ 28,905	$ 309,906	$ —	$ 372,686
Net property, plant and equipment	—	1,548,946	17,524	—	1,566,470
Operating lease right of use assets	—	1,281,503	33,930	—	1,315,433
Intangibles and goodwill, net	—	3,179,107	16,979	—	3,196,086
Other assets	4,596,516	349,680	249,662	(5,099,653)	96,205
Total assets	$ 4,630,391	$ 6,388,141	$ 628,001	$ (5,099,653)	$ 6,546,880
LIABILITIES AND STOCKHOLDER'S EQUITY					
Current liabilities:					
Current maturities of long-term debt	$ —	$ 398	$ 249,620	$ —	$ 250,018
Current operating lease liabilities	—	202,992	7,576	—	210,568
Other current liabilities	45,225	184,018	14,337	—	243,580
Total current liabilities	45,225	387,408	271,533	—	704,166
Long-term debt	3,089,874	1,235	—	—	3,091,109
Operating lease liabilities	—	1,050,330	24,955	—	1,075,285
Other noncurrent liabilities	285,929	424,532	343,253	(587,171)	466,543
Total liabilities	3,421,028	1,863,505	639,741	(587,171)	5,337,103
Stockholder's equity	1,209,363	4,524,636	(11,740)	(4,512,482)	1,209,777
Total liabilities and stockholder's equity	$ 4,630,391	$ 6,388,141	$ 628,001	$ (5,099,653)	$ 6,546,880

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

Condensed Consolidating Statements of Income and Comprehensive Income
for the Three Months Ended March 31, 2024

	Lamar Media Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Lamar Media Consolidated
Statement of Income			(unaudited)		
Net revenues	$ —	$ 487,788	$ 11,023	$ (661)	$ 498,150
Operating expenses (income)					
Direct advertising expenses[1]	—	168,246	8,060	(661)	175,645
General and administrative expenses[1]	—	86,709	2,452	—	89,161
Corporate expenses[1]	—	35,067	499	—	35,566
Depreciation and amortization	—	74,309	919	—	75,228
Gain on disposition of assets	—	(2,188)	—	—	(2,188)
	—	362,143	11,930	(661)	373,412
Operating income (loss)	—	125,645	(907)	—	124,738
Equity in (earnings) loss of subsidiaries	(118,866)	—	—	118,866	—
Interest expense (income), net	40,504	(369)	3,885	—	44,020
Equity in loss of investee	—	559	—	—	559
Income (loss) before income tax expense	78,362	125,455	(4,792)	(118,866)	80,159
Income tax expense[2]	—	1,407	115	—	1,522
Net income (loss)	78,362	124,048	(4,907)	(118,866)	78,637
Net income attributable to non-controlling interest	—	88	187	—	275
Net income (loss) attributable to controlling interest	$ 78,362	$ 123,960	$ (5,094)	$ (118,866)	$ 78,362
Statement of Comprehensive Income					
Net income (loss)	$ 78,362	$ 124,048	$ (4,907)	$ (118,866)	$ 78,637
Total other comprehensive loss, net of tax	—	—	(392)	—	(392)
Total comprehensive income (loss)	78,362	124,048	(5,299)	(118,866)	78,245
Net income attributable to non-controlling interest	—	88	187	—	275
Comprehensive income (loss) attributable to controlling interest	$ 78,362	$ 123,960	$ (5,486)	$ (118,866)	$ 77,970

(1) Caption is exclusive of depreciation and amortization.
(2) The income tax expense reflected in each column does not include any tax effect of the equity in earnings from subsidiaries.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

Condensed Consolidating Statements of Income and Comprehensive Income
for the Three Months Ended March 31, 2023

	Lamar Media Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Lamar Media Consolidated
Statement of Income			(unaudited)		
Net revenues	$ —	$ 462,493	$ 9,395	$ (556)	$ 471,332
Operating expenses (income)					
Direct advertising expenses[1]	—	161,503	7,485	(556)	168,432
General and administrative expenses[1]	—	82,724	2,411	—	85,135
Corporate expenses[1]	—	27,992	399	—	28,391
Depreciation and amortization	—	72,277	848	—	73,125
Gain on disposition of assets	—	(2,688)	—	—	(2,688)
	—	341,808	11,143	(556)	352,395
Operating income (loss)	—	120,685	(1,748)	—	118,937
Equity in (earnings) loss of subsidiaries	(114,235)	—	—	114,235	—
Loss on extinguishment of debt	—	—	3,381	—	3,381
Interest expense (income), net	38,058	(456)	—	—	37,602
Equity in earnings of investee	—	(178)	—	—	(178)
Income (loss) before income tax expense	76,177	121,319	(5,129)	(114,235)	78,132
Income tax expense[2]	—	1,707	91	—	1,798
Net income (loss)	76,177	119,612	(5,220)	(114,235)	76,334
Net income attributable to non-controlling interest	—	20	137	—	157
Net income (loss) attributable to controlling interest	$ 76,177	$ 119,592	$ (5,357)	$ (114,235)	$ 76,177
Statement of Comprehensive Income					
Net income (loss)	$ 76,177	$ 119,612	$ (5,220)	$ (114,235)	$ 76,334
Total other comprehensive loss, net of tax	—	—	(2)	—	(2)
Total comprehensive income (loss)	76,177	119,612	(5,222)	(114,235)	76,332
Net income attributable to non-controlling interest	—	20	137	—	157
Comprehensive income (loss) attributable to controlling interest	$ 76,177	$ 119,592	$ (5,359)	$ (114,235)	$ 76,175

(1) Caption is exclusive of depreciation and amortization.
(2) The income tax expense reflected in each column does not include any tax effect of the equity in earnings from subsidiaries.

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

Condensed Consolidating Statement of Cash Flows for the Three Months Ended March 31, 2024

	Lamar Media Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Lamar Media Consolidated
			(unaudited)		
Cash flows from operating activities:					
Net cash provided by (used in) operating activities	$ 67,438	$ 142,272	$ (662)	$ (119,190)	$ 89,858
Cash flows from investing activities:					
Acquisitions	—	(18,265)	—	—	(18,265)
Capital expenditures	—	(30,114)	632	—	(29,482)
Proceeds from disposition of assets and investments	—	2,731	—	—	2,731
Investment in subsidiaries	(18,265)	—	—	18,265	—
(Increase) decrease in intercompany notes receivable	(17,695)	—	—	17,695	—
Net cash (used in) provided by investing activities	(35,960)	(45,648)	632	35,960	(45,016)
Cash flows from financing activities:					
Proceeds received from revolving credit facility	143,000	—	—	—	143,000
Payment on revolving credit facility	(70,000)	—	—	—	(70,000)
Principal payments on long-term debt	—	(98)	—	—	(98)
Principal payments on financing leases	—	(333)	—	—	(333)
Payment on accounts receivable securitization program	—	—	(21,200)	—	(21,200)
Proceeds received from accounts receivable securitization program	—	—	6,900	—	6,900
Debt issuance costs	—	—	(23)	—	(23)
Intercompany loan (payments) proceeds	—	4,358	13,337	(17,695)	—
Distributions to non-controlling interest	—	(184)	(295)	—	(479)
Dividends (to) from parent	(138,369)	(119,190)	—	119,190	(138,369)
Contributions from (to) parent	27,680	18,265	—	(18,265)	27,680
Net cash (used in) provided by financing activities	(37,689)	(97,182)	(1,281)	83,230	(52,922)
Effect of exchange rate changes in cash and cash equivalents	—	—	(120)	—	(120)
Net decrease in cash and cash equivalents	(6,211)	(558)	(1,431)	—	(8,200)
Cash and cash equivalents at beginning of period	33,772	720	9,613	—	44,105
Cash and cash equivalents at end of period	$ 27,561	$ 162	$ 8,182	$ —	$ 35,905

LAMAR MEDIA CORP.
AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)
(In Thousands, Except for Share Data)

Condensed Consolidating Statement of Cash Flows for the Three Months Ended March 31, 2023

	Lamar Media Corp.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Lamar Media Consolidated
			(unaudited)		
Cash flows from operating activities:					
Net cash provided by (used in) operating activities	$ 56,096	$ 100,431	$ 13,954	$ (81,100)	$ 89,381
Cash flows from investing activities:					
Acquisitions	—	(13,627)	—	—	(13,627)
Capital expenditures	—	(40,952)	(1,333)	—	(42,285)
Proceeds from disposition of assets and investments	—	3,248	—	—	3,248
Investment in subsidiaries	(13,627)	—	—	13,627	—
(Increase) decrease in intercompany notes receivable	(17,895)	—	—	17,895	—
Net cash (used in) provided by investing activities	(31,522)	(51,331)	(1,333)	31,522	(52,664)
Cash flows from financing activities:					
Proceeds received from revolving credit facility	90,000	—	—	—	90,000
Payment on revolving credit facility	(20,000)	—	—	—	(20,000)
Principal payments on long-term debt	—	(93)	—	—	(93)
Principal payments on financing leases	—	(333)	—	—	(333)
Payment on accounts receivable securitization program	—	—	(25,000)	—	(25,000)
Proceeds received from accounts receivable securitization program	—	—	9,800	—	9,800
Debt issuance costs	—	—	(25)	—	(25)
Intercompany loan proceeds (payments)	—	18,499	(604)	(17,895)	—
Distributions to non-controlling interest	—	(110)	(104)	—	(214)
Dividends (to) from parent	(133,406)	(81,100)	—	81,100	(133,406)
Contributions from (to) parent	23,447	13,627	—	(13,627)	23,447
Net cash (used in) provided by financing activities	(39,959)	(49,510)	(15,933)	49,578	(55,824)
Effect of exchange rate changes in cash and cash equivalents	—	—	10	—	10
Net decrease in cash and cash equivalents	(15,385)	(410)	(3,302)	—	(19,097)
Cash and cash equivalents at beginning of period	39,729	1,285	11,105	—	52,119
Cash and cash equivalents at end of period	$ 24,344	$ 875	$ 7,803	$ —	$ 33,022

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This report contains forward-looking statements. Actual results could differ materially from those anticipated by the forward-looking statements due to risks and uncertainties described in the section of this combined report on Form 10-Q entitled "Note Regarding Forward-Looking Statements" and in Item 1A to the 2023 Combined Form 10-K filed on February 23, 2024, and as such risk factors as further updated or supplemented, from time to time, in our combined Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. You should carefully consider each of these risks and uncertainties in evaluating the Company's and Lamar Media's financial conditions and results of operations. Investors are cautioned 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 the Company undertakes no obligation to update or revise the statements, except as may be required by law.

LAMAR ADVERTISING COMPANY

The following is a discussion of the consolidated financial condition and results of operations of the Company for the three months ended March 31, 2024 and 2023. This discussion should be read in conjunction with the condensed consolidated financial statements of the Company and the related notes thereto.

Overview

The Company's net revenues are derived primarily from the rental of advertising space on outdoor advertising displays owned and operated by the Company. Revenue growth is based on many factors that include the Company's ability to increase occupancy of its existing advertising displays; raise advertising rates; and acquire new advertising displays and its operating results are therefore affected by general economic conditions, as well as trends in the advertising industry. Advertising spending is particularly sensitive to changes in general economic conditions which affect the rates that the Company is able to charge for advertising on its displays and its ability to maximize advertising sales or occupancy on its displays.

Acquisitions and capital expenditures

Historically, the Company has made strategic acquisitions of outdoor advertising assets to increase the number of outdoor advertising displays it operates in existing and new markets. The Company continues to evaluate and pursue strategic acquisition opportunities as they arise. The Company has financed its historical acquisitions and intends to finance any future acquisition activity from available cash, borrowings under its senior credit facility or the issuance of debt or equity securities. See "Liquidity and Capital Resources- *Sources of Cash*" for more information.

During the three months ended March 31, 2024, the Company completed multiple acquisitions for a total cash purchase price of approximately $18.3 million. See *Uses of Cash – Acquisitions* for more information. The Company's business requires expenditures for maintenance and capitalized costs associated with the construction of new billboard displays, the entrance into and renewal of logo sign and transit contracts, and the purchase of real estate and operating equipment. The following table presents a breakdown of capitalized expenditures for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	**2023**
Total capital expenditures:		
Billboard — traditional	$ 7,148	$ 13,538
Billboard — digital	13,413	17,432
Logos	1,336	3,140
Transit	351	719
Land and buildings	2,316	4,174
Operating equipment	4,918	3,282
Total capital expenditures	$ 29,482	$ 42,285

Non-GAAP Financial Measures

Our management reviews our performance by focusing on several key performance indicators not prepared in conformity with Generally Accepted Accounting Principles in the United States (“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.

Included in our analysis of our results of operations are discussions regarding earnings before interest, taxes, depreciation and amortization (“adjusted EBITDA”), Funds From Operations (“FFO”), as defined by the National Association of Real Estate Investment Trusts, Adjusted Funds From Operations (“AFFO”) and acquisition-adjusted net revenue.

We define adjusted EBITDA as net income before income tax expense (benefit), interest expense (income), equity in (earnings) loss of investee, loss (gain) on extinguishment of debt and investments, stock-based compensation, depreciation and amortization, loss (gain) on disposition of assets and investments, transaction expenses and capitalized contract fulfillment costs, net.

FFO is defined as net income before (gain) loss from the sale or disposal of real estate assets and investments, net of tax, 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 income and expense; (ii) capitalized contract fulfillment costs, net (iii) stock-based compensation expense; (iv) non-cash portion of tax expense (benefit); (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.

Acquisition-adjusted net revenue adjusts our net revenue for the prior period by adding to it the net revenue generated by the acquired assets before our acquisition of these assets for the same time frame that those assets were owned in the current period. In calculating acquisition-adjusted revenue, therefore, we include revenue generated by assets that we did not own in the period but acquired in the current period. We refer to the amount of pre-acquisition revenue generated by 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 net revenue”. In addition, we also adjust the prior period to subtract revenue generated by the assets that have been divested since the prior period and, therefore, no revenue derived from those assets is reflected in the current period.

Adjusted EBITDA, FFO, AFFO and acquisition-adjusted net revenue are not intended to replace net income or any other performance measures determined in accordance with GAAP. Neither FFO nor AFFO 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. Rather, adjusted EBITDA, FFO, AFFO and acquisition-adjusted net revenue are presented as we believe each is a useful indicator of our current operating performance. 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 depreciation and amortization may vary significantly among companies depending upon accounting methods and useful lives, particularly where acquisitions and non-operating factors are involved; (3) acquisition-adjusted net revenue is a supplement to net revenue 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; (4) adjusted EBITDA, FFO and AFFO each provide investors with a meaningful measure for evaluating our period-to-period operating performance by eliminating items that are not operational in nature; and (5) each provides investors with a measure for comparing our results of operations to those of other companies.

Our measurement of adjusted EBITDA, FFO, AFFO and acquisition-adjusted net revenue may not, however, be fully comparable to similarly titled measures used by other companies. Reconciliations of adjusted EBITDA, FFO, AFFO and acquisition-adjusted net revenue to net income, the most directly comparable GAAP measure, have been included herein.

RESULTS OF OPERATIONS

Three months ended March 31, 2024 compared to three months ended March 31, 2023

Net revenues increased $26.8 million or 5.7% to $498.2 million for the three months ended March 31, 2024 from $471.3 million for the same period in 2023. This increase was primarily attributable to an increase in billboard net revenues of $22.2 million and an increase in transit net revenues of $4.2 million over the same period in 2023.

For the three months ended March 31, 2024, there was a $25.1 million increase in net revenues as compared to acquisition-adjusted net revenue for the three months ended March 31, 2023, which represents an increase of 5.3%. See "Reconciliations" below. The $25.1 million increase in revenue is primarily due to an increase of $19.6 million in billboard net revenues as well as an increase in transit net revenues of $5.1 million over the same period in 2023.

Total operating expenses, exclusive of depreciation and amortization and gain on disposition of assets, increased $18.4 million, or 6.5%, to $300.5 million for the three months ended March 31, 2024 from $282.1 million for the same period in 2023. The $18.4 million increase over the prior year is comprised of a $12.0 million increase in total direct, general and administrative and corporate expenses (excluding stock-based compensation) primarily related to the operations of our outdoor advertising assets, as well as a $6.4 million increase in stock-based compensation.

Depreciation and amortization expense increased $2.1 million to $75.2 million for the three months ended March 31, 2024 as compared to $73.1 million for the same period in 2023, primarily related to acquisitions and capital expenditures completed during 2023.

For the three months ended March 31, 2024, the Company recognized a gain on disposition of assets of $2.2 million primarily resulting from transactions related to the sale of billboard locations and displays.

Due to the above factors, operating income increased by $5.8 million to $124.6 million for the three months ended March 31, 2024 as compared to $118.8 million for the same period in 2023.

Interest expense increased $3.0 million for the three months ended March 31, 2024 to $44.5 million as compared to $41.4 million for the three months ended March 31, 2023 primarily due to the increase in interest rates on the Accounts Receivable Securitization Program and senior credit facility.

Equity in loss (earnings) of investee was $0.6 million and $(0.2) million for the three months ended March 31, 2024 and 2023, respectively.

The increase in operating income, offset by the increase in interest expense, resulted in a $2.0 million increase in net income before income taxes. The effective tax rate for the three months ended March 31, 2024 was 1.9%, which differs from the federal statutory rate primarily due to our qualification for taxation as a REIT and adjustments for foreign items.

As a result of the above factors, the Company recognized net income for the three months ended March 31, 2024 of $78.5 million, as compared to net income of $76.2 million for the same period in 2023.

Reconciliations:

Because acquisitions occurring after December 31, 2022 have contributed to our net revenue results for the periods presented, we provide 2023 acquisition-adjusted net revenue, which adjusts our 2023 net revenue for the three months ended March 31, 2023 by adding to or subtracting from it the net revenue generated by the acquired or divested assets prior to our acquisition or divestiture of these assets for the same time frame that those assets were owned in the three months ended March 31, 2024.

Reconciliations of 2023 reported net revenue to 2023 acquisition-adjusted net revenue for the three months ended March 31, as well as a comparison of 2023 acquisition-adjusted net revenue to 2024 reported net revenue for the three months ended March 31, are provided below:

Reconciliation and Comparison of Reported Net Revenue to Acquisition-Adjusted Net Revenue

	Three Months Ended March 31,	
	2024	2023
	(in thousands)	
Reported net revenue	$ 498,150	$ 471,332
Acquisition net revenue	—	1,694
Adjusted totals	$ 498,150	$ 473,026

Key Performance Indicators

Net Income/Adjusted EBITDA

(in thousands)

	Three Months Ended March 31,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	2024	2023		
Net income	$ 78,499	$ 76,198	$ 2,301	3.0 %
Income tax expense	1,522	1,798	(276)	
Interest expense (income), net	44,020	40,983	3,037	
Equity in loss (earnings) of investee	559	(178)	737	
Gain on disposition of assets	(2,188)	(2,688)	500	
Depreciation and amortization	75,228	73,125	2,103	
Capitalized contract fulfillment costs, net	(184)	674	(858)	
Stock-based compensation expense	14,466	8,040	6,426	
Adjusted EBITDA	$ 211,922	$ 197,952	$ 13,970	7.1 %

Adjusted EBITDA for the three months ended March 31, 2024 increased 7.1% to $211.9 million. The increase in adjusted EBITDA was primarily attributable to an increase in our gross margin (net revenue less direct advertising expense, exclusive of depreciation and amortization and capitalized contract fulfillment costs, net) of $18.7 million, offset by an increase in total general and administrative and corporate expenses of $4.8 million, excluding the impact of stock-based compensation expense.

Net Income/FFO/AFFO

(in thousands)

	Three Months Ended March 31, 2024	2023	Amount of Increase (Decrease)	Percent Increase (Decrease)
Net income	$ 78,499	$ 76,198	$ 2,301	3.0 %
Depreciation and amortization related to real estate	71,729	70,350	1,379	
Gain from sale or disposal of real estate, net of tax	(2,094)	(2,720)	626	
Adjustments for unconsolidated affiliates and non-controlling interest	372	(335)	707	
FFO	$ 148,506	$ 143,493	$ 5,013	3.5 %
Straight line expense	1,273	957	316	
Capitalized contract fulfillment costs, net	(184)	674	(858)	
Stock-based compensation expense	14,466	8,040	6,426	
Non-cash portion of tax provision	246	(1,152)	1,398	
Non-real estate related depreciation and amortization	3,498	2,775	723	
Amortization of deferred financing costs	1,631	1,642	(11)	
Capital expenditures - maintenance	(10,827)	(12,692)	1,865	
Adjustments for unconsolidated affiliates and non-controlling interest	(372)	335	(707)	
AFFO	$ 158,237	$ 144,072	$ 14,165	9.8 %

FFO for the three months ended March 31, 2024 increased from $143.5 million in 2023 to $148.5 million for the same period in 2024, an increase of 3.5%. AFFO for the three months ended March 31, 2024 increased 9.8% to $158.2 million as compared to $144.1 million for the same period in 2023. The increase in AFFO was primarily attributable to an $18.7 million increase in our gross margin (net revenue less direct advertising expense, exclusive of depreciation and amortization and capitalized contract fulfillment costs, net), offset by a $4.8 million increase in total general and administrative and corporate expenses (excluding the effect of stock-based compensation expense).

LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company has historically satisfied its working capital requirements with cash from operations and borrowings under the senior credit facility. The Company's wholly owned subsidiary, Lamar Media Corp., is the borrower under the senior credit facility and maintains all corporate operating cash balances. Any cash requirements of the Company, therefore, must be funded by distributions from Lamar Media.

Sources of Cash

Total Liquidity. As of March 31, 2024 we had $634.8 million of total liquidity, which is comprised of $36.4 million in cash and cash equivalents and $598.4 million of availability under the revolving portion of Lamar Media's senior credit facility. We expect our total liquidity to be adequate for the Company to meet its operational requirements for the next twelve months. We are currently in compliance with the maintenance covenant included in the senior credit facility and we would remain in compliance after giving effect to borrowing the full amount available to us under the revolving portion of the senior credit facility.

As of March 31, 2024 and December 31, 2023, the Company had a working capital deficit of $616.5 million and $340.7 million, respectively. The increase in working capital deficit of $275.8 million is primarily due to an increase in current maturities of long term debt.

Cash Generated by Operations. For the three months ended March 31, 2024 and 2023, our cash provided by operating activities was $110.6 million and $108.7 million, respectively. The increase in cash provided by operating activities for the three months ended March 31, 2024 over the same period in 2023 primarily relates to an increase in revenue of $26.8 million, offset by an increase in operating expenses (excluding stock-based compensation, gain on disposition of assets, and depreciation and amortization) of $12.0 million and an increase in interest expense of $3.0 million. We expect to generate cash flows from operations during 2024 in excess of our cash needs for operations, capital expenditures and dividends, as described herein. We believe we have sufficient liquidity available under our revolving credit facility to meet our operating cash needs for the next twelve months.

Accounts Receivable Securitization Program. On June 24, 2022, Lamar Media and the Special Purpose Subsidiaries entered into the Sixth Amendment (the "Sixth Amendment") to the Receivables Financing Agreement. The Sixth Amendment increased the Accounts Receivable Securitization Program from $175.0 million to $250.0 million and extended the maturity date of the Accounts Receivable Securitization Program to July 21, 2025. Additionally, the Sixth Amendment provides for the replacement of LIBOR-based interest rate mechanics with Term Secured Overnight Financing Rate ("Term SOFR") based interest rate mechanics for the Accounts Receivable Securitization Program.

Borrowing capacity under the Accounts Receivable Securitization Program is limited to the availability of eligible accounts receivable collateralizing the borrowings under the agreements governing the Accounts Receivable Securitization Program. In connection with the Accounts Receivable Securitization Program, Lamar Media and certain of its subsidiaries (such subsidiaries, the “Subsidiary Originators”) sell and/or contribute their existing and future accounts receivable and certain related assets to one of two special purpose subsidiaries, Lamar QRS Receivables, LLC (the “QRS SPV”) and Lamar TRS Receivables, LLC (the “TRS SPV” and together with the QRS SPV the “Special Purpose Subsidiaries”), each of which is a wholly-owned subsidiary of Lamar Media. Existing and future accounts receivable relating to Lamar Media and its qualified REIT subsidiaries will be sold and/or contributed to the QRS SPV and existing and future accounts receivable relating to Lamar Media’s Taxable REIT Subsidiaries ("TRSs") will be sold and/or contributed to the TRS SPV. Each of the Special Purpose Subsidiaries has granted the lenders party to the Accounts Receivable Securitization Program a security interest in all of its assets, which consist of the accounts receivable and related assets sold or contributed to them, as described above, in order to secure the obligations of the Special Purpose Subsidiaries under the agreements governing the Accounts Receivable Securitization Program. Pursuant to the Accounts Receivable Securitization Program, Lamar Media has agreed to service the accounts receivable on behalf of the two Special Purpose Subsidiaries for a fee. Lamar Media has also agreed to guaranty its performance in its capacity as servicer and originator, as well as the performance of the Subsidiary Originators, of their obligations under the agreements governing the Accounts Receivable Securitization Program. None of Lamar Media, the Subsidiary Originators or the Special Purpose Subsidiaries guarantees the collectability of the receivables under the Accounts Receivable Securitization Program. In addition, each of the Special Purpose Subsidiaries is a separate legal entity with its own separate creditors who will be entitled to access the assets of such Special Purpose Subsidiary before the assets become available to Lamar Media. Accordingly, the assets of the Special Purpose Subsidiaries are not available to pay creditors of Lamar Media or any of its subsidiaries, although collections from receivables in excess of the amounts required to repay the lenders and the other creditors of the Special Purpose Subsidiaries may be remitted to Lamar Media.

As of March 31, 2024, there was $235.7 million in outstanding aggregate borrowings under the Accounts Receivable Securitization Program. Lamar Media had no additional availability under the Accounts Receivable Securitization Program as of March 31, 2024. The Accounts Receivable Securitization Program will mature on July 21, 2025.

“At-the-Market” Offering Program. On June 21, 2021, the Company entered into an equity distribution agreement (the "2021 Sales Agreement"), with J.P. Morgan Securities LLC, Wells Fargo Securities LLC, Truist Securities, Inc., SMBC Nikko Securities America, Inc. and Scotia Capital (USA) Inc. as our sales agents (each a "Sales Agent", and collectively, the "Sales Agents"), which replaced the prior Sales Agreement with substantially similar terms. Under the terms of the 2021 Sales Agreement, the Company may, from time to time, issue and sell shares of its Class A common stock, having an aggregate offering price of up to $400.0 million through the Sales Agents as either agents or principals. Sales of the Class A common stock, if any, may be made in negotiated transactions or transactions that are deemed to be "at-the-market offerings" as defined in Rule 415 under the Securities Act of 1933, as amended, including sales made directly on or through the Nasdaq Global Select Market and any other existing trading market for the Class A common stock, or sales made to or through a market maker other than on an exchange. The Company has no obligation to sell any of the Class A common stock under the 2021 Sales Agreement and may at any time suspend solicitations and offers under the 2021 Sales Agreement. The Company intends to use the net proceeds, if any, from the sale of the Class A common stock pursuant to the 2021 Sales Agreement for general corporate purposes, which may include the repayment, refinancing, redemption or repurchase of existing indebtedness, working capital, capital expenditures, acquisition of outdoor advertising assets and businesses and other related investments. The Company did not issue any shares under this program from its inception through March 31, 2024.

***Shelf Registration Statement*.** On June 21, 2021, the Company filed a new automatically effective shelf registration statement that allows Lamar Advertising to offer and sell an indeterminate amount of additional shares of its Class A common stock. During the three months ended March 31, 2024 and the year ended December 31, 2023, the Company did not issue any shares under the shelf registration statement.

Credit Facilities. On February 6, 2020, Lamar Media entered into a Fourth Amended and Restated Credit Agreement (the “Fourth Amended and Restated Credit Agreement”) with certain of Lamar Media’s subsidiaries as guarantors, JPMorgan Chase Bank, N.A. as administrative agent and the lenders party thereto, under which the parties agreed to amend and restate Lamar Media’s existing senior credit facility. The Fourth Amended and Restated Credit Agreement amended and restated the Third Amended and Restated Credit Agreement dated as of May 15, 2017, as amended (the “Third Amended and Restated Credit Agreement”).

On July 2, 2021, Lamar Media entered into Amendment No. 1 (the "Amendment"), to the Fourth Amended and Restated Credit Agreement. The Amendment amends the definition of "Subsidiary" to exclude each of Lamar Partnering Sponsor LLC and Lamar Partnering Corporation and any of their subsidiaries (collectively, the “Lamar Partnering Entities”) such that, after the giving effect to the Amendment, none of the Lamar Partnering Entities are subject to the Fourth Amended and Restated Credit Agreement covenants and reporting requirements, but any investment by Lamar Media in any of the Lamar Partnering Entities would be subject to the Fourth Amended and Restated Credit Agreement covenants. The Amendment also amends the definition of “EBITDA” to replace the existing calculation with a net income-based calculation, which excludes the income of non-Subsidiary entities such as the Lamar Partnering Entities, except to the extent that income of such entities is received by Lamar Media in the form of dividends or distributions.

The senior credit facility, as established by the Fourth Amended and Restated Credit Agreement (the “senior credit facility”), consists of (i) a $750.0 million senior secured revolving credit facility which will mature on July 31, 2028, subject to certain conditions (see description of Amendment No. 4 below) (the “revolving credit facility”), (ii) a $600.0 million senior secured Term B loan facility (the “Term B loans”) which will mature on February 6, 2027, (iii) a $350.0 million senior secured Term A loan facility (the "Term A loans") which will mature on February 6, 2025, and (iv) an incremental facility (the “Incremental Facility”) pursuant to which Lamar Media may incur additional term loan tranches or increase its revolving credit facility subject to a pro forma secured debt ratio calculated as described under *“Restrictions under Senior Credit Facility”* of 4.50 to 1.00, as well as certain other conditions including lender approval. Lamar Media borrowed all $600.0 million in Term B loans on February 6, 2020. The entire amount of the Term B loans will be payable at maturity.

The Term B loans bear interest at rates based on Term SOFR plus a credit spread adjustment of 0.10% (Term SOFR plus such credit spread adjustment, the "Adjusted Term SOFR Rate”) or the Adjusted Base Rate, at Lamar Media’s option. Term B loans bearing interest at a rate based on Term SOFR bear interest at a rate per annum equal to the Adjusted Term SOFR Rate plus 1.50%. Term B loans bearing interest at a rate based on the Adjusted Base Rate bear interest at a rate per annum equal to the Adjusted Base Rate plus 0.50%. The revolving credit facility bears interest at rates based on Term SOFR ("Term SOFR revolving loans”) or the Adjusted Base Rate (“Base Rate revolving loans”), at Lamar Media’s option. Term SOFR revolving loans bear interest at a rate per annum equal to the Adjusted Term SOFR Rate plus 1.50% (or the Adjusted Term SOFR Rate plus 1.25% at any time the Total Debt Ratio is less than or equal to 3.25 to 1). Base Rate revolving loans bear interest at a rate per annum equal to the Adjusted Base Rate plus 0.50% (or the Adjusted Base Rate plus 0.25% at any time the total debt ratio is less than or equal to 3.25 to 1). The guarantees, covenants, events of default and other terms of the senior credit facility apply to the Term B loans and revolving credit facility.

On July 29, 2022, Lamar Media entered into Amendment No. 2 ("Amendment No. 2") to the Fourth Amended and Restated Credit Agreement with certain of Lamar Media's subsidiaries as guarantors, JPMorgan Chase Bank, N.A. as administrative agent and the lenders party thereto. Amendment No. 2 established the Term A loans as a new class of incremental term loans. The Term A loans will mature on February 6, 2025 and bear interest based on Term SOFR ("Term SOFR Term A loans") or the Adjusted Base Rate ("Base Rate Term A loans"), at Lamar Media's option. Term SOFR Term A loans bear interest at a rate per annum equal to the Adjusted Term SOFR Rate plus 1.50% (or the Adjusted Term SOFR Rate plus 1.25% at any time the Total Debt Ratio is less than or equal to 3.25 to 1). Base Rate Term A loans bear interest at a rate per annum equal to the Adjusted Base Rate plus 0.50% (or the Adjusted Base Rate plus 0.25% at any time the total debt ratio is less than or equal to 3.25 to 1). The covenants, events of default and other terms of the senior credit facility apply to the Term A loans. Lamar Media borrowed all $350.0 million in Term A loans on July 29, 2022. Proceeds from the Term A loans were used to repay outstanding balances on the revolving credit facility and a portion of the outstanding balance on our Accounts Receivable Securitization Program.

On April 26, 2023, Lamar Media entered into Amendment No. 3 ("Amendment No. 3") to the Fourth Amended and Restated Credit Agreement with certain of Lamar Media's subsidiaries as guarantors, JPMorgan Chase Bank N.A. as administrative agent and the lenders party thereto. Amendment No. 3 replaced the London Interbank Offered Rates as administered by the ICE Benchmark Administration with Term SOFR as the successor rate, as set in the Fourth Amended and Restated Credit Agreement. All other material terms and conditions of the Fourth Amended and Restated Credit Agreement remain unchanged by Amendment No. 3.

On July 31, 2023, Lamar Media entered into Amendment No. 4 (the “Amendment No. 4”), to the Fourth Amended and Restated Credit Agreement with certain of Lamar Media’s subsidiaries as guarantors, JPMorgan Chase Bank, N.A., as administrative agent and the lenders party thereto. Amendment No. 4 extends the maturity date of Lamar Media’s $750.0 million revolving credit facility such that the revolving credit facility matures July 31, 2028; provided, that, if on the date (a "Springing Maturity Test Date") that is 91 days prior to either the then scheduled maturity date of Lamar Media’s Term B loans (which is currently February 6, 2027) or the February 15, 2028 maturity date of Lamar Media’s 3 3/4% Notes, the Company and its restricted subsidiaries do not have sufficient liquidity (defined as unrestricted cash and cash equivalents of the Company and its restricted subsidiaries plus unused commitments under the revolving credit facility) to repay in full the aggregate outstanding amount (including all accrued and unpaid interest, premiums and make-whole amounts (if any)) of the Term B loans or the 3 3/4% Notes (as applicable), the revolving credit facility will mature on such Springing Maturity Test Date. On the maturity date of the revolving credit facility, the entire principal amount of revolving loans outstanding under the revolving credit facility, together with all accrued and unpaid interest on such revolving loans, will be due and payable.

Amendment No. 4 also establishes a $75.0 million swingline as a sublimit of the revolving credit facility, which allows Lamar Media to borrow revolving loans on a same-day basis, in an aggregate outstanding principal amount of up to $75.0 million. In addition, Amendment No. 4 amends the provisions of the Fourth Amended and Restated Credit Agreement related to incremental facilities to allow Lamar Media to establish, from time to time, one or more new incremental revolving facilities on the terms, and subject to the conditions, set forth therein.

As of March 31, 2024 the aggregate balance outstanding under the senior credit facility was $1.09 billion, consisting of $600.0 million in Term B loans aggregate principal balance, $350.0 million in Term A loans aggregate principal balance and $143.0 million outstanding borrowings under our revolving credit facility. Lamar Media had approximately $598.4 million of unused capacity under the revolving credit facility.

Factors Affecting Sources of Liquidity

Internally Generated Funds. The key factors affecting internally generated cash flow are general economic conditions, specific economic conditions in the markets where the Company conducts its business and overall spending on advertising by advertisers. We expect to generate cash flows from operations during 2024 in excess of our cash needs for operations, capital expenditures and dividends, as described herein, and we believe we have sufficient liquidity with cash on hand and availability under our revolving credit facility to meet our operating cash needs for the next twelve months.

Credit Facilities and Other Debt Securities. The Company and Lamar Media must comply with certain covenants and restrictions related to the senior credit facility, its outstanding debt securities and its Accounts Receivable Securitization Program.

Lamar Media's outstanding Term A loans will mature on February 6, 2025. The Company expects to pay in full all outstanding Term A loans prior to their maturity date with cash on hand and availability under our revolving credit facility.

Restrictions Under Debt Securities. The Company and Lamar Media must comply with certain covenants and restrictions related to its outstanding debt securities. Currently, Lamar Media has outstanding the $600.0 million 3 3/4% Senior Notes issued February 2020, the $550.0 million 4% Senior Notes issued February 2020 and August 2020, the $400.0 million 4 7/8% Senior Notes issued in May 2020 and the $550.0 million 3 5/8% Senior Notes issued in January 2021.

The indentures relating to Lamar Media’s outstanding notes restrict its ability to incur additional indebtedness, but permit the incurrence of indebtedness (including indebtedness under the senior credit facility), (i) if no default or event of default would result from such incurrence and (ii) if after giving effect to any such incurrence, the leverage ratio (defined as the sum of (x) total consolidated debt plus (y) the aggregate liquidation preference of any preferred stock of Lamar Media’s restricted subsidiaries to trailing four fiscal quarter EBITDA (as defined in the indentures)) would be less than 7.0 to 1.0. Currently, Lamar Media is not in default under the indentures of any of its outstanding notes and, therefore, would be permitted to incur additional indebtedness subject to the foregoing provision.

In addition to debt incurred under the provisions described in the preceding paragraph, the indentures relating to Lamar Media’s outstanding notes permit Lamar Media to incur indebtedness pursuant to the following baskets:

- up to $2.0 billion of indebtedness under the senior credit facility;
- indebtedness outstanding on the date of the indentures or debt incurred to refinance outstanding debt;
- inter-company debt between Lamar Media and its restricted subsidiaries or between restricted subsidiaries;

- certain purchase money indebtedness and capitalized lease obligations to acquire or lease property in the ordinary course of business that cannot exceed the greater of $50.0 million or 5% of Lamar Media's net tangible assets;
- additional debt not to exceed $75.0 million; and
- up to $500.0 million of permitted securitization financings.

Restrictions Under Senior Credit Facility. Lamar Media is required to comply with certain covenants and restrictions under the senior credit facility. If the Company or Lamar Media fails to comply with these tests, the lenders under the senior credit facility will be entitled to exercise certain remedies, including the termination of the lending commitments and the acceleration of the debt payments under the senior credit facility. At March 31, 2024 we were, and currently, we are, in compliance with all such tests under the senior credit facility.

Lamar Media must maintain a secured debt ratio, defined as total consolidated secured debt of Lamar Advertising, Lamar Media and its restricted subsidiaries (including capital lease obligations), minus the lesser of (x) $150.0 million and (y) the aggregate amount of unrestricted cash and cash equivalents of Lamar Advertising, Lamar Media and its restricted subsidiaries (other than the Special Purpose Subsidiaries (as defined above under *Sources of Cash – Accounts Receivable Securitization Program*)) to EBITDA, as defined below, for the period of four consecutive fiscal quarters then ended, of less than or equal to 4.5 to 1.0.

Lamar Media is restricted from incurring additional indebtedness subject to exceptions, one of which is that it may incur additional indebtedness not exceeding the greater of $250.0 million or 6% of its total assets.

Lamar Media is also restricted from incurring additional unsecured senior indebtedness under certain circumstances unless, after giving effect to the incurrence of such indebtedness, Lamar Media would have a total debt ratio, defined as (a) total consolidated debt (including subordinated debt) of Lamar Advertising, Lamar Media and its restricted subsidiaries as of any date minus the lesser of (i) $150.0 million and (ii) the aggregate amount of unrestricted cash and cash equivalents of Lamar Advertising, Lamar Media and its restricted subsidiaries (other than the Special Purpose Subsidiaries) to (b) EBITDA, as defined below, for the most recent four fiscal quarters then ended, is less than 7.0 to 1.0.

Lamar Media is also restricted from incurring additional subordinated indebtedness under certain circumstances unless, after giving effect to the incurrence of such indebtedness, it is in compliance with the secured debt ratio covenant and its total debt ratio is less than 7.0 to 1.0.

Under the senior credit facility, as amended, "EBITDA" means, for any period, net income, plus (a) to the extent deducted in determining net income for such period, the sum determined without duplication and in accordance with GAAP, of (i) taxes, (ii) interest expense, (iii) depreciation, (iv) amortization, (v) any other non-cash income or charges accrued for such period, (vi) charges and expenses in connection with the senior credit facility, any actual or proposed acquisition, disposition or investment (excluding, in each case, purchases and sales of advertising space and operating assets in the ordinary course of business) and any actual or proposed offering of securities, incurrence or repayment of indebtedness (or amendment to any agreement relating to indebtedness), including any refinancing thereof, or recapitalization, (vii) any loss or gain relating to amounts paid or earned in cash prior to the stated settlement date of any swap agreement that has been reflected in operating income for such period), and (viii) any loss on sales of receivables and related assets to a securitization entity in connection with a permitted securitization financing, plus (b) the amount of cost savings, operating expense reductions and other operating improvements or synergies projected by Lamar Media in good faith to be realized as a result of any acquisition, investment, merger, amalgamation or disposition within 18 months of any such acquisition, investment, merger, amalgamation or disposition, net of the amount of actual benefits realized during such period from such action; provided, (A) the aggregate amount for all such cost savings, operating expense reductions and other operating improvements or synergies will not exceed an amount equal to 15% of EBITDA for the applicable four quarter period and (B) any such adjustment to EBITDA pursuant to this clause (b) may only take into account cost savings, operating expense reductions and other operating improvements or synergies that are (I) directly attributable to such acquisition, investment, merger, amalgamation or disposition, (II) expected to have a continuing impact on Lamar Media and its restricted subsidiaries and (III) factually supportable, in each case all as certified by the chief financial officer of Lamar Media) on behalf of Lamar Media, minus (c) to the extent included in net income for such period (determined without duplication and in accordance with GAAP) (i) any extraordinary and unusual gains or losses during such period, and (ii) the proceeds of any casualty events and dispositions. For purposes of this EBITDA definition, the effect thereon of any adjustments required under Statement of Financial Accounting Standards No. 141R will be excluded. If during any period for which EBITDA is being determined, we have consummated any acquisition or disposition, EBITDA will be determined on a pro forma basis as if such acquisition or disposition had been made or consummated on the first day of such period.

Under the senior credit facility, “net income” means for any period, the consolidated net income (or loss) of Lamar Advertising, us, and our restricted subsidiaries, determined on a consolidated basis in accordance with GAAP; provided that the following is excluded from net income: (a) the income (or deficit) of any person accrued prior to the date it becomes a restricted subsidiary or is merged into or consolidated with Lamar Advertising, us or any of our restricted subsidiaries, and (b) the income (or deficit) of any person (other than any of our restricted subsidiaries) in which Lamar Advertising, we or any of our subsidiaries has an ownership interest, except to the extent that any such income is received by Lamar Advertising, us or any of our restricted subsidiaries in the form of dividends or similar distributions.

The Company believes that its current level of cash on hand, availability under the senior credit facility and future cash flows from operations are sufficient to meet its operating needs for the next twelve months. All debt obligations are reflected on the Company’s balance sheet.

Restrictions under Accounts Receivable Securitization Program. The agreements governing the Accounts Receivable Securitization Program contain customary representations and warranties, affirmative and negative covenants, and termination event provisions, including but not limited to those providing for the acceleration of amounts owed under the Accounts Receivable Securitization Program if, among other things, the Special Purpose Subsidiaries fail to make payments when due, Lamar Media, the Subsidiary Originators or the Special Purpose Subsidiaries become insolvent or subject to bankruptcy proceedings or certain judicial judgments, breach certain representations and warranties or covenants or default under other material indebtedness, a change of control occurs, or if Lamar Media fails to maintain the maximum secured debt ratio of 4.5 to 1.0 required under Lamar Media’s senior credit facility.

Uses of Cash

Capital Expenditures. Capital expenditures, excluding acquisitions, were approximately $29.5 million for the three months ended March 31, 2024. We anticipate our 2024 total capital expenditures will be approximately $125.0 million.

Acquisitions. During the three months ended March 31, 2024, the Company completed acquisitions for an aggregate purchase price of approximately $18.3 million, which were financed using available cash on hand and borrowings on the senior credit facility.

*Dividends***.** On February 22, 2024, the Company's Board of Directors declared a quarterly cash dividend of $1.30 per share, paid on March 28, 2024 to its stockholders of record of its Class A common stock and Class B common stock on March 15, 2024. Subject to approval of the Company's Board of Directors, the Company expects aggregate quarterly distributions to stockholders in 2024 will be at least $5.20 per share of common stock, including the dividend paid on March 28, 2024.

As a REIT, the Company must annually distribute to its stockholders an amount equal to at least 90% of its REIT taxable income (determined before the deduction for distributed earnings and excluding any net capital gain). The amount, timing and frequency of future distributions will be at the sole discretion of the Board of Directors and will be declared based upon various factors, a number of which may be beyond the Company’s control, including financial condition and operating cash flows, the amount required to maintain REIT status and reduce any income and excise taxes that the Company otherwise would be required to pay, limitations on distributions in our existing and future debt instruments, the Company’s ability to utilize net operating losses to offset, in whole or in part, the Company’s distribution requirements, limitations on its ability to fund distributions using cash generated through its TRSs, the impact of general economic conditions on the Company’s operations and other factors that the Board of Directors may deem relevant. The foregoing factors may also impact management’s recommendations to the Board of Directors as to the timing, amount and frequency of future distributions.

Stock and Debt Repurchasing Program. On March 16, 2020, the Company’s Board of Directors authorized the repurchase of up to $250.0 million of the Company’s Class A common stock. Additionally, the Board of Directors has authorized Lamar Media to repurchase up to $250.0 million in outstanding senior or senior subordinated notes and other indebtedness outstanding from time to time under its senior credit agreement. On February 23, 2023, the Board of Directors authorized the extension of the repurchase program through September 30, 2024. There were no repurchases under the program as of March 31, 2024. The Company’s management may opt not to make any repurchases under the program, or may make aggregate purchases less than the total amount authorized.

Material Cash Requirements

Our expected material cash requirements for the twelve months following March 31, 2024 and thereafter are comprised of contractual obligations, required annual distributions and other opportunistic expenditures.

Debt and Contractual Obligations. The following table summarizes our future debt maturities, interest payment obligations, and contractual obligations including required payments under operating and financing leases as of March 31, 2024 (in millions):

	Less than 1 year	Thereafter
Debt maturities[1]	$ 585.8	$ 2,815.6
Interest obligations on long-term debt[2]	173.4	488.2
Contractual obligations, including operating and financing leases	270.3	1,683.9
Total payments due	$ 1,029.5	$ 4,987.7

(1) Debt maturities assume there is no refinancing prior to the existing maturity date.
(2) Interest rates on our variable rate instruments assume rates at the March 2024 levels.

Lamar Media's outstanding Term A loans will mature on February 6, 2025. The Company expects to pay in full all outstanding Term A loans prior to their maturity date with cash on hand and availability under our revolving credit facility.

Required Annual Distributions. As a REIT, the Company must annually distribute to its stockholders an amount equal to at least 90% of its REIT taxable income (determined before the deduction for distributed earnings and excluding any net capital gain). On February 22, 2024, the Company's Board of Directors declared a quarterly cash dividend of $1.30 per share, paid on March 28, 2024 to its stockholders of record of its Class A common stock and Class B common stock on March 15, 2024. Subject to approval of the Company's Board of Directors, the Company expects aggregate quarterly distributions to stockholders in 2024 will be at least $5.20 per share of common stock, including the dividend paid on March 28, 2024.

Opportunistic Expenditures. As part of our capital allocation strategy, we plan to continue to allocate our available capital among investment alternatives that meet our return on investment criteria. We will continue to reinvest in our existing assets and expand our outdoor advertising display portfolio through new construction. We will also continue to pursue strategic acquisitions of outdoor advertising businesses and assets. This includes acquisitions in our existing markets and in new markets where we can meet our return on investment criteria.

Cash Flows

The Company's cash flows provided by operating activities increased $1.9 million from $108.7 million for the three months ended March 31, 2023 to $110.6 million for the three months ended March 31, 2024, primarily resulting from an increase in revenues of $26.8 million, offset by an increase in operating expenses (excluding stock-based compensation, gain on disposition of assets, and depreciation and amortization) of $12.0 million and an increase in interest expense of $3.0 million, as compared to the same period in 2023.

Cash flows used in investing activities decreased $7.6 million from $52.7 million for the three months ended March 31, 2023 to $45.0 million for the three months ended March 31, 2024 primarily due to a net decrease in the amount of assets acquired through acquisitions, investments and capital expenditures of $8.2 million, as compared to the same period in 2023.

The Company's cash flows used in financing activities were $73.6 million for the three months ended March 31, 2024 as compared to $75.2 million for the three months ended March 31, 2023. The cash flows used in financing activities of $73.6 million for the three months ended March 31, 2024 is primarily due to cash paid for dividends and distributions offset by net borrowings on the senior credit facility.

Critical Accounting Estimates

Our discussion and analysis of our results of operations and liquidity and capital resources are based on our condensed consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. There have been no material changes to the critical accounting policies and estimates as previously disclosed in Item 7 of our 2023 Combined Form 10-K.

Accounting Standards and Regulatory Update

See Note 12, "New Accounting Pronouncements" to our condensed consolidated financial statements included in Part 1, Item 1 of this report for a discussion of our Accounting Standards and Regulatory Update.

LAMAR MEDIA CORP.

The following is a discussion of the consolidated financial condition and results of operations of Lamar Media for the three months ended March 31, 2024 and 2023. This discussion should be read in conjunction with the consolidated financial statements of Lamar Media and the related notes thereto.

RESULTS OF OPERATIONS

Three months ended March 31, 2024 compared to three months ended March 31, 2023

Net revenues increased $26.8 million or 5.7% to $498.2 million for the three months ended March 31, 2024 from $471.3 million for the same period in 2023. This increase was primarily attributable to an increase in billboard net revenues of $22.2 million and an increase in transit net revenues of $4.2 million over the same period in 2023.

For the three months ended March 31, 2024, there was a $25.1 million increase in net revenues as compared to acquisition-adjusted net revenue for the three months ended March 31, 2023, which represents an increase of 5.3%. See "Reconciliations" below. The $25.1 million increase in revenue is primarily due to an increase of $19.6 million in billboard net revenues as well as an increase in transit net revenues of $5.1 million over the same period in 2023.

Total operating expenses, exclusive of depreciation and amortization and gain on disposition of assets, increased $18.4 million, or 6.5%, to $300.4 million for the three months ended March 31, 2024 from $282.0 million for the same period in 2023. The $18.4 million increase over the prior year is comprised of a $12.0 million increase in total direct, general and administrative and corporate expenses (excluding stock-based compensation) primarily related to the operations of our outdoor advertising assets, as well as a $6.4 million increase in stock-based compensation.

Depreciation and amortization expense increased $2.1 million to $75.2 million for the three months ended March 31, 2024 as compared to $73.1 million for the same period in 2023, primarily related to acquisitions and capital expenditures completed during 2023.

For the three months ended March 31, 2024, Lamar Media recognized a gain on disposition of assets of $2.2 million, primarily resulting from transactions related to the sale of billboard locations and displays.

Due to the above factors, operating income increased by $5.8 million to $124.7 million for the three months ended March 31, 2024 as compared to $118.9 million for the same period in 2023.

Interest expense increased $3.0 million for the three months ended March 31, 2024 to $44.5 million as compared to $41.4 million for the three months ended March 31, 2023 primarily due to the increase in interest rates on the Accounts Receivable Securitization Program and senior credit facility.

Equity in loss (earnings) of investee was $0.6 million and $(0.2) million for the three months ended March 31, 2024 and 2023, respectively.

The increase in operating income, offset by the increase in interest expense, resulted in a $2.0 million increase in net income before income taxes. The effective tax rate for the three months ended March 31, 2024 was 1.9%, which differs from the federal statutory rate primarily due to our qualification for taxation as a REIT and adjustments for foreign items.

As a result of the above factors, Lamar Media recognized net income for the three months ended March 31, 2024 of $78.6 million, as compared to net income of $76.3 million for the same period in 2023.

Reconciliations:

Because acquisitions occurring after December 31, 2022 have contributed to our net revenue results for the periods presented, we provide 2023 acquisition-adjusted net revenue, which adjusts our 2023 net revenue for the three months ended March 31, 2023 by adding to or subtracting from it the net revenue generated by the acquired or divested assets prior to our acquisition or divestiture of these assets for the same time frame that those assets were owned in the three months ended March 31, 2024.

Reconciliations of 2023 reported net revenue to 2023 acquisition-adjusted net revenue for the three months ended March 31, as well as a comparison of 2023 acquisition-adjusted net revenue to 2024 reported net revenue for the three months ended March 31, are provided below:

Reconciliation and Comparison of Reported Net Revenue to Acquisition-Adjusted Net Revenue

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(in thousands)	
Reported net revenue	$ 498,150	$ 471,332
Acquisition net revenue	—	1,694
Adjusted totals	$ 498,150	$ 473,026

Key Performance Indicators

Net Income/Adjusted EBITDA

(in thousands)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Amount of Increase (Decrease)	Percent Increase (Decrease)
Net income	$ 78,637	$ 76,334	$ 2,303	3.0 %
Income tax expense	1,522	1,798	(276)	
Interest expense (income), net	44,020	40,983	3,037	
Equity in loss (earnings) of investee	559	(178)	737	
Gain on disposition of assets	(2,188)	(2,688)	500	
Depreciation and amortization	75,228	73,125	2,103	
Capitalized contract fulfillment costs, net	(184)	(92)	(92)	
Stock-based compensation expense	14,466	8,805	5,661	
Adjusted EBITDA	$ 212,060	$ 198,087	$ 13,973	7.1 %

Adjusted EBITDA for the three months ended March 31, 2024 increased 7.1% to $212.1 million. The increase in adjusted EBITDA was primarily attributable to an increase in our gross margin (net revenue less direct advertising expense, exclusive of depreciation and amortization and capitalized contract fulfillment costs, net) of $19.5 million, offset by an increase in total general and administrative and corporate expenses of $4.8 million, excluding the impact of stock-based compensation expense.

Net Income/FFO/AFFO

(in thousands)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Amount of Increase (Decrease)	Percent Increase (Decrease)
Net income	$ 78,637	$ 76,334	$ 2,303	3.0 %
Depreciation and amortization related to real estate	71,729	70,350	1,379	
Gain from sale or disposal of real estate, net of tax	(2,094)	(2,720)	626	
Adjustments for unconsolidated affiliates and non-controlling interest	372	(41)	413	
FFO	$ 148,644	$ 143,923	$ 4,721	3.3 %
Straight line expense	1,273	956	317	
Capitalized contract fulfillment costs, net	(184)	674	(858)	
Stock-based compensation expense	14,466	8,040	6,426	
Non-cash portion of tax provision	246	(1,152)	1,398	
Non-real estate related depreciation and amortization	3,498	2,776	722	
Amortization of deferred financing costs	1,631	1,642	(11)	
Capital expenditures - maintenance	(10,827)	(12,692)	1,865	
Adjustments for unconsolidated affiliates and non-controlling interest	(372)	41	(413)	
AFFO	$ 158,375	$ 144,208	$ 14,167	9.8 %

FFO for the three months ended March 31, 2024 increased from $143.9 million in 2023 to $148.6 million for the same period in 2024, an increase of 3.3%. AFFO for the three months ended March 31, 2024 increased 9.8% to $158.4 million as compared to $144.2 million for the same period in 2023. The increase in AFFO was primarily attributable to a $19.5 million increase in our gross margin (net revenue less direct advertising expense, exclusive of depreciation and amortization and capitalized contract fulfillment costs, net), offset by a $4.8 million increase in total general and administrative and corporate expenses (excluding the effect of stock-based compensation expense).

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Lamar Advertising Company and Lamar Media Corp.

Lamar Advertising is exposed to interest rate risk in connection with variable rate debt instruments issued by its wholly owned subsidiary Lamar Media. The information below summarizes the Company's interest rate risk associated with its principal variable rate debt instruments outstanding at March 31, 2024, and should be read in conjunction with Note 10 of the Notes to the Company's Condensed Consolidated Financial Statements.

Lamar Media has variable-rate debt outstanding under its senior credit facility and its Accounts Receivable Securitization Program. Because interest rates may increase or decrease at any time, the Company is exposed to market risk as a result of the impact that changes in interest rates may have on the applicable borrowings outstanding. Increases in the interest rates applicable to these borrowings would result in increased interest expense and a reduction in the Company's net income.

At March 31, 2024 there was approximately $1.33 billion of indebtedness outstanding under the senior credit facility and the Accounts Receivable Securitization Program, or approximately 38.7% of the Company's outstanding long-term debt on that date, bearing interest at variable rates. The aggregate interest expense for 2024 with respect to borrowings under the senior credit facility and the Accounts Receivable Securitization Program was $22.1 million, and the weighted average interest rate applicable to these borrowings during 2024 was 6.7%. Assuming that the weighted average interest rate was 200 basis points higher (that is 8.7% rather than 6.7%), then the Company's 2024 interest expense would have increased by approximately $6.3 million for the three months ended March 31, 2024.

The Company attempts to mitigate the interest rate risk resulting from its variable interest rate long-term debt instruments by issuing fixed rate long-term debt instruments and maintaining a balance over time between the amount of the Company's variable rate and fixed rate indebtedness. In addition, the Company has the capability under the senior credit facility to fix the interest rates applicable to its borrowings at an amount equal to the Adjusted Term SOFR Rate (as applicable), or Adjusted Base Rate plus the applicable margin for periods of up to twelve months (in certain cases with the consent of the lenders), which would allow the Company to mitigate the impact of short-term fluctuations in market interest rates. In the event of an increase in interest rates, the Company may take further actions to mitigate its exposure. The Company cannot guarantee, however, that the actions that it may take to mitigate this risk will be feasible or that, if these actions are taken, that they will be effective.

ITEM 4. CONTROLS AND PROCEDURES

a) *Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures.*

The Company's and Lamar Media's management, with the participation of the principal executive officer and principal financial officer of the Company and Lamar Media, have evaluated the effectiveness of the design and operation of the Company's and Lamar Media's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this quarterly report. Based on this evaluation, the principal executive officer and principal financial officer of the Company and Lamar Media concluded that these disclosure controls and procedures are effective and designed to ensure that the information required to be disclosed in the Company's and Lamar Media's reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the requisite time periods.

b) *Changes in Internal Control Over Financial Reporting.*

There have been no changes in the internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) of the Company and Lamar Media identified in connection with the evaluation of the Company's and Lamar Media's internal control performed during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's and Lamar Media's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1A. RISK FACTORS

Our operations and financial results are subject to various risks and uncertainties, including those described in Part I, Item 1A, “Risk Factors” in our combined Annual Report on Form 10-K for the year ended December 31, 2023, which could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our Class A common stock. There have been no material changes to our risk factors since our combined Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of Lamar Advertising Company (the “Company”), as filed with the Secretary of the State of Delaware effective as of November 18, 2014. Previously filed as Exhibit 3.1 to the Company’s Current Report on Form 8-K (File No. 1-36756) filed on November 19, 2014 and incorporated herein by reference.
3.2	Certificate of Merger, effective as of November 18, 2014. Previously filed as Exhibit 3.2 to the Company’s Current Report on Form 8-K (File No. 1-36756) filed on November 19, 2014 and incorporated herein by reference.
3.3	Amended and Restated Certificate of Incorporation of Lamar Media Corp. (“Lamar Media”). Previously filed as Exhibit 3.2 to the Company’s Quarterly Report on Form 10-Q for the period ended March 31, 2007 (File No. 0-30242) filed on May 10, 2007 and incorporated herein by reference.
3.4	Amended and Restated Bylaws of the Company, adopted as of November 18, 2014. Previously filed as Exhibit 3.3 to the Company’s Current Report on Form 8-K (File No. 1-36756) filed on November 19, 2014 and incorporated herein by reference.
3.5	Amended and Restated Bylaws of Lamar Media. Previously filed as Exhibit 3.1 to Lamar Media’s Quarterly Report on Form 10-Q for the period ended September 30, 1999 (File No. 1-12407) filed on November 12, 1999 and incorporated herein by reference.
10.1	Form of 2024 LTIP Unit Award Agreement.
31.1	Certification of the Chief Executive Officer of the Company and Lamar Media pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.
31.2	Certification of the Chief Financial Officer of the Company and Lamar Media pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.
32.1	Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Filed herewith.
101	The following financial statements from the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, formatted in Inline XBRL: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Income and Comprehensive Income, (iii) Condensed Consolidated Statements of Stockholders' Equity, (iv) Condensed Consolidated Statements of Cash Flows, and (v) Notes to the Condensed Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101).

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 thereunto duly authorized.

LAMAR ADVERTISING COMPANY

DATED: May 2, 2024	BY:	/s/ Jay L. Johnson
		Executive Vice President, Chief Financial Officer and Treasurer

LAMAR MEDIA CORP.

DATED: May 2, 2024	BY:	/s/ Jay L. Johnson
		Executive Vice President, Chief Financial Officer and Treasurer

LAMAR ADVERTISING LIMITED PARTNERSHIP

LTIP Unit Award Agreement

Name of Grantee: (the "Grantee")

No. of LTIP Units: (represents total achievable at 120% vesting)

Grant Date: (the "Grant Date")

Vesting Date: The date when the Company's financial results from fiscal 2024 are approved by the Audit Committee (the "Vesting Date"), expected to occur in February 2025

Pursuant to the Lamar Advertising Company 1996 Equity Incentive Plan (as amended from time and time the "Plan"), and the Agreement of Limited Partnership of Lamar Advertising Limited Partnership, dated as of July 1, 2022 (as amended from time to time, the "LP Agreement"), Lamar Advertising Company (the "Company") hereby grants an award (the "Award") to the Grantee and hereby causes Lamar Advertising Limited Partnership (the "Operating Partnership") to issue to the Grantee the number of LTIP Units (as defined in the LP Agreement) set forth above (the "Award LTIP Units") having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion set forth herein and in the LP Agreement. Upon the close of business on the Grant Date pursuant to this LTIP Unit Award Agreement (this "Agreement"), the Grantee shall receive the number of Award LTIP Units, subject to the restrictions and conditions set forth herein, in the Plan and in the LP Agreement. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

1. Acceptance of Award; Rights as Partner.

(a) The Grantee shall have no rights with respect to the Award unless he or she shall have accepted the Award by signing and delivering a copy of this Agreement to the Operating Partnership.

(b) Upon acceptance of the Award by the Grantee and subject to the restrictions and conditions herein, in the Plan and in the LP Agreement, the books and records of the Operating Partnership shall reflect the issuance of the Award LTIP Units. Thereupon, the Grantee shall have all the rights of a Limited Partner of the Operating Partnership with respect to the number of Award LTIP Units, as set forth in the LP Agreement, subject to the restrictions and conditions set forth herein and the Grantee signing, as a Limited Partner, and delivering to the Operating Partnership, a counterpart signature page to the LP Agreement (attached hereto as Exhibit D).

2. 83(b) Election. The Grantee may make an election under Section 83(b) of the Code (the "83(b) Election") with respect to the Award LTIP Units. The Grantee may use the form of election attached as Exhibit B hereto but shall be solely responsible for preparing and timely filing such election with the Internal Revenue Service. The Grantee shall provide an executed copy of such election to the Company promptly after the Grantee's filing of such election if Grantee makes such a filing.

3. Distributions. Distributions on the Award LTIP Units shall be paid to the Grantee to the extent provided for in the LP Agreement. If any portion of the Award LTIP Units are forfeited pursuant to the terms of this Agreement, Grantee shall, immediately following the determination of the number of Award LTIP Units which became vested under Section 4 of this Agreement, forfeit an additional portion of such Award LTIP Units in an amount equal to the dollar value of distributions during the term of this Agreement received on Award LTIP Units that are forfeited, less any taxes paid by the Grantee on such distributions. For purposes of calculating the number of Award LTIP Units to be forfeited, the dollar value of each Award LTIP Unit shall be equivalent to the closing price of the REIT Shares on the Vesting Date (or such earlier date if all of the Award LTIP Units are forfeited prior to the Vesting Date, if applicable).

4. Vesting.

(a) The Award LTIP Units shall become vested as of the close of business on the Vesting Date if (i) the Grantee remains continuously employed by the Company, or one of its Affiliates (including the Operating Partnership) between the Grant Date and the Vesting Date, and (ii) the performance criteria on Exhibit A have been satisfied. To the extent only a portion of the performance criteria are satisfied on the Vesting Date, the portion of the Award LTIP Units for which the performance criteria are not satisfied shall automatically and without notice or payment of any consideration by the Company or the Operating Partnership, terminate, be forfeited and be and become null and void and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in the Award LTIP Units.

(b) Subject to the terms and conditions of this Agreement and the LP Agreement, upon termination of the Grantee's employment, any Award LTIP Units which have not yet then vested (after giving effect to any acceleration of vesting upon such termination of the Grantee's employment) shall automatically and without notice or payment of any consideration by the Company or the Operating Partnership, terminate, be forfeited and be and become null and void and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in the Award LTIP Units.

(c) The Administrator may, in its sole discretion, at any time accelerate the vesting of Award LTIP Units.

(d) Notwithstanding anything contained herein or in the LP Agreement, the terms of any severance or employment agreement between the Company and the Grantee shall determine whether, and to what extent, any unvested Award LTIP Units held by the Grantee shall accelerate in connection with the occurrence of certain termination of employment events including, without limitation, in the event of a termination of employment in connection with a Change in Control (as such term is defined in any such severance or employment agreement). In addition, upon a Change in Control, if the Award is not assumed, converted or replaced by the continuing entity, all Award LTIP Units which are not vested shall be deemed to have vested immediately prior to the such Change in Control based on the greater of (i) actual performance through the closing date, or (ii) the target (maximum) performance level.

5. Changes in Capitalization. Without duplication with the provisions of Section 3(c) of the Plan, if (i) the Company shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or stock of the Company or other transaction similar thereto, (ii) any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, significant repurchases of stock, or other similar change in the capital stock of the Company shall occur, (iii) any cash dividend or other distribution to holders of shares of stock or Partnership Units (as defined in the LP Agreement) shall be declared and paid other than in the ordinary course, or (iv) any other extraordinary corporate event shall occur that in each case in the good faith judgment of the Administrator necessitates action by way of equitable or proportionate adjustment in the terms of this Agreement or the Award LTIP Units to avoid distortion in the value of this Award, then the Administrator shall make equitable or proportionate adjustment and take such other action as it deems necessary to maintain the Grantee’s rights hereunder so that they are substantially proportionate to the rights existing under this Award and the terms of the Award LTIP Units prior to such event, including, without limitation: (A) interpretations of or modifications to any defined term in this Agreement; (B) adjustments in any calculations provided for in this Agreement, and (C) substitution of other awards under the Plan or otherwise. All adjustments made by the Administrator shall be final, binding and conclusive.

6. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to, and governed by, all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. In the event of any discrepancies between the Plan and this Agreement, the Plan shall control.

7. Transferability; Redemption.

(a) Prior to the Vesting Date, none of the Award LTIP Units nor any of the Common Units (as defined in the LP Agreement) into which such Award LTIP Units may be converted shall be sold, assigned, transferred, pledged or otherwise encumbered or disposed of by the Grantee (each such action, a “Transfer”). At any time after the Vesting Date, Award LTIP Units or Common Units may be Transferred to a single transferee that is the Grantee’s Family Member (as defined below) by gift or domestic relations order, provided that the transferee agrees in writing with the Company and the Operating Partnership to be bound by all the terms and conditions of this Agreement and that subsequent Transfers shall be prohibited except those in accordance with this Section 7. Notwithstanding anything to the contrary contained herein, in the event Grantee seeks to transfer all or any portion of its Award LTIP Units or Common Units to multiple transferees (or to a limited liability company, joint venture, partnership, grantor trust, S-corporation or other flow through entity created with a purpose of circumventing this Section

7(a)) that are Grantee's Family Members, such transfer shall be subject to the consent of the General Partner of the Partnership.

(b) Prior to the Vesting Date, the Redemption Right (as defined in the LP Agreement) may not be exercised with respect to the Common Units. At any time after the Vesting Date, the Redemption Right may be exercised with respect to Common Units, and Common Units may be Transferred to the Operating Partnership or the Company in connection with the exercise of the Redemption Right, in accordance with and to the extent otherwise permitted by the terms of the LP Agreement.

(c) All Transfers of Award LTIP Units or Common Units must be in compliance with all applicable securities laws (including, without limitation, the Securities Act of 1933, as amended, the ("Securities Act")) and the applicable terms and conditions of the LP Agreement. In connection with any Transfer of Award LTIP Units or Common Units, the Operating Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Operating Partnership, that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer of Award LTIP Units or Common Units not in accordance with the terms and conditions of this Section 7 shall be null and void, and the Operating Partnership shall not reflect on its records any change in record ownership of any Award LTIP Units or Common Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any Award LTIP Units or Common Units.

(d) Except as otherwise provided herein, this Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

(e) For purposes of this Agreement, "Family Member" of a Grantee, means the Grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Grantee's household (other than a tenant of the Grantee), a trust in which these persons (or the Grantee) own more than fifty (50) percent of the beneficial interest, a foundation in which these persons (or the Grantee) control the management of assets, and any other entity in which these persons (or the Grantee) own more than fifty (50) percent of the voting interests.

8. Legend. The records of the Operating Partnership and any other documentation evidencing the Award LTIP Units shall bear an appropriate legend, as determined by the Operating Partnership in its sole discretion, to the effect that such LTIP Units are subject to restrictions as set forth herein, in the Plan and in the LP Agreement.

9. Tax Withholding. If and to the extent the Award becomes a taxable event for Federal income tax purposes, the Grantee will pay the Company or make arrangements satisfactory to the Company regarding the payment of, any withholding amount due. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the

Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

10. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, the Operating Partnership and any of their Subsidiaries (the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

11. Investment Representation; Registration. The Grantee hereby makes the covenants, representations and warranties set forth on Exhibit C attached hereto as of the Grant Date and as of each Vesting Date. All of such covenants, warranties and representations shall survive the execution and delivery of this Agreement by the Grantee. The Grantee shall immediately notify the Operating Partnership upon discovering that any of the representations or warranties set forth on Exhibit C was false when made or have, as a result of changes in circumstances, become false. The Operating Partnership will have no obligation to register under the Securities Act any of the LTIP Units or any other securities issued pursuant to this Agreement or upon conversion or exchange of the Award LTIP Units into other limited partnership interests of the Operating Partnership or shares of capital stock of the Company.

12. Miscellaneous.

(a) Notice hereunder shall be given to the Company at its principal place of business, and shall be given to the Grantee at the most recent address on file with the Company, or in either case at such other address as one party may subsequently furnish to the other party in writing.

(b) This Agreement does not confer upon the Grantee any rights with respect to continuation of employment by the Relevant Companies, and neither the Plan nor this Agreement shall interfere in any way with the right of the Relevant Companies to terminate the employment of the Grantee at any time.

(c) This Agreement may only be modified or amended in a writing signed by the parties hereto, provided that the Grantee acknowledges that the Plan may be amended or discontinued in accordance with Section 10(f) thereof and that this Agreement may be amended or canceled by the Administrator, on behalf of the Company and the Operating Partnership, in each case for the purpose of satisfying changes in law or for any other lawful purpose, so long as no such action shall adversely affect the Grantee's rights under this Agreement without the

Grantee's written consent. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by the parties which are not set forth expressly in this Agreement. The failure of the Grantee or the Company or the Operating Partnership to insist upon strict compliance with any provision of this Agreement, or to assert any right the Grantee or the Company or the Operating Partnership, respectively, may have under this Agreement, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(d) Other than as specifically stated herein or as otherwise set forth in any employment, change in control or other agreement or arrangement to which the Grantee is a party which specifically refers to the Award LTIP Units or to the treatment of compensatory equity held by the Grantee generally, this Agreement (together with those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

(e) Nothing contained in this Agreement shall preclude the Company from adopting or continuing in effect other or additional compensation plans, agreements or arrangements, and any such plans, agreements and arrangements may be either generally applicable or applicable only in specific cases or to specific persons.

(f) The Award LTIP Units are both issued as equity securities of the Operating Partnership and granted as "Other Stock Based Awards", which are convertible into Common Stock, under the Plan.

(g) If any term or provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or under any applicable law, rule or regulation, then such provision shall be construed or deemed amended to conform to applicable law (or if such provision cannot be so construed or deemed amended without materially altering the purpose or intent of this Agreement and the grant of Award LTIP Units hereunder, such provision shall be stricken as to such jurisdiction and the remainder of this Agreement and the award hereunder shall remain in full force and effect).

(h) Section, paragraph and other headings and captions are provided solely as a convenience to facilitate reference. Such headings and captions shall not be deemed in any way material or relevant to the construction, meaning or interpretation of this Agreement or any term or provision hereof.

(i) This Agreement may be executed in two or more separate counterparts, each of which shall be an original, and all of which together shall constitute one and the same agreement.

(j) The rights and obligations created hereunder shall be binding on the Grantee and his or her heirs and legal representatives and on the successors and assigns of the Operating Partnership.

(k) By accepting this Agreement, the Grantee (i) consents to the electronic delivery of this Agreement, all information with respect to the Plan and any reports of the Company provided generally to the Company's stockholders; (ii) acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Grantee by contacting the Company by telephone or in writing; (iii) further acknowledges that he or she may revoke his or her consent to electronic delivery of documents at any time by notifying the Company of such revoked consent by telephone, postal service or electronic mail; and (iv) further acknowledges that he or she is not required to consent to electronic delivery of documents.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to any principles of conflicts of law which could cause the application of the laws of any jurisdiction other than the State of Delaware.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Lamar Advertising Limited Partnership

By: Lamar Advertising General Partner, LLC, its General Partner

By: Lamar Media Corp., its sole member

By: ________________________________

Name:
Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned.

Dated:

Grantee's Signature: ______________________________

Exhibit A

2024__ Performance Criteria

The Grantee's Awarded LTIP Units shall become vested based on the satisfaction of both the (i) the time vesting requirement described in Section 4(a) of the Agreement, and (ii) the Performance Criteria described in this Exhibit A. The initial number of Award LTIP Units specified in Section 1 of the Agreement shall be the full award of LTIP Units that may be delivered upon settlement of this Agreement. This initial number of Award LTIP Units shall be adjusted based on the attainment of the Performance Criteria described in Section 3 below.

1. Performance Period: The performance period shall be the period between January 1, 2024 and December 31, 2024.

2. Award Value: The Award LTIP Units subject to this Agreement will be earned based on the Company's performance for the Performance Period, subject to the exercise of any discretion by the Compensation Committee. Following the end of the Performance Period, the Committee shall determine the number of Award LTIP Units earned for the Performance Period.

3. Performance Criteria: Fifty percent (50%) of the Award LTIP Units shall be earned based on the Company's attainment of the Revenue factor described in Section 3(a) below. The remaining fifty percent (50%) of the Award LTIP Units shall be earned based on the Company's attainment of the EBITDA factor described in Section 3(b) below. In each case, such amounts may be subject to adjustment by the Compensation Committee.

(a) Revenue Factor – Revenue growth is the Company's adjusted pro forma growth in annual revenue, as described in the Company's annual proxy statement and the Form 10-K filed for each fiscal year, as determined by the Company and certified by the Audit Committee in their discretion. The Award Level for the Revenue Factor for the Performance Period shall be determined based on the following table:

Revenue Growth	Vesting Percentage
≥ 3.70%	120%
≥ 3.45%	110%
≥ 3.20%	100%
≥ 2.90%	95%
≥ 2.60%	90%
≥ 2.30%	85%
≥ 2.00%	80%
≥ 1.70%	75%
≥ 1.40%	70%
≥ 1.10%	65%

(b) EBITDA Factor – EBITDA growth shall be the Company's pro forma growth in earnings before interest, taxes, depreciation, and amortization, as reported in the Company's annual proxy statement, as determined by the Company and certified by the Audit

Committee in their discretion. The Award Level for the EBITDA Factor for the Performance Period shall be determined based on the following table:

EBITDA Growth	Vesting Percentage
≥ 4.10%	120%
≥ 3.60%	110%
≥ 3.10%	100%
≥ 2.80%	95%
≥ 2.50%	90%
≥ 2.20%	85%
≥ 1.90%	80%
≥ 1.60%	75%
≥ 1.30%	70%
≥ 1.00%	65%

(c) Forfeiture. Any portion of the Award LTIP Units which are not earned, as determined by the Compensation Committee shall be deemed forfeited as of the last day of the Performance Period.

Exhibit 31.1

CERTIFICATION

I, Sean E. Reilly, certify that:

1. I have reviewed this combined quarterly report on Form 10-Q of Lamar Advertising Company and Lamar Media Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrants as of, and for, the periods presented in this report;

4. The registrants' other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrants and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrants, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrants' disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrants' internal control over financial reporting that occurred during the registrants' most recent fiscal quarter (the registrants' fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrants' internal control over financial reporting; and

5. The registrants' other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrants' auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrants' abilities to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrants' internal control over financial reporting.

Date: May 2, 2024

/s/ Sean E. Reilly

Sean E. Reilly
Chief Executive Officer, Lamar Advertising Company
Chief Executive Officer, Lamar Media Corp.

Exhibit 31.2

CERTIFICATION

I, Jay L. Johnson, certify that:

1. I have reviewed this combined quarterly report on Form 10-Q of Lamar Advertising Company and Lamar Media Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrants as of, and for, the periods presented in this report;

4. The registrants' other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrants and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrants, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrants' disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrants' internal control over financial reporting that occurred during the registrants' most recent fiscal quarter (the registrants' fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrants' internal control over financial reporting; and

5. The registrants' other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrants' auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrants' abilities to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrants' internal control over financial reporting.

Date: May 2, 2024

/s/ Jay L. Johnson

Jay L. Johnson
Chief Financial Officer, Lamar Advertising Company
Chief Financial Officer, Lamar Media Corp.

Exhibit 32.1

LAMAR ADVERTISING COMPANY
LAMAR MEDIA CORP.

Certification of Periodic Financial Report
Pursuant to 18 U.S.C. Section 1350
as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned officers of Lamar Advertising Company ("Lamar Advertising") and Lamar Media Corp. ("Lamar Media") certifies, to his knowledge and solely for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the combined Quarterly Report on Form 10-Q of Lamar Advertising and Lamar Media for the period ended March 31, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the combined Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Lamar Advertising and Lamar Media

Date: May 2, 2024

BY: /s/ Sean E. Reilly
Sean E. Reilly
Chief Executive Officer, Lamar Advertising Company
Chief Executive Officer, Lamar Media Corp.

Date: May 2, 2024

BY: /s/ Jay L. Johnson
Jay L. Johnson
Chief Financial Officer, Lamar Advertising Company
Chief Financial Officer, Lamar Media Corp.