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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 4, 2017

LAMAR ADVERTISING COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36756
(Commission
File Number)

72-1449411
(IRS Employer
Identification No.)

5321 Corporate Blvd.
Baton Rouge, Louisiana 70808
(Address of Principal Executive Offices) (Zip Code)

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

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

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

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

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

Emerging growth company

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

Item 2.02 Results of Operations and Financial Condition.

On May 4, 2017, Lamar Advertising Company announced via press release its results for the quarter ended March 31, 2017. A copy of Lamar's press release is hereby furnished to the Commission and incorporated by reference herein as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of Lamar Advertising Company, dated May 4, 2017, reporting Lamar's financial results for the quarter ended March 31, 2017.

SIGNATURES

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

Date: May 4, 2017

LAMAR ADVERTISING COMPANY

By: /s/ Keith A. Istre
Keith A. Istre
Treasurer and Chief Financial Officer

EXHIBIT INDEX

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5321 Corporate Boulevard
Baton Rouge, LA 70808

**Lamar Advertising Company Announces
First Quarter 2017 Operating Results**

Three Month Results

- Net revenue increased 2.3% to \$346.4 million
- Net income was \$41.8 million
- Adjusted EBITDA decreased 1.4% to \$128.3 million

Three Month Acquisition-Adjusted Results

- Acquisition-adjusted net revenue increased 1.3%
- Acquisition-adjusted EBITDA decreased 2.1%

Baton Rouge, LA – May 4, 2017 - Lamar Advertising Company (Nasdaq: LAMR), a leading owner and operator of outdoor advertising and logo sign displays, announces the Company's operating results for the first quarter ended March 31, 2017.

"Our first-quarter revenue performance was in line with our guidance for low single-digit growth on an acquisition-adjusted basis," said Chief Executive Sean Reilly. "We are pleased that the tone of business is improving. Consequently, we are maintaining our previously provided AFFO guidance."

First Quarter Results

Lamar reported net revenues of \$346.4 million for the first quarter of 2017 versus \$338.5 million for the first quarter of 2016, a 2.3% increase. Operating income for the first quarter of 2017 decreased \$11.4 million to \$75.5 million as compared to \$86.8 million for the same period in 2016, primarily due to a decrease in gain on disposition of assets resulting from a reduction of acquisition activity in the first quarter of 2017. Lamar recognized net income of \$41.8 million for the first quarter of 2017 compared to net income of \$51.3 million for same period in 2016. Net income per diluted share was \$0.42 and \$0.53 for the three months ended March 31, 2017 and 2016, respectively.

Adjusted EBITDA for the first quarter of 2017 was \$128.3 million versus \$130.2 million for the first quarter of 2016, a decrease of 1.4%.

Cash flow provided by operating activities was \$34.5 million for the three months ended March 31, 2017, a decrease of \$17.0 million as compared to the same period in 2016. Free cash flow for the first quarter of 2017 was \$76.3 million as compared to \$78.3 million for the same period in 2016, a 2.5% decrease.

For the first quarter of 2017, Funds From Operations, or FFO, was \$89.6 million versus \$87.9 million for the same period in 2016, an increase of 2.0%. Adjusted Funds From Operations, or AFFO, for the first quarter of 2017 was \$86.4 million compared to \$92.3 million for the same period in 2016, a decrease of 6.4%. Diluted AFFO per share decreased 7.3% to \$0.88 for the three months ended March 31, 2017 as compared to \$0.95 for the same period in 2016.

Acquisition-Adjusted Three Months Results

Acquisition-adjusted net revenue for the first quarter of 2017 increased 1.3% over Acquisition-adjusted net revenue for the first quarter of 2016. Acquisition-adjusted EBITDA for the first quarter of 2017 decreased 2.1% as compared to Acquisition-adjusted EBITDA for the first quarter of 2016. Acquisition-adjusted net revenue and Acquisition-adjusted EBITDA include adjustments to the 2016 period for acquisitions and divestitures for the same time frame as actually owned in the 2017 period. See "Reconciliation of Reported Basis to Acquisition-Adjusted Results", which provides reconciliations to GAAP for Acquisition-adjusted measures.

Liquidity

As of March 31, 2017, Lamar had \$159.9 million in total liquidity that consisted of \$128.3 million available for borrowing under its revolving senior credit facility and approximately \$31.6 million in cash and cash equivalents.

Forward Looking Statements

This press release contains forward-looking statements, including statements regarding sales trends. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected in these forward-looking statements. These risks and uncertainties include, among others: (1) our significant indebtedness; (2) the state of the economy and financial markets generally and the effect of the broader economy on the demand for advertising; (3) the continued popularity of outdoor advertising as an advertising medium; (4) our need for and ability to obtain additional funding for operations, debt refinancing or acquisitions; (5) our ability to continue to qualify as a Real Estate Investment Trust (“REIT”) and maintain our status as a REIT; (6) the regulation of the outdoor advertising industry by federal, state and local governments; (7) the integration of companies that we acquire and our ability to recognize cost savings or operating efficiencies as a result of these acquisitions; (8) changes in accounting principles, policies or guidelines; (9) changes in tax laws applicable to REITs or in the interpretation of those laws; (10) our ability to renew expiring contracts at favorable rates; (11) our ability to successfully implement our digital deployment strategy; and (12) the market for our Class A common stock. For additional information regarding factors that may cause actual results to differ materially from those indicated in our forward-looking statements, we refer you to the risk factors included in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2016, as supplemented by any risk factors contained in our Quarterly Reports on Form 10-Q. We caution investors not to place undue reliance on the forward-looking statements contained in this document. These statements speak only as of the date of this document, and we undertake no obligation to update or revise the statements, except as may be required by law.

Use of Non-GAAP Financial Measures

The Company has presented the following measures that are not measures of performance under accounting principles generally accepted in the United States of America (“GAAP”): Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), Free Cash Flow, Funds From Operations (“FFO”), Adjusted Funds From Operations (“AFFO”), Diluted AFFO per share, Outdoor Operating Income and Acquisition-Adjusted Results. Our management reviews our performance by focusing on these key performance indicators not prepared in conformity with GAAP. We believe these non-GAAP performance indicators are meaningful supplemental measures of our operating performance and should not be considered in isolation of, or as a substitute for their most directly comparable GAAP financial measures.

Our Non-GAAP financial measures are determined as follows:

- We define Adjusted EBITDA as net income before income tax expense (benefit), interest expense (income), gain (loss) on extinguishment of debt and investments, stock-based compensation, depreciation and amortization and gain or loss on disposition of assets and investments.
- Free Cash Flow is defined as Adjusted EBITDA less interest, net of interest income and amortization of deferred financing costs, current taxes, preferred stock dividends and total capital expenditures.
- We use the National Association of Real Estate Investment Trusts definition of FFO, which is defined as net income before gains or losses from the sale or disposal of real estate assets and investments and real estate related depreciation and amortization and including adjustments to eliminate unconsolidated affiliates and non-controlling interest.
- We define AFFO as FFO before (i) straight-line revenue and expense; (ii) stock-based compensation expense; (iii) non-cash portion of tax provision; (iv) non-real estate related depreciation and amortization; (v) amortization of deferred financing costs; (vi) loss on extinguishment of debt; (vii) non-recurring infrequent or unusual losses (gains); (viii) less maintenance capital expenditures; and (ix) an adjustment for unconsolidated affiliates and non-controlling interest.
- Diluted AFFO per share is defined as AFFO divided by Weighted average diluted common shares outstanding.
- Outdoor Operating Income is defined as Operating Income before corporate expenses, stock-based compensation, depreciation and amortization and gain (loss) on disposition of assets.
- Acquisition-Adjusted Results adjusts our net revenue, direct and general and administrative expenses, outdoor operating income, corporate expense and EBITDA for the prior period by adding to, or subtracting from, the corresponding revenue or expense generated by the acquired assets or divested before our acquisition or

divestiture of these assets for the same time frame that those assets were owned in the current period. In calculating Acquisition-Adjusted Results, therefore, we include revenue and expenses generated by assets that we did not own in the prior period but acquired in the current period. We refer to the amount of pre-acquisition revenue and expense generated by or subtracted from the acquired assets during the prior period that corresponds with the current period in which we owned the assets (to the extent within the period to which this report relates) as "Acquisition-Adjusted Results".

Adjusted EBITDA, FFO, AFFO, Outdoor Operating Income and Acquisition-Adjusted Results are not intended to replace other performance measures determined in accordance with GAAP. Free Cash Flow, 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, Free Cash Flow, FFO, AFFO, Diluted AFFO per share, Outdoor Operating Income and Acquisition-Adjusted Results are presented as we believe each is a useful indicator of our current operating performance. Specifically, we believe that these metrics are useful to an investor in evaluating our operating performance because (1) each is a key measure used by our management team for purposes of decision making and for evaluating our core operating results; (2) Adjusted EBITDA is widely used in the industry to measure operating performance as it excludes the impact of depreciation and amortization, which may vary significantly among companies, depending upon accounting methods and useful lives, particularly where acquisitions and non-operating factors are involved; (3) Adjusted EBITDA, FFO, AFFO and Diluted AFFO per share each provides investors with a meaningful measure for evaluating our period-over-period operating performance by eliminating items that are not operational in nature and reflect the impact on operations from trends in occupancy rates, operating costs, general and administrative expenses and interest costs; (4) Acquisition-Adjusted Results is a supplement to enable investors to compare period-over-period results on a more consistent basis without the effects of acquisitions and divestitures, which reflects our core performance and organic growth (if any) during the period in which the assets were owned and managed by us; (5) Free Cash Flow is an indicator of our ability to service debt and generate cash for acquisitions and other strategic investments; (6) Outdoor Operating Income provides investors a measurement of our core results without the impact of fluctuations in stock-based compensation, depreciation and amortization and corporate expenses; and (7) each of our Non-GAAP measures provides investors with a measure for comparing our results of operations to those of other companies.

Our measurement of Adjusted EBITDA, FFO, AFFO, Outdoor Operating Income and Acquisition-Adjusted Results may not, however, be fully comparable to similarly titled measures used by other companies. Reconciliations of Adjusted EBITDA, FFO, AFFO, Outdoor Operating Income and Acquisition-Adjusted Results to the most directly comparable GAAP measures have been included herein.

Conference Call Information

A conference call will be held to discuss the Company's operating results on Thursday, May 4, 2017 at 8:00 a.m. central time. Instructions for the conference call and Webcast are provided below:

Conference Call

All Callers: 1-334-323-0520 or 1-334-323-9871

Pass Code: Lamar

Replay: 1-334-323-0140 or 1-877-919-4059

Pass Code: 19361931
Available through Thursday, May 11, 2017 at 11:59 p.m. eastern time

Live Webcast: www.lamar.com

Webcast Replay: www.lamar.com
Available through Thursday, May 11, 2017 at 11:59 p.m. eastern time

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

General Information

Founded in 1902, Lamar Advertising (Nasdaq: LAMR) is one of the largest outdoor advertising companies in North America, with more than 330,000 displays across the United States, Canada and Puerto Rico. Lamar offers advertisers a variety of billboard, interstate logo and transit advertising formats, helping both local businesses and national brands reach broad audiences every day. In addition to its more traditional out-of-home inventory, Lamar is proud to offer its customers the largest network of digital billboards in the United States with over 2,600 displays.

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

	Three months ended	
	2017	2016
Net revenues	\$ 346,362	\$ 338,533
Operating expenses (income)		
Direct advertising expenses	131,844	128,725
General and administrative expenses	69,849	64,430
Corporate expenses	16,337	15,187
Stock-based compensation	2,478	3,199
Depreciation and amortization	51,425	51,489
Gain on disposition of assets	(1,036)	(11,327)
	<u>270,897</u>	<u>251,703</u>
Operating income	75,465	86,830
Other (income) expense		
Interest income	(4)	(1)
Loss on extinguishment of debt	—	3,142
Interest expense	31,483	30,068
	<u>31,479</u>	<u>33,209</u>
Income before income tax expense	43,986	53,621
Income tax expense	2,199	2,307
Net income	41,787	51,314
Preferred stock dividends	91	91
Net income applicable to common stock	<u>\$ 41,696</u>	<u>\$ 51,223</u>
<u>Earnings per share:</u>		
Basic earnings per share	<u>\$ 0.43</u>	<u>\$ 0.53</u>
Diluted earnings per share	<u>\$ 0.42</u>	<u>\$ 0.53</u>
Weighted average common shares outstanding:		
- basic	97,575,481	96,793,244
- diluted	98,149,974	97,378,135
OTHER DATA		
<u>Free Cash Flow Computation:</u>		
Adjusted EBITDA	\$ 128,332	\$ 130,191
Interest, net	(30,131)	(28,685)
Current tax expense	(2,554)	(2,489)
Preferred stock dividends	(91)	(91)
Total capital expenditures	<u>(19,236)</u>	<u>(20,619)</u>
Free Cash Flow	<u>\$ 76,320</u>	<u>\$ 78,307</u>

OTHER DATA (continued):

	March 31, 2017	December 31, 2016
Selected Balance Sheet Data:		
Cash and cash equivalents	\$ 31,622	\$ 35,530
Working capital	\$ 104,224	\$ 36,929
Total assets	\$3,924,595	\$3,898,884
Total debt, net of deferred financing costs (including current maturities)	\$2,424,906	\$2,349,183
Total stockholders' equity	\$1,053,728	\$1,069,528
	Three Months ended March 31,	
	2017	2016
Selected Cash Flow Data:		
Cash flows provided by operating activities	\$ 34,496	\$ 51,537
Cash flows (used in) provided by investing activities	\$ (35,419)	\$ (517,553)
Cash flows (used in) provided by financing activities	\$ (3,172)	\$ 471,003

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

	Three months ended	
	March 31,	
	2017	2016
Reconciliation of Free Cash Flow to Cash Flows Provided by Operating Activities:		
Cash flows provided by operating activities	\$ 34,496	\$ 51,537
Changes in operating assets and liabilities	62,579	49,189
Total capital expenditures	(19,236)	(20,619)
Preferred stock dividends	(91)	(91)
Other	(1,428)	(1,709)
Free cash flow	<u>\$ 76,320</u>	<u>\$ 78,307</u>
Reconciliation of Adjusted EBITDA to Net Income:		
Adjusted EBITDA	\$128,332	\$130,191
Less:		
Stock-based compensation	2,478	3,199
Depreciation and amortization	51,425	51,489
Gain on disposition of assets	(1,036)	(11,327)
Operating Income	<u>75,465</u>	<u>86,830</u>
Less:		
Interest income	(4)	(1)
Loss on extinguishment of debt	—	3,142
Interest expense	31,483	30,068
Income tax expense	2,199	2,307
Net income	<u>\$ 41,787</u>	<u>\$ 51,314</u>
Capital expenditure detail by category:		
Billboards - traditional	\$ 6,279	\$ 6,874
Billboards - digital	7,587	6,548
Logo	1,801	1,431
Transit	223	130
Land and buildings	1,382	3,893
Operating equipment	1,964	1,743
Total capital expenditures	<u>\$ 19,236</u>	<u>\$ 20,619</u>

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

	Three months ended March 31,		% Change
	2017	2016	
Reconciliation of Reported Basis to Acquisition-Adjusted Results (a):			
Net revenue	\$ 346,362	\$ 338,533	2.3%
Acquisitions and divestitures	—	3,292	
Acquisition-adjusted results-net revenue	\$ 346,362	\$ 341,825	1.3%
Reported direct advertising and G&A expenses	\$ 201,693	\$ 193,155	4.4%
Acquisitions and divestitures	—	2,387	
Acquisition-adjusted results-direct advertising and G&A expenses	\$ 201,693	\$ 195,542	3.1%
Outdoor operating income	\$ 144,669	\$ 145,378	(0.5)%
Acquisitions and divestitures	—	905	
Acquisition-adjusted results-outdoor operating income	\$ 144,669	\$ 146,283	(1.1)%
Reported corporate expenses	\$ 16,337	\$ 15,187	7.6%
Acquisitions and divestitures	—	—	
Acquisition-adjusted results-corporate expenses	\$ 16,337	\$ 15,187	7.6%
Adjusted EBITDA	\$ 128,332	\$ 130,191	(1.4)%
Acquisitions and divestitures	—	905	
Acquisition-adjusted EBITDA	<u>\$ 128,332</u>	<u>\$ 131,096</u>	(2.1)%

(a) Acquisition-adjusted net revenue, direct advertising and general and administrative expenses, outdoor operating income, corporate expenses and EBITDA include adjustments to 2016 for acquisitions and divestitures for the same time frame as actually owned in 2017.

	Three months ended March 31,	
	2017	2016
Reconciliation of Outdoor Operating Income to Operating Income:		
Outdoor Operating Income	\$ 144,669	\$ 145,378
Less: Corporate expenses	16,337	15,187
Stock-based compensation	2,478	3,199
Depreciation and amortization	51,425	51,489
Plus: Gain on disposition of assets	1,036	11,327
Operating Income	<u>\$ 75,465</u>	<u>\$ 86,830</u>

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

Adjusted Funds From Operations:

	Three months ended March 31,	
	2017	2016
Net income	\$ 41,787	\$ 51,314
Depreciation and amortization related to real estate	48,521	47,767
Gain from disposition of real estate assets and investments	(839)	(11,267)
Adjustment for unconsolidated affiliates and non-controlling interest	177	96
Funds From Operations	<u>\$ 89,646</u>	<u>\$ 87,910</u>
Straight-line income	(37)	(50)
Stock-based compensation expense	2,478	3,199
Non-cash portion of tax provision	(355)	(182)
Non-real estate related depreciation and amortization	2,904	3,722
Amortization of deferred financing costs	1,348	1,382
Loss on extinguishment of debt	—	3,142
Capitalized expenditures—maintenance	(9,378)	(6,692)
Adjustment for unconsolidated affiliates and non-controlling interest	(177)	(96)
Adjusted Funds From Operations	<u>\$ 86,429</u>	<u>\$ 92,335</u>
Divided by weighted average diluted common shares outstanding	<u>98,149,974</u>	<u>97,378,135</u>
Diluted AFFO per share	<u>\$ 0.88</u>	<u>\$ 0.95</u>