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**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 7, 2008**

**LAMAR ADVERTISING COMPANY**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-30242**  
(Commission File  
Number)

**72-1449411**  
(IRS Employer  
Identification No.)

**5551 Corporate Boulevard, Baton Rouge, Louisiana 70808**  
(Address of principal executive offices and zip code)

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

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))
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**Item 2.02 Results of Operations and Financial Condition.**

On May 7, 2008, Lamar Advertising Company announced via press release its results for the quarter ended March 31, 2008. 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 7, 2008, reporting Lamar's financial results for the quarter ended March 31, 2008. |

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**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 7, 2008

**LAMAR ADVERTISING COMPANY**

By: /s/ Keith A. Istre

Keith A. Istre

Treasurer and Chief Financial Officer

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## EXHIBIT INDEX

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|------------------------|--|
| 99.1                   | Press Release of Lamar Advertising Company, dated May 7, 2008, reporting Lamar's financial results for the quarter ended March 31, 2008. |



5551 Corporate Boulevard  
Baton Rouge, LA 70808

**Lamar Advertising Company Announces  
First Quarter 2008 Operating Results**

Baton Rouge, LA — May 7, 2008 — 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, 2008.

**First Quarter Results**

Lamar reported net revenues of \$282.8 million for the first quarter of 2008 versus \$275.2 million for the first quarter of 2007, a 2.8% increase. Operating income for the first quarter of 2008 was \$36.1 million as compared to \$31.5 million for the same period in 2007. There was a net loss of \$1.5 million for the first quarter of 2008 compared to net earnings of \$8.8 million for the first quarter of 2007.

Adjusted EBITDA, which we refer to herein as EBITDA (defined as operating income before non-cash compensation, depreciation and amortization and gain on disposition of assets — see reconciliation to net (loss) income at the end of this release), for the first quarter of 2008 was \$114.2 million versus \$114.0 million for the first quarter of 2007, a 0.2% increase.

Free cash flow (defined as EBITDA less interest, net of interest income and amortization of financing costs, current taxes, preferred stock dividends and total capital expenditures — see reconciliation to cash flows provided by operating activities at the end of this release) for the first quarter of 2008 was \$24.2 million as compared to \$37.6 million for the same period in 2007, a 35.6% decrease.

Pro forma net revenue for the first quarter of 2008 increased 2.3% and pro forma EBITDA decreased 1.0% as compared to the first quarter of 2007. Pro forma net revenue and EBITDA include adjustments to the 2007 period for acquisitions and divestitures for the same time frame as actually owned in the 2008 period. Tables that reconcile reported results to pro forma results and operating income to outdoor operating income are included at the end of this release.

**Stock Repurchase Program**

During the quarter ended March 31, 2008, the Company repurchased 1,459,156 shares of its Class A common stock for an aggregate purchase price of approximately \$50.1 million. As of March 31, 2008, the Company had approximately \$167.0 million of authorized repurchase capacity remaining under its repurchase program. Share repurchases under the program may be made on the open market or in privately negotiated transactions. The timing and amount of any shares repurchased is determined by Lamar's management based on its evaluation of market conditions and other factors. The repurchase program may be suspended or discontinued at any time. Any repurchased shares will be available for future use for general corporate and other purposes.

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## **Guidance**

For the second quarter of 2008 the Company expects net revenue to be approximately \$316.0 million to \$319.0 million. On a pro forma basis this represents an increase of between 0% and 1% over the same period in 2007. This guidance excludes any revenue that will be generated by the Vista Acquisition which is expected to close in the second quarter of 2008. Revenue from Vista is expected to be approximately \$3.0 million per month upon closing.

## **Forward Looking Statements**

This press release contains forward-looking statements, including the statements regarding guidance for the second quarter of 2008, the timing of and revenues related to the Vista acquisition and the Company's ongoing stock repurchase plan. 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 continued popularity of outdoor advertising as an advertising medium; (3) the strength of the economy generally and the demand for advertising in particular; (4) regulation of the outdoor advertising industry that could adversely affect us; (5) our need for and ability to obtain additional funding for acquisitions or operations; (6) the integration of companies that we acquire and our ability to recognize cost savings or operating efficiencies as a result of these acquisitions; (7) the market for our Class A common stock and our management's allocation of working capital to fund our stock repurchase program as opposed to other uses and (8) other factors described in the reports on Forms 10-K and 10-Q and the registration statements that we file from time to time with the SEC. 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 Measures**

EBITDA, free cash flow, pro forma results and outdoor operating income are not measures of performance under accounting principles generally accepted in the United States of America ("GAAP") and should not be considered alternatives to operating income, net loss, cash flows from operating activities, or other GAAP figures as indicators of the Company's financial performance or liquidity. The Company's management believes that EBITDA, free cash flow, pro forma results and outdoor operating income are useful in evaluating the Company's performance and provide investors and financial analysts a better understanding of the Company's core operating results. The pro forma acquisition adjustments are intended to provide information that may be useful for investors when assessing period to period results. Our presentations of these measures may not be comparable to similarly titled measures used by other companies. Reconciliations of these measures to GAAP are included at the end of this release.

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### **Conference Call Information**

A conference call will be held to discuss the Company's operating results on Wednesday, May 7, 2008 at 10:00 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  
**Passcode:** Lamar 1

**Replay:** 1-877-919-4059  
**Passcode:** 94876405  
Available through Monday, May 12, 2008 at 11:59 p.m. eastern time

**Live Webcast:** [www.lamar.com](http://www.lamar.com)

**Webcast Replay:** [www.lamar.com](http://www.lamar.com)  
Available through Monday, May 12, 2008 at 11:59 p.m. eastern time

### **General Information on Lamar**

Lamar Advertising Company is a leading outdoor advertising company currently operating over 150 outdoor advertising companies in 44 states, Canada and Puerto Rico, logo businesses in 18 states and the province of Ontario, Canada and approximately 65 transit advertising franchises in the United States, Canada and Puerto Rico.

Company Contact: Keith A. Istre  
Chief Financial Officer  
(225) 926-1000  
[KI@lamar.com](mailto:KI@lamar.com)

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

|   | Three months ended<br>March 31,<br>2008 | Three months ended<br>March 31,<br>2007 |
|---|---|---|
| Net revenues                                      | \$ 282,776                              | \$ 275,185                              |
| Operating expenses (income)                       |   |   |
| Direct advertising expenses                       | 104,787                                 | 100,783                                 |
| General and administrative expenses               | 50,984                                  | 48,876                                  |
| Corporate expenses                                | 12,790                                  | 11,551                                  |
| Non-cash compensation                             | 1,410                                   | 9,447                                   |
| Depreciation and amortization                     | 77,693                                  | 73,318                                  |
| Gain on disposition of assets                     | (943)                                   | (312)                                   |
|   | <u>246,721</u>                          | <u>243,663</u>                          |
| Operating income                                  | 36,055                                  | 31,522                                  |
| Other expense (income)                            |   |   |
| Gain on disposition of/return on investment       | (1,533)                                 | (15,448)                                |
| Interest income                                   | (449)                                   | (493)                                   |
| Interest expense                                  | 40,768                                  | 31,845                                  |
|   | <u>38,786</u>                           | <u>15,904</u>                           |
| (Loss) income before income tax expense           | (2,731)                                 | 15,618                                  |
| Income tax (benefit) expense                      | (1,197)                                 | 6,779                                   |
| Net (loss) income                                 | (1,534)                                 | 8,839                                   |
| Preferred stock dividends                         | 91                                      | 91                                      |
| Net (loss) income applicable to common stock      | <u>\$ (1,625)</u>                       | <u>\$ 8,748</u>                         |
| Earnings per share:                               |   |   |
| Basic (loss) earnings per share                   | <u>\$ (0.02)</u>                        | <u>\$ 0.09</u>                          |
| Diluted (loss) earnings per share                 | <u>\$ (0.02)</u>                        | <u>\$ 0.09</u>                          |
| Cash dividends declared per share of common stock | <u>\$ —</u>                             | <u>\$ 3.25</u>                          |
| Weighted average common shares outstanding:       |   |   |
| - basic   | 93,429,973                              | 99,222,644                              |
| - diluted   | 93,682,468                              | 100,064,865                             |

**OTHER DATA**

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Free Cash Flow Computation:    |                  |                  |
| EBITDA                         | \$ 114,215       | 113,975          |
| Interest, net                  | (39,074)         | \$ (30,262)      |
| Current tax (expense) benefit  | (621)            | 3,994            |
| Preferred stock dividends      | (91)             | (91)             |
| Total capital expenditures (1) | (50,245)         | (50,064)         |
| Free cash flow                 | <u>\$ 24,184</u> | <u>\$ 37,552</u> |

(1) See the capital expenditures detail included in this release for a breakdown by category.

| Selected Balance Sheet Data:              | March 31,<br>2008 | December 31,<br>2007 |
|---|-------------------|----------------------|
| Cash and cash equivalents                 | 18,861            | \$ 76,048            |
| Working capital                           | 137,756           | 155,229              |
| Total assets                              | 4,086,299         | 4,081,763            |
| Total debt (including current maturities) | 2,813,483         | 2,725,770            |
| Total stockholders' equity                | 876,347           | 931,007              |

|   | Three months ended |                   |
|---|--------------------|-------------------|
|   | 2008               | March 31,<br>2007 |
| <b>Other Data:</b>  |                    |                   |
| Cash flows provided by operating activities   | \$ 22,359          | \$ 33,352         |
| Cash flows used in investing activities   | 113,292            | 81,218            |
| Cash flows provided by financing activities   | 37,410             | 36,333            |
| <b>Reconciliation of Free Cash Flow to Cash Flows Provided by Operating Activities:</b> |                    |                   |
| Cash flows provided by operating activities   | \$ 22,359          | \$ 33,352         |
| Changes in operating assets and liabilities   | 54,620             | 48,711            |
| Total capital expenditures  | (50,245)           | (50,064)          |
| Preferred stock dividends   | (91)               | (91)              |
| Other   | (2,459)            | 5,644             |
| Free cash flow  | <u>\$ 24,184</u>   | <u>\$ 37,552</u>  |
| <b>Reconciliation of EBITDA to Net income:</b>  |                    |                   |
| EBITDA  | \$ 114,215         | \$ 113,975        |
| Less:   |                    |                   |
| Non-cash compensation   | 1,410              | 9,447             |
| Depreciation and amortization   | 77,693             | 73,318            |
| Gain on disposition of assets   | (943)              | (312)             |
| Operating Income  | 36,055             | 31,522            |
| Less:   |                    |                   |
| Gain on disposition of/return on investment   | (1,533)            | (15,448)          |
| Interest income   | (449)              | (493)             |
| Interest expense  | 40,768             | 31,845            |
| Income tax (benefit) expense  | (1,197)            | 6,779             |
| Net (loss) income   | <u>\$ (1,534)</u>  | <u>\$ 8,839</u>   |

| Reconciliation of Reported Basis to Pro Forma (a) Basis: | Three months ended<br>March 31, |            | % Change |
|--|---------------------------------|------------|----------|
|  | 2008                            | 2007       |          |
| Reported net revenue                                     | \$ 282,776                      | \$ 275,185 | 2.8%     |
| Acquisitions and divestitures                            | —                               | 1,249      |          |
| Pro forma net revenue                                    | \$ 282,776                      | \$ 276,434 | 2.3%     |
| Reported direct advertising and G&A expenses             | \$ 155,771                      | \$ 149,659 | 4.1%     |
| Acquisitions and divestitures                            | —                               | (192)      |          |
| Pro forma direct advertising and G&A expenses            | \$ 155,771                      | \$ 149,467 | 4.2%     |
| Reported outdoor operating income                        | \$ 127,005                      | \$ 125,526 | 1.2%     |
| Acquisitions and divestitures                            | —                               | 1,441      |          |
| Pro forma outdoor operating income                       | \$ 127,005                      | \$ 126,967 | 0.0%     |
| Reported corporate expenses                              | \$ 12,790                       | \$ 11,551  | 10.7%    |
| Acquisitions and divestitures                            | —                               | —          |          |
| Pro forma corporate expenses                             | \$ 12,790                       | \$ 11,551  | 10.7%    |
| Reported EBITDA  | \$ 114,215                      | \$ 113,975 | 0.2%     |
| Acquisitions and divestitures                            | —                               | 1,441      |          |
| Pro forma EBITDA   | \$ 114,215                      | \$ 115,416 | (1.0%)   |

(a) Pro forma net revenues, direct advertising and general and administrative expenses, outdoor operating income, corporate expenses, and EBITDA include adjustments to 2007 for acquisitions and divestitures for the same time frame as actually owned in 2008.

| Reconciliation of Outdoor Operating Income to Operating Income: | Three months ended<br>March 31, |            |
|---|---------------------------------|------------|
|   | 2008                            | 2007       |
| Outdoor Operating income  | \$ 127,005                      | \$ 125,526 |
| Less: Corporate expenses  | 12,790                          | 11,551     |
| Non-cash compensation   | 1,410                           | 9,447      |
| Depreciation and amortization                                   | 77,693                          | 73,318     |
| Plus: Gain on disposition of assets                             | 943                             | 312        |
| Operating income  | \$ 36,055                       | \$ 31,522  |

  

| Capital expenditure detail by category | Three months ended March 31, |           |
|--|------------------------------|-----------|
|  | 2008                         | 2007      |
| Billboards — traditional               | \$ 18,452                    | \$ 20,525 |
| Billboards — digital                   | 25,242                       | 15,786    |
| Logo                                   | 1,654                        | 1,774     |
| Transit                                | 90                           | 439       |
| Land and buildings                     | 983                          | 9,100     |
| Operating equipment                    | 3,824                        | 2,440     |
| Total capital expenditures             | \$ 50,245                    | \$ 50,064 |