Zacks Report Date: January 09, 2026

Lamar Advertising (LAMR)

$127.48 (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **$137.00**

Long Term: 6-12 Months	**Zacks Recommendation:**	**Neutral**
	(Since: 01/27/25)	
	Prior Recommendation: Underperform	
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: D
	Value: D | Growth: D	Momentum: B

Summary

Shares of Lamar have outperformed the industry over the past six months. The company's impressive footprint of outdoor advertising assets across the United States and Canada positions it well to ride the growth curve. An unmatched logo signs business and a diversified tenant base across sectors assure stable revenues. Efforts to expand the digital platform through acquisitions and technological advancements in the low-cost, out-of-home ("OOH") advertising platform bode well for long-term growth. Its industry's high barrier to entry gives the company an edge. Solid dividend payouts are another attraction. However, caution among advertisers amid the uncertain macroeconomic situation and competition from other outdoor advertisers and media forms will likely affect its performance in the near term. High debt burden also ail.

Price, Consensus & Surprise(1)

Data Overview

52 Week High-Low	**$134.63 - $99.84**
20 Day Average Volume (sh)	**438,949**
Market Cap	**$12.9 B**
YTD Price Change	**0.7%**
Beta	**1.23**
Dividend / Div Yld	**$6.20 / 4.9%**
Industry	**REIT and Equity Trust - Other**
Zacks Industry Rank	**Top 43% (106 out of 244)**

Last EPS Surprise	**2.8%**
Last Sales Surprise	**0.3%**
EPS F1 Est- 4 week change	**1.1%**
Expected Report Date	**02/19/2026**
Earnings ESP	**0.9%**

P/E TTM	**15.5**
P/E F1	**14.4**
PEG F1	**3.2**
P/S TTM	**5.7**

Sales and EPS Growth Rates (Y/Y %)(1)

Sales Estimates **(millions of $)**(1)

	Q1	Q2	Q3	Q4	Annual*
2026	529 E	609 E	611 E	629 E	2,378 E
2025	505 A	579 A	586 A	597 E	2,268 E
2024	498 A	565 A	564 A	580 A	2,207 A

EPS Estimates(1)

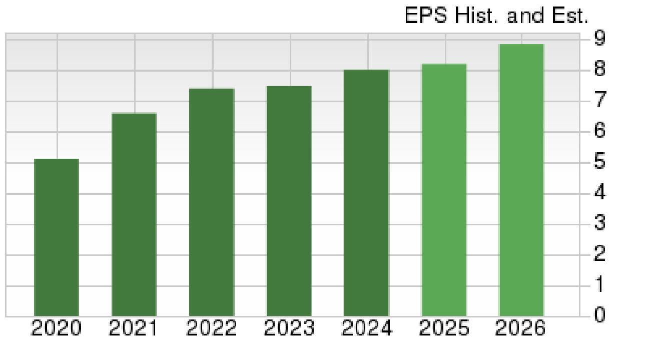
	Q1	Q2	Q3	Q4	Annual*
2026	1.66 E	2.36 E	2.37 E	2.47 E	8.83 E
2025	1.60 A	2.22 A	2.20 A	2.18 E	8.19 E
2024	1.54 A	2.08 A	2.15 A	2.21 A	7.99 A

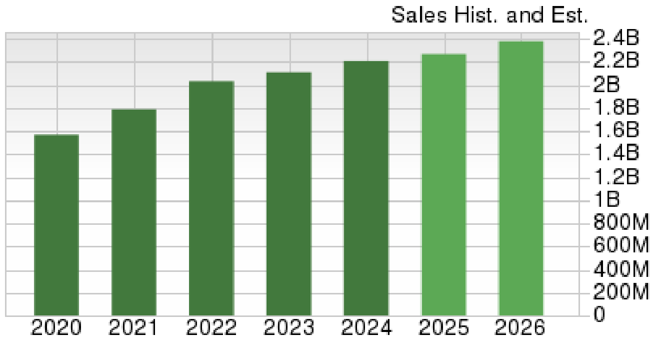
*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 01/08/2026.
(2) The report's text and the price target are as of 12/10/2025.

Overview

Headquartered in Baton Rouge, LA, Lamar Advertising Company is one of the largest owners and operators of outdoor advertising structures in the United States. This real estate investment trust (REIT) delivers advertising solutions to a diverse range of industries, including restaurants, retail, automotive, real estate, healthcare and gaming. With a selection of advertising formats such as billboards, interstate logos, transit placements and airport displays, the company empowers both local enterprises and national brands to connect with extensive audiences on a daily basis.





As of 01/08/2026

Lamar has operations across the United States and Canada, with more than 362,000 displays. It operates three types of outdoor advertising displays, namely billboard advertising (89.6% of net revenues in the third quarter of 2025), transit advertising (6.6%) and logo sign advertising (3.8%). It derives revenues from contracts for advertising space in these categories.

Billboard advertising: Billboard advertising comprises bulletins and posters and accounts for most of the company's advertising space. In addition to traditional static displays, Lamar rents digital billboards.

Logo sign advertising: Lamar installs logo signs that generally advertise nearby food, gas, camping, lodging and other attractions, as well as directional signs to direct vehicle traffic to nearby services and tourist attractions near highway exits.

Transit advertising: The company generally enters into transit contracts with the local municipalities and airport authorities, allowing it the exclusive right to rent advertising displays to customers at airports and on buses, benches or shelters.

In July 2025, Lamar purchased Verde Outdoor assets in a major boost to its portfolio. The move will expand its portfolio with more than 1,500 billboard faces, including 80 digital displays, spanning across 10 states in key markets in the Midwest, Southeast and Mid-Atlantic.

Note: All EPS numbers presented in this report represent funds from operations (FFO) per share. FFO, a widely used metric to gauge the performance of REITs, is obtained after adding depreciation and amortization and other non-cash expenses to net income.

As of 01/08/2026

Reasons To Buy:

Lamar holds a significant market share in the U.S. outdoor advertising business. Its diversified tenant base, opportunistic acquisitions and efforts to upgrade its portfolio are key growth drivers.

- Lamar enjoys an impressive national footprint and holds a leading position as a provider of logo signs in the United States. The company enjoys a diversified tenant base comprising tenants from the services, health care, restaurants, retailers, automotive, insurance and gaming categories. Apart from this, the company sources a significant part of its revenues from local businesses, with a diversified base of tenants. This generally leads to less volatility in revenues. In the third quarter of 2025, local and regional sales accounted for 78% of the company's billboard revenues. Moreover, local and regional sales reported growth for the 18th consecutive quarter.

- Over the recent years, the company has made efforts to upgrade its portfolio, increasing occupancy in its existing advertising displays and enabling it to enjoy a significant market share in the U.S. outdoor advertising business. The company's increased focus on bolstering its digital capabilities augurs well for long-term growth. Particularly, the growing digital platform allows Lamar to tap into expanding programmatic advertising channels. The company has added a large number of digital screens through acquisitions and internal conversions over the past several years. It offers customers the largest network of digital billboards in the United States, with more than 5,400 displays as of the end of the third quarter of 2025.

- OOH advertising has been growing at a rapid pace and continues to increase its market share in comparison with other forms of media. Importantly, the cost of advertisement through this medium is also comparatively lower than other media. Moreover, fragmentation across other advertising media and technological advancements in the OOH segment are aiding the shift to outdoor advertising. In the upcoming years, higher technology investments are expected to provide further support to OOH advertising. Therefore, the company's expansion activities over the recent years bode well for long-term growth. In July 2025, Lamar purchased Verde Outdoor assets in a major boost to its portfolio. The move will expand its portfolio with more than 1,500 billboard faces, including 80 digital displays, spanning across 10 states in key markets in the Midwest, Southeast and Mid-Atlantic. During the first nine months of 2025, Lamar completed more than 30 acquisitions for a total cash purchase price of approximately $133.9 million. For the full-year 2025, acquisition spend excluding Verde is likely to be north of $175 million. With such expansion efforts, it is poised to ride the growth curve.

- Lamar operates in an industry that is characterized by high barriers to entry due to permitting restrictions. This is because the company typically owns permits that allow OOH advertising at each location and these permits are the most prized assets of the company. Moreover, as there is a control on the permits, inventory as well as an intrusion from other market players, both local and national, are restricted. This helps support advertising rates. Hence, this provides the company with a solid competitive edge.

- Solid dividend payouts remain the biggest attraction for REIT investors, and Lamar remains committed to the same. In February 2025, the REIT increased its quarterly dividend payment on its Class A common stock and Class B common stock to $1.55 per share from $1.40 paid earlier, denoting a 10.7% hike. In the past five years, the company has raised its dividend eight times. Its five-year annualized dividend growth rate is 18.06%, which is encouraging. Moreover, the company's share repurchases also demonstrate its commitment to drive shareholder value. In the first nine months of 2025, the company repurchased 1,388,091 shares of its Class A common stock outstanding for a total purchase price of $150,000. It currently has $250,000 remaining under its current share repurchase authorization. Such efforts raise investors' confidence and optimism in the stock.

Reasons To Sell:

- Lamar Advertising faces stiff competition from other outdoor advertisers for customers, display locations and structures. The company also competes with other media, including conventional platforms such as television, radio, print media, direct mail marketers and online, mobile & social media platforms. These diversified competitors have the advantage of cross-selling complementary advertising products to advertisers. So, despite a significant portion of the company's revenues coming from local businesses, this competition from national players may partly impede its growth momentum. Moreover, given the uncertain macroeconomic situation, advertisers remain cautious, impacting the company's revenue growth.

> The uncertain macroeconomic situation and competition from other outdoor advertisers and other forms of media are major concerns for Lamar. High debt burden acts as a deterrent for the company.

- The company has a substantial debt burden, and its total debt as of Sept. 30, 2025, was approximately $3.35 billion. In the third quarter of 2025, its weighted average interest rate was 4.6% with a weighted average debt maturity of approximately five years. With a high level of debt, interest expenses are expected to remain elevated.

- The OOH advertising industry has to comply with regulations at the international, federal, state and local levels. These regulations, which may change frequently, have a deep impact on the outdoor advertising industry and Lamar's business.

Last Earnings Report

Lamar Q3 AFFO & Revenues Beat Estimates, Reaffirms 2025 Outlook

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Nov 06, 2025
Sales Surprise	0.29%
EPS Surprise	2.80%
Quarterly EPS	2.20
Annual EPS (TTM)	8.23

Lamar reported third-quarter 2025 adjusted funds from operations (AFFO) per share of $2.20, which outpaced the Zacks Consensus Estimate of $2.14. The figure also compared favorably with the prior-year quarter's tally of $2.15.

Results reflected year-over-year growth in the top line and an uptick in national sales. The company reaffirmed its full-year 2025 guidance.

Quarterly net revenues of $585.5 million increased 3.8% on a year-over-year basis. The figure also surpassed the consensus mark of $583.8 million.

Q3 in Detail

Operating income of $189.1 million rose 1.3% from the year-ago period's $186.6 million, while adjusted EBITDA increased 3.5% to $280.8 million. Acquisition-adjusted net revenues for the third quarter climbed 2.9% year over year. Acquisition-adjusted EBITDA grew 2% to $280.7 million.

The company's free cash flow of $189.2 million decreased 4.5% year over year in the quarter.

Balance Sheet Position

The cash flow provided by operating activities for the three months ended Sept. 30, 2025, was $235.7 million, up from $227.4 million recorded in the previous year quarter.

As of Sept. 30, 2025, Lamar had total liquidity of $834.2 million. This comprised $742.2 million available for borrowing under its revolving senior credit facility, $70 million available for borrowing under the Accounts Receivable Securitization Program, and $22 million in cash and cash equivalents.

2025 Outlook

Lamar reaffirmed its 2025 guidance and expects AFFO between $8.10 and $8.20 per share.

Recent News

Dividend Update

On Aug. 27, 2025, Lamar Advertising's board of directors announced a quarterly cash dividend of $1.55 per share on its Class A common stock and Class B common stock. The dividend was paid out on Sept. 30 to its shareholders on record as of Sept. 19, 2025.

Valuation

Lamar Advertising's shares have gained 0.1% over the trailing 12-month period. While stocks in the Zacks sub-industry have decreased 1.0%, those in the Zacks Finance sector have gained 11.1% over the past year.

The S&P 500 Index is up 14.5% over the trailing 12-month period.

The stock is currently trading at 14.90X forward 12-month FFO, which compares with 15.47X for the Zacks sub-industry, 17.11X for the Zacks sector and 23.44X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 22.97X and as low as 10.96X, with a five-year median of 14.63X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our $137.00 price target reflects 15.74X FFO.

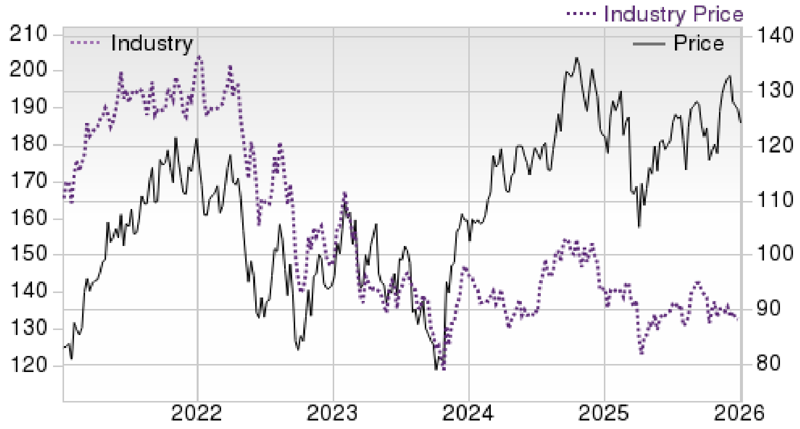
The table below shows a summary of valuation data for Lamar.

Valuation Multiples - LAMR

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	14.90	15.47	17.11	23.44
	5-Year High	22.97	22.21	18.28	23.78
	5-Year Low	10.96	12.81	12.37	15.73
	5-Year Median	14.63	15.84	16.12	21.21
P/S F12M	Current	5.55	5.12	9.07	5.30
	5-Year High	6.96	9.12	10.06	5.50
	5-Year Low	3.70	5.12	6.68	3.83
	5-Year Median	5.29	6.55	8.39	5.05
P/B TTM	Current	12.56	1.78	4.22	8.51
	5-Year High	14.38	3.08	4.37	9.16
	5-Year Low	6.58	1.40	2.87	6.60
	5-Year Median	9.11	1.85	3.52	8.05

As of 12/09/2025 *Source: Zacks Investment Research*

Industry Analysis[1] Zacks Industry Rank: Top 43% (106 out of 244)



Top Peers (1)

Company (Ticker)	Rec	Rank
EPR Properties **(EPR)**	Neutral	3
Farmland Partners In…**(FPI)**	Neutral	3
Gaming and Leisure P…**(GLPI)**	Neutral	2
Gladstone Land Corpo…**(LAND)**	Neutral	3
OUTFRONT Media Inc. **(OUT)**	Neutral	3
Safehold Inc. **(SAFE)**	Neutral	3
VICI Properties Inc. **(VICI)**	Neutral	3
Geo Group Inc (The) **(GEO)**	Underperform	4

Industry Comparison[1] Industry: Reit And Equity Trust - Other

Industry Peers

	LAMR	X Industry	S&P 500	GLPI	OUT	VICI
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	2	3	3
VGM Score	D	-	-	D	C	F
Market Cap	12.91 B	1.76 B	40.73 B	12.68 B	4.11 B	29.78 B
# of Analysts	2	3	22	7	4	8
Dividend Yield	4.86%	4.47%	1.37%	6.96%	4.88%	6.46%
Value Score	D	-	-	C	B	C
Cash/Price	0.00	0.04	0.04	0.06	0.02	0.02
EV/EBITDA	15.94	13.09	15.01	13.14	11.58	12.72
PEG Ratio	3.19	2.54	2.04	2.44	1.14	2.77
Price/Book (P/B)	12.35	1.12	3.44	2.56	7.55	1.06
Price/Cash Flow (P/CF)	15.70	11.14	15.54	11.26	9.58	10.76
P/E (F1)	14.66	11.26	18.81	11.11	11.43	11.39
Price/Sales (P/S)	5.74	3.81	3.07	8.04	2.27	7.50
Earnings Yield	6.93%	8.80%	5.30%	8.99%	8.75%	8.79%
Debt/Equity	3.04	0.88	0.57	1.47	4.75	0.60
Cash Flow ($/share)	8.12	1.94	8.98	3.98	2.57	2.59
Growth Score	D	-	-	F	D	F
Hist. EPS Growth (3-5 yrs)	8.70%	4.21%	8.24%	2.66%	26.90%	7.61%
Proj. EPS Growth (F1/F0)	2.50%	3.30%	9.21%	2.65%	7.78%	4.87%
Curr. Cash Flow Growth	4.45%	2.97%	7.00%	4.86%	-257.98%	6.46%
Hist. Cash Flow Growth (3-5 yrs)	5.78%	3.36%	7.49%	10.56%	7.16%	36.18%
Current Ratio	0.59	1.62	1.19	13.23	0.79	3.60
Debt/Capital	75.26%	47.96%	38.14%	59.44%	79.67%	37.37%
Net Margin	19.27%	5.24%	12.77%	49.54%	6.86%	70.18%
Return on Equity	43.02%	2.73%	17.03%	16.34%	21.56%	10.17%
Sales/Assets	0.34	0.13	0.53	0.12	0.35	0.09
Proj. Sales Growth (F1/F0)	2.80%	3.63%	5.30%	4.00%	0.10%	4.20%
Momentum Score	B	-	-	B	B	D
Daily Price Chg	0.23%	1.11%	0.01%	-0.16%	1.61%	1.09%
1 Week Price Chg	-1.92%	0.00%	1.11%	-0.47%	-1.74%	0.07%
4 Week Price Chg	-1.35%	0.73%	0.30%	6.61%	4.24%	-0.92%
12 Week Price Chg	7.93%	0.67%	4.41%	0.49%	40.78%	-9.34%
52 Week Price Chg	6.07%	-3.85%	16.95%	-3.78%	37.01%	-3.36%
20 Day Average Volume	438,949	751,946	2,445,854	2,526,961	1,160,607	12,052,882
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	-0.05%
(F1) EPS Est 4 week change	1.13%	0.00%	0.00%	0.54%	1.92%	0.00%
(F1) EPS Est 12 week change	2.29%	0.00%	0.47%	1.61%	7.27%	0.05%
(Q1) EPS Est Mthly Chg	-4.29%	0.00%	0.00%	0.34%	6.50%	0.27%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Value Score	D
Growth Score	D
Momentum Score	B
VGM Score	D

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

Disclosures

This report contains independent commentary to be used for informational purposes only. The analysts contributing to this report do not hold any shares of this stock. The analysts contributing to this report do not serve on the board of the company that issued this stock. The EPS and revenue forecasts are the Zacks Consensus estimates, unless otherwise indicated in the report's first-page footnote. Additionally, the analysts contributing to this report certify that the views expressed herein accurately reflect the analysts' personal views as to the subject securities and issuers. ZIR certifies that no part of the analysts' compensation was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst in the report.

Additional information on the securities mentioned in this report is available upon request. This report is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. Any opinions expressed herein are subject to change.

ZIR is not an investment advisor and the report should not be construed as advice designed to meet the particular investment needs of any investor. Prior to making any investment decision, you are advised to consult with your broker, investment advisor, or other appropriate tax or financial professional to determine the suitability of any investment. This report and others like it are published regularly and not in response to episodic market activity or events affecting the securities industry.

This report is not to be construed as an offer or the solicitation of an offer to buy or sell the securities herein mentioned. ZIR or its officers, employees or customers may have a position long or short in the securities mentioned and buy or sell the securities from time to time. ZIR is not a broker-dealer. ZIR may enter into arms-length agreements with broker-dealers to provide this research to their clients. Zacks and its staff are not involved in investment banking activities for the stock issuer covered in this report.

ZIR uses the following rating system for the securities it covers. **Outperform-** ZIR expects that the subject company will outperform the broader U.S. equities markets over the next six to twelve months. **Neutral-** ZIR expects that the company will perform in line with the broader U.S. equities markets over the next six to twelve months. **Underperform-** ZIR expects the company will underperform the broader U.S. equities markets over the next six to twelve months.