

Clear Channel Outdoor Holdings 2023 Fourth Quarter Results

February 26, 2024



Safe harbor statement and other information

Forward-Looking Statements

Certain statements in this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Clear Channel Outdoor Holdings, Inc. and its subsidiaries (the “Company”) to be materially different from any future results, performance, achievements, guidance, goals and/or targets expressed or implied by such forward-looking statements. The words “guidance,” “believe,” “expect,” “anticipate,” “estimate,” “forecast,” “goals,” “targets” and similar words and expressions are intended to identify such forward-looking statements. In addition, any statements that refer to expectations or other characterizations of future events or circumstances, such as statements about our guidance, outlook, long-term forecast, goals or targets; our business plans and strategies; our expectations about the timing, closing, satisfaction of closing conditions, use of proceeds and benefits of the sales of our European businesses as well as expectations about certain markets and strategic review processes; industry and market trends; and our liquidity, are forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this earnings presentation include, but are not limited to: continued economic uncertainty, an economic slowdown or a recession; our ability to service our debt obligations and to fund our operations, business strategy and capital expenditures; the impact of our substantial indebtedness, including the effect of our leverage on our financial position and earnings; the difficulty, cost and time required to implement our strategy, including optimizing our portfolio, and the fact that we may not realize the anticipated benefits therefrom; our ability to obtain and renew key contracts with municipalities, transit authorities and private landlords; competition; regulations and consumer concerns regarding privacy, digital services, data protection and the use of artificial intelligence; a breach of our information security measures; legislative or regulatory requirements; restrictions on out-of-home advertising of certain products; environmental, health, safety and land use laws and regulations, as well as various actual and proposed environmental, social and governance policies, regulations and disclosure standards; the impact of the processes to sell the businesses in our Europe-North segment and in Latin America; the impact of the recent dispositions or agreements to dispose of the businesses in our Europe-South segment and the potential dispositions of our other international businesses, as well as other strategic transactions or acquisitions; third-party claims of intellectual property infringement, misappropriation or other violation against us or our suppliers; risks of doing business in foreign countries; fluctuations in exchange rates and currency values; volatility of our stock price; the impacts on our stock price as a result of future sales of common stock, or the perception thereof, and dilution resulting from additional capital raised through the sale of common stock or other equity-linked instruments; our ability to continue to comply with the applicable listing standards of the New York Stock Exchange; the restrictions contained in the agreements governing our indebtedness limiting our flexibility in operating our business; the effect of analyst or credit ratings downgrades; our dependence on our management team and other key individuals; continued scrutiny and changing expectations from investors, lenders, customers, government regulators, municipalities, activists and other stakeholders; and certain other factors set forth in our filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this presentation. Other key risks are described in the section entitled “Item 1A. Risk Factors” of the Company’s reports filed with the SEC, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2023. The Company does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

Reportable Segments and Discontinued Operations

The Company has four reportable segments, which it believes best reflect how the Company is currently managed: America, which consists of the Company’s U.S. operations excluding airports; Airports, which includes revenue from U.S. and Caribbean airports; Europe-North, which consists of operations in the U.K., the Nordics and several other countries throughout northern and central Europe; and Europe-South, which consists of operations in Spain, and prior to their sales on March 31, 2023, May 31, 2023 and October 31, 2023, respectively, Switzerland, Italy and France. The Company’s remaining operations in Latin America and Singapore are disclosed as “Other.” The Company’s Europe-South segment met the criteria to be reported as discontinued operations during 2023. As a result, each of the Europe-South segment businesses has been reclassified to discontinued operations in our financial statements for all periods presented, resulting in changes to the presentation of certain amounts for prior periods. This presentation presents the results of continuing operations and excludes amounts related to discontinued operations for all periods presented, unless otherwise noted.

Segment Adjusted EBITDA

Segment Adjusted EBITDA is the profitability metric reported to the Company’s chief operating decision maker for purposes of making decisions about allocation of resources to, and assessing performance of, each reportable segment. Segment Adjusted EBITDA is a GAAP financial measure that is calculated as Revenue less Direct operating expenses and SG&A expenses, excluding restructuring and other costs. Restructuring and other costs include costs associated with cost savings initiatives such as severance, consulting and termination costs and other special costs.

Non-GAAP Financial Information

This presentation includes information that does not conform to U.S. generally accepted accounting principles (“GAAP”), including Adjusted EBITDA, Adjusted Corporate expenses, Funds From Operations (“FFO”) and Adjusted Funds From Operations (“AFFO”). The Company presents this information because the Company believes these non-GAAP measures help investors better understand the Company’s operating performance as compared to other out-of-home advertisers, and these metrics are widely used by such companies in practice. This presentation also includes financial information that excludes the impact of foreign exchange rates because the Company believes this information facilitates period-to-period comparisons of business performance and provides useful information to investors. Please refer to the Appendix located at the end of this presentation for a description and reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measure.

This presentation should be read in conjunction with the Company’s most recent Annual Report on Form 10-K, Form 10-Qs and Form 8-Ks, which are available at investor.clearchannel.com.



Overview

4Q 2023 revenue

- 4Q 2023 Consolidated Revenue of \$623m excluding movements in foreign exchange rates, up 10.8%
 - Exceeded guidance
-

Trends

- Strong performance from Airports and Europe-North
 - Improving business trends in America segment
-

Strategic initiatives

- Enhancing the profitability of our business
 - Focused on higher-margin U.S. market
 - Transforming into a technology-fueled, visual media powerhouse reaching a growing audience
-

M&A

- Continuing the sale process in our Europe-North segment
 - Commenced the process to sell businesses in Latin America
-

Guidance

- FY 24 Consolidated Revenue expected to reach \$2.2 to \$2.26 billion, mid-single digit growth over last year, excluding movements in foreign exchange rates

Key financial highlights

4Q 2023:

- **Revenue**¹: \$632 million (up 12.4%)
 - Up 10.8% excluding movements in FX²
- **Income from continuing operations**¹: \$25 million (down 76.2%)
- **Consolidated net income**³: \$26 million (down 73.9%)
- **Adjusted EBITDA**^{1,4}: \$190 million (up 9.2%)
 - Up 8.1% excluding movements in FX²
- **AFFO**^{1,4,5}: \$73 million (up 30.2%)
 - Up 27.3% excluding movements in FX²

Note: Comparisons are to the same period of 2022.

¹ Excludes results of discontinued operations.

² Certain financial information shown in this presentation excludes the effects of foreign exchange rates, which are calculated by converting the current period's amounts in local currency to U.S. dollars using average foreign exchange rates for the comparable prior period.

³ Includes income from discontinued operations.

⁴ Non-GAAP financial measure. See Appendix for definition and reconciliation to most closely comparable GAAP measure.

⁵ The Company is not a Real Estate Investment Trust ("REIT"). However, the Company competes directly with REITs that present the non-GAAP measure of Adjusted Funds from Operations ("AFFO") and, accordingly, believes that presenting such measure will be helpful to investors in evaluating the Company's operations with the same terms used by the Company's direct competitors.



Financial results: America

(USD, in millions)	Three Months Ended December 31,		Variance ³
	2023	2022	
Revenue	\$ 299	\$ 297	0.5 %
Direct operating and SG&A expenses ¹	163	162	0.4 %
Segment Adjusted EBITDA ²	136	135	0.6 %

¹ Includes restructuring and other costs that are excluded from Segment Adjusted EBITDA.

² Calculated as Revenue less Direct operating expenses and SG&A expenses, excluding restructuring and other costs.

³ Variance percentages are calculated based on actual amounts.

Fourth Quarter:

- **Revenue:** Up 0.5%, or \$1.5 million
 - Billboards revenue up driven by digital deployments and programmatic growth
 - Digital revenue up 2.4% to \$114 million from \$111 million
 - National sales comprised 37.1% of America revenue, compared to 36.7% in the prior year
- **Direct operating and SG&A expenses:** Up 0.4%, or \$1 million
 - Site lease expense up 2.1% to \$90 million from \$88 million driven by lower rent abatements
 - Offset by lower property taxes related to a legal settlement, maintenance costs and credit loss expense

Financial results: Airports

(USD, in millions)	Three Months Ended December 31,		Variance ³
	2023	2022	
Revenue	\$ 111	\$ 77	44.3 %
Direct operating and SG&A expenses ¹	81	56	44.8 %
Segment Adjusted EBITDA ²	30	21	42.7 %

¹ Includes restructuring and other costs that are excluded from Segment Adjusted EBITDA.

² Calculated as Revenue less Direct operating expenses and SG&A expenses, excluding restructuring and other costs.

³ Variance percentages are calculated based on actual amounts.

Fourth Quarter:

- **Revenue:** Up 44.3%, or \$34 million
 - Revenue up across most airports and verticals; increased demand and continued investment in digital infrastructure
 - Digital revenue up 57.9% to \$73 million from \$46 million
 - National sales comprised 58.9% of Airports revenue, compared to 56.0% in the prior year
- **Direct operating and SG&A expenses:** Up 44.8%, or \$25 million
 - Site lease expense up 46.4% to \$65 million from \$44 million driven by higher revenue
 - Higher variable incentive compensation costs

Financial results: Europe-North

(USD, in millions)	Three Months Ended December 31,					
				Excluding movements in FX		
	2023	2022	Variance ³	2023	2022	Variance ³
Revenue	\$ 192	\$ 163	17.8 %	\$ 185	\$ 163	13.4 %
Direct operating and SG&A expenses ¹	140	118	19.0 %	135	118	14.5 %
Segment Adjusted EBITDA ²	52	45	17.5 %	50	45	13.1 %

¹ Includes restructuring and other costs that are excluded from Segment Adjusted EBITDA.

² Calculated as Revenue less Direct operating expenses and SG&A expenses, excluding restructuring and other costs.

³ Variance percentages are calculated based on actual amounts.

Fourth Quarter:

- **Revenue (excluding movements in FX):** Up 13.4%, or \$22 million
 - Revenue up across all products and countries, most notably the U.K. and Belgium, driven by increased demand, deployment of additional digital displays and new contracts
 - Digital revenue up 22.9% to \$110 million from \$89 million; digital revenue, excluding movements in FX, up 17.9% to \$105 million
- **Direct operating and SG&A expenses (excluding movements in FX):** Up 14.5%, or \$17 million
 - Site lease expense up 15.7% to \$64 million from \$55 million; site lease expense, excluding movements in FX, up 12.0% to \$62 million driven by higher revenue
 - Higher property taxes and compensation costs

Clear Channel International B.V.

Statements of Loss

(USD, in millions)	Three Months Ended December 31,	
	2023	2022
Revenue	\$ 198	\$ 169
Operating expenses:		
Direct operating expenses ⁽¹⁾	111	95
Selling, general and administrative expenses ⁽¹⁾	36	28
Corporate expenses ⁽¹⁾	14	12
Depreciation and amortization	11	10
Other operating expense (income), net	(4)	2
Operating income	31	22
Interest expense, net	(9)	(11)
Other income, net	10	36
Income from continuing operations before income taxes	33	47
Income tax expense attributable to continuing operations	(4)	(6)
Income from continuing operations	28	41
Income from discontinued operations ⁽²⁾	6	4
Consolidated net income	35	44
Less: Net income attributable to noncontrolling interests	—	—
Net income attributable to the Company	<u>\$ 35</u>	<u>\$ 44</u>

⁽¹⁾ Excludes depreciation and amortization.

⁽²⁾ The difference between income from discontinued operations reported herein and income (loss) from discontinued operations reported in the Clear Channel Outdoor Holdings, Inc. ("CCOH") and Subsidiaries Notes to the Consolidated Financial Statements for each period primarily results from CCOH expenses that are not recognized as expenses of Clear Channel International B.V. and Subsidiaries and are classified as discontinued operations of CCOH, including costs related to the strategic reviews of these business.

Note: Due to rounding, totals may not equal the sum of the items in the table above.

Capital expenditures

Capital expenditures primarily relate to construction and sustaining activities for billboards, street furniture and other out-of-home advertising displays, including digital displays.

(USD, in millions)	Three Months Ended December 31,			\$ Change
	2023	2022		
America	\$ 24	\$ 27	\$	(4)
Airports	10	8		2
Europe-North	10	12		(1)
Other	2	2		—
Corporate	3	3		—
Total Capex ¹	<u>\$ 48</u>	<u>\$ 52</u>	<u>\$</u>	<u>(4)</u>

¹ Excludes capital expenditures of discontinued operations.

Note: Variances are calculated based on actual amounts. Due to rounding, totals may not equal the sum of the line items in the table above.

Key Drivers:

- America capex down due to timing and lower spend
- Airports capex up driven by continued investment in digital infrastructure

Capital structure and select balance sheet metrics

(USD, in millions)	December 31, 2023	September 30, 2023	\$ Change
Cash and Cash Equivalents ^{(1),(2)}	\$ 252	\$ 313	\$ (62)
Availability under Credit Facilities ⁽³⁾	234	218	16
Liquidity ⁽⁴⁾	<u>\$ 486</u>	<u>\$ 531</u>	<u>\$ (45)</u>
Debt ^{(1),(5)}	\$ 5,632	\$ 5,629	\$ 3
Weighted Average Cost of Debt	7.5 %	7.5 %	
First Lien Leverage Ratio ⁽⁶⁾	5.54x	5.59x	

(USD, in millions)	Three Months Ended December 31,		\$ Change
	2023	2022	
Cash Paid for Interest	\$ 121	\$ 124	\$ (3)

Notes: Variances are calculated based on actual amounts. Due to rounding, totals may not equal the sum of the line items in the table above.

⁽¹⁾ Excludes balances related to discontinued operations for all periods presented.

⁽²⁾ As of December 31, 2023, we had \$252 million of cash on our balance sheet, including \$84 million of cash held outside the U.S. (excludes cash held by discontinued operations).

⁽³⁾ Availability under our Credit Facilities is impacted by approximately \$27 million of letters of credit outstanding related to discontinued operations. In connection with the sale of these businesses, we will either be released of these obligations, or the buyer will counter-guarantee our payment until such time that we are released of the remaining obligation.

⁽⁴⁾ Liquidity represents cash and cash equivalents plus availability under our Receivables-Based Credit Facility and Revolving Credit Facility.

⁽⁵⁾ Debt Maturities: CCIBV Senior Secured Notes due 2025; Term Loan Facility, Revolving Credit Facility and Receivables-Based Credit Facility due 2026; Senior Secured Notes due 2027 and 2028; Senior Notes due 2028 and 2029.

⁽⁶⁾ Refer to the Appendix for calculation of the First Lien Leverage Ratio, which is below the covenant threshold of 7.1x.

2024 Guidance

(USD, in millions)	Guidance as of February 26, 2024		% change from prior year	
	Low	High	Low	High
1Q 2024:				
Consolidated Revenue^{1,2}	\$ 465	\$ 490	6 %	12 %
America	245	255	4 %	8 %
Airports	74	79	38 %	47 %
Europe-North ¹	130	140	1 %	9 %
Full year 2024:				
Consolidated Revenue^{1,2}	\$ 2,200	\$ 2,260	3 %	6 %
America	1,135	1,165	3 %	6 %
Airports	345	360	11 %	16 %
Europe-North ¹	635	655	2 %	6 %
Adjusted EBITDA^{1,2,3}	550	585	3 %	9 %
AFFO^{1,2,3}	75	100	(10)%	20 %
Capital Expenditures²	130	150	(10)%	4 %
Cash Interest Payments	Approx. \$	448	11%	

¹ Excludes movements in FX.

² Excludes results of discontinued operations.

³ Non-GAAP financial measure. See Appendix for definition and reconciliation to most closely comparable GAAP measure.

Appendix

Announcements

America and Airports:

- Clear Channel Outdoor America partnered with Nevada-based Terrible Herbst, Inc. to provide brands with the unique opportunity to activate state-of-the-art digital out-of-home media campaigns across the street from this year's Big Game at Allegiant Stadium in Las Vegas, allowing brands to reach global sports fans and affluent travelers visiting the city for one of the largest events in its history.



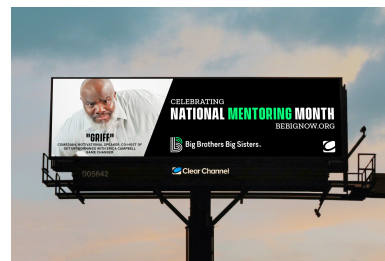
Environmental and social initiatives

America & Airports

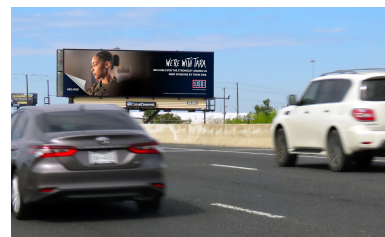
- Clear Channel Outdoor America and Airports honored Dr. Martin Luther King, Jr. with the theme “Shifting the Cultural Climate through the Study and Practice of Kingian Nonviolence.” This digital out-of-home campaign ran across the Company's digital footprint on MLK Day.



- Clear Channel Outdoor America and Airports and Big Brothers Big Sisters of America announced the launch of a nationwide digital out-of-home campaign timed with National Mentoring Month featuring, 'Game Changers,' an initiative that unites the collective power of influential leaders and changemakers to help tackle key issues impacting youth today by creating awareness, access and opportunity through mentorship.



- Clear Channel Outdoor America and Airports and the United Service Organizations worked together on a nationwide digital out-of-home campaign encouraging public support for the people serving in the U.S. military and their families.



Environmental and social initiatives

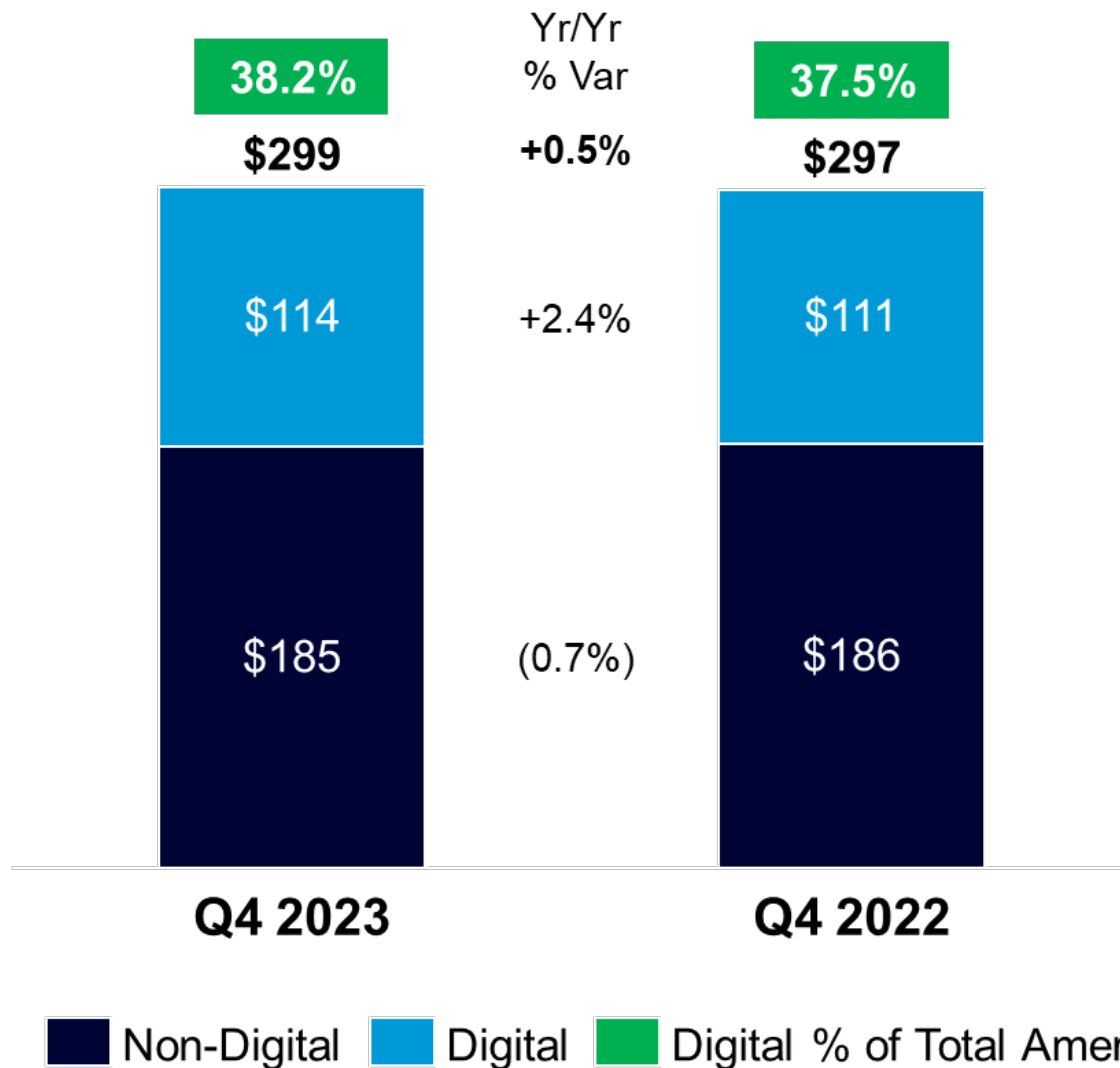
Europe-North

- Clear Channel Spain has partnered with Glocally for their client, Ecovidrio (a nonprofit dedicated to managing glass container waste in Spain), with an outreach campaign on street furniture digital screens in Spain educating the public on the glass recycling system.
- Clear Channel Netherlands built the 700th Living Roof bus stop on the Heuvelring in Tilburg.
- Clear Channel Scandinavia collaborated with Yoko Ono's studio and the Nobel Peace Center for the campaign 'PEACE is POWER' in connection with the Peace Center opening an exhibition of Yoko Ono's work on December 1, 2023.



Revenue detail: America

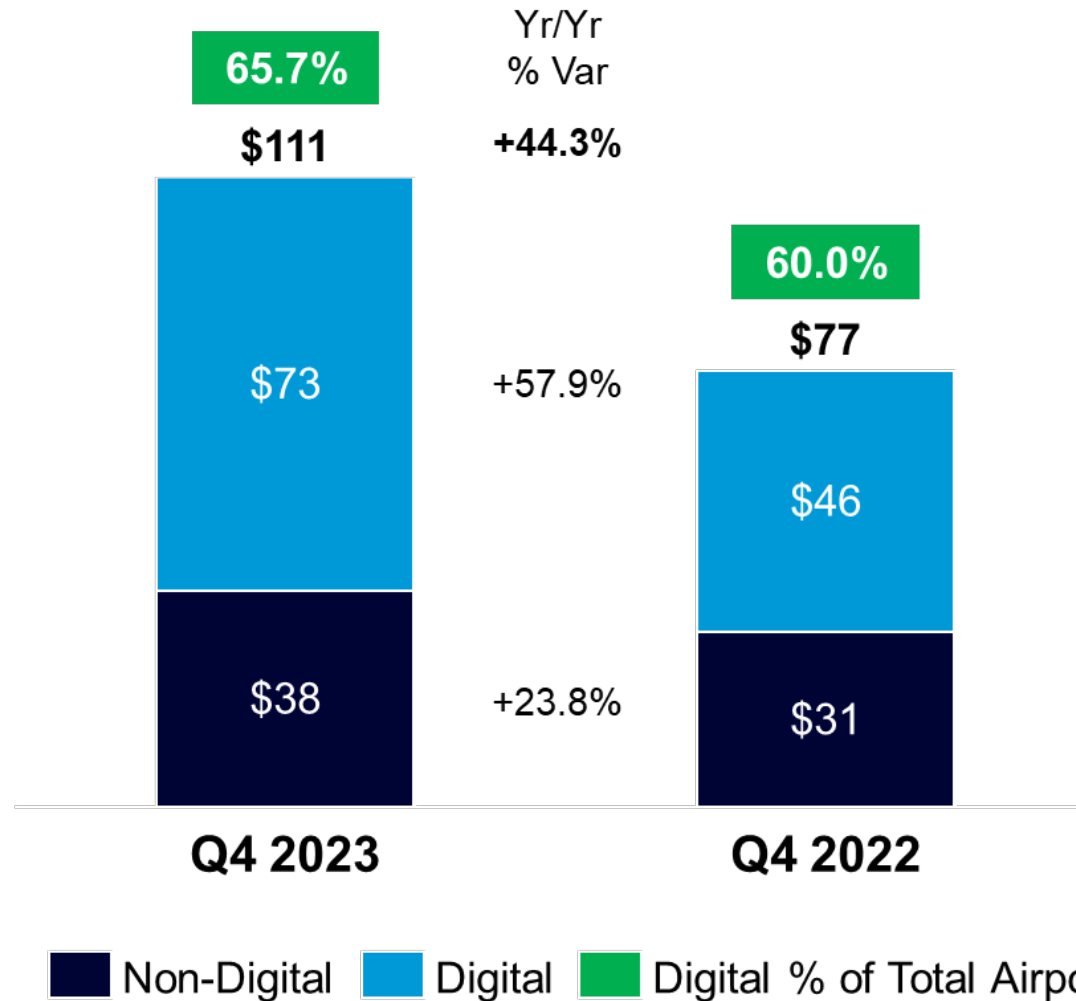
(USD, in millions)



Note: Percentages are calculated based on actual amounts. Due to rounding, totals may not equal the sum of the items in the chart above.

Revenue detail: Airports

(USD, in millions)



Note: Percentages are calculated based on actual amounts. Due to rounding, totals may not equal the sum of the items in the chart above.

Financial results: Other

(USD, in millions)	Three Months Ended December 31,					
				Excluding movements in FX		
	2023	2022	Variance ²	2023	2022	Variance ²
Revenue	\$ 31	\$ 25	20.9 %	\$ 29	\$ 25	13.8 %
Direct operating and SG&A expenses	23	18	28.1 %	22	18	21.2 %
Segment Adjusted EBITDA ¹	8	7	10.7 %	7	7	2.6 %

¹ Calculated as Revenue less Direct operating expenses and SG&A expenses, excluding restructuring and other costs.

² Variance percentages are calculated based on actual amounts.

Fourth Quarter:

- **Revenue (excluding movements in FX):** Up 13.8%, or \$3 million
 - Higher revenue in Brazil and Mexico
- **Direct operating and SG&A expenses (excluding movements in FX):** Up 21.2%, or \$4 million
 - Higher site lease expense driven by lower rent abatements and higher revenue
 - Restructuring costs to reduce scale of Singapore business following loss of contract

Rent abatements

(USD, in millions)	2023					2022				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Consolidated ¹	\$ 7.3	\$ 7.0	\$ 4.4	\$ 7.3	\$ 26.0	\$ 9.0	\$ 13.6	\$ 15.8	\$ 13.0	\$ 51.3
America	1.2	2.1	1.6	1.6	6.4	3.7	3.6	3.8	3.8	14.8
Airports	5.5	4.5	2.7	5.8	18.5	4.6	9.5	11.7	6.4	32.1
Europe-North	0.5	0.3	0.2	—	1.0	0.7	0.5	0.5	0.3	2.0

¹ Represents reductions of site lease expense in lease and non-lease contracts due to rent abatements. Consolidated includes rent abatements from all segments shown on this slide, as well as from our operations in Latin America and Singapore. Rent abatements related to discontinued operations are excluded.

Note: Due to rounding, totals may not equal the sum of the columns in the table above.

Items impacting comparability

<i>(USD, in millions)</i>		
Consolidated FX Impact:		Q4 2023
Revenue	\$	9.0
Direct Operating and SG&A Expenses		6.5
Adjusted EBITDA		2.0
AFFO		1.6

Non-GAAP financial information

In order to provide a more comprehensive understanding of the information used by the Company's management team in financial and operational decision making, the Company supplements its GAAP consolidated financial statements with certain non-GAAP financial performance measures. The Company presents Adjusted EBITDA, Adjusted Corporate expenses, Funds From Operations ("FFO") and Adjusted Funds From Operations ("AFFO") because the Company believes these non-GAAP measures help investors better understand the Company's operating performance as compared to other out-of-home advertisers, and these metrics are widely used by such companies in practice. Please refer to the reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measure within this Appendix.

Since these non-GAAP financial measures are not calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, the most directly comparable GAAP financial measures as an indicator of operating performance or, in the case of Adjusted EBITDA, FFO and AFFO, the Company's ability to fund its cash needs. In addition, these measures may not be comparable to similar measures provided by other companies. This data should be read in conjunction with the Company's most recent Annual Report on Form 10-K, Form 10-Qs and Form 8-Ks. These reports are available on the Investor Relations page of the Company's website at investor.clearchannel.com.

Adjusted EBITDA

Adjusted EBITDA is defined as income (loss) from continuing operations, plus: income tax expense (benefit) attributable to continuing operations; all non-operating expenses (income), including other expense (income), gain on extinguishment of debt and interest expense, net; other operating expense (income), net; depreciation, amortization and impairment charges; share-based compensation expense included within corporate expenses; and restructuring and other costs included within operating expenses. Restructuring and other costs include costs associated with cost savings initiatives such as severance, consulting and termination costs and other special costs.

The Company uses Adjusted EBITDA as one of the primary measures for the planning and forecasting of future periods, as well as for measuring performance for compensation of Company executives and other members of Company management. The Company believes Adjusted EBITDA is useful for investors because it allows investors to view performance in a manner similar to the method used by Company management and helps improve investors' ability to understand the Company's operating performance, making it easier to compare the Company's results with other companies that have different capital structures or tax rates. In addition, the Company believes Adjusted EBITDA is among the primary measures used externally by the Company's investors, analysts and peers in its industry for purposes of valuation and comparing the operating performance of the Company to other companies in its industry.

Adjusted Corporate Expenses

As part of the calculation of Adjusted EBITDA, the Company also presents the non-GAAP financial measure of "Adjusted Corporate expenses," which the Company defines as corporate expenses excluding share-based compensation expense and restructuring and other costs.

Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO")

The Company uses the National Association of Real Estate Investment Trusts ("Nareit") definition of FFO, which is consolidated net income (loss) before: depreciation, amortization and impairment of real estate; gains or losses from the disposition of real estate; and adjustments to eliminate unconsolidated affiliates and noncontrolling interests. The Company defines AFFO as FFO excluding discontinued operations and before the following adjustments for continuing operations: maintenance capital expenditures; straight-line rent effects; depreciation, amortization and impairment of non-real estate; amortization of deferred financing costs and discounts; share-based compensation expense; deferred taxes; restructuring and other costs; transaction costs; foreign exchange transaction gain or loss; non-service related pension costs or benefits; and other items, including adjustment for unconsolidated affiliates and noncontrolling interest and nonrecurring infrequent or unusual gains or losses.

The Company is not a Real Estate Investment Trust ("REIT"). However, the Company competes directly with REITs that present the non-GAAP measures of FFO and AFFO and, accordingly, believes that presenting such measures will be helpful to investors in evaluating the Company's operations with the same terms used by the Company's direct competitors. The Company calculates FFO in accordance with the definition adopted by Nareit. Nareit does not restrict presentation of non-GAAP measures traditionally presented by REITs by entities that are not REITs. In addition, the Company believes FFO and AFFO are already among the primary measures used externally by the Company's investors, analysts and competitors in its industry for purposes of valuation and comparing the operating performance of the Company to other companies in its industry. The Company does not use, and you should not use, FFO and AFFO as an indication of the Company's ability to fund its cash needs or pay dividends or make other distributions. Because the Company is not a REIT, the Company does not have an obligation to pay dividends or make distributions to stockholders and does not intend to pay dividends for the foreseeable future. Moreover, the presentation of these measures should not be construed as an indication that the Company is currently in a position to convert into a REIT.

Financial Information Excluding Movements in Foreign Exchange ("FX") Rates

A significant portion of the Company's advertising operations is conducted in foreign markets, principally Europe, and Company management reviews the results from its foreign operations on a constant dollar basis. The Company presents the GAAP measures of revenue, direct operating and SG&A expenses, corporate expenses and Segment Adjusted EBITDA, as well as the non-GAAP financial measures of Adjusted EBITDA, Adjusted Corporate expenses, FFO and AFFO, excluding movements in foreign exchange rates because Company management believes that viewing certain financial results without the impact of fluctuations in foreign currency rates facilitates period-to-period comparisons of business performance and provides useful information to investors. These measures, which exclude the effects of foreign exchange rates, are calculated by converting the current period's amounts in local currency to U.S. dollars using average monthly foreign exchange rates for the same period of the prior year.

Segment operating results

(In thousands)	Three Months Ended December 31,		Variance
	2023	2022	
Revenue			
America	\$ 298,520	\$ 297,069	0.5 %
Airports	111,213	77,095	44.3 %
Europe-North	191,779	162,781	17.8 %
Other	30,602	25,302	20.9 %
Consolidated Revenue	\$ 632,114	\$ 562,247	12.4 %
Direct Operating and SG&A Expenses (Excluding Depreciation and Amortization) ¹			
America	\$ 162,863	\$ 162,218	0.4 %
Airports	81,109	55,998	44.8 %
Europe-North	140,479	118,067	19.0 %
Other	23,380	18,254	28.1 %
Consolidated Direct Operating and SG&A Expenses	\$ 407,831	\$ 354,537	15.0 %
Segment Adjusted EBITDA ²			
America	\$ 136,157	\$ 135,328	0.6 %
Airports	30,106	21,097	42.7 %
Europe-North	52,453	44,623	17.5 %
Other	7,804	7,048	10.7 %
Total Segment Adjusted EBITDA	226,520	208,096	8.9 %
Adjusted Corporate expenses ³	(36,533)	(34,150)	7.0 %
Adjusted EBITDA⁴	\$ 189,987	\$ 173,946	9.2 %

¹ Direct Operating and SG&A Expenses refers to the sum of direct operating expenses (excluding depreciation and amortization) and selling, general and administrative expenses (excluding depreciation and amortization).

² Segment Adjusted EBITDA is a GAAP financial measure that is calculated as Revenue less Direct operating expenses and SG&A expenses, excluding restructuring and other costs. Restructuring and other costs include costs associated with cost savings initiatives such as severance, consulting and termination costs and other special costs.

³ Adjusted Corporate expenses is defined as corporate expenses excluding share-based compensation expense and restructuring and other costs. See reconciliation of corporate expenses to Adjusted Corporate expenses within these slides.

⁴ Adjusted EBITDA is defined as income (loss) from continuing operations, plus: income tax expense (benefit) attributable to continuing operations; all non-operating expenses (income), including other expense (income), gain on extinguishment of debt and interest expense, net; other operating expense (income), net; depreciation, amortization and impairment charges; share-based compensation expense included within corporate expenses; and restructuring and other costs included within operating expenses. See reconciliation of income from continuing operations to Adjusted EBITDA within these slides.

Segment operating results excluding movements in FX

(In thousands)	Three Months Ended December 31,		Variance
	2023	2022	
Revenue Excluding Movements in FX ¹			
America	\$ 298,520	\$ 297,069	0.5 %
Airports	111,213	77,095	44.3 %
Europe-North	184,559	162,781	13.4 %
Other	28,791	25,302	13.8 %
Consolidated Revenue Excluding Movements in FX	\$ 623,083	\$ 562,247	10.8 %
Direct Operating and SG&A Expenses Excluding Movements in FX ¹			
America	\$ 162,863	\$ 162,218	0.4 %
Airports	81,109	55,998	44.8 %
Europe-North	135,224	118,067	14.5 %
Other	22,130	18,254	21.2 %
Consolidated Direct Operating and SG&A Expenses Excluding Movements in FX	\$ 401,326	\$ 354,537	13.2 %
Segment Adjusted EBITDA Excluding Movements in FX ¹			
America	\$ 136,157	\$ 135,328	0.6 %
Airports	30,106	21,097	42.7 %
Europe-North	50,465	44,623	13.1 %
Other	7,234	7,048	2.6 %
Total Segment Adjusted EBITDA	223,962	208,096	7.6 %
Adjusted Corporate Excluding Movements in FX ¹	(35,973)	(34,150)	5.3 %
Adjusted EBITDA Excluding Movements in FX¹	\$ 187,989	\$ 173,946	8.1 %

¹ These financial measures, which exclude the effects of foreign exchange rates, are calculated by converting the current period's amounts in local currency to U.S. dollars using average foreign exchange rates for the comparable prior period. Refer to the previous slide for segment operating results before adjusting for movements in FX.

Reconciliation of Income from continuing operations to Adjusted EBITDA

(in thousands)	Three Months Ended December 31,	
	2023	2022
Income from continuing operations	\$ 25,386	\$ 106,496
Adjustments:		
Income tax benefit attributable to continuing operations	(5,195)	(79,947)
Other income, net	(2,681)	(23,203)
Interest expense, net	106,810	98,895
Other operating expense, net	1,647	1,457
Depreciation and amortization	55,419	65,483
Share-based compensation	5,196	4,121
Restructuring and other costs	3,405	644
Adjusted EBITDA	<u>\$ 189,987</u>	<u>\$ 173,946</u>

Reconciliation of Corporate expenses to Adjusted Corporate expenses

(in thousands)	Three Months Ended December 31,	
	2023	2022
Corporate expenses	\$ (42,897)	\$ (38,529)
Share-based compensation	5,196	4,121
Restructuring and other costs	1,168	258
Adjusted Corporate expenses	<u>\$ (36,533)</u>	<u>\$ (34,150)</u>

Prior Year Corporate Expenses Reconciliation

(in thousands)

Corporate expenses, as originally reported

Reclassified from Europe-South SG&A to Corporate¹

Reclassified from Corporate to Discontinued Operations

Corporate expenses, after application of Discontinued Operations

Adjusted Corporate expenses, as originally reported

Total change to Corporate expenses, from above

Share-based compensation and Restructuring and other costs

Adjusted Corporate expenses, after application of Discontinued Operations

	Q4 2022	FY 2022
Corporate expenses, as originally reported	\$ 37,756	\$ 157,915
Reclassified from Europe-South SG&A to Corporate ¹	938	4,688
Reclassified from Corporate to Discontinued Operations	(165)	(751)
Corporate expenses, after application of Discontinued Operations	\$ 38,529	\$ 161,852
Adjusted Corporate expenses, as originally reported	\$ 33,230	\$ 126,767
Total change to Corporate expenses, from above	773	3,937
Share-based compensation and Restructuring and other costs	147	673
Adjusted Corporate expenses, after application of Discontinued Operations	\$ 34,150	\$ 131,377

¹ Certain costs that were historically reported within Europe-South SG&A expenses have been deemed to be costs of continuing operations and are now reported within corporate expenses.

Reconciliation of Consolidated net income to FFO and AFFO

(in thousands)	Three Months Ended December 31,	
	2023	2022
Consolidated net income	\$ 26,003	\$ 99,438
Depreciation and amortization of real estate	48,738	66,271
Net loss on disposition of real estate (excludes condemnation proceeds) ¹	10,229	984
Adjustment for unconsolidated affiliates and non-controlling interests	(1,858)	(1,055)
Funds From Operations (FFO)	83,112	165,638
Less: FFO from discontinued operations	12,913	1,043
FFO from continuing operations	70,199	164,595
Capital expenditures-maintenance	(12,110)	(17,526)
Straight-line rent effect	617	814
Depreciation and amortization of non-real estate	7,457	7,379
Amortization of deferred financing costs and discounts	2,878	2,855
Share-based compensation	5,196	4,121
Deferred taxes	(10,580)	(85,037)
Restructuring and other costs	3,405	644
Transaction costs	6,555	871
Foreign exchange transaction gain	(4,450)	(23,301)
Other items	4,040	811
Adjusted Funds From Operations (AFFO)	\$ 73,207	\$ 56,226

¹ Net loss on disposition of real estate for the three months ended December 31, 2023 includes a loss of \$11.4 million on the sale of our former business in France.

Note: The Company is not a REIT. However, the Company competes directly with REITs that present the non-GAAP measures of FFO and AFFO and, accordingly, believes that presenting such measures will be helpful to investors in evaluating the Company's operations with the same terms used by the Company's direct competitors. See additional information on slide 22.

Reconciliation of Loss from continuing operations guidance to Adjusted EBITDA guidance

(in millions)	FY 2024	
	Low	High
Loss from continuing operations	\$ (131)	\$ (101)
Adjustments:		
Income tax expense attributable to continuing operations	9	9
Other expense, net	1	1
Interest expense, net	422	427
Other operating expense, net	13	13
Depreciation and amortization	215	215
Share-based compensation	16	16
Restructuring and other costs	5	5
Adjusted EBITDA	\$ 550	\$ 585

Note: Guidance excludes movements in FX.

Reconciliation of Loss from continuing operations guidance to AFFO guidance

(in millions)	FY 2024	
	Low	High
Loss from continuing operations	\$ (131)	\$ (101)
Depreciation and amortization of real estate	184	184
Net gain on disposal of real estate (excludes condemnation proceeds)	(1)	(1)
Adjustment for unconsolidated affiliates and non-controlling interests	(6)	(6)
FFO from continuing operations	46	76
Capital expenditures–maintenance	(42)	(47)
Straight-line rent effect	(8)	(8)
Depreciation and amortization of non-real estate	31	31
Amortization of deferred financing costs and discounts	11	11
Share-based compensation	16	16
Deferred taxes	(7)	(7)
Restructuring and other costs	5	5
Other items	23	23
Adjusted Funds From Operations (AFFO)	\$ 75	\$ 100

Note: Guidance excludes movements in FX.

Note: The Company is not a REIT. However, the Company competes directly with REITs that present the non-GAAP measures of FFO and AFFO and, accordingly, believes that presenting such measures will be helpful to investors in evaluating the Company's operations with the same terms used by the Company's direct competitors. See additional information on slide 22.

Calculation of First Lien Leverage Ratio

First Lien Leverage Ratio:

- **5.54x** as of December 31, 2023 (below covenant threshold of **7.1x**)
- Calculated by dividing first lien debt by EBITDA (as defined by the Senior Secured Credit Agreement) for the preceding four quarters

First Lien Debt:

(In millions)	December 31, 2023
Term Loan Facility	\$ 1,260.0
Revolving Credit Facility	—
Receivables-Based Credit Facility	—
Clear Channel Outdoor Holdings 5.125% Senior Secured Notes Due 2027	1,250.0
Clear Channel Outdoor Holdings 9.000% Senior Secured Notes Due 2028	750.0
Finance leases	4.2
Less: Cash and cash equivalents	(251.7)
First lien debt⁽¹⁾	\$ 3,012.6

(1) Due to rounding, the total may not equal the sum of the line items in the table above.

EBITDA:

- **\$544.0 million** for the preceding four quarters
- Calculated as operating income from continuing operations before depreciation and amortization, impairment charges and share-based compensation; further adjusted for unusual or nonrecurring gains, losses, charges or expenses and any charges, expenses or reserves in respect of any restructuring, relocation, redundancy or severance expense or one-time compensation charges; and various other items

Reconciliation of Bank EBITDA to Operating income from continuing operations and Net cash provided by operating activities

	Four Quarters Ended December 31, 2023
<i>(In millions)</i>	
EBITDA (as defined by the Senior Secured Credit Agreement)	\$ 544.0
Depreciation and amortization, impairment charges and share-based compensation	(262.2)
Unusual or nonrecurring gain, loss, charge or expense and any charges, expenses or reserves in respect of any restructuring, relocation, redundancy or severance expense or one-time compensation charges ⁽¹⁾	(22.8)
Other items ⁽²⁾	(22.2)
Operating income from continuing operations⁽³⁾	236.9
Interest expense, net; gain on extinguishment of debt; other income, net; and income tax benefit attributable to continuing operations	(394.0)
Loss from discontinued operations	(151.7)
Adjustments to reconcile consolidated net loss to net cash provided by operating activities:	
Reconciling items for non-cash and non-operating activity ⁽⁴⁾	667.8
Changes in operating assets and liabilities	(327.8)
Net cash provided by operating activities⁽³⁾	\$ 31.3

⁽¹⁾ Includes expense of \$19.0 million for resolution of the investigation of our former indirect, non-wholly owned subsidiary, Clear Media Limited.

⁽²⁾ Primarily comprised of interest income and costs related to strategic transactions and reviews.

⁽³⁾ Due to rounding, the total may not equal the sum of the line items in the table above.

⁽⁴⁾ Includes depreciation, amortization and impairment charges; non-cash operating lease expense; gain on extinguishment of debt; deferred taxes; share-based compensation; amortization of deferred financing charges and note discounts; credit loss expense; loss on disposition of businesses and/or operating assets, net; foreign exchange transaction gain; and other reconciling items.



Clear Channel
Outdoor

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About Clear Channel Outdoor Holdings, Inc.

Clear Channel Outdoor Holdings, Inc. (NYSE: CCO) is at the forefront of driving innovation in the out-of-home advertising industry. Our dynamic advertising platform is broadening the pool of advertisers using our medium through the expansion of digital billboards and displays and the integration of data analytics and programmatic capabilities that deliver measurable campaigns that are simpler to buy. By leveraging the scale, reach and flexibility of our diverse portfolio of assets, we connect advertisers with millions of consumers every month across more than 325,000 print and digital displays in 19 countries, excluding businesses held for sale.

Investors | Eileen McLaughlin | Vice President - Investor Relations | investorrelations@clearchannel.com