

Clear Channel Outdoor Holdings 2023 Third Quarter Results

November 8, 2023



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: 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; the delay or failure to satisfy the conditions to divest our business in Spain; the risk that indemnities from certain transactional counterparties will not be sufficient to insure us against the full amount of certain liabilities; our inability to complete the sales of our Europe-North segment businesses; our inability to complete any strategic transaction with respect to our Latin American businesses; the impact of future dispositions, acquisitions and other strategic transactions; continued economic uncertainty, an economic slowdown or a recession; financial and industry conditions such as volatility in the U.S. and global banking market; 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 impact of our liquidity strategy, including open market repurchases of outstanding notes; our ability to obtain and renew key contracts with municipalities, transit authorities and private landlords; competition; technological changes and innovations; regulations and consumer concerns regarding privacy and data protection; 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 and regulations; third-party claims of intellectual property infringement, misappropriation or other violation against us or our suppliers; the risk that indemnities from iHeartMedia, Inc. will not be sufficient to insure us against the full amount of certain liabilities; risks of doing business in foreign countries, including the impact of geopolitical events such as the wars in Ukraine and Israel; 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 and other stakeholders; and certain other factors set forth in our other 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, 2022. 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 the third quarter of 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 foreign exchange rates and sold businesses because the Company believes these non-GAAP measures facilitate period-to-period comparisons of business performance and provide 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

3Q 2023 revenue

- 3Q 2023 Consolidated Revenue of \$517m excluding movements in foreign exchange rates ("FX")
 - Within guidance after excluding Europe-South
 - Up 2.7% excluding movements in FX
-

Trends

- Improving, expect better performance in fourth quarter in the U.S.
-

Strategic initiatives

- Notably progressing
 - Closed sale of business in France
 - Commenced process to sell our Europe-North segment
 - Initiated strategic review of Latin America
-

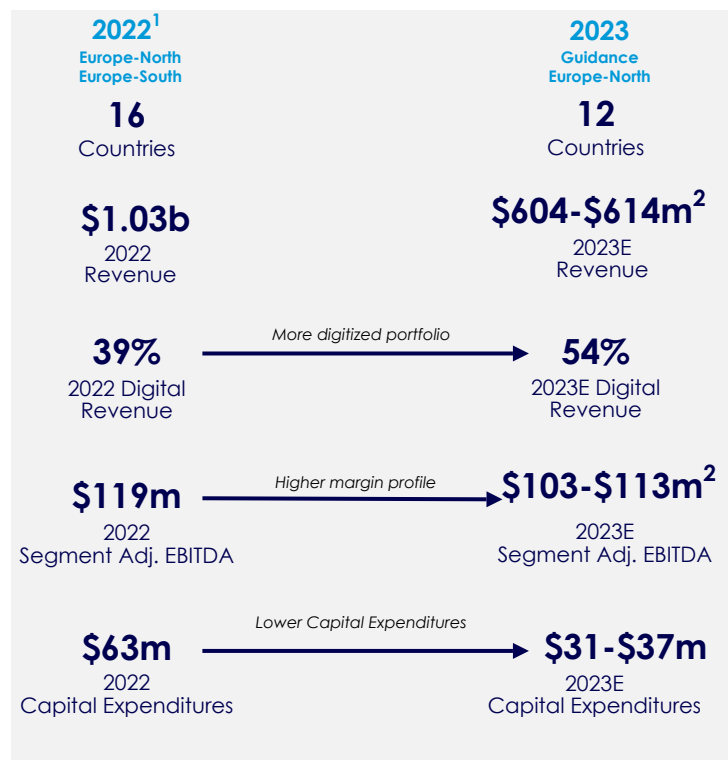
Growth

- Focused on growing Adjusted EBITDA organically, expanding advertiser base, optimizing deployment of capital and reducing corporate expenses
-

Guidance

- Remain within our annual financial guidance ranges excluding Europe-South and tightening some of the guidance ranges

Europe – transformed



¹ Combined FY2022 reported results for the Europe-South and Europe-North reporting segments
² Excludes movements in FX

Key financial highlights

3Q 2023:

- **Revenue**¹: \$527 million (up 4.7%)
 - Up 2.7% excluding movements in FX²
- **Loss from continuing operations**¹: \$51 million (compared to \$19 million in prior year)
- **Consolidated net loss**³: \$263 million (compared to \$39 million in prior year)
- **Adjusted EBITDA**^{1,4}: \$139 million (up 0.9%)
 - Down 0.5% excluding movements in FX²
- **AFFO**^{1,4,5}: \$25 million (down 27.3%)
 - Down 33.5% 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 loss from discontinued operations, which includes \$201 million recognized upon classification of the business in France as held for sale.

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 September 30,		Variance ³
	2023	2022	
Revenue	\$ 279	\$ 284	(1.9)%
Direct operating and SG&A expenses ¹	157	155	1.7 %
Segment Adjusted EBITDA ²	121	130	(6.4)%

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.

Third Quarter:

- **Revenue:** Down 1.9%, or \$5 million
 - Driven by weaknesses in Media/Entertainment vertical and San Francisco/Bay Area market
 - Decrease driven by print-formats; digital revenue up 0.1% to \$98 million
 - National sales comprised 32.7% of America revenue, compared to 37.8% in the prior year
- **Direct operating and SG&A expenses:** Up 1.7%, or \$3 million
 - Site lease expense up 10.4% to \$90 million from \$82 million driven by lease renewals and amendments, as well as lower rent abatements (down \$2 million)
 - Partially offset by lower property taxes related to legal settlement and lower credit loss expense

Financial results: Airports

(USD, in millions)	Three Months Ended September 30,		Variance ³
	2023	2022	
Revenue	\$ 76	\$ 62	21.2 %
Direct operating and SG&A expenses ¹	60	47	27.0 %
Segment Adjusted EBITDA ²	16	15	3.1 %

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.

Third Quarter:

- **Revenue:** Up 21.2%, or \$13 million
 - Driven by increased demand due to recovery of air travel after COVID-19 and investment in digital infrastructure
 - Digital revenue up 15.6% to \$42 million from \$36 million
 - National sales comprised 56.8% of Airports revenue, compared to 55.0% in the prior year
- **Direct operating and SG&A expenses:** Up 27.0%, or \$13 million
 - Site lease expense up 47.9% to \$47 million from \$32 million driven by lower rent abatements (down \$9 million) and higher revenue

Financial results: Europe-North

(USD, in millions)	Three Months Ended September 30,					
				Excluding movements in FX		
	2023	2022	Variance ³	2023	2022	Variance ³
Revenue	\$ 149	\$ 136	10.2 %	\$ 142	\$ 136	4.5 %
Direct operating and SG&A expenses ¹	121	111	8.8 %	115	111	3.7 %
Segment Adjusted EBITDA ²	28	24	17.5 %	26	24	9.2 %

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.

Third Quarter:

- **Revenue (excluding movements in FX):** Up 4.5%, or \$6 million
 - Higher revenues in the U.K., Belgium and Denmark; partially offset by lower revenues in Sweden and Norway
 - Digital revenue up 15.1% to \$84 million from \$73 million; digital revenue, excluding movements in FX, up 8.5% to \$79 million
- **Direct operating and SG&A expenses (excluding movements in FX):** Up 3.7%, or \$4 million
 - Higher electricity prices, rental costs for additional digital displays and higher property taxes
 - Site lease expense up 3.2% to \$56 million from \$54 million; site lease expense, excluding movements in FX, down 0.7% to \$53.5 million driven by a contract renegotiation

Clear Channel International B.V.

Statements of Loss

(USD, in millions)	Three Months Ended September 30,	
	2023	2022
Revenue	\$ 154	\$ 140
Operating expenses:		
Direct operating expenses ⁽¹⁾	98	89
Selling, general and administrative expenses ⁽¹⁾	27	26
Corporate expenses ⁽¹⁾	10	12
Depreciation and amortization	10	9
Other operating expense (income), net	—	—
Operating income	9	3
Interest expense, net	(14)	(11)
Other expense, net	(16)	(37)
Loss from continuing operations before income taxes	(21)	(45)
Income tax expense attributable to continuing operations	(1)	—
Loss from continuing operations	(22)	(45)
Loss from discontinued operations ^{(2),(3)}	(211)	(18)
Consolidated net loss	(233)	(63)
Less: Net income attributable to noncontrolling interests	—	—
Net loss attributable to the Company	<u>\$ (233)</u>	<u>\$ (63)</u>

⁽¹⁾ Excludes depreciation and amortization.

⁽²⁾ Includes loss recognized upon classification of the business in France as held for sale, which was partially offset by gains from the sales of the former businesses in Switzerland and Italy during the nine-month period. The remaining loss from discontinued operations reflects the net loss collectively generated by operations in France, Switzerland, Spain and Italy during the respective period.

⁽³⁾ The difference between loss from discontinued operations reported herein and loss from discontinued operations reported on the Clear Channel Outdoor Holdings, Inc. ("CCOH") and Subsidiaries Consolidated Statements of Loss 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. These expenses include costs related to the strategic reviews and income tax expense attributable to the sale 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 September 30,			\$ Change
	2023	2022		
America	\$ 16	\$ 14	\$ 2	
Airports	3	8	(5)	
Europe-North	8	11	(3)	
Other	2	1	—	
Corporate	4	4	—	
Total Capex ¹	<u>\$ 33</u>	<u>\$ 38</u>	<u>\$ (5)</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:

- Higher capex in America largely related to digital displays
- Airports capex down due to large investment in digital network in prior year

Capital structure and select balance sheet metrics

(USD, in millions)	September 30, 2023	June 30, 2023	\$ Change
Cash and Cash Equivalents ⁽¹⁾⁽²⁾	\$ 313	\$ 229	\$ 85
Availability under Credit Facilities ⁽³⁾	218	223	(5)
Liquidity ⁽⁴⁾	<u>\$ 531</u>	<u>\$ 452</u>	<u>\$ 80</u>
Debt ⁽¹⁾⁽⁵⁾⁽⁶⁾	\$ 5,629	\$ 5,558	\$ 71
Weighted Average Cost of Debt	7.5 %	7.4 %	
First Lien Leverage Ratio ⁽⁷⁾	5.59x	5.52x	

(USD, in millions)	Three Months Ended September 30,		\$ Change
	2023	2022	
Cash Paid for Interest	\$ 81	\$ 56	\$ 25

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 September 30, 2023, we had \$313 million of cash on our balance sheet, including \$121 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⁾ In August 2023, we issued \$750 million principal amount of 9% Senior Secured Notes due 2028 and used a portion of the net proceeds to prepay \$665 million of outstanding principal on the Term Loan Facility. In September 2023, we repurchased in the open market \$5 million of the 7.75% Senior Notes and \$10 million of the 7.5% Senior Notes.

⁽⁶⁾ 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.

⁽⁷⁾ Refer to the Appendix for calculation of the First Lien Leverage Ratio, which is below the covenant threshold of 7.1x. The First Lien Leverage Ratio at June 30, 2023 has not been restated to exclude all discontinued operations.

2023 Guidance and Bridge

(USD, in millions)	Guidance as of August 7, 2023		Removal of Discontinued Operations		Adjusted Guidance as of August 7, 2023		Guidance as of November 8, 2023	
	Low	High	Low	High	Low	High	Low	High
4Q 2023:								
Consolidated Revenue ^{1,2}							\$ 591	\$ 618
America							293	305
Airports							100	105
Europe-North ¹							170	180
Full year 2023 ³ :								
Consolidated Revenue ¹	\$ 2,465	\$ 2,535	\$ (400)	\$ (420)	\$ 2,065	\$ 2,115	\$ 2,091	\$ 2,118
America	1,095	1,115					1,095	1,107
Airports	285	295					300	305
Europe-North ¹	590	610					604	614
Adjusted EBITDA ^{1,4}	522	552	(6)	(13)	516	539	520	542
AFFO ^{1,4}	62	82	(1)	(8)	61	74	67	80
Capital Expenditures	163	183	(20)	(22)	143	161	143	161
Cash Interest Payments ⁵	Approx. \$	416					Approx. \$	405

¹ Excludes movements in FX.

² Excludes results of discontinued operations.

³ We have updated our full year 2023 guidance from the guidance previously provided in our earnings release issued on August 7, 2023 to exclude results now classified as discontinued operations and to tighten the ranges of revenue guidance.

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

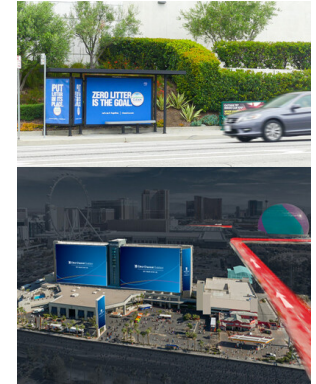
⁵ The decrease in FY 2023 cash interest payments from what was previously forecast is driven by the prepayment of \$665 million of outstanding principal on the Term Loan facility in August 2023. The first interest payment on the CCOH 9.000% Senior Secured Notes is due in March 2024.

Appendix

Announcements

America and Airports:

- CCO America rolled out its network of OOH Showcase Shelters, a fully customizable advertising reboot of the traditional transit shelter, in the highly coveted Los Angeles metropolitan area, providing a unique approach for brands to stand out and break through with street-level audiences throughout the region.
- CCO America partnered with the Westin Las Vegas Hotel & Spa to provide brands with three larger than life OOH spectaculars to capture the attention of Las Vegas tourists in November for the Formula 1 Grand Prix.



Europe-North:

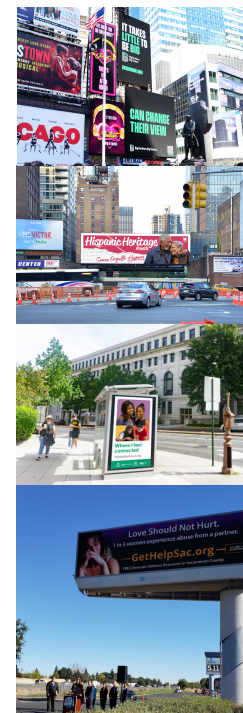
- Clear Channel Sweden won a new contract with seven of the country's largest trading places with attractive locations close to buyers that includes over 120 digital and nearly 20 classic advertising signs. The collaboration with the shopping centers includes Avion Shopping in Umeå, Birsta City in Sundsvall, Erikslund Shopping Center in Västerås, Kungens Kurva Shopping Center in Stockholm, i-Huset in Linköping, Shopping Park Källered in Gothenburg and Älmhults Handelsplats.
- Clear Channel Spain won a new contract with the Barcelona City Council which awards Clear Channel street furniture advertising exclusivity in Barcelona and includes 878 advertising faces in 284 kiosks on public roads starting January 2024.



Environmental and social initiatives

America & Airports

- CCO America and Airports partnered with Big Brothers Big Sisters of America to support the organization's bold new brand campaign, "It Takes Little to Be Big," to challenge the myths and shift perceptions of mentoring and why now, more than ever, mentorship is critical to the success of kids today. CCO America launched a series of billboards in key U.S. markets including Chicago, Atlanta, Los Angeles, Dallas, and New York City.
- CCO America and Airports celebrated Hispanic Heritage Month with a national digital out-of-home media campaign titled, "Latinos: Driving Prosperity, Power, and Progress in America," built on the idea that, despite obstacles, Hispanics persist and thrive, achieving remarkable success in areas once considered off-limits.
- CCO America joined the Afterschool Alliance, the National League of Cities, and the National Summer Learning Association for a digital billboard campaign as part of the 2023 National Lights On Afterschool Rally, recognizing the extraordinary work afterschool programs are doing to support students.
- Clear Channel America partnered with the Sacramento County District Attorney's office and rotated information on ten digital billboards in the Sacramento area to promote a new website, connecting domestic violence victims with social services, called "Get Help Sac."



Environmental and social initiatives

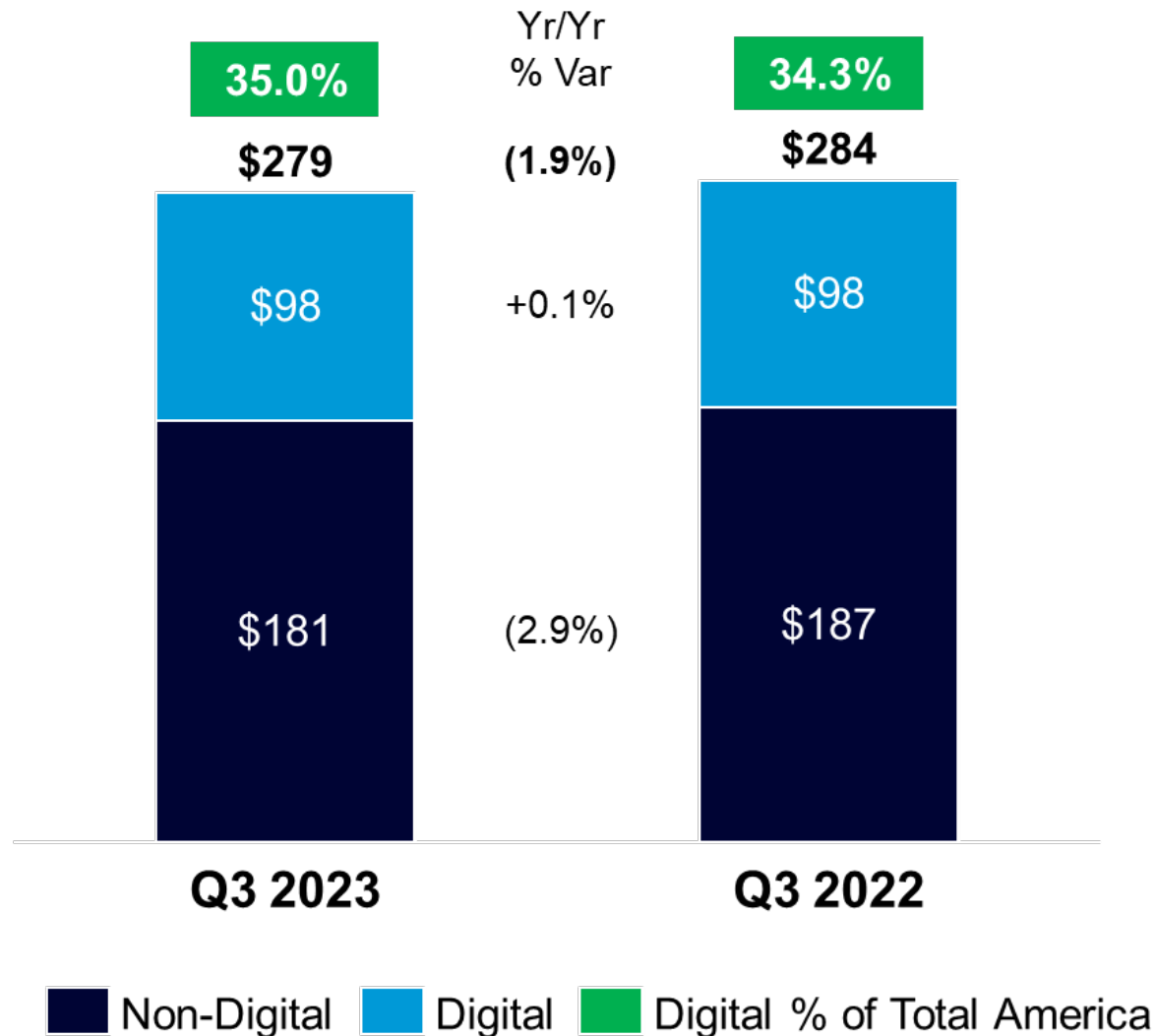
Europe-North

- Clear Channel Europe celebrated the UN International Day of Democracy on September 15 with a major new public artwork from Franco-British artist Martin Firrell entitled "4 Tenets of Europe," which appeared simultaneously on billboards across Denmark, Finland, France, Ireland, Latvia, Netherlands, Norway, Poland, Spain, Sweden and the UK.
- Clear Channel Europe celebrated pride month in collaboration with the Elton John Aids Foundation through the "Let Your Inner Elton Out" campaign, which ran on digital screens throughout the UK and Europe during Pride Month, including in London, Paris and Barcelona.
- Clear Channel Sweden partnered with Reach for Change to promote social entrepreneurs' local initiatives for children and young people. The first part of the campaign ran on select subway and bus lines as well as on the local train in Stockholm. Additional campaigns took place both in Stockholm and on digital screens across Sweden.
- Clear Channel UK partnered with Historic England and Photoworks to launch an England-wide outdoor exhibition celebrating the stories around the humble yet ever-present bus stop as part of Historic England's ongoing "Picturing High Streets" photography exhibition.
- Clear Channel Latvia partnered with Luka, the reputation management and communication agency, for the "No Age! Just Number!" campaign to combat age discrimination and promote integration of seniors into society.
- Clear Channel Poland introduced new digital screens on electric vehicle charging stations powered by renewable energy that can be purchased both through direct sales and programmatically. The new screens are the result of partnership with Pure City, a company with signed contracts for over 80 locations throughout Poland. By the end of 2025, the network is to include over 750 eco-electrostations, modern LED carriers that are also ecological charging stations for electric vehicles.



Revenue detail: America

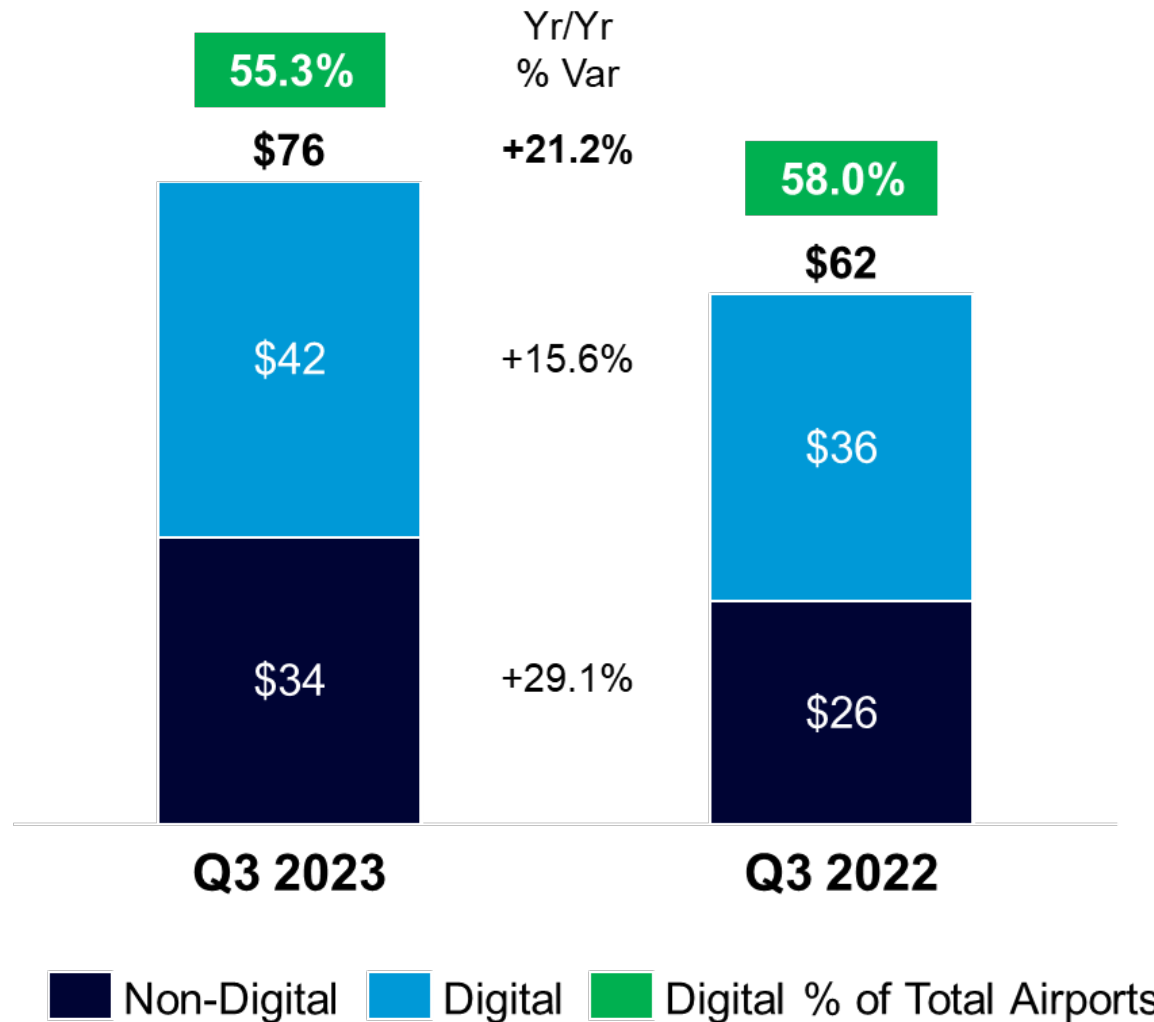
(USD, in millions)



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 September 30,					
				Excluding movements in FX		
	2023	2022	Variance ²	2023	2022	Variance ²
Revenue	\$ 23	\$ 21	8.4 %	\$ 21	\$ 21	(1.2)%
Direct operating and SG&A expenses	20	18	8.2 %	18	18	(0.9)%
Segment Adjusted EBITDA ¹	3	3	10.0 %	3	3	(3.4)%

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.

Third Quarter:

- **Revenue (excluding movements in FX):** Down 1.2%
 - Lower revenue related to termination of public bicycle rental program
- **Direct operating and SG&A expenses (excluding movements in FX):** Down 0.9%
 - Lower expenses related to termination of public bicycle rental program

Rent abatements

(USD, in millions)	2023					2022				
	Q1	Q2	Q3	Total		Q1	Q2	Q3	Q4	Total
Consolidated ¹	\$ 7.3	\$ 7.0	\$ 4.4	\$ 18.6		\$ 9.0	\$ 13.6	\$ 15.8	\$ 13.0	\$ 51.3
America	1.2	2.1	1.6	4.9		3.7	3.6	3.8	3.8	14.8
Airports	5.5	4.5	2.7	12.7		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:		Q3 2023
Revenue	\$	9.8
Direct Operating and SG&A Expenses		7.4
Adjusted EBITDA		2.0
AFFO		2.1

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 September 30,		Variance
	2023	2022	
Revenue			
America	\$ 278,760	\$ 284,201	(1.9) %
Airports	75,558	62,318	21.2 %
Europe-North	149,366	135,522	10.2 %
Other	23,102	21,303	8.4 %
Consolidated Revenue	\$ 526,786	\$ 503,344	4.7 %
Direct Operating and SG&A Expenses (Excluding Depreciation and Amortization) ¹			
America	\$ 157,456	\$ 154,867	1.7 %
Airports	60,038	47,258	27.0 %
Europe-North	121,154	111,333	8.8 %
Other	19,812	18,312	8.2 %
Consolidated Direct Operating and SG&A Expenses	\$ 358,460	\$ 331,770	8.0 %
Segment Adjusted EBITDA ²			
America	\$ 121,335	\$ 129,679	(6.4) %
Airports	15,522	15,060	3.1 %
Europe-North	28,444	24,198	17.5 %
Other	3,290	2,991	10.0 %
Total Segment Adjusted EBITDA	168,591	171,928	(1.9) %
Adjusted Corporate expenses ³	(29,375)	(33,981)	(13.6) %
Adjusted EBITDA⁴	\$ 139,216	\$ 137,947	0.9 %

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 loss from continuing operations to Adjusted EBITDA within these slides.

Segment operating results excluding movements in FX

(In thousands)	Three Months Ended September 30,		Variance
	2023	2022	
Revenue Excluding Movements in FX ¹			
America	\$ 278,760	\$ 284,201	(1.9) %
Airports	75,558	62,318	21.2 %
Europe-North	141,626	135,522	4.5 %
Other	21,037	21,303	(1.2) %
Consolidated Revenue Excluding Movements in FX	\$ 516,981	\$ 503,344	2.7 %
Direct Operating and SG&A Expenses Excluding Movements in FX ¹			
America	\$ 157,456	\$ 154,867	1.7 %
Airports	60,038	47,258	27.0 %
Europe-North	115,432	111,333	3.7 %
Other	18,147	18,312	(0.9) %
Consolidated Direct Operating and SG&A Expenses Excluding Movements in FX	\$ 351,073	\$ 331,770	5.8 %
Segment Adjusted EBITDA Excluding Movements in FX ¹			
America	\$ 121,335	\$ 129,679	(6.4) %
Airports	15,522	15,060	3.1 %
Europe-North	26,423	24,198	9.2 %
Other	2,890	2,991	(3.4) %
Total Segment Adjusted EBITDA	166,170	171,928	(3.3) %
Adjusted Corporate Excluding Movements in FX ¹	(28,905)	(33,981)	(14.9) %
Adjusted EBITDA Excluding Movements in FX¹	\$ 137,265	\$ 137,947	(0.5) %

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 Loss from continuing operations to Adjusted EBITDA

(in thousands)	Three Months Ended September 30,	
	2023	2022
Loss from continuing operations	\$ (51,082)	\$ (18,798)
Adjustments:		
Income tax benefit attributable to continuing operations	(244)	(21,120)
Other expense, net	17,269	27,968
Gain on extinguishment of debt	(3,817)	—
Interest expense, net	107,391	92,620
Other operating expense, net	6,179	1,863
Impairment charges	—	871
Depreciation and amortization	57,699	49,871
Share-based compensation	4,987	5,124
Restructuring and other costs	834	(452)
Adjusted EBITDA	<u>\$ 139,216</u>	<u>\$ 137,947</u>

Reconciliation of Corporate expenses to Adjusted Corporate expenses

(in thousands)	Three Months Ended September 30,	
	2023	2022
Corporate expenses	\$ (34,931)	\$ (38,299)
Share-based compensation	4,987	5,124
Restructuring and other costs	569	(806)
Adjusted Corporate expenses	<u>\$ (29,375)</u>	<u>\$ (33,981)</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

	QTD Q3 2022	YTD Q3 2022
Corporate expenses, as originally reported	\$ 37,433	\$ 120,159
Reclassified from Europe-South SG&A to Corporate ¹	1,051	3,750
Reclassified from Corporate to Discontinued Operations	(185)	(586)
Corporate expenses, after application of Discontinued Operations	\$ 38,299	\$ 123,323
Adjusted Corporate expenses, as originally reported	\$ 32,949	\$ 93,537
Total change to Corporate expenses, from above	866	3,164
Share-based compensation and Restructuring and other costs	166	526
Adjusted Corporate expenses, after application of Discontinued Operations	\$ 33,981	\$ 97,227

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 loss to FFO and AFFO

(in thousands)	Three Months Ended September 30,	
	2023	2022
Consolidated net loss	\$ (262,818)	\$ (38,780)
Depreciation and amortization of real estate	50,352	49,067
Net loss on disposition of real estate (excludes condemnation proceeds) ¹	202,572	1,126
Impairment of real estate	—	871
Adjustment for unconsolidated affiliates and non-controlling interests	(819)	(1,479)
Funds From Operations (FFO)	(10,713)	10,805
Less: FFO from discontinued operations	(10,337)	(13,542)
FFO from continuing operations	(376)	24,347
Capital expenditures—maintenance	(10,638)	(12,438)
Straight-line rent effect	1,902	(751)
Depreciation and amortization of non-real estate	7,574	7,474
Gain on extinguishment of debt	(3,817)	—
Amortization of deferred financing costs and discounts	2,994	2,824
Share-based compensation	4,987	5,124
Deferred taxes	(3,074)	(22,419)
Restructuring and other costs	834	(452)
Transaction costs	5,311	317
Foreign exchange transaction loss	13,735	28,753
Other items ²	5,180	1,085
Adjusted Funds From Operations (AFFO)	\$ 24,612	\$ 33,864

¹ Net loss on disposition of real estate for the three months ended September 30, 2023 includes a loss of \$201 million recognized upon classification of the business in France as held for sale.

² Other items for the three months ended September 30, 2023 includes expenses related to the CCOH 9.000% Senior Secured Notes issuance and Term Loan Facility prepayment.

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 23.

Reconciliation of Loss from continuing operations guidance to Adjusted EBITDA guidance

(in millions)	FY 2023	
	Low	High
Loss from continuing operations	\$ (190)	\$ (172)
Adjustments:		
Income tax benefit attributable to continuing operations	(7)	(7)
Other income, net	(3)	(5)
Loss on extinguishment of debt	(4)	(4)
Interest expense, net	421	427
Other operating expense, net	13	13
Depreciation and amortization	248	248
Share-based compensation	20	20
Restructuring and other costs	22	22
Adjusted EBITDA	\$ 520	\$ 542

Note: Guidance excludes movements in FX.

Reconciliation of Loss from continuing operations guidance to AFFO guidance

(in millions)	FY 2023	
	Low	High
Loss from continuing operations	\$ (190)	\$ (172)
Depreciation and amortization of real estate	216	216
Net gain on disposal of real estate (excludes condemnation proceeds)	8	8
Adjustment for unconsolidated affiliates and non-controlling interests	(3)	(3)
FFO from continuing operations	31	49
Capital expenditures-maintenance	(43)	(46)
Straight-line rent effect	5	5
Depreciation and amortization of non-real estate	32	32
Gain on extinguishment of debt	(4)	(4)
Amortization of deferred financing costs and discounts	12	12
Share-based compensation	20	20
Deferred taxes	(19)	(19)
Restructuring and other costs	22	22
Foreign exchange transaction gain	(7)	(9)
Other items	18	18
Adjusted Funds From Operations (AFFO)	\$ 67	\$ 80

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 23.

Calculation of First Lien Leverage Ratio

First Lien Leverage Ratio:

- **5.59x** as of September 30, 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)	September 30, 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
Other debt	4.2
Less: Cash and cash equivalents	(313.4)
First lien debt⁽¹⁾	<u>\$ 2,950.8</u>

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

EBITDA:

- **\$527.6 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 and Net cash provided by operating activities

	Four Quarters Ended September 30, 2023
<i>(In millions)</i>	
EBITDA (as defined by the Senior Secured Credit Agreement)	\$ 527.6
Depreciation and amortization, impairment charges and share-based compensation	(271.1)
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⁾	(20.8)
Other items ⁽²⁾	(20.8)
Operating income ⁽³⁾	214.8
Interest expense, net; gain on extinguishment of debt; other income, net; and income tax benefit attributable to continuing operations	(291.5)
Loss from discontinued operations	(158.7)
Adjustments to reconcile consolidated net loss to net cash provided by operating activities:	
Reconciling items for non-cash and non-operating activity ⁽⁴⁾	626.0
Changes in operating assets and liabilities	(366.1)
Net cash provided by operating activities ⁽³⁾	\$ 24.5

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

⁽²⁾ Primarily comprised of interest income and costs related to the strategic reviews of our remaining businesses.

⁽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; gain on classification as held for sale and 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 330,000 print and digital displays in 19 countries, excluding businesses held for sale.

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