LAMAR ADVERTISING CO/NEW
Form 424B3
June 28, 2007

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Filed pursuant to Rule 424(b)(3)
Registration No. 333-143419

PROSPECTUS

Lamar Advertising Company

Offer to Exchange a New Series of 27/8% Convertible Notes Due 2010 Series B and an Exchange Fee for All Outstanding 27/8% Convertible Notes due 2010

The Exchange Offer

We are offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, a new series of 27/8% Convertible Notes due 2010 Series B and an exchange fee for all of our 27/8% Convertible Notes due 2010. We refer to this offer as the exchange offer. We refer to our existing 27/8% Convertible Notes due 2010 as the outstanding notes and to the new series of 27/8% Convertible Notes due 2010 Series B as the new notes. The CUSIP number of the outstanding notes is 512815 AG 6, and the CUSIP number of the new notes is 512815 AH 4.

Upon completion of the exchange offer, each $1,000 principal amount of outstanding notes that are validly tendered and not validly withdrawn will be exchanged for $1,000 principal amount of new notes and an exchange fee of $2.50.

The exchange offer expires at midnight, New York City time, on June 27, 2007, which we refer to as the expiration date, unless earlier terminated or extended by us.

Tenders of outstanding notes may be withdrawn at any time before midnight, New York City time on the expiration date of the exchange offer.

The New Notes

Comparison: The terms of the new notes differ from the terms of the outstanding notes in the following ways:

The new notes are convertible into shares of our Class A common stock, cash or a combination thereof, at our option.

The new notes are convertible only under the following circumstances: (1) if the closing sale price of our Class A common stock reaches, or the trading price of the notes falls below, specified thresholds, (2) if specified distributions to holders of our Class A common stock occur, (3) if a fundamental change or change of control occurs or (4) during the 10 business days prior to maturity. The outstanding notes are convertible at the option of the holders without restrictions.

The conversion rate applicable to the new notes will be increased if we become a party to a consolidation, merger or sale of all or substantially all of our assets that constitutes a fundamental change as described in this prospectus, subject to certain exceptions. The conversion rate for the new notes also will be adjusted for certain events, including payment of cash dividends on our Class A common stock. The *conversion rate* as that term is used in this prospectus means the conversion rate in effect at any given time.

Maturity: The new notes will mature on December 31, 2010.

Interest Payments: We will pay interest on June 30 and December 31 of each year, beginning on June 30, 2007.

Ranking: The new notes are our general unsecured obligations and will rank equally in right of payment with all of our other senior, unsecured debt obligations.

Repurchase at Option of Holders: Holders may require us to purchase for cash all or a portion of their new notes upon a change of control.

See Risk Factors beginning on page 10 for a discussion of certain risks that you should consider before participating in the exchange offer.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The dealer-manager for this exchange offer is:

Wachovia Securities

The date of this prospectus is June 26, 2007

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No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You should not rely on any unauthorized information or representations. This prospectus is an offer to exchange only the new notes offered by this prospectus, and only under the circumstances and in those jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

Lamar Advertising Company is a Delaware corporation. Our principal executive offices are located at 5551 Corporate Blvd., Baton Rouge, LA 70808, and our telephone number at that address is (225) 926-1000. Our web site is located at *http://www.lamar.com.* The information on or linked to from the web site is not part of this prospectus.

In this prospectus, except as the context otherwise requires or as otherwise noted, Lamar Advertising, we, us and our refer to Lamar Advertising Company and its subsidiaries, except with respect to the notes, in which case such terms refer only to Lamar Advertising Company. Lamar Media Corp., our direct wholly owned subsidiary, is referred to herein as Lamar Media.

WHERE YOU CAN FIND MORE INFORMATION

We are required to file annual, quarterly and current reports, proxy statements, any amendments to those reports and other information with the SEC. You may read and copy any document we file at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Copies of all or a portion of such materials can be obtained from the Public Reference Section of the SEC upon payment of prescribed fees. Please call the SEC at 1-800-SEC-0330 for further information. Our SEC filings are also available to the public at the SEC s website at *http://www.sec.gov* and our internet website at *http://www.lamar.com.* The information on our website does not constitute a part of this prospectus and is not incorporated herein by reference.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information we have filed with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is deemed to be a part of this prospectus. The reports and other documents we file after the date of this prospectus will update, supplement and supersede the information in this prospectus. We incorporate by reference the documents listed below and any documents we file subsequently with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act after the date of the

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initial registration statement and prior to the effectiveness of the registration statement and after the date of the prospectus and prior to the termination of the offering; provided, however, that we are not incorporating any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K.

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, filed with the SEC on March 1, 2007;

Our Current Reports on Form 8-K filed with the SEC on March 19, 2007, March 29, 2007 and May 30, 2007;

Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, filed with the SEC on May 10, 2007; and

The description of our common stock in our registration statement on Form 8-A/A, filed on July 27, 1999, including any amendment or reports filed for the purpose of updating this description.

You may request a copy of these filings, at no cost, by writing or telephoning us at:

Lamar Advertising Company
Attn: Keith Istre
5551 Corporate Boulevard
Baton Rouge, LA 70808
(225) 926-1000

INDUSTRY AND MARKET DATA

The market data and other statistical information used throughout this prospectus are based on independent industry publications, government publications, reports by market research firms or other published independent sources. Some data are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources listed above. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains forward-looking statements, including statements regarding our future financial performance and condition, business plans, objectives, prospects, growth and operating strategies and market opportunities. These are statements that relate to future periods and include statements regarding our anticipated performance.

Generally, the words anticipates, believes, expects, intends, estimates, projects, plans and similar expressi forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements or industry results, to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. These risks, uncertainties and other important factors include, among others:

risks and uncertainties relating to our significant indebtedness;

the demand for outdoor advertising;

the performance of the U.S. economy generally and the level of expenditures on outdoor advertising in particular;

our ability to renew expiring contracts at favorable rates;

the integration of companies that we acquire and our ability to recognize cost savings or operating efficiencies as a result of these acquisitions;

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- our need for and ability to obtain additional funding for acquisitions or operations; and

- the regulation of the outdoor advertising industry by federal, state and local governments.

Although we believe that the statements contained in this prospectus are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Given these uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are made as of the date of this prospectus.

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PROSPECTUS SUMMARY

This summary highlights the information contained elsewhere in this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. For a more complete understanding of this exchange offer, we encourage you to read this entire prospectus and the documents incorporated by reference into the registration statement of which this prospectus forms a part. You should read the following summary together with the more detailed information and consolidated financial statements and the notes to those statements incorporated herein by reference. Unless otherwise indicated, financial information included or incorporated by reference into this prospectus is presented on an historical basis.

Lamar Advertising Company

We are one of the largest outdoor advertising companies in the United States based on number of displays and have operated under the Lamar name since 1902. As of March 31, 2007, we owned and operated approximately 151,000 billboard advertising displays in 44 states, Canada and Puerto Rico, operated over 97,000 logo advertising displays in 19 states and the province of Ontario, Canada, and operated approximately 28,100 transit advertising displays in 17 states, Canada and Puerto Rico. We offer our customers a fully integrated service, satisfying all aspects of their billboard display requirements from ad copy production to placement and maintenance.

Our Business

We operate three types of outdoor advertising displays: billboards, logo signs and transit advertising displays.

Billboards. We sell most of our advertising space on two types of billboards: bulletins and posters.

> *Bulletins* are generally large, illuminated advertising structures that are located on major highways and target vehicular traffic.
>
> *Posters* are generally smaller advertising structures that are located on major traffic arteries and city streets and target vehicular and pedestrian traffic.

In addition to these traditional billboards, we are also introducing digital billboards which are generally located on major traffic arteries and city streets. As of March 31, 2007, we owned and operated approximately 390 digital billboard advertising displays in 36 states.

Logo Signs. We sell advertising space on logo signs located near highway exits.

> *Logo signs* generally advertise nearby gas, food, camping, lodging and other attractions.

We are the largest provider of logo signs in the United States, operating 19 of the 25 privatized state logo sign contracts. As of March 31, 2007, we operated approximately 97,000 logo sign advertising displays in 19 states and Canada.

Transit Advertising Displays. We also sell advertising space on the exterior and interior of public transportation vehicles, transit shelters and benches in 65 markets. As of March 31, 2007, we operated approximately 28,100 transit advertising displays in 17 states, Canada and Puerto Rico.

Operating Strategies

We strive to be a leading provider of outdoor advertising services in each of the markets that we serve, and our operating strategies for achieving that goal include:

Continuing to provide high quality local sales and service. We seek to identify and closely monitor the needs of our customers and to provide them with a full complement of high quality advertising services. Local advertising constituted approximately 80% of our net revenues for the three months ended March 31, 2007, which management believes is higher than the industry average. We believe that the

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experience of our regional and local managers has contributed greatly to our success. For example, regional managers have been with us for an average of 25 years. In an effort to provide high quality sales and service at the local level, we employed approximately 900 local account executives as of March 31, 2007. Local account executives are typically supported by additional local staff and have the ability to draw upon the resources of the central office, as well as offices in our other markets, in the event business opportunities or customers needs support such an allocation of resources.

Continuing a centralized control and decentralized management structure. Our management believes that, for our particular business, centralized control and a decentralized organization provide for greater economies of scale and are more responsive to local market demands. Therefore, we maintain centralized accounting and financial control over our local operations, but the local managers are responsible for the day-to-day operations in each local market and are compensated according to that market s financial performance.

Continuing to focus on internal growth. Within our existing markets, we seek to increase our revenue and improve our cash flow by employing highly-targeted local marketing efforts to improve our display occupancy rates and by increasing advertising rates where and when demand can absorb rate increases. Our local offices lead this effort and respond to local customer demands quickly.

In addition, we routinely invest in upgrading our existing displays and constructing new displays. From January 1, 1997 to March 31, 2007, we invested approximately $966 million in improvements to our existing displays and in constructing new displays. Our regular improvement and expansion of our advertising display inventory allow us to provide high quality service to our current advertisers and to attract new advertisers.

Continuing to pursue strategic acquisitions. We intend to enhance our growth by continuing to pursue strategic acquisitions that result in increased operating efficiencies, greater geographic diversification, increased market penetration and opportunities for inter-market cross-selling. In addition to acquiring outdoor advertising assets in new markets, we acquire complementary outdoor advertising assets within existing markets and in contiguous markets. We have a proven track record of integrating acquired outdoor advertising businesses and assets. Since January 1, 1997, we have successfully completed over 800 acquisitions, including over 260 acquisitions for an aggregate purchase price of approximately $670 million from January 1, 2004 to March 31, 2007. Although the advertising industry is becoming more consolidated, we believe acquisition opportunities still exist, given the industry s continued fragmentation among smaller advertising companies.

Continuing to pursue other outdoor advertising opportunities. We plan to pursue additional logo sign contracts. Logo sign opportunities arise periodically, both from states initiating new logo sign programs and from states converting government-owned and operated programs to privately-owned and operated programs. Furthermore, we plan to pursue additional tourist oriented directional sign programs in both the Untied States and Canada and also other motorist information signing programs as opportunities present themselves. In an effort to maintain market share, we have entered the transit advertising business through the operation of displays on bus shelters, benches and buses in 65 of our advertising markets.

Summary of the Exchange Offer

Purpose of the Exchange Offer	The purpose of the exchange offer is to change certain terms of the outstanding notes, including the type of consideration that we may use to pay holders upon conversion. The new notes are convertible into Class A common stock, cash or a combination thereof, at our option, subject to certain conditions, while the outstanding notes are convertible solely into Lamar s Class A common stock.
The Exchange Offer and Exchange Fee	We are offering to exchange $1,000 principal amount of new notes and an exchange fee of $2.50 for each $1,000 principal amount of outstanding notes accepted for exchange.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, which we may waive, including that the registration statement and any post-effective amendment to the registration statement covering the new notes be effective under the Securities Act of 1933, as amended, or the Securities Act. See The Exchange Offer Conditions to the Exchange Offer.
Expiration Date; Extension	This exchange offer will expire at midnight, New York City time, on June 27, 2007, unless extended or terminated by us, which date we refer to as the expiration date. We may extend the expiration date for any reason. If we decide to extend the exchange offer, we will announce the extension by press release or other permitted means no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.
Procedures for Tendering Outstanding Notes	In order to exchange outstanding notes, you must tender the outstanding notes together with a properly completed letter of transmittal and the other agreements and documents described in this prospectus and the letter of transmittal. If you own outstanding notes held through a broker or other third party, or in street name, you will need to follow the instructions in the letter of transmittal on how to instruct the broker or third party to tender the outstanding notes on your behalf, as well as submit a letter of transmittal and the other agreements and documents described in this prospectus and the letter of transmittal. We will determine in our reasonable discretion whether any outstanding notes have been validly tendered. Outstanding notes may be tendered by electronic transmission of acceptance through The Depositary Trust Company s, or DTC s, Automated Tender Offer Program, or ATOP, procedures for transfer or by delivery of a signed letter of transmittal pursuant to the instructions described therein. Custodial entities that are participants in DTC must tender outstanding notes through DTC s ATOP, by which the custodial entity and the beneficial owner on whose behalf the custodial entity is acting agree to be bound by the letter of transmittal. A letter of transmittal need not accompany tenders effected through ATOP. Please carefully

follow the

	instructions contained in this prospectus on how to tender your notes.
	If we decide for any reason not to accept any outstanding notes for exchange, they will be returned without expense promptly after the expiration or termination of the exchange offer. See The Exchange Offer Procedures for Exchange.
Guaranteed Delivery Procedures for Tendering Outstanding Notes	If you cannot meet the expiration deadline or you cannot deliver your outstanding notes, the letter of transmittal or any other documentation to comply with the applicable procedures under DTC, Euroclear or Clearstream standard operating procedures for electronic tenders in a timely fashion, you may tender your notes according to the guaranteed delivery procedures set forth under The Exchange Offer Guaranteed Delivery Procedures.
Acceptance of Outstanding Notes and Delivery of Exchange Notes	We will accept any outstanding notes that are properly tendered for exchange before midnight, New York City time, on the day this exchange offer expires. The exchange notes will be delivered promptly after expiration of this exchange offer upon the terms and subject to the conditions in this prospectus and the letter of transmittal.
Withdrawal Rights	If you tender your outstanding notes for exchange in this exchange offer and later wish to withdraw them, you may do so at any time before midnight, New York City time, on the day this exchange offer expires.
Consequences If You Do Not Exchange Your Outstanding Notes	The liquidity and trading market for outstanding notes not tendered in the exchange offer could be adversely affected to the extent a significant number of the outstanding notes are tendered and accepted in the exchange offer. Holders who do not exchange their outstanding notes for new notes will not receive the exchange fee. Holders of outstanding notes who do not exchange their outstanding notes for new notes can continue to convert their outstanding notes during the term of the outstanding notes in accordance with the terms of the outstanding notes.
United States Federal Income Tax Considerations	The United States federal income tax consequences of the exchange of outstanding notes for new notes are not entirely clear. We intend to take the position, however, that the exchange of outstanding notes for new notes will not constitute a significant modification of the terms of the outstanding notes and that, as a result, the new notes will be treated as a continuation of the outstanding notes and there will be no United States federal income tax consequences to holders who participate in the exchange offer, except that holders will have to recognize the amount of the exchange fee as ordinary income. Unless an exemption applies, we may withhold at a rate of 30% from the payment of the exchange fee to any non-U.S. Holder (as defined herein) participating in the exchange offer. If, contrary to our position, the exchange of the outstanding notes for the new notes

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	does constitute a significant modification to the terms of the outstanding notes, the U.S. federal income tax consequences to you could materially differ.
Exchange Agent	The Bank of New York Trust Company, N.A. is serving as the exchange agent. Its address and telephone number are provided on the back cover page of this prospectus. See The Exchange Offer Exchange Agent.
Information Agent	The Altman Group has been appointed as the information agent for the exchange offer. Its address and telephone number are provided on the back cover of this prospectus. See The Exchange Offer Information Agent.
Dealer-Manager	Wachovia Capital Markets, LLC (Wachovia Securities or Dealer-Manager) has been retained to act as dealer-manager in connection with the exchange offer. Its address and telephone number are provided on the back cover of this prospectus. See The Exchange Offer Dealer-Manager.
Use of Proceeds	We will not receive any cash proceeds from this exchange offer. See Use of Proceeds.

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Material Differences Between the Outstanding Notes and the New Notes

The material differences between the outstanding notes and the new notes are described in the table below. The table below is qualified in its entirety by the information contained elsewhere in this prospectus and the documents governing the outstanding notes and the new notes, copies of which have been filed as exhibits to the registration statement of which this prospectus forms a part. For a more detailed description of the new notes, see Description of the New Notes.

	Outstanding Notes	New Notes
Securities Offered	$287,500,000 aggregate principal amount of 27/8% Convertible Notes due 2010 (the outstanding notes).	Up to $287,500,000 aggregate principal amount of 27/8% Convertible Notes due 2010 Series B (the new notes).
Conversion Rights	Holders may convert their outstanding notes at their option at any time.	Holders may convert their new notes under the following circumstances: during any calendar quarter commencing at any time after September 30, 2007, but only during such calendar quarter, if the closing sale price of our Class A common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 160% of the conversion price per share, which is $1,000 divided by the conversion rate; during the five business day period after any five consecutive trading day period in which the trading price per $1,000 principal amount of new notes for each day of that period was less than 98% of the product of the closing sale price of our Class A common stock for each day of that period and the conversion rate; if specified distributions to holders of our Class A common stock are made, or specified corporate transactions occur; if a fundamental change or change of control occurs; or during the 10 trading days prior to, but excluding, the maturity date.
Settlement upon Conversion	Upon conversion of the outstanding notes, we will deliver	Upon conversion of the new notes, we will deliver, in respect of each $1,000 principal amount of new

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	Outstanding Notes	New Notes
shares of our Class A common stock at the conversion rate.	notes shares of our Class A common stock, cash or a combination thereof at our option.	For a detailed description of these provisions, see Description of the New Notes Conversion Settlement.
Make Whole Upon Fundamental Change	None.	If a fundamental change occurs and a holder elects to convert notes in connection with such transaction, we will increase the conversion rate in connection with such conversion by a number of additional shares of Class A common stock based on the date such transaction becomes effective and the price paid per share of Class A common stock in such transaction as described under Description of the New Notes Conversion Rate Adjustments Make Whole Upon Fundamental Change in this prospectus.
Dividend Protection	If we distribute a quarterly cash dividend on shares of our Class A common stock, we will increase the conversion rate (by multiplying the conversion rate in effect immediately before the dividend record date by a fraction, the numerator of which is the five day average closing sale price per share of the Class A common stock, and the denominator of which is the five day average closing sale price per share of the Class A common stock minus the amount of the cash dividend per share), based on the amount by which the quarterly cash dividend per share exceeds 1.25% of the five day average closing sale price per share of Class A common stock. If we distribute a non-quarterly cash dividend on our Class A common stock, we will increase the conversion rate by the same formula, based upon the full amount of the non- quarterly cash dividend per share.	If we distribute a quarterly or non-quarterly cash dividend on shares of our Class A common stock, we will increase the conversion rate (by multiplying the conversion rate in effect immediately before the dividend record date by a fraction, the numerator of which is the ten day average closing sale price per share of the Class A common stock plus the amount of the cash dividend per share, and the denominator of which is the ten day average closing sale price per share of the Class A common stock), based upon the full amount of the cash dividend per share.

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Summary of the New Notes

The following is a summary of some of the terms of the new notes. For a more complete description of the new notes, see Description of the New Notes.

Issuer	Lamar Advertising Company.
New Notes	Up to $287,500,000 aggregate principal amount of 27/8% Convertible Notes due 2010 Series B.
Maturity Date	December 31, 2010.
Interest Rate	27/8% per year.
Interest Payment Date	June 30 and December 31 of each year, beginning June 30, 2007.
Conditions to Conversion	Holders may surrender their notes for shares of our Class A common stock, cash or a combination thereof, as elected by us, at the conversion rate. The initial conversion rate for each $1,000 principal amount of new notes is 20.4518, which is equivalent to an initial conversion price of approximately $48.90 per share of Class A common stock. The new notes will only be convertible under the following circumstances: during any calendar quarter commencing at any time after September 30, 2007 but only during such calendar quarter, if the closing sale price of our Class A common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 160% of the conversion price per share, which is $1,000 divided by the conversion rate; during the five business day period after any five consecutive trading day period in which the trading price per $1,000 principal amount of new notes for each day of that period was less than 98% of the product of the closing sale price of our Class A common stock for each day of that period and the conversion rate; if specified distributions to holders of our Class A common stock are made, or specified corporate transactions occur; if a fundamental change or change of control occurs; or during the 10 trading days prior to, but excluding, the maturity date.
Conversion Rate Adjustments	If a fundamental change occurs and a holder elects to convert notes in connection with such transaction, we will increase the conversion rate in connection with such conversion by a number of additional shares of Class A common stock based on the date such transaction becomes effective and the price paid per share of Class A common stock in such transaction as described under Description of the New Notes Conversion

Rate Adjustments   Make Whole Upon Fundamental Change   in this prospectus. The conversion rate for the new notes also will be adjusted for certain events, including payment of cash dividends on our Class A common stock.

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	If we undergo a public acquirer fundamental change, however, we may elect to change the conversion rights of the new notes that are converted in connection with that public acquirer fundamental change (in lieu of increasing the conversion rate applicable to the new notes that are converted in connection with that public acquirer fundamental change), as described under Description of the New Notes Conversion Rate Adjustments Fundamental Change Involving a Public Acquirer Fundamental Change in this prospectus.
Repurchase at Option of Holders Upon a Change of Control	If we undergo a change of control, as that term is defined in the new notes, you will have the right, subject to certain conditions and restrictions, to require us to repurchase your notes, in whole or in part, at 100% of the principal amount of the new notes, plus accrued interest to the date of repurchase. See Description of the New Notes Repurchase at Option of Holders Upon a Change of Control.
Ranking	The new notes are our general unsecured obligations and will rank equally in right of payment with all of our other senior, unsecured debt obligations. The new notes will be effectively subordinated to all existing and future liabilities of our subsidiaries, partnerships and affiliated joint ventures. As of March 31, 2007, our subsidiaries had approximately $2.2 billion of total debt outstanding (excluding a mirror note issued by Lamar Media to us in aggregate principal amount of $287.5 million) that effectively ranked senior to the new notes.
Voting Rights of Class A Common Stock	We have two classes of common stock: Class A common stock and Class B common stock. The Class A common stock and the Class B common stock have the same rights and powers, except that a share of Class A common stock entitles the holder to one vote and a share of Class B common stock entitles the holder to ten votes. The Reilly Family Limited Partnership, which is controlled by Kevin P. Reilly, Jr., our President and Chief Executive Officer, and certain members of the Reilly family are the beneficial owners of all the outstanding shares of Class B common stock, representing approximately 65% of the total voting power of the common stock.

Risk Factors

See Risk Factors for a discussion of certain factors that you should carefully consider before investing in the new notes.

RISK FACTORS

Before deciding whether to tender your outstanding notes, you should carefully consider the following information in addition to the other information contained in this prospectus and the documents incorporated by reference into this prospectus. If any of the following risks actually occurs, our business, financial condition and results of operations could be materially adversely affected.

This prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those implied by our forward-looking statements. See also Statements Regarding Forward-Looking Information.

Risks Related to the Exchange Offer

Holders who fail to exchange their outstanding notes may have reduced liquidity after the exchange offer.

We have not conditioned the exchange offer on receipt of any minimum or maximum principal amount of outstanding notes. As outstanding notes are tendered and accepted in the exchange offer, the principal amount of remaining outstanding notes will decrease. This decrease could reduce the liquidity of the trading market for the outstanding notes. We cannot assure you of the liquidity, or even the continuation, of any trading market for the outstanding notes following the exchange offer.

The value of the new notes may be less than the value of the outstanding notes.

We are not making a recommendation as to whether holders of the outstanding notes should exchange them. We have not retained, and do not intend to retain, any unaffiliated representative to act solely on behalf of the holders of the outstanding notes for purposes of negotiating the terms of the exchange offer or preparing a report concerning the fairness of the exchange offer. The value of the new notes received in the exchange offer may not in the future equal or exceed the value of the outstanding notes tendered, and we do not take a position as to whether you should participate in the exchange offer.

You must comply with the exchange offer procedures to receive new notes.

Delivery of new notes in exchange for outstanding notes tendered and accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of the following:

certificates for outstanding notes or a book-entry confirmation of a book-entry transfer of outstanding notes into the exchange agent s account at DTC, New York, New York as a depository, including an agent s message, as defined in this prospectus, if the tendering holder does not deliver a letter of transmittal;

a complete and signed letter of transmittal, or facsimile copy, with any required signature guarantees, or, in the case of a book-entry transfer, an agent s message in place of the letter of transmittal; and

any other documents required by the letter of transmittal.

Therefore, holders of outstanding notes who would like to tender outstanding notes in exchange for new notes should allow enough time for the necessary documents to be timely received by the exchange agent. We are not required to notify you of defects or irregularities in tenders of outstanding notes for exchange. See The Exchange Offer

Procedures for Exchange and The Exchange Offer Miscellaneous.

If you exchange your outstanding notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be deemed to have received restricted securities. If you are deemed to have received restricted securities, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

An active trading market may not develop for the new notes.

Although there is an active trading market in the Class A common stock of Lamar Advertising, the new notes have no established trading market and will not be listed on any securities exchange. The new notes will be eligible for trading in The PORTAL Market. The liquidity of any market for the new notes will depend upon various factors, including:

- the number of holders of the new notes;
- the interest of securities dealers in making a market for the new notes;
- the overall market for convertible securities;
- the trading price of our Class A common stock;
- our financial performance or prospects; and
- the prospects for companies in our industry generally.

Accordingly, we cannot assure you that a market or liquidity will develop for the new notes.

The U.S. federal income tax consequences of the exchange of the outstanding notes for the new notes are not entirely clear.

The U.S. federal income tax consequences of the exchange offer and of the ownership and disposition of the new notes are not entirely clear because there is no statutory, administrative or judicial authority that specifically addresses an exchange with the terms of the exchange offer. We intend to take the position that the modifications to the outstanding notes resulting from the exchange of outstanding notes for new notes should not constitute a significant modification of the outstanding notes for U.S. federal income tax purposes. Assuming that this position is correct, the new notes will be treated as a continuation of the outstanding notes and, except for the exchange fee, there will be no U.S. federal income tax consequences to a holder who exchanges outstanding notes for new notes pursuant to the exchange offer. There can be no assurances, however, that the IRS will agree that the exchange does not constitute a significant modification of the outstanding notes. If the exchange were to constitute a significant modification of the outstanding notes and either the outstanding notes or the new notes were not treated as securities for United States federal income tax purposes, the exchange would be a taxable transaction for United States federal income tax purposes.

No authority specifically addresses a payment of cash consideration (*i.e.*, the exchange fee) to the holders of outstanding notes as part of a transaction such as the exchange offer. Although the matter is not free from doubt, we will treat the payment of the cash consideration as ordinary income to holders participating in the exchange offer. Accordingly, unless an exception applies, we intend to withhold tax at a rate of 30% from the payment of the cash consideration to any non-U.S. holder participating in the exchange.

Risks Related to the New Notes

Because Lamar Advertising Company is a holding company, the new notes will be effectively subordinated to all of the existing and future debt and obligations of Lamar Media Corp. and its subsidiaries, and we may be unable to fulfill our obligations under the new notes.

Because the new notes are obligations of a holding company that has no significant assets or independent operations other than the equity of Lamar Media, our wholly owned subsidiary, the new notes will be effectively subordinated to all existing and future indebtedness and obligations of Lamar Media and its subsidiaries. At March 31, 2007, Lamar Media had approximately $2.2 billion of total debt outstanding (excluding a mirror note issued by Lamar Media to us in aggregate principal amount of $287.5 million) to which the new notes will be effectively subordinated. In addition, under the terms of the indentures governing Lamar Media s senior subordinated notes and the terms of Lamar Media s bank credit facility, it can incur substantially more debt.

As a consequence, we will be able to make payments on the new notes only to the extent that the instruments representing indebtedness of Lamar Media and its subsidiaries permit payments to be distributed as a dividend on equity to Lamar Advertising and there are amounts legally available to be distributed. Lamar Media s existing indentures and its bank credit agreement would block upstream payments of this type under various circumstances, including the bankruptcy, liquidation or reorganization of Lamar Media and its subsidiaries, and during the continuance of defaults under these agreements.

In addition, following the liquidation of any subsidiary of Lamar Advertising, the creditors of that subsidiary will be entitled to be paid in full before Lamar Advertising is entitled to a distribution of any assets in the liquidation.

We have substantial debt and intend to incur additional debt in the future that could adversely affect our business, financial condition and financial results and prevent us from fulfilling our obligations under the new notes.

We have borrowed substantially in the past and will continue to borrow in the future. At March 31, 2007, we had approximately $2.5 billion of total consolidated debt outstanding, consisting of approximately $1.2 billion in bank debt, $989.3 million in various series of senior subordinated notes, $6.6 million in other short-term and long-term debt, and $287.5 million in aggregate principal amount of the outstanding 27/8% convertible notes due 2010 that are subject to this exchange offer. Despite the level of debt presently outstanding, the terms of the indentures governing the senior subordinated notes issued by Lamar Media and our notes and the terms of Lamar Media s bank credit facility allow us, Lamar Media and its subsidiaries to incur substantially more debt, including approximately $385 million available for borrowing as of March 31, 2007 under Lamar Media s revolving bank credit facility.

Our substantial debt and our use of cash flow from operations to make principal and interest payments on our debt may, among other things:

- limit the cash flow available to fund our working capital, capital expenditures or other general corporate requirements;

- limit our ability to obtain additional financing to fund future working capital, capital expenditures or other general corporate requirements;

- inhibit our ability to fund or finance an appropriate level of acquisition activity, which has traditionally been a significant component of our year-to-year revenue growth;

- place us at a competitive disadvantage relative to those of our competitors that have less debt;

- make it more difficult for us to comply with the financial covenants in Lamar Media s bank credit facility, which could result in a default and an acceleration of all amounts outstanding under the facility;

- force us to seek and obtain alternate or additional sources of funding, which may be unavailable, or may be on less favorable terms, or may require the consent of lenders under Lamar Media s bank credit facility or the holders of our other debt;

- limit our flexibility in planning for, or reacting to, changes in our business and industry; and

- increase our vulnerability to general adverse economic and industry conditions.

Any of these problems could adversely affect our business, financial condition and financial results.

We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations.

Our ability to generate cash flow from operations to make principal and interest payments on our debt, including the new notes, will depend on our future performance, which will be affected by a range of economic, competitive and business factors. We cannot control many of these factors, including general economic conditions, our customers allocation of advertising expenditures among available media and the amount spent on advertising in general. If our operations do not generate sufficient cash flow to satisfy our debt service obligations, we may need to borrow additional funds to make these payments or undertake alternative financing plans, such as refinancing or restructuring our debt, or reducing or delaying capital investments and acquisitions. We cannot guarantee that such additional funds or alternative financing will be available on favorable terms, if at all. Our inability to generate sufficient cash flow from operations or obtain additional funds or alternative financing on acceptable terms could have a material adverse effect on our business, financial condition and results of operations.

Restrictions in our and Lamar Media s debt agreements reduce operating flexibility and contain covenants and restrictions that create the potential for defaults, which could adversely affect our business, financial condition and financial results.

The terms of Lamar Media s bank credit facility and the indentures relating to Lamar Media s outstanding senior subordinated notes and the indenture related to the outstanding notes restrict, and the terms of the indenture relating to the new notes will restrict, our ability to, among other things:

- incur or repay debt;
- dispose of assets;
- create liens;
- make investments;
- enter into affiliate transactions; and
- pay dividends and make inter-company distributions.

The terms of Lamar Media s bank credit facility also restrict Lamar Media from exceeding specified total debt ratios and require Lamar Media to maintain specified fixed charge coverage ratios.

These restrictions reduce our operating flexibility and could prevent us from exploiting investment, acquisition, marketing, stock repurchase or other time-sensitive business opportunities. Moreover, Lamar Media s ability to comply with the financial covenants in the bank credit facility (and any similar covenants in future agreements) depends on our operating performance, which in turn depends heavily on prevailing economic, financial and business conditions and other factors that are beyond our control. Therefore, despite our best efforts and execution of our strategic plan, we may be unable to comply with these financial covenants in the future.

If we or Lamar Media fail to comply with our financial covenants, the lenders under Lamar Media s bank credit facility could accelerate all of the debt outstanding, which would create serious financial problems and could lead to a default under the indentures governing our outstanding notes and Lamar Media s outstanding senior subordinated notes. Any of these events could adversely affect our business, financial condition and financial results.

We may not be able to purchase the new notes upon a change of control.

Upon the occurrence of a change of control (as defined in Description of the New Notes Repurchase at Option of Holders Upon a Change of Control on page 52), we will be required to offer to repurchase all outstanding new notes at a purchase price equal to 100% of their principal amount plus accrued and unpaid interest, if any, to the date of repurchase. Our obligation to repurchase the new notes upon a change of control cannot be waived without the consent of the affected noteholder. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of new notes or that restrictions in Lamar Media s bank credit facility will not allow such repurchase.

A sale of all or substantially all of our assets will result in a change of control. The term all or substantially all as used in the definition of a change of control, however, will likely be interpreted under applicable state law and will be dependent upon particular facts and circumstances. As a result, there may

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be uncertainty as to whether a sale assignment, conveyance, transfer, lease or other disposal is of all or substantially all of our assets, and thus whether a change of control has occurred.

The occurrence of a change of control event will also result in an event of default under Lamar Media s bank credit facility and, therefore, the lenders thereunder will have the right to require repayment in full of all outstanding borrowings under the facility, which totaled $1.2 billion as of March 31, 2007, before any repurchase of the new notes. We will not, therefore, be able to effect a repurchase of the new notes upon a change of control event unless we repay all of the outstanding borrowings under the bank credit facility or obtain the consent of the lenders thereunder.

We may enter into transactions that could substantially increase our outstanding indebtedness or otherwise adversely affect holders of the new notes that would not constitute a change of control.

We are not prevented from entering into many types of transactions that may adversely affect holders of the new notes, including acquisitions, refinancings or other recapitalizations. Only certain defined occurrences will constitute change of control events that obligate us to offer to repurchase the new notes. Permitted transactions could increase our outstanding indebtedness, change our capital structure, adversely affect our credit ratings or otherwise adversely affect holders of the new notes.

We expect that the trading value of the new notes will be significantly affected by the price of our Class A common stock and other factors.

The market price of the new notes is expected to be significantly affected by the market price of our Class A common stock. This may result in greater volatility in the trading value of the new notes than would be expected for nonconvertible debt securities. The market price of our Class A common stock may be volatile and, therefore, the trading price of the new notes may fluctuate significantly. Fluctuations in the stock price of our Class A common stock may result from a variety of factors, which are discussed in this prospectus and the documents incorporated herein by reference, some of which are beyond our control.

The conditional conversion feature of the new notes could result in your receiving less than the value of our Class A common stock underlying your new notes.

The new notes are convertible into cash, shares of our Class A common stock or a combination thereof, at our option, only if certain conditions for conversion are met. If these conditions are not met, you will not be able to convert your new notes, and you may not be able to receive the value of the cash, shares of our Class A common stock or a combination thereof, into which the new notes would otherwise be convertible.

Upon conversion of the new notes, we may pay cash in lieu of issuing shares of our Class A common stock. Therefore, holders may receive no shares of our Class A common stock or fewer shares than the number into which their outstanding notes are convertible.

We have the right to satisfy our conversion obligation to holders by issuing shares of our Class A common stock into which the new notes are convertible, the cash value of the shares of our Class A common stock into which the new notes are convertible, or a combination thereof. In addition, we have the right to irrevocably elect to satisfy our conversion obligation in cash with respect to the principal amount of the new notes to be converted after the date of such election. Accordingly, upon conversion of a new note, a holder may not receive any shares of our Class A common stock, or it might receive fewer shares of our Class A common stock relative to the conversion value of the new note.

Upon conversion of the new notes, holders may receive less proceeds than expected because the value of our Class A common stock may decline after such holders exercise their conversion right.

A converting holder will be exposed to fluctuations in the value of our Class A common stock during the period from the date such holder tenders new notes for conversion until the date we settle our conversion obligation. Under the new notes, if we elect to settle all or any portion of our conversion obligation in cash or if we make a cash payment of principal upon conversion, the conversion value that a holder will receive upon conversion of its new notes will be in part determined by the last reported sales prices of our Class A common stock for each trading day in a 20-day trading period. As described under Description of the New Notes Conversion Settlement, this period begins after the date on which a holder s new notes are tendered for conversion. Accordingly, if the price of our Class A common stock decreases during this period, the conversion value holders receive may be adversely affected.

The new notes are not protected by restrictive covenants.

The indenture governing the new notes does not contain any financial or operating covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us or any of our subsidiaries. The indenture contains no covenants to afford protection to holders of the new notes in the event of a fundamental change involving us, other than the conversion rate adjustments described under Description of the New Notes Conversion Rights Conversion Rate Adjustments.

The conversion rate of the new notes may not be adjusted for all dilutive events.

The conversion rate of the new notes is subject to adjustment for certain events, including, but not limited to, the issuance of stock dividends on our Class A common stock, the issuance of rights or warrants, subdivisions, combinations, distributions of capital stock, indebtedness or assets, certain cash dividends and certain tender or exchange offers as described under Description of the New Notes Conversion Rights Conversion Rate Adjustments . The conversion rate will not be adjusted for other events, such as an issuance of common stock for cash, that may adversely affect the trading price of the new notes or the Class A common stock. There can be no assurance that an event that adversely affects the value of the new notes, but does not result in an adjustment to the conversion rate, will not occur.

If we adjust the conversion rate, you may have to pay taxes with respect to amounts that you may not receive.

The conversion rate of the new notes is subject to adjustment for certain events arising from stock splits and combinations, stock dividends, certain cash dividends, certain fundamental changes and certain other actions by us that modify our capital structure. See Description of the New Notes Conversion Rights Conversion Rate Adjustments. If the conversion rate is adjusted, you may be required to include an amount in income for U.S. federal income tax purposes, notwithstanding the fact that you may not actually receive any distribution. If the conversion rate is increased at our discretion or in certain other circumstances, such increase also may be deemed to be the payment of a taxable distribution to you, notwithstanding the fact that you may not receive a cash payment. See Material United States Federal Income Tax Considerations Tax Consequences to Tendering U.S. Holders Conversion Rate Adjustments.

Conversion of the new notes may dilute the ownership interest of existing stockholders, including holders who had previously converted their new notes.

Upon conversion of the new notes, we will deliver cash, shares of Class A common stock or a combination thereof at our option. If we issue shares of Class A common stock upon conversion of the new notes, the conversion of some or all of the new notes will dilute the ownership interests of existing stockholders. Any sales in the public market of the Class A common stock issuable upon such conversion could adversely affect prevailing market prices of our Class A common stock. In addition, the existence of the new notes may encourage short selling by market participants because the conversion of the new notes could depress the price of our Class A common stock.

If you hold new notes, you will not be entitled to any rights with respect to our Class A common stock, but you will be subject to all changes made with respect to our Class A common stock.

If you hold new notes, you will not be entitled to any rights with respect to our Class A common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our Class A common stock), but you will be subject to all changes affecting the Class A common stock. You will have rights with respect to our Class A common stock only if, when and to the extent we deliver shares of Class A common stock to you upon conversion of your new notes and, in limited cases, under the conversion rate adjustments applicable to the new notes. For example, in the event that an amendment is proposed to our certificate of incorporation or by-laws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to delivery of Class A common stock to you, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our Class A common stock.

The additional shares of Class A common stock payable on new notes converted in connection with certain fundamental change transactions may not adequately compensate you for any lost option time value of your new notes as a result of such fundamental change transactions.

If a fundamental change occurs at any time after the date of issuance of the new notes, we will increase the conversion rate on new notes converted in connection with such fundamental change transaction by a number of additional shares of our Class A common stock. The number of such additional shares of Class A common stock will be determined based on the date on which the fundamental change transaction becomes effective and the price paid per share of our Class A common stock in the fundamental change transaction as described below under Description of the New Notes Conversion Rate Adjustments Make Whole Upon Fundamental Change.

While the increase in the conversion rate upon conversion is designed to compensate you for any lost option time value of your new notes as a result of such fundamental change transactions, such increase is only an approximation of such lost value and may not adequately compensate you for such loss. In addition, if the price paid per share of our Class A common stock in the fundamental change transaction is less than the Class A common stock price at the date of issuance, there will be no such increase in the conversion rate.

The repurchase rights in the new notes triggered by a change of control and the increase to the conversion rate triggered by a fundamental change could discourage a potential acquirer.

The repurchase rights in the new notes triggered by a change of control, as described under the heading Description of the New Notes Repurchase at Option of Holders Upon a Change of Control, and the increase to the conversion rate triggered by a fundamental change, as described under the heading Description of the New Notes Make Whole Upon Fundamental Change, could discourage a potential acquirer. The term change of control is limited to specified transactions and may not include other events that might adversely affect our financial condition or business operations. Our obligation to offer to repurchase the new notes upon a change of control would not necessarily afford you protection in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us.

You may not receive any shares of Class A common stock upon conversion of your new notes, which may mean that you will not receive the benefit of any appreciation in the price of our Class A common stock after the date of conversion, and conversion of the new notes will result in a recognition of gain for U.S. federal income tax purposes.

You will not have the right to receive shares of our Class A common stock upon conversion of the new notes. Instead, you will receive cash or, at our option, a combination of cash and shares of our Class A common stock as described under Description of the New Notes. To the extent that you receive a cash payment in lieu of our Class A common stock upon a conversion, you will not have the benefits of stock ownership, including the ability to participate in the appreciation in value of our Class A common stock. In that event, if you wish to own our Class A common stock upon conversion, you will have to purchase the stock in the open market. The price you pay in the open market may be greater than the per share equivalent value you receive from us. This difference could be greater if holders of a substantial number of new notes convert at the same time and then wish to acquire our stock at the same time.

Conversion of the outstanding notes into shares of our Class A common stock would not result in the recognition of gain for U.S. federal income tax purposes, but conversion of the new notes will result in the recognition of gain for U.S. federal income tax purposes if we elect to satisfy all or a portion of our conversion obligations in cash. Consequently, you will be required to pay tax on any gain on the new notes to the extent you receive cash sooner than if you had converted your outstanding notes into shares of Class A common stock and held the Class A common stock.

Risks Related to Our Business and Operations

Our revenues are sensitive to general economic conditions and other external events beyond our control.

We sell advertising space on outdoor structures to generate revenues. Advertising spending is particularly sensitive to changes in general economic conditions, and the occurrence of any of the following external events could depress our revenues:

- a decline in general economic conditions, which could reduce national advertising spending disproportionately;
- a decline in economic conditions in specific geographical markets, which could reduce local advertising spending in those particular markets disproportionately;
- a widespread reallocation of advertising expenditures to other available media by significant users of our displays;
- a decline in the amount spent on advertising in general or outdoor advertising in particular; and
- increased regulation of the subject matter, location or operation of outdoor advertising displays and taxation on outdoor advertising.

Our continued growth through acquisitions may become more difficult, which could adversely affect our future financial performance.

Over the last 10 years, the outdoor advertising industry has experienced a wave of consolidation, in part due to the regulatory restrictions on building new outdoor advertising structures. We have been a major participant in this trend, using acquisitions of outdoor advertising businesses and assets as a means of increasing our advertising display inventory in existing and new markets. Although we currently anticipate a reduction in acquisition activity from about $228 million in 2006 to between $150 million in 2007, acquisitions will remain an important component of our future revenue growth.

The future success of our acquisition strategy could be adversely affected by many factors, including the following:

- the pool of suitable acquisition candidates is dwindling, and we may have a more difficult time negotiating acquisitions on favorable terms because the pool of suitable acquisition candidates is dwindling;

we may face increased competition for acquisition candidates from other outdoor advertising companies, some of which have greater financial resources than we do, which may result in higher prices for those businesses and assets;

we may not have access to the capital needed to finance potential acquisitions and may be unable to obtain any required consents from our current lenders to obtain alternate financing;

we may be unable to integrate acquired businesses and assets effectively with our existing operations and systems as a result of unforeseen difficulties that could divert significant time, attention and effort from management that could otherwise be directed at developing existing business;

we may be unable to retain key personnel of acquired businesses;

we may not realize the benefits and cost savings anticipated in our acquisitions; and

we, and other companies engaged in larger mergers and acquisitions, may face substantial scrutiny under antitrust laws as the industry consolidates further.

These obstacles to our opportunistic acquisition strategy may have an adverse effect on our future financial results.

We face competition from larger and more diversified outdoor advertisers and other forms of advertising that could hurt our performance.

While we enjoy a significant market share in many of our small and medium-sized markets, we face competition from other outdoor advertisers and other media in all of our markets. Although we are one of the largest companies focusing exclusively on outdoor advertising in a relatively fragmented industry, we compete against larger companies with diversified operations, such as television, radio and other broadcast media. These diversified competitors have the advantage of cross-selling complementary advertising products to advertisers.

We also compete against an increasing variety of out-of-home advertising media, such as advertising displays in shopping centers, malls, airports, stadiums, movie theaters and supermarkets, and on taxis, trains and buses. To a lesser extent, we also face competition from other forms of media, including radio, newspapers, direct mail advertising, telephone directories and the Internet. The industry competes for advertising revenue along the following dimensions: exposure (the number of impressions an advertisement makes), advertising rates (generally measured in cost-per-thousand impressions), ability to target specific demographic groups or geographies, effectiveness, quality of related services (such as advertising copy design and layout) and customer service. We may be unable to compete successfully along these dimensions in the future, and the competitive pressures that we face could adversely affect our profitability or financial performance.

We currently have two primary suppliers of the LED digital displays for our digital billboards. If they cannot meet our requirements for these displays in the future, it could adversely affect our digital deployment.

Our inventory of digital billboards increased to approximately 390 units in operation at March 31, 2007 and we intend to expand our digital deployment in the future based on customer and market demand. We currently have two primary suppliers of the LED digital displays used in our digital billboards (Young Electric Sign Company (YESCO) and Daktronics, Inc.). Any inability of these suppliers to produce additional displays, including due to increased demand from us or others, could adversely affect our ability to deploy additional digital units and service existing units. Although to date these suppliers have been able to increase capacity in order to meet our requirements, we cannot assure you that they will be able to continue to meet our requirements in the future and a shortage of these displays could adversely affect our ability to fulfill customers orders and our results of operations.

Federal, state and local regulation impact our operations, financial condition and financial results.

Outdoor advertising is subject to governmental regulation at the federal, state and local levels. Regulations generally restrict the size, spacing, lighting and other aspects of advertising structures and pose a significant barrier to entry and expansion in many markets.

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Federal law, principally the Highway Beautification Act of 1965 (the HBA), regulates outdoor advertising on Federal Aid Primary, Interstate and National Highway Systems roads . The HBA requires states to effectively control outdoor advertising along these roads, and mandates a state compliance program and state standards regarding size, spacing and lighting. The HBA requires any state or political subdivision that compels the removal of a lawful billboard along a Federal Aid Primary or Interstate highway to pay just compensation to the billboard owner.

All states have passed billboard control statutes and regulations at least as restrictive as the federal requirements, including laws requiring the removal of illegal signs at the owner s expense (and without compensation from the state). Although we believe that the number of our billboards that may be subject to removal as illegal is immaterial, and no state in which we operate has banned billboards entirely, from time to time governments have required us to remove signs and billboards legally erected in accordance with federal, state and local permit requirements and laws. Municipal and county governments generally also have sign controls as part of their zoning laws and building codes. We contest laws and regulations that we believe unlawfully restrict our constitutional or other legal rights and may adversely impact the growth of our outdoor advertising business.

Using federal funding for transportation enhancement programs, state governments have purchased and removed billboards for beautification, and may do so again in the future. Under the power of eminent domain, state or municipal governments have laid claim to property and forced the removal of billboards. Under a concept called amortization by which a governmental body asserts that a billboard operator has earned compensation by continued operation over time, local governments have attempted to force removal of legal but nonconforming billboards (i.e., billboards that conformed with applicable zoning regulations when built but which do not conform to current zoning regulations). Although the legality of amortization is questionable, it has been upheld in some instances. Often, municipal and county governments also have sign controls as part of their zoning laws, with some local governments prohibiting construction of new billboards or allowing new construction only to replace existing structures. Although we have generally been able to obtain satisfactory compensation for those of our billboards purchased or removed as a result of governmental action, there is no assurance that this will continue to be the case in the future.

We have also introduced and intend to expand the deployment of digital billboards that display static digital advertising copy from various advertisers that changes every 6 to 8 seconds. We have encountered some existing regulations that restrict or prohibit these types of digital displays but it has not yet materially impacted our digital deployment. Since digital billboards have only recently been developed and introduced into the market on a large scale, however, existing regulations that currently do not apply to them by their terms could be revised to impose greater restrictions. These regulations may impose greater restrictions on digital billboards due to alleged concerns over aesthetics or driver safety.

Our logo sign contracts are subject to state award and renewal.

In 2006, we generated approximately 4% of our revenues from state-awarded logo sign contracts. In bidding for these contracts, we compete with three other national logo sign providers, as well as numerous smaller, local logo sign providers. A logo sign provider incurs significant start-up costs upon being awarded a new contract. These contracts generally have a term of five to ten years, with additional renewal periods. Some states reserve the right to terminate a contract early, and most contracts require the state to pay compensation to the logo sign provider for early termination. At the end of the contract term, the logo sign provider transfers ownership of the logo sign structures to the state. Depending on the contract, the logo provider may or may not be entitled to compensation for the structures at the end of the contract term.

Of our 19 logo sign contracts in place at March 31, 2007, one is subject to renewal in 2007. We may be unable to renew our expiring contracts. We may also lose the bidding on new contracts.

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We are a wholly owned subsidiary of Lamar Advertising which is controlled by significant stockholders who have the power to determine the outcome of all matters submitted to the stockholders for approval and whose interests may be different than yours.

As of March 31, 2007, members of the Reilly family, including Kevin P. Reilly, Jr., Lamar Advertising s President and Chief Executive Officer, and Sean Reilly, Lamar Advertising s and our Chief Operating Officer and President of Lamar Advertising s Outdoor Division, owned in the aggregate approximately 16% of Lamar Advertising s common stock, assuming the conversion of all Class B common stock to Class A common stock. As of that date, their combined holdings represented 65% of the voting power of Lamar Advertising s capital stock, which would give the Reilly family the power to:

- elect Lamar Advertising s entire board of directors;
- control Lamar Advertising s management and policies; and
- determine the outcome of any corporate transaction or other matter requiring stockholder approval, including charter amendments, mergers, consolidations and asset sales.

The Reilly family may have interests that are different than yours.

If our contingency plans relating to hurricanes fail, the resulting losses could hurt our business.

We have determined that it is uneconomical to insure against losses resulting from hurricanes and other natural disasters. Although we have developed contingency plans designed to mitigate the threat posed by hurricanes to advertising structures (i.e., removing advertising faces at the onset of a storm, when possible, which better permits the structures to withstand high winds during the storm), these plans could fail and significant losses could result. The four hurricanes that hit Florida in August and September of 2004 and the two hurricanes that hit the gulf coast in 2005 resulted in revenue losses of approximately $1.5 million in 2004 and approximately $2.4 million in 2005 and required capital expenditures of approximately $8 million in 2004 and approximately $20 million in 2005.

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USE OF PROCEEDS

We will not receive any cash proceeds from the exchange offer. Outstanding notes that are validly tendered and exchanged pursuant to the exchange offer will be canceled.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth Lamar Advertising s ratio of earnings to fixed charges for each of the periods indicated.

For purposes of the ratio of earnings to fixed charges, earnings is defined as net income (loss) before income taxes and cumulative effect of a change in accounting principle and fixed charges. Fixed charges is defined as the sum of interest expense, preferred stock dividends and the component of rental expense that we believe to be representative of the interest factor for those amounts.

	Year Ended December 31,					Three Months Ended March 31,	
	2002	2003	2004	2005	2006	2006	2007
						(Unaudited)	
Ratio of earnings to fixed charges	0.6x	0.6x	1.2x	1.5x	1.5x	1.1x	1.3x

For the years ended December 31, 2002 and 2003, earnings were insufficient to cover fixed charges by $56.0 million and $63.3 million, respectively.

PRICE RANGE OF CLASS A COMMON STOCK

Our Class A common stock is traded on the Nasdaq Global Select Market under the symbol LAMR. The last reported closing sales price of our Class A common stock on the Nasdaq Global Select Market was $65.32 per share on May 25, 2007. As of May 15, 2007, we had approximately 189 holders of record. The following table shows the high and low bid prices per share of our Class A common stock for the periods indicated.

	Price of Class A Common Stock	
	High	Low
Fiscal Year Ended December 31, 2005:		
First Quarter	$ 43.98	$ 37.62
Second Quarter	43.25	36.63
Third Quarter	45.97	39.24
Fourth Quarter	48.15	42.80

	High	Low

	High	Low
Fiscal Year Ended December 31, 2006:		
First Quarter	$ 54.20	$ 44.99
Second Quarter	59.83	49.90
Third Quarter	54.91	46.91
Four Quarter	66.42	51.46

	High	Low
Fiscal Year Ended December 31, 2007:		
First Quarter	$ 71.54	$ 60.85

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DIVIDEND POLICY

We paid a special cash dividend on our Class A common stock on March 30, 2007, which was our first dividend on our common stock since our inception. We currently do not intend to pay additional cash dividends on our Class A common stock in the foreseeable future but intend to retain all earnings, if any, for use in our business operations or for financial purposes. As a holding company, our ability to pay dividends is dependent upon the ability of our subsidiaries to pay cash dividends or to make other distributions to us. Lamar Media s existing indentures and bank credit facility restrict the amount of dividends that may be paid to us. Our board of directors will determine future declaration and payment of dividends, if any, in light of the then-current conditions, including our earnings, operations, capital requirements, financial condition, restrictions in financing agreements and other factors that they deem relevant.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table contains our selected historical consolidated information and other operating data for the five years ended December 31, 2002, 2003, 2004, 2005 and 2006, and the three months ended March 31, 2006 and 2007. We have prepared this information from audited financial statements for the years ended December 31, 2002 through December 31, 2006 and from unaudited financial statements for the three months ended March 31, 2006 and March 31, 2007.

In our opinion, the information for the three months ended March 31, 2006 and March 31, 2007 reflects all adjustments, consisting only of normal recurring adjustments, necessary to fairly present our results of operations and financial condition. Results from interim periods should not be considered indicative of results for any other periods or for the year. This information is only a summary. You should read it in conjunction with our historical financial statements and related notes, as well as Management s Discussion and Analysis of Financial Condition and Results of Operations incorporated herein by reference.

	Year Ended December 31,					Three Months Ended March 31,	
	2002	2003	2004	2005	2006	2006	2007
				(dollars in thousands)		(Unaudited)	
Statement of operations data:							
Net revenues	$ 775,682	$ 810,139	$ 883,510	$ 1,021,656	$ 1,120,091	$ 253,333	$ 275,185
Operating expenses:							
Direct advertising expenses	274,772	292,017	302,157	353,139	390,561	95,209	100,783
General and administrative expenses	167,182	171,520	188,320	212,727	248,937	59,291	69,874
Depreciation and amortization	271,832	284,947	294,056	290,089	301,685	73,178	73,318
Gain on disposition of assets	(336)	(1,946)	(1,067)	(1,119)	(10,862)	(1,678)	(312)
Total operating expenses	713,450	746,538	783,466	854,836	930,321	226,000	243,663
Operating income	62,232	63,601	100,044	166,820	189,770	27,333	31,522
Interest expense, net	112,404	93,285	75,584	89,160	111,644	24,616	31,352
Gain on disposition of investment							(15,448)
Loss on debt extinguishment	5,850	33,644		3,982			
(Loss) income before income taxes and cumulative effect of a change in accounting principle	(56,022)	(63,328)	24,460	73,678	78,126	2,717	15,618

ncome tax (benefit) xpense	(19,694)	(23,573)	11,305	31,899	34,227	1,177	6,779
Cumulative effect of change in ccounting principle		40,240					
Net (loss) income	(36,328)	(79,995)	13,155	41,779	43,899	1,540	8,839
Other data:							
EBITDA(1)	$ 328,214	$ 274,664	$ 394,100	$ 452,927	$ 491,455	$ 100,511	$ 120,288
EBITDA margin(2)	42%	34%	45%	44%	44%	40%	44%
Ratio of EBITDA to nterest expense, et(3)	2.9x	2.9x	5.2x	5.1x	4.4x	4.1x	3.8x
Ratio of total debt to EBITDA(4)	6.1x	6.2x	4.2x	3.5x	4.1x	n/a	n/a
Cash flows from operating activities	240,443	260,075	323,164	347,257	364,517	34,921	33,352
Cash flows used in nvesting activities	(155,763)	(210,041)	(263,747)	(267,970)	(438,896)	(111,771)	(81,218)
Cash flows provided y (used in) inancing activities	(81,955)	(57,847)	(23,013)	(104,069)	66,973	64,570	36,333

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	As of December 31,					As of March 31,	
	2002	2003	2004	2005	2006	2006	2007
				(dollars in thousands)		(Unaudited)	
Balance sheet data:							
Cash and cash equivalents	$ 15,610	$ 7,797	$ 44,201	$ 19,419	$ 11,796	$ 7,139	$ 279
Cash deposit for debt extinguishment	266,657						
Working capital	95,922	69,902	34,476	93,816	119,791	127,870	126,619
Total assets	3,888,168	3,669,514	3,692,282	3,741,234	3,924,228	3,780,481	3,942,389
Long term debt (including current maturities)	1,994,433	1,704,863	1,659,934	1,576,326	1,990,468	1,732,530	2,472,440
Stockholder s equity	1,709,173	1,689,661	1,736,347	1,817,482	1,538,533	1,731,718	1,107,082
Book value per share of common stock(5)							$ 11.287

(1) EBITDA is defined as earnings (loss) before interest, taxes, depreciation and amortization. EBITDA represents a measure that we believe is customarily used by investors and analysts to evaluate the financial performance of companies in the media industry. Our management also believes that EBITDA is useful in evaluating our core operating results. However, EBITDA is not a measure of financial performance under accounting principles generally accepted in the United States of America and should not be considered an alternative to operating income or net income as an indicator of our operating performance or to net cash provided by operating activities as a measure of our liquidity. Because EBITDA is not calculated identically by all companies, the presentation in this prospectus may not be comparable to those disclosed by other companies. In addition, the definition of EBITDA in this section differs from the definition of EBITDA applicable to the covenants for Lamar Media s senior subordinated notes.

Below is a table that reconciles EBITDA to net income (loss):

	Year Ended December 31,					Three Months Ended March 31,	
	2002	2003	2004	2005	2006	2006	2007
		(dollars in thousands)				(Unaudited)	
Statement of operations data:							
EBITDA	$ 328,214	$ 274,664	$ 394,100	$ 452,927	$ 491,455	$ 100,511	$ 120,288
Depreciation and amortization	271,832	284,947	294,056	290,089	301,685	73,178	73,318
Interest expense, net	112,404	93,285	75,584	89,160	111,644	24,616	31,352
Income tax (benefit) expense	(19,694)	(23,573)	11,305	31,899	34,227	1,177	6,779
Net (loss) income	$ (36,328)	$ (79,995)	$ 13,155	$ 41,779	$ 43,899	$ 1,540	$ 8,839

(2) EBITDA margin is defined as EBITDA divided by net revenues.

(3) Ratio of EBITDA to interest expense is defined as EBITDA divided by net interest expense.

(4) Ratio of total debt to EBITDA is defined as total debt divided by EBITDA.

(5) Book value per share of common stock was determined based on total stockholders equity divided by Class A and Class B common stock issued and outstanding as of March 31, 2007.

THE EXCHANGE OFFER

Securities Subject to the Exchange Offer

We are offering, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, to exchange $1,000 principal amount of new notes and an exchange fee of $2.50 for each $1,000 principal amount of validly tendered and accepted outstanding notes. We are offering to exchange all of the outstanding notes. However, the exchange offer is subject to the conditions described in this prospectus and the accompanying letter of transmittal.

You may tender all, some or none of your outstanding notes, subject to the terms and conditions of the exchange offer. Holders of outstanding notes must tender their outstanding notes in a minimum principal amount of $1,000 and multiples thereof.

We, our officers and directors, the dealer-manager, the information agent, the exchange agent and the trustee do not make any recommendation to you as to whether to tender or refrain from tendering all or any portion of your outstanding notes. In addition, we have not authorized anyone to make any recommendation. You must make your own decision whether to tender your outstanding notes for exchange and, if so, the amount of outstanding notes to tender.

Conditions to the Exchange Offer

Notwithstanding any other provisions of this exchange offer, we will not be required to accept for exchange any outstanding notes tendered, and we may terminate or amend this offer, if at any time before acceptance for exchange any of the following events or circumstances shall have occurred (or shall have been determined by us to have occurred) and, in our reasonable judgment and regardless of the circumstances giving rise to the event or circumstance, the event or circumstance makes it inadvisable to proceed with the offer or with the acceptance for exchange or exchange and issuance of the new notes:

(i) Any action or event shall have occurred, failed to occur or been threatened, any action shall have been taken, or any statute, rule, regulation, judgment, order, stay, decree or injunction shall have been promulgated, enacted, entered, enforced or deemed applicable to the exchange offer, by or before any court or governmental, regulatory or administrative agency, authority or tribunal, which either:

> challenges the making of the exchange offer or the exchange of outstanding notes under the exchange offer or might, directly or indirectly, prohibit, prevent, restrict or delay consummation of, or might otherwise adversely affect in any material manner, the exchange offer or the exchange of outstanding notes under the exchange offer, or
>
> in our reasonable judgment could materially adversely affect the business, condition (financial or otherwise), income, operations, properties, assets, liabilities or prospects of Lamar Advertising Company and its subsidiaries, taken as a whole, or would be material to holders of outstanding notes in deciding whether to accept the exchange offer.

(ii) (a) Trading generally shall have been suspended or materially limited on or by, as the case may be, either of the New York Stock Exchange or the Nasdaq Stock Market, (b) there shall have been any suspension or limitation of trading of any securities of Lamar Advertising Company on any exchange or in the over-the-counter market, (c) a general banking moratorium shall have been declared by Federal or New York authorities or (d) there shall have occurred any material disruption of bank operations, settlements of securities or clearance services in the United States.

(iii) The trustee with respect to the outstanding notes shall have objected in any respect to, or taken any action that could in our reasonable judgment adversely affect the consummation of the exchange offer, or the trustee or any holder of outstanding notes shall have taken any action that challenges the validity or effectiveness of the procedures used by us in making the exchange offer or the exchange of the outstanding notes under the exchange offer.

(iv) The registration statement and any post-effective amendment to the registration statement covering the new notes is not effective under the Securities Act.

All of the foregoing conditions are for our sole benefit and may be waived by us in our sole discretion. Any determination that we make concerning an event, development or circumstance described or referred to above shall be conclusive and binding.

If any of the foregoing conditions are not satisfied, we may, at any time before the expiration of the exchange offer:

(i) terminate the exchange offer and return all tendered outstanding notes to the holders thereof;

(ii) modify, extend or otherwise amend the exchange offer and retain all tendered outstanding notes until the expiration date, as it may be extended, subject, however, to the withdrawal rights of holders (see Expiration Date; Extensions; Amendments , Proper Execution and Delivery of Letter of Transmittal and Withdrawal of Tenders below); or

(iii) waive the unsatisfied conditions and accept all outstanding notes tendered and not previously withdrawn.

Except for the requirements of applicable U.S. federal and state securities laws, we know of no federal or state regulatory requirements to be complied with or approvals to be obtained by us in connection with the exchange offer which, if not complied with or obtained, would have a material adverse effect on us.

Expiration Date; Extensions; Amendments

For purposes of the exchange offer, the term expiration date shall mean midnight, New York City time, on June 27, 2007, subject to our right to extend such date and time for the exchange offer in our sole discretion, in which case, the expiration date shall mean the latest date and time to which the exchange offer is extended.

We reserve the right, in our sole discretion, to (1) extend the exchange offer, (2) terminate the exchange offer upon failure to satisfy any of the conditions listed above or (3) amend the exchange offer, by giving oral (promptly confirmed in writing) or written notice of such extension, termination or amendment to the exchange agent. Any such extension, termination or amendment will be followed promptly by a public announcement thereof which, in the case of an extension, will be made no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

If we amend the exchange offer in a manner that we determine constitutes a material or significant change, we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment, if the exchange offer would otherwise have expired during such five to ten business day period. Any change in the consideration offered to holders of outstanding notes in the exchange offer will be paid to all holders whose outstanding notes have previously been tendered pursuant to the exchange offer. In addition, if we change (1) the percentage of outstanding notes we are offering to exchange or (2) the amount of the exchange fee, we will extend the exchange offer for a period of ten business days from the date that the revised exchange offer materials are disseminated to holders of the outstanding notes.

Without limiting the manner in which we may choose to make a public announcement of any delay, extension, amendment or termination of the exchange offer, we will comply with applicable securities laws by disclosing any such amendment by means of a prospectus supplement that we distribute to the holders of the outstanding notes. We will have no other obligation to publish, advertise or otherwise communicate any such public announcement other than by making a timely release to any appropriate news agency, including Bloomberg Business News and the Dow

Jones News Service.

Any valid tender by a holder of outstanding notes that is not validly withdrawn prior to the expiration date of the exchange offer will constitute a binding agreement between that holder and us upon the terms and subject to the conditions of the exchange offer and the letter of transmittal. The acceptance of the exchange offer by a tendering holder of outstanding notes will constitute the agreement by that holder to deliver good and marketable title to the tendered outstanding notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind.

Absence of Dissenters Rights

Holders of the outstanding notes do not have any appraisal or dissenters rights under applicable law in connection with the exchange offer.

Acceptance of Outstanding Notes for Exchange

The new notes will be delivered in book-entry form on the settlement date, which we anticipate will be promptly following the expiration date of the exchange offer, after giving effect to any extensions.

We will be deemed to have accepted validly tendered outstanding notes when, and if, we have given oral notice (promptly confirmed in writing) or written notice thereof to the exchange agent. Subject to the terms and conditions of the exchange offer, the issuance of new notes will be recorded in book-entry form by the exchange agent on the exchange date upon receipt of such notice. The exchange agent will act as agent for tendering holders of the outstanding notes for the purpose of receiving book-entry transfers of outstanding notes in the exchange agent s account at DTC. If any validly tendered outstanding notes are not accepted for any reason set forth in the terms and conditions of the exchange offer, including if outstanding notes are validly withdrawn, such withdrawn outstanding notes will be returned without expense to the tendering holder or such outstanding notes will be credited to an account maintained at DTC designated by the DTC participant who so delivered such outstanding notes, in either case, promptly after the expiration or termination of the exchange offer.

Procedures for Exchange

If you hold outstanding notes and wish to have such securities exchanged for new notes, you must validly tender, or cause the valid tender of, your outstanding notes using the procedures described in this prospectus and in the accompanying letter of transmittal.

Only registered holders of outstanding notes are authorized to tender the outstanding notes. The procedures by which you may tender or cause to be tendered outstanding notes will depend upon the manner in which the outstanding notes are held, as described below.

Tender of Outstanding Notes Held Through a Bank, Broker or Other Nominee

If you are a beneficial owner of outstanding notes that are held of record by a custodian bank, depositary, broker, trust company or other nominee, and you wish to tender outstanding notes in the exchange offer, you should contact the record holder promptly and instruct the record holder to tender the outstanding notes on your behalf using one of the procedures described below.

Tender of Outstanding Notes Through DTC

Pursuant to authority granted by DTC, if you are a DTC participant that has outstanding notes credited to your DTC account and thereby held of record by DTC s nominee, you may directly tender your outstanding notes as if you were the record holder. Because of this, references herein to registered or record holders include DTC participants with outstanding notes credited to their accounts. If you are not a DTC participant, you may tender your outstanding notes by book-entry transfer by contacting your broker or opening an account with a DTC participant.

Within two business days after the date of this prospectus, the exchange agent will establish accounts with respect to the outstanding notes at DTC for purposes of the exchange offer. Subject to the establishment of the accounts, any DTC participant may make book-entry delivery of outstanding notes by causing DTC to transfer such outstanding notes into the exchange agent s account in accordance with DTC s procedures for such transfer. However, although delivery of outstanding notes may be effected through book-entry transfer into the exchange agent s account at DTC, the letter of transmittal (or a manually signed facsimile of the letter of transmittal) with any required signature guarantees, or an agent s message in connection with a book-entry transfer, and any other required documents, must, in any case, be transmitted to and received by the exchange agent, in each case, prior to the expiration date. Delivery of tendered outstanding notes must be made to the exchange agent pursuant to the book-entry delivery procedures set forth below or the tendering DTC participant must comply with the guaranteed delivery procedures set forth below.

Any participant in DTC may tender outstanding notes by:

(i) effecting a book-entry transfer of the outstanding notes to be tendered in the exchange offer into the account of the exchange agent at DTC by electronically transmitting its acceptance of the exchange offer through DTC s Automated Tender Offer Program, or ATOP, procedures for transfer; if ATOP procedures are followed, DTC will then verify the acceptance, execute a book-entry delivery to the exchange agent s account at DTC and send an agent s message to the exchange agent. An agent s message is a message, transmitted by DTC to and received by the exchange agent and forming part of a book-entry confirmation, which states that DTC has received an express acknowledgment from a DTC participant tendering outstanding notes that the participant has received and agrees to be bound by the terms of the letter of transmittal and makes each of the representations and warrants contained in the letter of transmittal and that Lamar Advertising Company may enforce the agreement against the participant. DTC participants following this procedure should allow sufficient time for completion of the ATOP procedures prior to the expiration date of the exchange offer;

(ii) completing and signing the letter of transmittal according to the instructions and delivering it, together with any signature guarantees and other required documents, to the exchange agent at its address on the back cover page of this prospectus; or

(iii) complying with the guaranteed delivery procedures described below.

With respect to option (i) above, the exchange agent and DTC have confirmed that the exchange offer is eligible for ATOP.

In addition, in order for a tender of outstanding notes to be effective, the exchange agent must receive, prior to the expiration date, a timely confirmation of book-entry transfer of the outstanding notes being tendered into the exchange agent s account at DTC, along with the letter of transmittal or an agent s message. If you desire to tender your outstanding notes and cannot complete the procedures for book-entry transfer on a timely basis, you may still tender your outstanding notes if you comply with the guaranteed delivery procedures described below.

The letter of transmittal (or facsimile thereof), with any required signature guarantees and other required documents, or (in the case of book-entry transfer) an agent s message in lieu of the letter of transmittal, must be transmitted to and received by the exchange agent prior to the expiration date of the exchange offer at one of its addresses set forth on the back cover page of this prospectus. Delivery of such documents to DTC does not constitute delivery to the exchange agent.

Letter of Transmittal

Subject to and effective upon the acceptance for exchange and exchange of new notes for outstanding notes tendered by a letter of transmittal, by executing and delivering a letter of transmittal (or agreeing to the terms of a letter of transmittal pursuant to an agent s message), a tendering holder of outstanding notes:

irrevocably sells, assigns and transfers to or upon the order of Lamar Advertising Company all right, title and interest in and to, and all claims in respect of or arising or having arisen as a result of the holder s status as a holder of the outstanding notes tendered thereby;

waives any and all rights with respect to the outstanding notes tendered thereby;

releases and discharges Lamar Advertising Company and the trustee with respect to the outstanding notes from any and all claims such holder may have, now or in the future, arising out of or related to the outstanding notes tendered thereby;

represents and warrants that the outstanding notes tendered were owned as of the date of tender, free and clear of all liens, restrictions, charges and encumbrances and are not subject to any adverse claim or right;

designates an account number of a DTC participant in which the new notes are to be credited; and

irrevocably appoints the exchange agent the true and lawful agent and attorney-in-fact of the holder with respect to any tendered outstanding notes, with full powers of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to cause the outstanding notes tendered to be assigned, transferred and exchanged in the exchange offer.

Proper Execution and Delivery of Letter of Transmittal

If you wish to participate in the exchange offer, delivery of your outstanding notes, signature guarantees and other required documents is your responsibility. Delivery is not complete until the required items are actually received by the exchange agent. If you mail these items, we recommend that you (1) use registered mail with return receipt requested, properly insured, and (2) mail the required items sufficiently in advance of the expiration date with respect to the exchange offer to allow sufficient time to ensure timely delivery.

Except as otherwise provided below, all signatures on a letter of transmittal or a notice of withdrawal must be guaranteed by a recognized participant in the Securities Transfer Agents Medallion Program, the NYSE Medallion Signature Program or the Stock Exchange Medallion Program. Signatures on a letter of transmittal need not be guaranteed if:

the letter of transmittal is signed by a participant in DTC whose name appears on a security position listing of DTC as the owner of the outstanding notes and the holder has not completed the portion entitled Special Issuance and Payment Instructions on the letter of transmittal; or

the outstanding notes are tendered for the account of an Eligible Guarantor Institution. See Instruction 3 in the letter of transmittal.

Withdrawal of Tenders

Tenders of outstanding notes in connection with the exchange offer may be withdrawn at any time prior to the expiration date of the exchange offer, but you must withdraw all of your outstanding notes previously tendered. Tenders of outstanding notes may not be withdrawn at any time after such date unless the exchange offer is extended, in which case tenders of outstanding notes may be withdrawn at any time prior to the expiration date, as extended.

Beneficial owners desiring to withdraw outstanding notes previously tendered should contact the DTC participant through which such beneficial owners hold their outstanding notes. In order to withdraw outstanding notes previously tendered, a DTC participant may, prior to the expiration date of the exchange offer, withdraw its instruction previously transmitted through ATOP by (1) withdrawing its acceptance through ATOP or (2) delivering to the exchange agent by mail, hand delivery or facsimile transmission, notice of withdrawal of such instruction. The notice of withdrawal must contain the name and number of the DTC participant. The method of notification is at the risk and election of the holder and must be timely received by the exchange agent. Withdrawal of a prior instruction will be effective upon receipt of the notice of withdrawal by the exchange agent. All signatures on a notice of withdrawal must be guaranteed by a recognized participant in the Securities Transfer Agents Medallion Program, the NYSE Medallion Signature Program or the Stock Exchange Medallion Program. However, signatures on the notice of withdrawal need not be guaranteed if the outstanding notes being withdrawn are held for the account of an Eligible Guarantor Institution. A withdrawal of an instruction must be executed by a DTC participant in the same manner as such DTC participant s name appears on its transmission through ATOP to which such withdrawal relates. A DTC participant may withdraw a tender only if such withdrawal complies with the provisions described in this paragraph.

Withdrawals of tenders of outstanding notes may not be rescinded and any outstanding notes withdrawn will thereafter be deemed not validly tendered for purposes of the exchange offer. Properly withdrawn outstanding notes, however, may be retendered by following the procedures described above at any time prior to the expiration date of the exchange offer.

Guaranteed Delivery Procedures

If you desire to tender your outstanding notes and you cannot complete the procedures for book-entry transfer set forth above on a timely basis, you may still tender your outstanding notes if:

your tender is made through an eligible institution;

prior to the expiration date, the exchange agent received from the eligible institution a properly completed and duly executed letter of transmittal, or a facsimile of such letter of transmittal or an electronic confirmation pursuant to DTC s ATOP system and notice of guaranteed delivery, substantially in the form provided by us, by facsimile transmission, mail or hand delivery, that:

(1) sets forth the name and address of the holder of the outstanding notes tendered;

(2) states that the tender is being made thereby; and

(3) guarantees that within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery a book-entry confirmation and any other documents required by the letter of transmittal, if any, will be deposited by the eligible institution with the exchange agent; and

book-entry confirmation and all other documents, if any, required by the letter of transmittal are received by the exchange agent within three New York Stock Exchange trading days after the date of execution of the notice of guaranteed delivery.

Miscellaneous

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for exchange of any tender of outstanding notes in connection with the exchange offer will be determined by us, in our sole discretion, and our determination will be final and binding. We reserve the absolute right to reject any and all tenders not in proper form or the acceptance for exchange of which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any defect or irregularity in the tender of any outstanding notes in the exchange offer, and the interpretation by us of the terms and conditions of the exchange offer (including the instructions in the letter of transmittal) will be final and binding on all parties, provided that we will not waive any condition to the offer with respect to an individual holder of outstanding notes unless we waive that condition for all such holders. None of Lamar Advertising Company, the exchange agent, the information agent, the dealer-manager or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

Tenders of outstanding notes involving any irregularities will not be deemed to have been made until such irregularities have been cured or waived. Outstanding notes received by the exchange agent in connection with the exchange offer that are not validly tendered and as to which the irregularities have not been cured or waived will be returned by the exchange agent to the DTC participant who delivered such outstanding notes by crediting an account maintained at DTC designated by such DTC participant promptly after the expiration date of the exchange offer or the withdrawal or termination of the exchange offer.

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Transfer Taxes

Holders tendering outstanding notes will be responsible for all transfer taxes, if any, applicable to the transfer and exchange of outstanding notes to us in the exchange offer. In addition to the possibility of a transfer tax on the exchange, transfer taxes could be imposed in the following circumstances:

- if new notes in book-entry form are to be registered in the name of any person other than the person signing the letter of transmittal; or
- if tendered outstanding notes are registered in the name of any person other than the person signing the letter of transmittal.

If satisfactory evidence of payment of or exemption from those transfer taxes is not submitted with the letter of transmittal, the amount of those transfer taxes will be billed directly to the tendering holder and/or withheld from any payments due with respect to the outstanding notes tendered by such holder.

Exchange Agent

The Bank of New York Trust Company, N.A. has been appointed the exchange agent for the exchange offer. Letters of transmittal, notices of guaranteed delivery and all correspondence in connection with the exchange offer should be sent or delivered by each holder of outstanding notes, or a beneficial owner s custodian bank, depositary, broker, trust company or other nominee, to the exchange agent at the address set forth on the back cover page of this prospectus. We will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable, out-of-pocket expenses in connection therewith.

From time to time, the exchange agent and its affiliates have provided, and may in the future provide, investment banking, commercial banking, financial advisory and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees and other compensation. We have a bank credit facility with a syndicate of lenders that includes an affiliate of the exchange agent. The exchange agent and its affiliates may from time to time engage in future transactions with us and our affiliates and provide services to us and our affiliates in the ordinary course of their business.

An affiliate of the exchange agent, in the ordinary course of business, also makes markets in our securities, including the outstanding notes. As a result, from time to time, BNY Capital Markets, Inc. may own certain of our securities, including the outstanding notes.

Information Agent

The Altman Group has been appointed as the information agent for the exchange offer, and will receive customary compensation for its services. Questions concerning tender procedures and requests for additional copies of this prospectus, the letter of transmittal or the notice of guaranteed delivery should be directed to the information agent at the address set forth on the back cover page of this prospectus. Holders of outstanding notes may also contact their custodian bank, depositary, broker, trust company or other nominee for assistance concerning the exchange offer.

Dealer-Manager

We have retained Wachovia Securities to act as dealer-manager in connection with the exchange offer.

We will pay the dealer-manager customary fees for its services in connection with the exchange offer and will also reimburse the dealer-manager for certain out-of-pocket expenses, including certain fees and expenses of its legal counsel incurred in connection with the exchange offer. The dealer-manager s fee will be calculated based on the principal amount of outstanding notes tendered. The obligations of the dealer-manager are subject to certain conditions. We have agreed to indemnify the dealer-manager against certain liabilities, including liabilities under the federal securities laws, or to contribute to payments that the dealer-manager may be required to make in respect thereof. Questions regarding the terms of the exchange offer may be directed to the dealer-manager at the address set forth on the back cover page of this prospectus.

From time to time, the dealer-manager and its affiliates have provided, and may in the future provide, investment banking, commercial banking, financial advisory and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees and other compensation. We have a bank credit facility with a syndicate of lenders that includes an affiliate of the dealer-manager.

The dealer-manager, in the ordinary course of business, also makes markets in our securities, including the outstanding notes. As a result, from time to time, Wachovia Securities may own certain of our securities, including the outstanding notes.

Other Fees and Expenses

Tendering holders of outstanding notes will not be required to pay any expenses of soliciting tenders in the exchange offer, including any fee or commission to the dealer-manager. However, if a tendering holder handles the transaction through its broker, dealer, commercial bank, trust company or other institution, such holder may be required to pay brokerage fees or commissions.

The principal solicitation is being made by mail. However, additional solicitations may be made by telegraph, facsimile transmission, telephone or in person by the dealer-manager and the information agent, as well as by officers and other employees of Lamar Advertising Company and its affiliates.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The following is a description of our material indebtedness, other than the outstanding notes. The following summaries are qualified in their entirety by reference to the credit and security agreements and indentures to which each summary relates, which are incorporated by reference into the registration statement of which this prospectus is a part.

Bank Credit Facility

The bank credit facility of Lamar Media, our direct wholly owned subsidiary, for which JPMorgan Chase Bank, N.A. serves as administrative agent, consists of a $400.0 million revolving bank credit facility, a $400.0 million term facility (the Term Loan), a $500.0 million incremental loan facility and an additional $789.0 million in incremental term loans.

Incremental Term Loans

In February 2006, Lamar Media and one of its subsidiaries entered into a Series A Incremental Loan Agreement and borrowed $37.0 million under the incremental loan facility (the Series A Incremental Loan). On October 5, 2006, Lamar Media entered into a Series B Incremental Loan Agreement and borrowed an additional $150.0 million under the incremental loan facility (the Series B Incremental Loan).

In December 2006, Lamar Media and one of its subsidiaries entered into a Series C Incremental Loan Agreement and borrowed $20.0 million under the incremental loan facility (the Series C Incremental Loan), and in January 2007 Lamar Media and one of its subsidiaries entered into a Series D Incremental Loan Agreement and borrowed an additional $7.0 million under the incremental loan facility (the Series D Incremental Loan).

In March 2007, Lamar Media entered into (i) a Series E Incremental Loan Agreement pursuant to which it borrowed $250.0 million under the incremental loan facility (the Series E Incremental Loan) and (ii) a Series F Incremental Loan Agreement pursuant to which it borrowed $325.0 million under the incremental loan facility (the Series F Incremental Loan).

In connection with the borrowing of incremental loans, Lamar Media has from time to time entered into amendments to its bank credit facility to, among other things, restore the amount of the incremental loan facility to $500.0 million (which, under its original terms, would have been reduced by the issuance of the Series A, Series B, Series C, Series D, Series E and Series F Incremental Loans).

Our lenders have no obligation to make additional loans to us out of the $500.0 million remaining under our incremental loan facility, but may enter into such commitments at their sole discretion.

Reductions in Commitments; Amortization

The Term Loan and the Series A, Series B, Series C and Series D Incremental Loans will begin amortizing on December 31, 2007 in quarterly installments paid on each December 31, March 31, June 30 and September 30 as follows (dollars in thousands):

	Term Loan	Series A	Series B	Series C	Series D

December 31, 2007	September 30, 2009	$ 5,000	$ 463	$ 1,875	$ 250	$ 88
December 31, 2009	September 30, 2011	15,000	1,388	5,625	750	263
December 31, 2011	September 30, 2012	60,000	5,550	22,500	3,000	1,050

The Series E Incremental Loans will begin amortizing on June 30, 2009 in quarterly installments paid on each June 30, September 30, December 31 and March 31 as follows (dollars in thousands):

Principal Payment Date		Principal Amount	
June 30, 2009	March 31, 2010	$	3,125
June 30, 2010	March 31, 2011	$	6,250
June 30, 2011	March 31, 2012	$	9,375
June 30, 2012	March 31, 2013	$	43,750

The Series F Incremental Loans will begin amortizing on June 30, 2009 in quarterly installments paid on each June 30, September 30, December 31, and March 31 as follows (dollars in thousands):

Principal Payment Date		Principal Amount	
June 30, 2009	December 31, 2013	$	812.5
March 31, 2014		$	309,562.5

The revolving bank credit facility, the Term Loan and the Series A, Series B, Series C and Series D Incremental Loans will mature on September 28, 2012. The Series E Incremental Loans will mature on March 31, 2013, and the Series F Incremental Loans will mature on March 31, 2014.

Interest

Interest on borrowings under the facilities is calculated, at our option, at a rate equal to either of the following plus the applicable spread above such rate:

- with respect to base rate borrowings, the Adjusted Base Rate which is equal to the higher of the rate publicly announced by JPMorgan Chase Bank, N.A. as its prime lending rate and the applicable federal funds rate, plus 0.5%; or

- with respect to eurodollar rate borrowings, the rate at which eurodollar deposits for one, two, three or six months (as selected by us), or nine or twelve months with the consent of the lenders, are quoted on the Dow Jones Telerate Screen multiplied by the statutory reserve rate (determined based on maximum reserve percentages established by the Board of Governors of the Federal Reserve System of the United States of America).

The spread applicable to borrowings under the revolving bank credit facility and Term Loan is determined by reference to our trailing leverage ratio (total debt to trailing four fiscal quarter EBITDA, as defined in the bank credit facility, see Covenants below). Based on our trailing leverage ratio at March 31, 2007, the spread applicable to borrowings under the revolving credit facility, the Term Loan and the Series A, Series B, Series C, Series D and Series E Incremental Loans is 0% for base rate loans and 1% for eurodollar loans. The spread applicable to borrowings under the Series F Incremental Loans is 0.5% for base rate loans and 1.50% for eurodollar loans.

Guarantees; Security

The obligations under the bank credit facility are guaranteed by all of our restricted subsidiaries (which includes all of our existing domestic subsidiaries, except Missouri Logos, a Partnership). The guarantees are secured by a pledge of all of the capital stock of those subsidiaries.

Covenants

Under the terms of the bank credit facility, Lamar Media and its restricted subsidiaries are not permitted to incur any additional indebtedness over $150 million at any one time outstanding except:

- indebtedness created by the bank credit facility;
- indebtedness in respect of notes issued by Lamar Media so long as no default exists at the time of the issuance or would result from the issuance and the terms of Lamar Media s senior subordinated notes comply with certain conditions;

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existing indebtedness or any extension, renewal, refunding or replacement of any existing indebtedness or indebtedness incurred by the issuance of notes as referred to in the bullet above; and

indebtedness of Lamar Media to any wholly owned subsidiary and indebtedness of any wholly owned subsidiary to Lamar Media.

The bank credit facility also places certain restrictions upon the ability of Lamar Media and its restricted subsidiaries to, among other things:

incur liens or guarantee obligations;

pay dividends and make other distributions (including distributions to us) during the continuance of a default;

make investments and enter into joint ventures or hedging agreements;

dispose of assets; and

engage in transactions with affiliates except on an arms-length basis.

Under the bank credit facility, Lamar Media and its restricted subsidiaries cannot exceed a total debt ratio, defined as total consolidated debt to EBITDA, as defined below, for the most recent four fiscal quarters, of 6.00 to 1.

The bank credit facility also requires Lamar Media and its restricted subsidiaries to maintain a fixed charges coverage ratio, defined as the ratio of EBITDA, as defined below, for the most recent four fiscal quarters to (1) the total payments of principal and interest on debt for that period, plus (2) capital expenditures made during that period, plus (3) income and franchise tax payments made during that period, plus (4) dividends, distributions and payments of principal or interest to us, of greater than 1.05 to 1.

As defined under the bank credit facility, EBITDA is, for any period, operating income for Lamar Media and its restricted subsidiaries (determined on a consolidated basis without duplication in accordance with GAAP) for such period (calculated before taxes, interest expense, interest in respect of mirror loan indebtedness, depreciation, amortization and any other non-cash income or charges accrued for such period and (except to the extent received or paid in cash by any of our restricted subsidiaries) income or loss attributable to equity in affiliates for such period) excluding any extraordinary and unusual gains or losses during such period, and excluding the proceeds of any casualty events whereby insurance or other proceeds are received and certain dispositions not in the ordinary course. Any dividend payment made to us by any of our restricted subsidiaries during any period to enable us to pay certain qualified expenses on our subsidiaries behalf shall be treated as an operating expenses for the purposes of calculating EBITDA for such period. EBITDA under the bank credit facility is also adjusted to reflect certain acquisitions or dispositions as if such acquisitions or dispositions were made on the first day of such period if and to the extent such operating expenses would be deducted in the calculation of EBITDA if funded by any of our restricted subsidiaries.

EBITDA under the bank credit facility is also adjusted to reflect certain acquisitions or dispositions as if such acquisitions or dispositions were made on the first day of such period.

Change of Control

A change of control of Lamar Media constitutes an event of default, permitting the lenders to accelerate the indebtedness and terminate the bank credit facility. A change in control would occur if:

Lamar Media ceases to be our wholly owned subsidiary;

Charles W. Lamar, III or Kevin P. Reilly, Sr. and their immediate family (including grandchildren) and entities under their control no longer hold sufficient voting stock of Lamar Advertising to elect at all times a majority of its board of directors;

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anyone other than the holders specified in the preceding bullet acquire shares of Lamar Advertising representing more than 20% of the ordinary voting power or acquire control of Lamar Advertising; or

a majority of the seats on Lamar Advertising s board is occupied by persons who were neither nominated by the board of directors of Lamar Advertising nor appointed by directors so nominated.

65/8% Senior Subordinated Notes Due 2015 Series B

On August 17, 2006, Lamar Media issued $216.0 million aggregate principal amount of 65/8% Senior Subordinated Notes due 2015 Series B under an indenture among Lamar Media, as issuer, certain of our subsidiaries and The Bank of New York Trust Company N.A., as trustee. The 65/8% Senior Subordinated Notes due 2015 Series B are a separate class of securities from and do not trade fungibly with the 65/8% Senior Subordinated Notes due 2015 that we issued on August 16, 2005, which are described below.

These notes are senior subordinated unsecured obligations, which are subordinated to indebtedness under the bank credit facility and Lamar Media s other senior indebtedness and *pari passu* in right of payment with our existing 71/4% senior subordinated notes due 2013 and 65/8% Senior Subordinated Notes due 2015. These notes rank senior to all of Lamar Media s other existing and future subordinated indebtedness. These notes bear interest at 65/8% per annum, payable twice a year on each February 15 and August 15.

Lamar Media may redeem these notes, in whole or in part, at any time on or after August 15, 2010. If a redemption occurs before August 15, 2013, Lamar Media will pay a premium on the principal amount of the notes redeemed. This premium decreases annually from approximately 3.3% for a redemption on or after August 15, 2010, to approximately 1.1% for a redemption on or after August 15, 2012 and is phased out completely on August 15, 2013.

Lamar Media s obligations under these notes are guaranteed by all of our domestic subsidiaries, except Missouri Logos, a Partnership. The guarantees under these notes are subordinated in right of payment to the guarantees under Lamar Media s bank credit facility.

The holders of these notes may force Lamar Media to immediately repay the principal on these notes, including interest to the acceleration date, if, among other things, Lamar Media fails to make payments that result in an acceleration on other indebtedness under which at least $20 million is outstanding.

The indenture places certain restrictions upon the ability of our subsidiaries, to, among other things:

incur additional indebtedness;

issue preferred stock;

pay dividends or make other distributions or redeem capital stock;

incur liens or guarantee obligations;

dispose of assets; and

engage in transactions with affiliates except on an arms length basis.

Upon a change of control (as defined in the indenture), Lamar Media will be obligated to offer to purchase all of the outstanding notes at a purchase price of 101% of the principal amount plus accrued interest, if any. In addition, if Lamar Media sells certain assets, it will be obligated to offer to purchase outstanding notes with the proceeds of the asset sale at a purchase price of 100% of the principal amount plus accrued interest, if any.

65/8% Senior Subordinated Notes Due 2015

On August 16, 2005, Lamar Media issued $400.0 million in aggregate principal amount of 65/8% Senior Subordinated Notes due 2015 under an indenture among Lamar Media, as issuer, certain of its subsidiaries

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and The Bank of New York Trust Company N.A., as trustee. These notes are senior subordinated unsecured obligations, which are subordinated to indebtedness under the bank credit facility and Lamar Media s other senior indebtedness and *pari passu* in right of payment with its existing 71/4% senior subordinated notes due 2013 and 65/8% Senior Subordinated Notes Due 2015 Series B. These notes rank senior to all of Lamar Media s other existing and future subordinated ind