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OUTFRONT Media, Inc. (OUT)

Deutsche Bank Leveraged Finance Conference

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CORPORATE PARTICIPANTS

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

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Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

MANAGEMENT DISCUSSION SECTION

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Okay. I think we're going to get started. Pleased to kick off day two of the media track of the conference with OUTFRONT Media. To my right is Don Shassian, CFO of the company and in the audience we have SVP of Investor Relations, Greg Lundberg, as well. But I think for today, we're going to do a fireside chat format and we'll leave some time at the end for Q&A to the extent that you all have any questions.

Don, thank you for being here.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

Aaron, thank you.

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QUESTION AND ANSWER SECTION

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

So, you became an independent company a few years back and since then have rebranded, converted to a REIT, acquired Van Wagner among other assets and divested Latin America unit. So plenty going on. Can you talk about what your focus is on now and also what the strategic priorities are over the next few years?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

Yeah, and thank you for having us here. It's been busy several years. I look at it, there are really three legs of the stool we're working on. One is pure execution of existing business, a lot of the strategies and tactics that we talked about when we came out in January of 2014 to raise money originally and through the road show and everything else, we're still – similar tactics and strategies in the existing business. So one is focusing on yield, growing that revenue on that existing base, converting the right static to digital boards, aggressively pursuing the right transit opportunities that are out there, pursuing Billboard development opportunities and being disciplined in our cost side, right. So that's one is execution in existing business and I think we're doing really well on lot of those. We're not done, we're making real good progress on all those.

Second one is smart and selective M&A. And third is investing in future products, services going forward. And so strategically, it's really all of those, executing existing business, getting the right assets, the right acquisition opportunities and we are looking at lot of opportunities. And these investments in the future are very important for the revenue streams, not so much this year, maybe next year, but in 2018, 2019, 2020, how do we continue to grow this business and how does this industry get more and more dollars into the pie of out-of-home?

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Right. Okay. So, segueing to recent news, recent announcements, you recently came out that you won some business in Boston. Can you maybe talk about the process and what allowed you to win that business there, and was it more than just coming down to kind of the most dollars that the city could bring in?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

We are all really excited, it's the Boston Transit Authority contract that we won in a competitive bidding process, very excited about it. I think, there is two reasons we won this, we've got the most experience in this industry in running these operations, such a large urban operation like this. So I think our experience. And then I think our technology. We've been talking about this for a couple of years now, these new screens we're deploying in a digital environment in transit and bringing digital into that environment, which creates more opportunities for revenue for transit authorities and also helps them improve the ridership experience, communications, et cetera. So I think that both of those really drove this.

We're excited about it. It's a up to about 15-year contract, it's got a five-year term and then two renewal periods about five years each, and it's a nice flow of business for us. I think, it's a reaffirmation of what we've been doing. It comes on top of some other wins. And we won in last year, Orange County Bus outside of LA and we've

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recently announced, we took over two contracts from somebody else, Intersection Titan, Long Beach Bus and Los Angeles City Bus as well.

So we're making some good progress in transit and we're demonstrating our ability to sell and manage these and grow revenues through transit hours. And the technology solution is and we're – which we're deploying elsewhere in a lot of places, people are seeing it works and it's got revenue opportunities that is really good for everybody.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay and have you given any context on the revenue opportunity for Boston and maybe also what type of margins you can run that business at?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

This came out that the incumbent Intersection Titan's 2015 revenue was about $30 million. And the transit authority in Boston did publicly share that the rev share is 70%. So we expect we'll be taking that over in the fourth quarter. There's a transition plan with the incumbent, you got to work through. The impact on fourth quarter's revenue and OIBDA, I think will be de minimis because we'll have to work through who probably got some booked revenues already. We got to give them credit for that. There will really be an impact for us in the first quarter.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. And the opportunity with Long Beach, a little bit smaller, but a good fit for, like you've mentioned, the OC business that you have?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

It gives you an opportunity of having all of those transit businesses, in one geographic area you're able to sell to advertisers that are showing. So they want to really do a consistent buy and a ubiquitous buy, and they can come to one place to do that. It's part of the reason that we think that with the New York City MTA, it's good to keep all those contracts together because you can also do a showing and sell them across all platforms. So we're pretty excited about it. There is a deployment of some technology in Boston.

CapEx is not that really significant. It's about 650 screens over a couple of years. So our CapEx has been about $65million to $70 million. It's not really a big impact on that dollar amount. So we're very excited about it. We're pleased about it, are jumping in right now already trying to work the transition and get all our people in our facility set up, so we can really do a really great job for them.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay, good. So no big step-up function in CapEx?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

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I think there's a little bit, but there's also some things we have going on now for CapEx that are going to fall off as well.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.
Q

Got it. Okay, and you mentioned the New York MTA. I get a lot of questions about that on a regular basis, about the story. Any update on the process and timing? And also whether you think, to your point you just made a minute ago that – do you believe the city will keep all the kind of three components of that together?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

Yeah. I'm not surprised you get a lot of questions, we get a lot of questions. The sad part is I can't give a lot of information. Process is moving forward. They set out the deadline and a process and a timeline. Things are moving pretty quick. The original plan was they were going to have a selection by early October. That's not going to happen. Some things have slowed down. I'm not exactly sure why, but it's moving forward and it's not like they're backing up or retreading or wanting to do something different. I think they're being very thoughtful, very thorough. It's a big contract. It's not just an economic issue; it's really a communications issue.

And to your question about – our belief that they're going to keep all contracts together. We think it's in their best interest to keep all three contracts together because, number one, it's going to enable us to maximize the revenues for them. But secondly, it's going to really enable a ubiquitous technology solution that will help them on their communications to their ridership and also then be a partner to help them continue to improve the ridership experience. Having multiple providers may not enable that to happen as easily.

So we'll see what happens. A lot of people ask, well, if it's not really going to happen in October, contract ends at the end of December, what's going to happen? Contracts can be extended very easily. We would not be surprised if the MTA extends the contract, whether it's three months or whatever, and that's something we can easily do to make it operative. We continue to perform very well for them, have for the past number of years. Our revenue last year in 2015 was well over 10% and continue to have good strides in growing revenue with the MTA and proving to them we can manage it.

So we're excited. We still feel very good about our prospects in this, and we feel like we've put our best foot forward and we'll continue to do so, and they'll do their job. They're doing a very thoughtful job and we want to make sure they make the right decision and do it right. And we think we're the right answer, but we'll play the game out.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.
Q

Yeah. So on one hand, you mentioned you've just won business in Boston and now, the New York business is up. Is there any edge to being the incumbent in these type of situations?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

There should be an edge because you know the locations, you know the operation. You should be able to communicate, develop a plan that is more thoughtful than somebody else. And you've proven, hopefully, over the years that you're a good partner, you're easy to work with and the like. So I think that is all the case for us with MTA.

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I think it's a great testament to our people that we won Boston. I think it's a reflection of people seeing and probably doing reference checks around the country or other transit contracts, that we do a nice job or a good partner. And the technology solution that we're developing that we've deployed in Hudson Yards, we deployed in the skyways of Minneapolis, we deployed it in Washington MTA, people are seeing it. It's a different screen, a different solution, a different advertising opportunity medium that is taking the bar up, and I think that also plays into it.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. And last question on this, but high-class problem question. If you do win the business in this situation, would we expect a big ramp-up in CapEx spending?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

Aaron, we don't know, where it's going to go. The RFP process, it's still going on. If that could be the case, that would happen over a number of years, but we would take on that obligation with a greater certainty of recovery, right. So you have a lower risk to that. Likewise, it could be other way, they pay the CapEx and the economics could be different. So, we'll play this out. I think we would take on additional spending if we've got a really, really high degree of confidence of the pay back and recovery of that, both of and on in that process, but the process is too full right now to even give any injection.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay, great. That's helpful color. Shifting gears, just hoping to talk a little bit about the current advertising environment. Over the last day out here, we've heard from some television folks and radio folks. So, maybe you can talk about what the advertising environment is feeling like to you? I know, in the second quarter, you saw a low-to-mid single digit growth. For 3Q, you guided low single. Maybe, you can talk about the drivers of those, like cadences and revenue trends?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

That change in cadence that Jeremy mentioned in our second quarter earnings call is based on what we see at that point in time. It was not, in any way, a reflection of a downturn in spending at all. And I have had my antenna up for probably almost 11 months now of looking for any slowdowns in spending, given a lot of things could be going on in this world in geopolitical, and I am not seeing it.

What is important to understand from our business, we spend – our revenue on a quarterly basis, $350 million to $400 million in the quarter, right? So a 1% move, we're talking about $4 million let's say. National advertisers, just one, and we've got many who can easily spend that dollar amount. So as they come in with a campaign where they move a campaign from one quarter to another, one advertiser out of hundreds that we've got, can move our view of forecast revenue.

What we see at the point in time when we give that estimate is what we see has been booked, what we call blocked and working, that is we're very close to the contract being executed, and it's of a good perspective we've got going forward. These quarters can balance a little bit based on a couple of national advertisers coming in, coming out. So it is not a change in the spending patterns. We're feeling very good about the economy, we're

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feeling very good about spending patterns, feeling very good about the relationships we've got, and continue to see advertisers drawn to this medium. And very, very interested in the things we're doing that can make it even more important to their platforms.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. Any differences you're seeing based on some of your larger markets versus some of your more mid-sized markets, differences in formats, certain categories that are especially weak?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

No. We, I think, in the first half of the year, auto, food, beverage, liquor was doing pretty well. What was down was retail, TV and technology. Geographically, it really depends on the category. The movie houses really put their emphasis of dollar spend in New York and LA. So, if a movie house is doing well with a couple of rollouts, that can really help those two markets. Likewise, if they have some that are not as strong, it also can bring them down a little bit. But we're not seeing that any category is driving one region versus the other, except for that movie category is a little bit.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. How about pricing and volume trends that you're seeing the yield both on the – I think static and digital were up in 2Q after a down in 2015. What was driving that recovery?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

As I mentioned, in the execution category, the first item I mentioned was yield, and an item that Jeremy and I've been pushing since we came on board. It's been taking us a while to get traction. We're doing some really good stuff. It is getting the right people on the bus. We've made some changes in personnel. But it's also making those folks understand that the decisions with your customers is not a gut decision. It's not just focused on occupancy. You should be using data and information to make an informed decision, and there should be intention internally in making sure we're charging the right thing for our assets.

So we're pushing out information to our people to better understand that. We're building processes, where salesperson can make the call on the pricing without the sales manager. We're putting in a little more process and procedures [indiscernible] (14:03), but basic elementary education 101 and management 101 of making better information decisions and it's driving our yield up. And I think that it's not done. It's just a continual improvement and we're just seeing that continue to happen of better decision-making on boards, on clients to maximize the revenue.

And back in 2014, we shifted. The GMs now have a bonus target that's not just revenue. It's down to OIBDA. And it's taken a while to get them to understand that and understand the drivers that they have, both on revenue side, the expense side and it's a continuous education. We're getting some good traction out of that, and we're seeing it in the results, which is great.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

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All right. Maybe a couple of questions about digital boards, a nice growth area for the company, for the industry. You have over 700 digital displays. I think 600 of those have billboards, give or take. That's up from 560 at the end of 2014, but still a lot less than your peers. Talk about why that is, and what you target for growing digital going forward.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

Digital on the billboard side, CBS, our previous owner, approached this in a very disciplined way. And as we came into this, we're continuing to follow it in a very disciplined way, and we think it's about 100 additional digital billboards about a year. I'd like to have that higher, and I'm trying to find ways to make that quite a little bit higher, but it's on that sort of path.

We feel pretty good about where that is going. And when you think about our percentage of boards that are digital, we're about – 1.5% of our billboards are digital. I think that's pretty comparable when you look at Lamar and Clear Channel. They've got a lot more total boards, but on percentage-wise, I think we're pretty much in the same zone. I'm not sure that's good, but we are where we are and we're continuing to grow it and be smart about it.

The digital revenue has grown really nicely for us. Our 2015 reported number is about 12%, 13% of our billboard revenue, and it's just continued to grow. So 1.5% of the boards are driving about 12% to 13% of revenue. That's a good move. We'll continue to invest, and it's one avenue. So you got the digital and billboard, and then you got the increasing digital on transit, which we talked about on some of those other contracts we're talking about. There's some big opportunities of really growing that revenue on that side of the house.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.
Q

So can you also remind us the cost of these boards versus what you had seen in the past, and also the relative margin that you see on these boards versus your static boards?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

They're still costing – fully built, it's about $250,000 per – New York City or New York area could be a little bit higher, certain urban areas a little higher, others a little bit lower, ballpark about $250,000. Returns are really, really good. On ballpark, its still revenue is about four times static revenue, cost about two times. So the margin tweaks up a little bit, but in an absolute dollar amount it's a lot more dollar margin out of this.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.
Q

Okay.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

More interestingly, I shared this with a number of folks. We have done a post-mortem on all the digital conversions we've done in 2011, 2012, 2013, 2014 and 2015. And every single board has had an ROI in excess of 25%. Some even more, some even less. I had two lessons out of that analysis. One, I found certain markets were very good at estimating revenue and many were not. So it gives me better insight. When I see more

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business cases coming in from those markets, I sort of play with the revenue a little more because I don't feel the comfort.

But it also gives perspective that we probably can be building more. So they don't have to be in excess of 25% to be return of capital, right? We can be building to get things at a lower return. So we sort of lowered the internal threshold a little bit. My hope is trying to build the pipeline and get things through a little bit quicker. So I would like to see that 100 build a year a little bit higher. It hasn't moved yet to that level, but I think it's going to start to move. We feel good about the process and feel good about the prospects and the future of the digital. So...

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

And one last question on digital, you reminded me just now. The gating factors, when you talk – you would like to do more. What's holding you back?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

It's zoning, it's regulation, it's public concerns. I mean, you can only do what the local community can do. You try to work processes out. We're willing to swap some of our existing static boards to do a digital if it's the right situation for us, if it's right situation for that community. Every one of these – it's a one-off. It's not like you can cut a deal and do 50 digital boards in a community. You're doing one here, you're doing one there in every single community. Our real estate people do really nice job developing relationships with landlords, but also the zoning authorities, developers in the area and trying to work that process and it takes some time.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. If I think about advertisers coming to the format, coming to the industry, what's being done right now to make the buying and managing of outdoor ads easier to those advertisers?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

There's two things, Aaron. One is in our existing processes and systems, how do we make it easier for our people to sell. So we've been improving capabilities for our salespeople to do multi-market proposals, CRM capabilities and being just more efficient to be able to sell and to work more efficiently with large national advertisers.

On the other side, we're also making these investments to build a DMP to be able to enable advertisers in the future, not to just buy based on location, but to buy audience or impressions, and also to do that in a self-serve way so they can determine they want to have 18-year-old to 35-year-old males in New England who have bought anything from a sporting goods store past six months, right? We're going to be able to identify which billboards, which locations is a good use of targeting dollars and that can help national advertisers think about their campaigns and think about us, not as an afterthought of a spend, but an integral part of their campaigns of how they want to target audiences.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

So on that note, can you talk about what the advances are and the measurement of your outdoor advertising to help advertisers get even more comfortable?

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Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

Well, you've got that TAB ratings now called Geopath. It's out there. It gives you impressions. It's a study that's been done. It's updated periodically. It's not been universally adopted. So we and our peers are looking at how do we build this different capability to truly sell by audience. And so, we're taking it on our own, building a DMP and capabilities to enable advertisers to truly either by location or by audience or impression, by CPM and target themselves. We're building that capability. We've been going out a little bit.

We're going to really push on it in 2017 – whether we roll it out in 2017, I think we're probably closer to 2018, but latter part of 2017 – I think you're going to see this industry as a whole provide a different way of buying, and I think that's going to bring more targeting, more ROI capabilities in and get people push even more dollars. Our goal is not to fight with Lamar and Clear Channel. We do a lot to some degree, but the real goal here is how do we get more advertising dollars into the out-of-home sector.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.
Q

Right.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

Right. And so, building these capabilities of better information for advertisers of target audiences and give them ROI capabilities is going to bring more dollars in for all of us to go after.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.
Q

Okay. If I jump to M&A, you just mentioned Lamar and Clear Channel. Those two and yourself command a majority of the revenues in the U.S. Are there still attractive assets out there that fit your parameters, your requirements and maybe remind us what those investment hurdles are?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.
A

There are. I mean there's a lot of moms and pops out there. We've got a set of qualitative and quantitative criteria. I won't go through all of them, but it's got to be top 25 DMA. And we look at the assets, we look at can we generate more revenue than the incumbent can. Can we get cost savings because we already got operation there, and therefore, we pay a multiple of X? After synergies, is it 25%, 30% below that? And we look at them and be very disciplined about it. There's a lot of activity that goes on. We are looking at from $1 million deals to $50 million deals. So there's a lot that we keep looking at and we're just very prudent about it.

There's transactions that've been announced that we were not the winners of, and I will simply say that we don't believe we need to buy everything, and we are trying to be very, very smart and selective and we don't want to take on additional leverage on nice-to-have assets. We're going to use our balance sheet when we need to, if we need to only when it's a must-have set of assets.

In the meantime, the smaller transactions where it can fill in holes, build up our capabilities in existing markets, get real good return on the money and fund it through existing cash operations all day long. Larger transactions,

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big, big transactions, we'll see what happens in the future, but right now, we are maniacally focused on helping each one of our markets get stronger and bigger.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. And just one other question on that. Do you think there's room to expand in existing markets? Or is M&A really going to come out of new markets for you expanding your footprint?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

I think it's in existing markets for us.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

There's a couple of markets that we'd like to expand into that are new. It's few and far between. There are a number of markets where we believe there's a way of critically building more assets there through zoning issues. We're buying some. And that's where we're focused. The top 25, we think there's some great opportunities and continue to work through the relationships and it's – you identify them or they come to us, and you've just got to work out what's right between the buyer and the seller.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. So you mentioned, as part of your logic and thinking when you consider acquisitions, your leverage, and where you can buy those assets, and how many synergies you can take out. I think your current reported leverage is around 4.8 times. Your stated leverage range is 3.5 times to 4 times. Please correct me if I'm wrong. Is that still the right range to think about for you, and when do you think you'll get there?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

It is still the same range we want to get to. We levered up for the Van Wagner transaction. And through growing EBITDA and paying down debt, we're going to continue to drive this down. We were at 4.8 times last quarter. You're going to see us continue to grow EBITDA. You're going to see us continue to pay down term loan debt, which we've been doing throughout this year, and it's going to probably take us a couple more years to get there.

Our growth last year in 2015 came from transit, which was much lower OIBDA contribution, wasn't in billboard so it gets us a little bit off of where we would've liked to be, but we're now getting back and we're getting the growth we want from billboard and seeing that lift. So I think it's going to be a couple of years out. But we are very, very committed to getting down to that zone.

I lived through 2008, right? God forbid, we ever see something like that again, but I want to make sure we're in a good position if ever it happened, we could do a refinancing. And likewise, if assets do come up that are must-have, I don't want to go north of where we are. I want us to come at a much lower level to come up with a greater

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certainty to get it back down there. So right now, we're keeping our powder dry, right, and we want to continue to drive ourselves down by growing the business and paying down debt.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. Let me pause for a moment. Does anybody have any questions they want to ask? No. All right. I can keep going. On the cost base, I wanted to ask you one question there. As we think about that and your overall margin level on the U.S. Media business, which I think is in kind of the 33%, 34% area, do you see room for improvement on the margin side?

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

Yes, we do. We're two years post the spin, right? And in that spin process that we did, we had to set up whole new functions. We had to hire a lot of people to build all the corporate support functions. We also looked at our field operations and we increased some head count there to make that really work much better, and we also increased our sales organization capabilities at high levels, at lower level salespeople to get the right people on the ground doing some things, and we've got a lot of things going.

Two years post, we're relooking at our cost structure right now, and I believe there are areas that we can be more efficient and we're looking at that and more news on that in the future, but it is an area of mine we're going after, which it's time. It's time to reevaluate and look at the business.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

Margin side, we do think we can expand as a result of that, and that combined with increased yield can continue to give us a nice growth. I mean, we did reaffirm last quarter AFFO per share growth of mid-to-high singles and we feel pretty good as we mentioned that, and that's a goal of ours of really trying to get this business growing higher, and AFFO growing even higher.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay. And one last question from me, really to check a box that's been a big theme here this week.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

Yeah.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Political doesn't move the needle too much for you. Are you seeing any movement in that category?

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Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

We do not and have historically not seen a lot of political spend. In an urban, suburban market, you really don't get a lot of political spend. In many of our areas, you can't do political spend or issue spending. It's barred. Where you see political spend is usually in rural America. That's not our sweet spot. So you really don't get a big lift from political in any of the off-cycle or major general election campaigns. So...

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Okay.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

A

All right.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Q

Last chance, anyone want to ask question. Okay, then. I think we're all set. Don, thank you.

Donald R. Shassian
Chief Financial Officer & Executive Vice President, OUTFRONT Media, Inc.

Thank you. Appreciate it.

Aaron L. Watts
Analyst, Deutsche Bank Securities, Inc.

Thanks.

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