

BOSTON OMAHA CORP

FORM 8-K/A (Amended Current report filing)

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Address	292 NEWBURY STREET, SUITE 333 BOSTON, MA 02115
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Industry	Advertising & Marketing
Sector	Consumer Cyclical
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 3, 2015

BOSTON OMAHA CORPORATION
(Exact name of registrant as specified in its Charter)

Delaware
(State or other jurisdiction of Incorporation)

333-170054
(Commission File Number)

27-0788438
(IRS Employer Identification Number)

(Address and telephone number of principal executive offices, including zip code)

292 Newbury Street, Suite 333
Boston, Massachusetts 02115
(857) 256-0079

(Former name or address, if changed since last report)
Not Applicable

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of Registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

EXPLANATORY NOTE

Boston Omaha Corporation (the "**Company**") is filing this Current Report on Form 8-K/A (Amendment No. 1) (the "**8-K/A**") in order to amend its previously filed Current Report on Form 8-K, as filed with the Securities and Exchange Commission on September 3, 2015 (the "**Initial 8-K**"), in order to file certain financial statements and to furnish certain pro forma financial information pursuant to Item 9.01 of this Form 8-K/A.

The Initial 8-K provided disclosure under Item 2.01 thereof regarding the August 31, 2015 closing of the Company's acquisition of certain billboards and related assets by Link Media Alabama, LLC, which is owned by Link Media Holdings, LLC, which is owned by the Company. Link Media Alabama, LLC entered into an Asset Purchase Agreement with I-85 Advertising, LLC, the members of I-85 Advertising, LLC and Canton Partners (an affiliate of I-85 Advertising, LLC), by which Link Media Alabama, LLC acquired five billboards, rights to certain easements, and related assets from I-85 Advertising, LLC. The billboards and related assets are located along Interstate 85 in Georgia. The purchase price for the acquired assets was \$1,294,900 paid at closing.

Item 9.01 of Form 8-K provides that with respect to transactions described pursuant to Item 2.01 of Form 8-K, the financial statements of businesses acquired may be filed, and pro forma financial information regarding such transactions may be furnished, not later than 71 calendar days after the date that the initial report on Form 8-K must be filed. As such, the Company disclosed in the Initial 8-K that it would file the required financial statements and furnish the required pro forma financial information within that time frame. The preparation of such financial statements and pro forma financial information took longer than the Company anticipated, due principally to delays in obtaining necessary information and supporting documents from the seller but the Company is now providing such financial statements and pro forma financial statements herewith as described in Item 9.01 below.

The Company is now providing Balance Sheets, Statements of Operations and Members' Equity and Statements of Cash Flows from I-85 Advertising, LLC for the years ended December 31, 2014 and 2013, as well as Balance Sheets, Statements of Operations and Members' Equity and Statements of Cash Flows from I-85 Advertising, LLC for the six month periods ended June 30, 2015 and 2014, along with certain pro forma information, each as described in Item 9.01 below.

SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01 Financial Statements and Exhibits.

(a) **Financial statements of businesses acquired.** The audited financial statements of I-85 Advertising, LLC for the years ended December 31, 2014 and 2013, are filed herewith as Exhibit 99.1. The unaudited financial statements of I-85 Advertising, LLC for the six months ended June 30, 2015 and 2014, are filed herewith as Exhibit 99.2.

(b) **Pro forma financial information.** The unaudited pro forma condensed combined financial information of the Company and I-85 Advertising, LLC for the year ended December 31, 2015 and as of and for the six months ended June 30, 2015 are filed herewith as Exhibit 99.3.

(c) **Shell Company Transaction.**
Not applicable.

(d) **Exhibits.**
Not Applicable

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BOSTON OMAHA CORPORATION

Date: April 28, 2016

/s/ Alex B. Rozek

Name: Alex B. Rozek
Title: Co-Chief Executive Officer

I-85 Advertising, LLC
(a Georgia Limited Liability Company)

Financial Statements

For the Years Ended December 31, 2014 and 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
I-85 Advertising, LLC
Atlanta, Georgia

We have audited the accompanying balance sheets of I-85 Advertising, LLC (the "Company") as of December 31, 2014 and 2013, and the related statements of operations and members' equity and cash flows for each of the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of I-85 Advertising, LLC as of December 31, 2014 and 2013 and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
April 27, 2016

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Balance Sheets

ASSETS

	<u>December 31,</u> 2014	<u>December 31,</u> 2013
Property and Equipment:		
Structures and displays	\$ 514,722	\$ 206,723
Accumulated depreciation	(1,716)	-
Total Property and Equipment, net	<u>513,006</u>	<u>206,723</u>
Total Assets	<u>\$ 513,006</u>	<u>\$ 206,723</u>

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:		
Accounts payable, related party	\$ 1,530	\$ -
Total Current Liabilities	1,530	-
Members' Equity	<u>511,476</u>	<u>206,723</u>
Total Liabilities and Members' Equity	<u>\$ 513,006</u>	<u>\$ 206,723</u>
Total Current Liabilities	513,006	206,723
Members' Equity	<u>557,581</u>	<u>511,476</u>
Total Liabilities and Members' Equity	<u>\$ 1,070,587</u>	<u>\$ 718,199</u>

The accompanying notes are an integral part of the financial statements.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Statement of Operations and Members' Equity

	For the Years Ended December 31,	
	2014	2013
Revenues:		
Billboard rentals, related party	\$ 3,400	\$ -
Costs and Expenses:		
Depreciation	1,716	-
Ground rents, related party	1,530	-
Advertising	1,937	-
Repairs and maintenance	524	-
Total Costs and Expenses	<u>5,707</u>	<u>-</u>
Net Loss	(2,307)	-
Members' Equity, Beginning of Year	206,723	-
Contributions from member	310,460	206,723
Accounts receivable, related party	<u>(3,400)</u>	<u>-</u>
Members' Equity, End of Year	<u>\$ 511,476</u>	<u>\$ 206,723</u>

The accompanying notes are an integral part of the financial statements.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Statement of Cash Flows

	For the Years Ended December 31,	
	2014	2013
Cash Flows from Operating Activities:		
Net Loss	\$ (2,307)	-
Adjustment for rentals to related party	(3,400)	-
Adjustment for expenses paid by related party	2,461	-
Adjustments to reconcile net loss to cash provided by operating activities:		
Depreciation	1,716	-
Changes in operating assets and liabilities:		
Accounts payable, related party	1,530	-
Net Cash Provided in Operating Activities	-	-
Net Increase in Cash	-	-
Cash, Beginning of Year	-	-
Cash, End of Year	-	-
Interest Paid in Cash	\$ -	\$ -
Income Taxes Paid in Cash	\$ -	\$ -

Supplemental Schedules of Non-cash Financing Activities

	For the Years Ended December 31,	
	2014	2013
Contributions from member for additions to structures and displays	\$ 307,999	\$ 206,723

The accompanying notes are an integral part of the financial statements.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Notes to Financial Statements

For the Year Ended December 31, 2014 and 2013

NOTE 1. ORGANIZATION AND BACKGROUND

The accompanying financial statements have been prepared in connection with I-85 Advertising LLC's sale of outdoor advertising assets to Link Media Alabama, LLC ("LMA"), a wholly-owned subsidiary of Boston Omaha Corporation, and to comply with the rules and regulations of the Securities and Exchange Commission ("SEC") for inclusion by Boston Omaha Corporation in its current report on Form 8-K/A.

I-85 Advertising, LLC (the "Company") was organized on April 6, 2010. The Company's operations include the ownership and leasing of billboards located in Georgia. The Company began constructing billboards during 2013 and began its leasing operations on October 1, 2014.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount, net of advertising agency commissions, sales discounts, and allowances for doubtful accounts. The Company evaluates the collectability of its accounts receivable based on its knowledge of its customers and historical experience of bad debts. In circumstances where the Company is aware of a specific customer's inability to meet its financial obligations, it records a specific allowance to reduce the amounts recorded to what it believes will be collected. For all other customers, the Company recognizes reserves for bad debt based upon historical experience of bad debts as a percentage of revenue, adjusted for relative improvement or deterioration in its agings and changes in current economic conditions. As of December 31, 2014, the allowance for doubtful accounts was zero.

Property and Equipment

Property and equipment are carried at cost. Depreciation and amortization are provided principally on the straight-line method over the estimated useful lives of the assets, which is fifteen years.

Maintenance and repair costs are charged against income as incurred. Significant improvements or betterments are capitalized and depreciated over the estimated life of the asset.

At December 31, 2014, and 2013 the Company's property and equipment consisted of ten static displays and related personal property.

Land Leases

The advertising structures are located on leased land. The lease contract is based upon a percentage of net revenue of the preceding month.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Notes to Financial Statements

For the Year Ended December 31, 2014 and 2013

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The more significant areas requiring the use of management estimates relate to useful lives for depreciation. Accordingly, actual results could differ from those estimates.

Revenue Recognition

The Company generates revenue from outdoor advertising through the leasing of billboards. The terms of the operating leases range from less than one month to one year and are generally billed monthly. Revenue for advertising space rental is recognized ratably over the term of the contract. Advertising revenue is reported net of agency commissions. Agency commissions are calculated based on a stated percentage applied to gross billing revenue for operations. Payments received in advance of being earned are recorded as deferred income.

Advertising agency commissions for the years ended December 31, 2014 and 2013 were \$0.

Income Taxes

In connection with its organization as a limited liability company, the Company is taxed as a partnership. Taxable income or losses of the Company are passed through to the Company's members, in accordance with each member's percentage of ownership, for inclusion in each individual member's income tax return.

The Company has no tax positions at December 31, 2014 and 2013 for which the ultimate deductibility is highly uncertain but for which there is uncertainty about the timing of such deductibility. All tax years are open to examination by the Internal Revenue Service.

NOTE 3. MEMBERS' EQUITY

The Company is a Georgia limited liability company, therefore the personal liability of the members is limited. Additionally, the Company's life is not limited to a specific duration. All of the members are managers and have equal rights and privileges except for profits or losses that are shared proportionate to their ownership percentages.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Notes to Financial Statements

For the Year Ended December 31, 2014 and 2013

NOTE 4. RELATED PARTIES

For the year ended December 31, 2014, 100% of the Company's gross revenue was generated from one advertiser, a partnership ("the Partnership") that is related to the Company by common ownership. At December 31, 2014 amounts due from the Partnership for billboard advertising were \$3,400. The receivable had not been collected as of December 31, 2014. Due to the close relationship between one of the Company's members ("the Member") and the Partnership, accounts receivable, related party has been presented as a reduction of members' equity.

During the year ended December 31, 2014, the Company leased land for its billboard locations from the Partnership. Amounts due for ground rents as of December 31, 2014 were \$1,530.

During the years ended December 31, 2014 and 2013, the Partnership, on behalf of the Member, advanced capital contributions of \$307,999 and \$206,723, respectively, for the purchase and construction of the structures and displays.

NOTE 5. LIQUIDITY

For the year ended December 31, 2014, all of the Company's revenues were from the Partnership and most of the Company's expenses were paid by the Partnership. (See Note 4.)

Although the Company has no cash as of December 31, 2014, the Partnership, on behalf of the related member, has continued and intends to continue, to contribute the capital needed to fund operations. Additionally, the members believe that there will be additional billboard revenues from unrelated parties in the coming year.

NOTE 6. FUTURE MINIMUM LEASE PAYMENTS

The Company leases land for its billboard locations from the Partnership. (See Note 4.) The principal term of the lease begins on the date that the billboard is erected and extends for a term of thirty years. Monthly lease payments are based upon 15% of the net revenue of the sign and are payable in the following month. Net revenue is defined as gross revenue minus advertising agency commissions or internal commissions, limited to twenty percent of gross revenues. Ground rents due for the years ended December 31, 2014 and 2013 were \$1,530 and \$0, respectively.

NOTE 7. SUBSEQUENT EVENTS

On August 31, 2015, the Company sold its ten static displays and related personal property to Link Media Alabama, LLC for a gross sales price of \$1,300,000. Adjustments to the gross sales price were \$5,100, resulting in a cash sales price of \$1,294,900. On that same day and in connection with the sale of the Company's outdoor advertising assets, the Partnership assigned its rights to its easement agreement to LMA. (See Note 4.) The easements are permanent easements which grant LMA the right to use real property not owned by the Company. Such easements are perpetual and the ground lease was terminated.

I-85 Advertising, LLC
(a Georgia Limited Liability Company)

Unaudited Financial Statements

For the Six Months Ended June 30, 2015 and 2014

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Balance Sheets
Unaudited

ASSETS

	June 30, 2015	December 31, 2014
	<u> </u>	<u> </u>
Current Assets:		
Cash	\$ 4,240	\$ -
Total Current Assets	4,240	-
Property and Equipment:		
Structures and displays	577,356	514,722
Accumulated depreciation	<u>(10,064)</u>	<u>(1,716)</u>
Total Property and Equipment, net	<u>567,292</u>	<u>513,006</u>
Total Assets	<u>\$ 571,532</u>	<u>\$ 513,006</u>
<u>LIABILITIES AND MEMBERS' EQUITY</u>		
Current Liabilities:		
Accounts payable, related party	\$ 5,451	\$ 1,530
Deferred revenue	<u>8,500</u>	<u>-</u>
Total Current Liabilities	13,951	1,530
Members' Equity	<u>557,581</u>	<u>511,476</u>
Total Liabilities and Members' Equity	<u>\$ 571,532</u>	<u>\$ 513,006</u>

See accompanying notes to the unaudited financial statements.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Statements of Operations and Members' Equity
Unaudited

	For the Three Months Ended June 30,	For the Three Months Ended June 30,	For the Six Months Ended June 30,	For the Six Months Ended June 30,
	2015	2014	2015	2014
Revenues:				
Billboard rentals	\$ 14,240	-	\$ 26,140	-
Costs and Expenses:				
Depreciation	5,487	-	8,348	-
Ground rents, related party	2,136	-	3,921	-
Repairs and maintenance	2,538	-	2,538	175
Legal and professional	-	-	274	-
Advertising	-	-	-	500
	<u>10,161</u>	<u>-</u>	<u>15,081</u>	<u>675</u>
Total Costs and Expenses				
	<u>10,161</u>	<u>-</u>	<u>15,081</u>	<u>675</u>
Net Income (loss)	4,079	-	11,059	(675)
Members' Equity, Beginning of Period	522,130	253,653	514,876	206,723
Contributions from member	65,172	18,232	65,446	65,837
Accounts receivable, related party	(23,800)	-	(23,800)	-
Receivable from related party	(10,000)	-	(10,000)	-
	<u>(33,628)</u>	<u>-</u>	<u>(33,628)</u>	<u>-</u>
Members' Equity, End of Period	<u>\$ 557,581</u>	<u>\$ 271,885</u>	<u>\$ 557,581</u>	<u>\$ 271,885</u>

See accompanying notes to the unaudited financial statements.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Statement of Cash Flows
Unaudited

	For the Six Months Ended	
	June 30,	
	2015	2014
Cash Flows from Operating Activities:		
Net Income (Loss)	\$ 11,059	\$ (675)
Adjustment for rentals to related party	(20,400)	-
Adjustment for expenses paid by related party	2,812	-
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation	8,348	-
Changes in operating assets and liabilities:		
Accounts payable, related party	3,921	675
Deferred revenue	8,500	-
Net Cash Provided in Operating Activities	14,240	-
Cash Flows from Financing Activities:		
Receivable from related party	(10,000)	-
Net Cash Used in Financing Activities	(10,000)	-
Net Increase in Cash	4,240	-
Cash, Beginning of Period	-	-
Cash, End of Period	\$ 4,240	\$ -
Interest Paid in Cash	\$ -	\$ -
Income Taxes Paid in Cash	\$ -	\$ -

Supplemental Schedules of Non-cash Financing Activities

	For the Six Months Ended	
	June 30,	
	2015	2014
Contributions from member for additions to structures and displays	\$ 62,634	\$ 65,837

See accompanying notes to the unaudited financial statements.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Notes to Unaudited Financial Statements

For the Six Months Ended June 30, 2015

NOTE 1. ORGANIZATION AND BACKGROUND

The accompanying unaudited financial statements have been prepared in connection with I-85 Advertising LLC's sale of outdoor advertising assets to Link Media Alabama, LLC ("LMA"), a wholly-owned subsidiary of Boston Omaha Corporation, and to comply with the rules and regulations of the Securities and Exchange Commission ("SEC") for inclusion by Boston Omaha Corporation in its current report on Form 8-K/A.

I-85 Advertising, LLC (the "Company") was organized on April 6, 2010. The Company's operations include the ownership and leasing of billboards located in Georgia. The Company began constructing billboards during 2013 and began its leasing operations on October 1, 2014.

The accompanying unaudited interim financial statements of I-85 Advertising, LLC have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission, and should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2014 included elsewhere in this Form 8-K/A. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the interim financial statements which would substantially duplicate the disclosures contained in the audited financial statements for the year ended December 31, 2014 included elsewhere in this Form 8-K/A have been omitted.

NOTE 2. RELATED PARTIES

For the six months ended June 30, 2015, \$20,400, which represents 78% of the Company's gross revenues, was generated from one advertiser, a partnership (The Partnership) that is related to the Company by common ownership. Related party billboard rentals for the three months and six months ended June 30, 2015 were \$10,200 and \$20,400, respectively. At June 30, 2015, amounts due from the Partnership for billboard advertising were \$23,800 and advances to the Partnership were \$10,000.

During the six months ended June 30, 2015, the Company leased land for its billboard locations from the Partnership. Amounts due for ground rents as of June 30, 2015 were \$5,451. Ground rents for the three months and six months ended were \$2,136 and \$3,921, respectively. Amounts due for ground rents as of June 30, 2015 were \$5,451.

Due to the close relationship between one of the Company's members ("the Member") and the Partnership, accounts receivable, related party and receivable from related party have been presented as a reduction of members' equity.

During the six months ended June 30, 2015 and 2014, the Partnership, on behalf of the Member, advanced capital contributions of \$65,446 and \$65,837, respectively for the purchase and construction of the structures and displays.

I-85 ADVERTISING, LLC
(a Georgia Limited Liability Company)

Notes to Unaudited Financial Statements

For the Six Months Ended June 30, 2015

NOTE 3. LIQUIDITY

For the six months ended June 30, 2015, seventy-eight percent (78%) of the Company's revenues were from the Partnership and most of the Company's expenses were paid by the Partnership. (See Note 2.) Additionally, the Partnership, on behalf of its member, funded \$42,634 for the completion of the structures and displays.

For the six months ended June 30, 2015, the Company generated sufficient cash from operations to advance \$10,000 to an affiliate of its member. Had the Company retained the cash, it would have had sufficient cash to pay its expenses for the six months ended June 30, 2015.

NOTE 4. SUBSEQUENT EVENTS

On August 31, 2015, the Company sold its ten static displays and related personal property to Link Media Alabama, LLC for a gross sales price of \$1,300,000. Adjustments to the gross sales price were \$5,100, resulting in a cash sales price of \$1,294,900. On that same day and in connection with the sale of the Company's outdoor advertising assets, the Partnership assigned its rights to its easement agreement to LMA. (See Note 2.) The easements are permanent easements which grant LMA the right to use real property not owned by the Company. Such easements are perpetual and the ground lease was terminated.

BOSTON OMAHA CORPORATION

AND I-85 ADVERTISING, LLC

**UNAUDITED PRO FORMA COMBINED BALANCE SHEET
AND
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS**

JUNE 30, 2015

**BOSTON OMAHA CORPORATION
AND I-85 ADVERTISING, LLC**

**UNAUDITED PRO FORMA COMBINED BALANCE SHEET
JUNE 30, 2015**

ASSETS

	<u>Boston Omaha</u>	<u>Pro Forma Adjustments</u>	<u>Notes</u>	<u>Pro Forma Combined</u>
Current Assets:				
Cash	\$ 3,684,317	\$ (1,294,900)	(2)	\$ 2,389,417
Prepaid expense	6,600			6,600
Total Current Assets	3,690,917	(1,294,900)		2,396,017
Property and Equipment:				
Structures and displays	3,192,692	587,500	(2)	3,780,192
Accumulated depreciation	(6,415)			(6,415)
Total Property and Equipment, net	3,186,277	587,500		3,773,777
Other Assets:				
Intangible assets	3,476,354	707,400	(2)	4,183,754
Investment in unconsolidated affiliate	55,678			55,678
Total Other Assets	3,532,032	707,400		4,239,432
Total Assets	<u>\$ 10,409,226</u>	<u>\$ -</u>		<u>\$ 10,409,226</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:				
Accounts payable and accrued expenses	\$ 370,246	\$ -		\$ 370,246
Accounts payable, stockholder	2,721	-		2,721
Notes payable, stockholders	100,000	-		100,000
Note payable, related party	135,494	-		135,494
Accrued interest, stockholders	1,876	-		1,876
Accrued interest, related party	2,739	-		2,739
Total Current Liabilities	613,076	-		613,076
Stockholders' Equity:				
Preferred stock, \$.001 par value, 3,000,000 shares authorized, 0 shares issued and outstanding	-	-		-
Common stock, \$.001 par value, 18,000,000 shares authorized, 268,000 shares issued and outstanding	268	-		268
Class A common stock, \$.001 par value, 12,000,000 shares authorized, 1,055,560 and 0 shares issued and outstanding, respectively	1,056	-		1,056
Additional paid-in capital	10,563,993	-		10,563,993
Accumulated deficit	(769,167)	-		(769,167)
Total Stockholders' Equity	9,796,150	-		9,796,150
Total Liabilities and Stockholders' Equity	<u>\$ 10,409,226</u>	<u>\$ -</u>		<u>\$ 10,409,226</u>

See accompanying notes to unaudited pro forma combined financial statements.

**BOSTON OMAHA CORPORATION
AND I-85 ADVERTISING, LLC**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2015**

	<u>Boston Omaha</u>	<u>Pro Forma Adjustments</u>	<u>Notes</u>	<u>Pro Forma Combined</u>
Revenues:				
Consulting fees	\$ 9,700	-		\$ 9,700
Billboard rentals	-	26,140	(2)	26,140
Total Revenues	9,700	26,140		35,840
Costs and Expenses:				
Professional fees	212,545	274	(2)	212,819
Depreciation and amortization	21,973	22,194	(2)	44,167
Leased employees	6,662	-		6,662
Contract services	4,400	-		4,400
Ground rents	-	3,921	(2)	3,921
Repairs and maintenance	-	2,538	(2)	2,538
Travel and entertainment	1,877	-		1,877
General and administrative	1,142	-		1,142
Total Costs and Expenses	248,599	28,927		277,526
(Loss) Income from Operations	(238,899)	(2,787)		(241,686)
Other Income (Expense):				
Equity in income (loss) of unconsolidated affiliate	8,414	-		8,414
Interest expense	(16,303)	-		(16,303)
(Loss) Income Before Income Tax	(246,788)	(2,787)		(249,575)
Income Tax (Provision) Benefit	-	1,129	(3b)	1,129
Net (Loss) Income	\$ (246,788)	\$ (1,658)		\$ (248,446)
Basic and Diluted Net (Loss) Income per share	(0.73)		(3a)	(0.74)
Basic and Diluted Weighted Average Shares Outstanding	337,982		(3a)	337,982

See accompanying notes to unaudited pro forma combined financial statements.

**BOSTON OMAHA CORPORATION
AND I-85 ADVERTISING, LLC**

UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Boston Omaha</u>	<u>Pro Forma Adjustments</u>	<u>Notes</u>	<u>Pro Forma Combined</u>
Revenues:				
Consulting fees	\$ 43,874	\$ 3,400		\$ 47,274
Billboard rentals	-	-	(2)	-
Total Revenues	43,874	3,400		47,274
Costs and Expenses:				
Professional fees	66,715	-		66,715
Advertising	-	1,937	(2)	1,937
Depreciation and amortization	-	44,389	(2)	44,389
Ground rents	-	1,530	(2)	1,530
Repairs and maintenance	-	524	(2)	524
Total Costs and Expenses	66,715	48,380		115,095
(Loss) Income from Operations	(22,841)	(44,980)		(67,821)
Other Income (Expense):				
Equity in income (loss) of unconsolidated affiliate	(15,805)	-		(15,805)
Interest expense	(28,132)	-		(28,132)
(Loss) Income Before Income Tax	(66,778)	(44,980)		(111,758)
Income Tax (Provision) Benefit	-	18,217	(3b)	18,217
Net (Loss) Income	\$ (66,778)	\$ (26,763)		\$ (93,541)
Basic and Diluted Net (Loss) Income per share	\$ (0.25)		(3a)	\$ (0.35)
Basic and Diluted Weighted Average Shares Outstanding	268,000		(3a)	268,000

See accompanying notes to unaudited pro forma combined financial statements.

**BOSTON OMAHA CORPORATION
AND I-85 ADVERTISING, LLC**

NOTES TO UNAUDITED COMBINED PRO FORMA INFORMATION

NOTE 1. BASIS OF PRESENTATION

The unaudited pro forma combined balance has been prepared by applying pro forma adjustments to Boston Omaha Corporation's ("Boston Omaha") ("the Company") unaudited balance sheet as of June 30, 2015.

The unaudited pro forma combined statement of operations for the six months ended June 30, 2015 has been prepared from Boston Omaha's unaudited interim statement of operations for the six months ended June 30, 2015 and from I-85 Advertising, LLC's ("I-85") unaudited interim statement of operations for the six months ended June 30, 2015.

Boston Omaha's audited financial statements and I-85's audited financial statements have been used in the preparation of the unaudited pro forma combined statement of operations for the year ended December 31, 2014.

The unaudited pro forma financial statements should be read in conjunction with the historical financial statements of Boston Omaha and I-85 as follows:

Boston Omaha's (formerly known as REO Plus, Inc.) audited financial statements for the year ended December 31, 2014 and the notes relating thereto, as found in its Form 10-K which was filed on February 5, 2015.

Boston Omaha's unaudited financial statements for the six months ended June 30, 2015 and the notes relating thereto, as found in its Form 10-Q which was filed on August 14, 2015; and

I-85's audited financial statements for the year ended December 31, 2014 and the notes relating thereto included elsewhere in this Form 8-K/A and

I-85's unaudited financial statements for the six months ended June 30, 2015 and the notes relating thereto included elsewhere in this Form 8-K/A.

On June 17, 2015, the Company effected a 7:1 reverse stock split. The accompanying pro forma combined financial statements have been retroactively adjusted to reflect the stock split.

NOTE 2. PURCHASE OF ASSETS

On August 31, 2015, Link Media Alabama, LLC ("LMA") a wholly-owned subsidiary of Boston Omaha purchased ten static displays and related personal property, and intangible assets from a private seller, I-85 for a purchase price of \$1,294,900.

Net earnings of \$5,100 for the period from August 31, through November 30, 2015 were credited to the gross purchase price of \$1,300,000 as an adjustment to the purchase price.

**BOSTON OMAHA CORPORATION
AND I-85 ADVERTISING, LLC**

NOTES TO UNAUDITED COMBINED PRO FORMA INFORMATION

NOTE 2. PURCHASE OF ASSETS (Continued)

Recognized Amount of Identifiable Assets Acquired and Liabilities Assumed

Property and Equipment:	
Structures and displays	\$ 587,500
Intangible Assets:	
Easements	11,000
Permits	52,200
Goodwill	644,200
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Total Intangible Assets	707,400
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Identifiable Assets Acquired	1,294,900
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Liabilities assumed	-
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Total Identifiable Net Assets	<u>\$ 1,294,000</u>

Depreciation has been provided for structures and displays on a straight-line basis for their estimated useful lives, expected to range from ten to fifteen years. Amortization has been provided for the intangible assets having finite lives, expected to be ten years.

NOTE 3. PRO FORMA ADJUSTMENTS

- a) Earnings per share

The basic net income (loss) per common share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding.

- b) Income Tax (Provision) Benefit

Federal and state income taxes have been provided at statutory rates.