
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (date of earliest event reported): March 2, 2021

Digital Media Solutions, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
(State of incorporation)

4800 140th Avenue N., Suite 101
Clearwater, Florida
(Address of principal executive offices)

001-38393
(Commission File Number)

98-1399727
(IRS Employer Identification No.)

33762
(Zip Code)

(877) 236-8632
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.0001 par value per share	DMS	New York Stock Exchange
Redeemable warrants to acquire Class A common stock	DMS WS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD .Disclosure

The executive officers of Digital Media Solutions, Inc. (the "Company") intend to use the material filed herewith, in whole or in part, in one or more meetings with investors and analysts. A copy of the investor presentation is attached hereto as Exhibit 99.1.

The Company does not intend for this Item 7.01 or Exhibit 99.1 to be treated as "filed" for purposes of the Securities Exchange Act of 1934, as amended, or incorporated into its filings under the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibit relating to Item 7.01 shall be deemed to be "furnished" and not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section:

<u>Exhibit Number</u>	<u>Description</u>
99.1 104	Digital Media Solutions, Inc. Investor Presentation Cover Page Interactive File (the cover page tags are embedded within the Inline XBRL document).

SIGNATURE

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.

Date: March 2, 2021

Digital Media Solutions, Inc.

Name: /s/ Randall Koubek
Randall Koubek
Title: Chief Financial Officer



Investor Presentation

Spring 2021



Safe Harbor

This presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. DMS's actual results may differ from its expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. These forward statements are often identified by words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions. These forward-looking statements include, without limitation, DMS's expectations with respect to its future performance and its ability to implement its strategy, and are based on the beliefs and expectations of our management team from the information available at the time such statements are made. . These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside DMS's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) changes in client demand for our services and our ability to adapt to such changes; (2) the entry of new competitors in the market; (3) the ability to maintain and attract consumers and advertisers in the face of changing economic or competitive conditions; (4) the ability to maintain, grow and protect the data DMS obtains from consumers and advertisers; (5) the performance of DMS's technology infrastructure; (6) the ability to protect DMS's intellectual property rights; (7) the ability to successfully source and complete acquisitions and to integrate the operations of companies DMS acquires, including the recent Aintell/PushPros acquisition; (8) our substantial levels of indebtedness; (9) our substantial levels of indebtedness; (10) volatility in the trading price on NYSE of our common stock and warrants; and (11) other risks and uncertainties indicated from time to time in DMS's filings with the SEC, including its registration statement, filed on August 7, 2020, including those under "Risk Factors" and DMS's other filings with the SEC. There may be additional risks that we consider immaterial or which are unknown, and it is not possible to predict or identify all such risks. DMS cautions that the foregoing list of factors is not exclusive. DMS cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. DMS does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Financial Measures

In addition to results presented in accordance with GAAP, this presentation includes non-GAAP financial measures. The company uses these financial measures, to analyze and compare its financial condition and results of operations in a meaningful and consistent manner. We use these financial measures to assess our operating performance and we believe that they provide useful information to investors regarding DMS's operating performance. DMS believes that these measures are used by many investors, analysts and rating agencies as a measure of performance. Financial measures that are not U.S. GAAP should not be considered as alternatives to net income, reported revenue, operating income, or any other performance measures derived in accordance with GAAP as measures of operating performance. Non-GAAP measures have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. Because of these limitations, management relies primarily on its GAAP results and uses Adjusted Revenue, Adjusted EBITDA, Adjusted Revenue Growth, Adjusted EBITDA, Adjusted EBITDA Margin, Unlevered Free Cash Flow, Adjusted EPS, Pro Forma Revenue and other non-GAAP measures only as a supplement. Where not included in the presentation directly, a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures can be found in the Appendix of this presentation.

Company Overview

The DMS Opportunity

Digital Media Solutions (NYSE: DMS)

- 1 Leading provider of technology-enabled, data-driven digital performance advertising solutions connecting consumers and advertisers.
- 2 Superior business model driven by our proprietary (i) first-party, consented database of known users and (ii) advanced technology and software tools which economically deliver customers and near customers to our advertiser clients.
- 3 Significant exposure to the online insurance end market, including auto, health, life and home, which is in the very early stages of growth.
- 4 Universally applicable DMS solutions also serve other large and growing end markets, including ecommerce, health & wellness, consumer finance and education, which collectively represent ~\$80B¹ in digital ad spend in 2021.
- 5 Long-term track record of strong revenue growth and profitability; 2017-2020 CAGRs of ~71% for Net Revenue and ~74% for EBITDA
- 6 Demonstrated track record of accretive M&A further accelerating revenue growth and profitability.

¹Statista.

²This is a non-GAAP financial measure. 2020 GAAP Revenue was \$333.4MM. 2020 GAAP Revenue Growth was 39.9% YoY. 2020 GAAP Gross Margin was 29.6%. GAAP Net Loss was \$2.2MM. GAAP Cash Flow from Operations was \$17.8MM.

DMS At A Glance

2020 Financial Summary

Record	Record
Adj. Revenue ²	Adj. EBITDA ²
\$341.2MM	\$54.6MM

Q4 2020 Organic Growth	Adj. EBITDA Margin ²
38%	16.0%

Unlevered FCF Conversion²
\$44.2MM (>80%)

Key Stats

~400	~275
Employees	Advertiser Clients
90%+	48%
Consumer Retention Rate	YTD Revenue from Insurance Vertical
	4,679 Insurance Agent Clients



Founder-Led Management Team With Proven Track Record

Joe Marinucci, CEO



- Co-Founder, CEO, Board Member of DMS
- For more than 20 years, Joe has been an industry leader in helping advertisers generate substantial and consistent ROI on their marketing spend

Fernando Borghese, COO



- Co-Founder, COO, Board Member of DMS
- Current Board Member of LeadsCouncil
- Nearly 20 years of experience in performance marketing, scaling businesses and building high-performing teams that deliver measurable impact

Randy Koubek, CFO



- Last day: 3/12/2021

Vasundara Srenivas, CFO



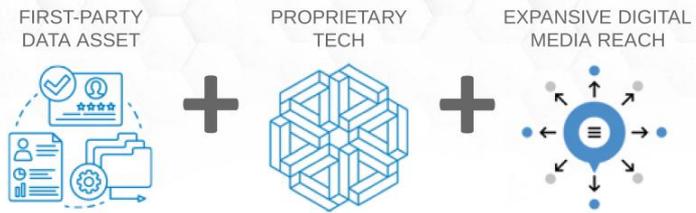
- Former CFO of Boeing Capital Corporation
- Joins DMS as CFO on 3/13/2021
- More than 20 years of financial & accounting leadership

Providing Value To Consumers & Large Brands

DMS Value Proposition

For The Consumer	For The Advertiser
<p>Through our marketplaces and brand-direct campaigns, DMS increases consumer access to branded products, services, promotions and savings opportunities.</p> <p>Removes friction from advertising ecosystem by delivering the right message to the right person at the right time to provide value to consumers (and advertisers alike).</p>	 <p>Leveraging our performance-based model, DMS delivers customers & near customers to our digital advertiser clients.</p> <ul style="list-style-type: none">• Marketplace solutions• Brand-direct solutions• Other solutions, including SaaS

How Do We Do It?

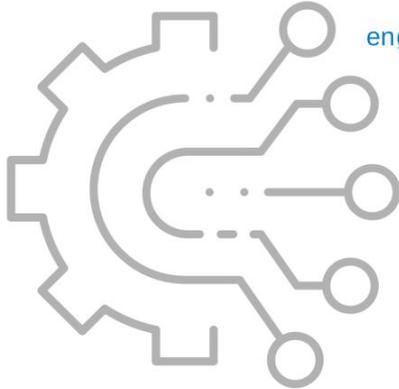


Connecting our first-party data and our proprietary tech stack with our expansive digital media reach enables us to use insights and signals across digital channels to get the right message to the right person at the right time to boost advertising ROI for our advertiser clients, resulting in successful connections of customers and near customers with our advertising clients.



Expansive Media Reach: 70% of U.S. Adults

We target audiences where they spend their time & engage high-intent consumers when they are ready to take action.



SOCIAL MEDIA • SEARCH • DISPLAY/PROGRAMMATIC • EMAIL • PUSH • CONNECTED TV

DMS Brand-Direct Solutions

- One-to-One Solution:
One consumer connected to
one advertiser client
- Advertiser-Branded Campaigns:
Ads & creative elements branded
based on advertiser client specifications



DMS Marketplace Solutions

- One-to-Many Solution:
One consumer connected to
multiple relevant advertiser clients
- Marketplace-Branded Campaigns:
Ads & creative elements branded to
match DMS marketplaces

Both DMS Brand-Direct Solutions and DMS Marketplace Solutions represent pay-for-performance campaigns powered by the unique combination of our first-party data asset, proprietary technology and expansive media reach.

FIRST-PARTY
DATA ASSET



PROPRIETARY
TECH

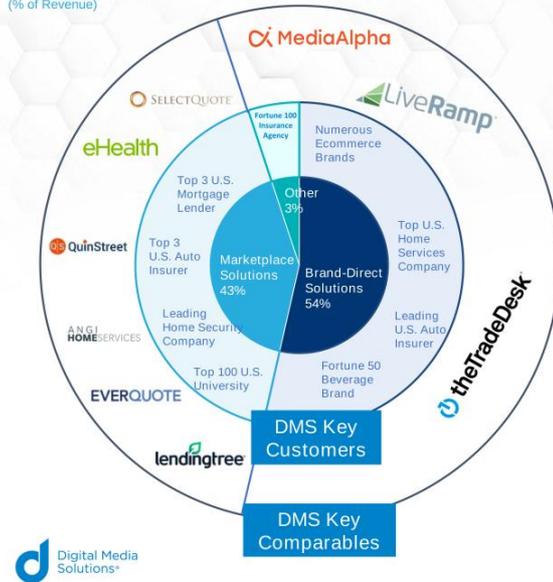


EXPANSIVE DIGITAL
MEDIA REACH



Powerful Solutions Helping Brands Acquire Customers

DMS Business Mix¹
(% of Revenue)



Brand-Direct Solutions

- Customized programs; DMS controls advertising spend across channels (search, social, display, etc.)
- DMS provides end-to-end capabilities to deliver customers and near customers to the brand
- DMS leverages first-party database to target the most likely customers and convert them to paying customers for our advertiser clients

Marketplace Solutions

- Consumer audiences attracted to DMS-owned websites relevant to specific verticals such as: insurance and home services
- Relevant advertiser client offers presented to consumers
- Consumer audiences converted to customers leveraging DMS first-party data (targeting based on billions of precedent engagements)
- Refine DMS database in real time via 100% transparent feedback loop

Other²

- White-labeling of DMS proprietary technology to enable DMS advertiser clients to manage, optimize, track campaigns
- Creates extremely sticky relationships due to embedded nature of SaaS product within client marketing processes
- Exclusive, long-term contractual relationships for software; leads to high ability to cross-sell solutions



Growing Across DMS Solutions



¹Net of estimated intercompany eliminations.
²Adjusted Revenue is a non-GAAP measure.
Compares to GAAP. Other total segment revenue growth of 65%.

DMS Flywheel Impact: Growth >> Results >> Growth

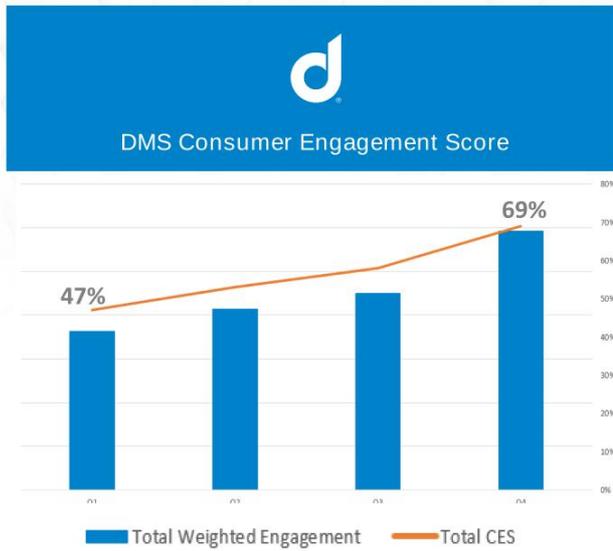


The Flywheel Creates Growth & Consistency Among Top 20 Advertisers

- 95% retention of top 20 advertiser clients across all verticals from 2019 to 2020
 - Revenue share from top 20 clients grew from 41.4% in 2019 to 52.5% in 2020
- 100% retention of top 20 insurance advertiser clients from 2019 to 2020¹
 - Revenue from top 20 insurance clients grew 22% from 2019 to 2020¹

¹FY19 includes Pro Forma Revenue for Q4 2019 acquisition pre-ownership period (1/1-10/31/19).

Rising Engagement Scores Underscore The Flywheel Impact



¹This is the DMS approximation of the number of daily impressions in the U.S. where our Brand-Direct and Marketplace solutions advertising clients can have a high degree of engagement opportunity reaching in-market consumers for our advertising clients' products and services.

- 25+ billion daily impressions in the U.S.¹
 - DMS represents 7 billion quarterly impressions across all solution lines (0.3% of worldwide market)
 - DMS has significant room to grow, but no intentions scale with impressions that are not impactful
- **DMS measures performance based on engagement, not impressions**
 - Engagement volume represents the number of times consumers interact with DMS ads
- **The CES score is the share of DMS impressions that result in engagements**
 - Typically, as impression volume scales, engagement declines because of media waste, but...

For DMS, as impression volume scales, engagement grows because of the flywheel impact and our ability to target the right people in the right places at the right time and with the right messages.

DMS M&A Roadmap

- 11 transactions closed since 2016
- M&A as additive to organic growth initiatives
- Evaluate ability to raise us up on existing curves related to:
 - Deepen existing verticals
 - Improve distribution capabilities
 - Expand into new sectors
 - Add to already strong tech stack

2021 Completed Acquisition

Aimtell/PushPros/Aramis Interactive

- Added powerful, AI-powered SaaS push technology to enhance consumer experiences and engagement
- Provided for hyper-targeted messaging, leveraging advanced machine learning and customization features
- Resulted in larger aggregated audience
- Boosting conversion rates and ROI

Expected to add \$25-30 million of revenue, with accretive contribution margin. Aimtell acquisition is estimated to be incremental to 2/26/2021 Consensus estimates of \$416.7 million revenue and \$70.8 million EBITDA for FY2021.

(Additional details to be shared during Q1 2021 earnings call.)



DMS Disciplined M&A Approach

- Experienced, connected team sees robust deal flow
- Looking to access segments of curves that will accelerate organic growth
- Acquisitions are integrated and harmonized into DMS ecosystem

Significant And Growing Brand Name Roster Of Blue-Chip Clients Across Diverse Verticals With An Emerging Insurance Focus

INSURANCE:
10 of the largest U.S. insurance firms across auto, home, life & health

ECOMMERCE:
Leading top consumer brands across ecommerce, DTC, food, retail and more

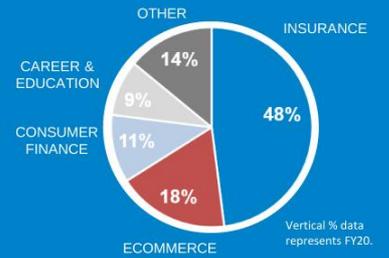
HOME SERVICES:
2 of the leading home security companies in the U.S.

CONSUMER FINANCE:
Top 3 mortgage lender + top 3 consumer reporting company

CAREER & EDUCATION:
Top-tier large universities + large learning software providers

HEALTH & WELLNESS:
Numerous personal fitness, health and wellness brands

15





Accelerating & Significant Growth In The Insurance Vertical

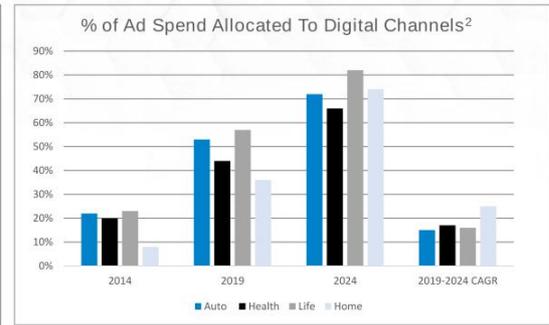
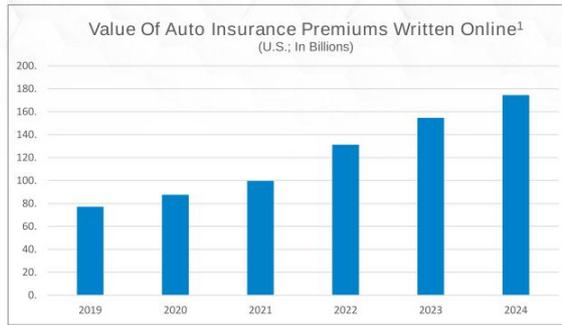
Insurance is still in the early stages of digital transformation of ad spend, and we have seen this trend accelerate in 2020.

Because of our strong value proposition to advertisers, our powerful proprietary technology solutions (DMS is the only digital performance advertiser to have a deep SaaS tech integration with a top U.S. insurance provider) and our first-party data asset, we are seeing outpaced growth in the insurance vertical.



DMS Is Positioned To Grow As The Insurance Industry Goes Digital

Insurance is a high-spend industry with regard to advertising, and that ad spend is rapidly shifting to digital channels across all categories of insurance as the premium writing process transitions online.



\$1B+

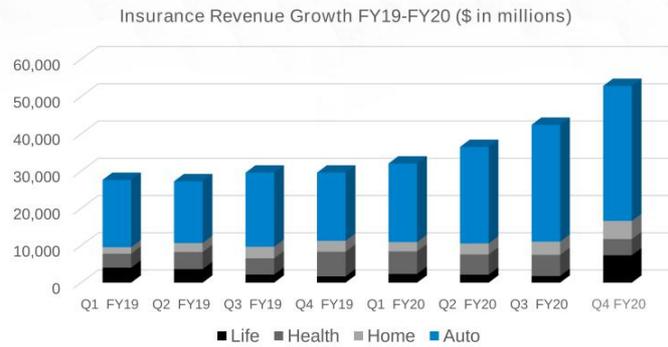
In 2019, three of the top U.S. insurance companies each spent more than \$1B in advertising.³

Dynamic Growth In The Insurance Vertical

Currently, insurance (inclusive of auto, health, life and home) is the largest vertical in which DMS does business. Our work within the insurance vertical spans both our marketplace and our brand-direct solutions.

FY 2019 insurance revenue was \$114MM.¹
FY 2020 insurance revenue was \$164MM, approximately 48% of our revenue.

- FY 2020 revenue of \$164MM, up \$49.7MM (or 43.6%) from prior year.
- Q4 Consolidated Insurance revenue +25% sequentially.



¹FY19 includes Pro Forma Revenue for Q4 2019 acquisition pre-ownership period (1/1-10/31/19).

Insurance Growth: By The Numbers

2020	
5,500+ Local Agents +19% Active Agents in Q4	95% Of Auto Insurance Advertiser Clients with Deep Integrations
19% Q/Q Revenue Growth from Top 5 Auto Insurance Clients +76% from Q1 2020	
1,000,000+ Consumer Quote Requests in Q4 2020 +54% q/q	
100% Retention Rate for Top 20 Insurance Clients in 2020 ¹	
Lifetime Consumer Quote Requests	15MM+ Auto Insurance 2.5MM+ Health Insurance

¹FY19 includes Pro Forma Revenue for Q4 2019 acquisition pre-ownership period (1/1-10/31/19).

PROTECT

New DMS Marketplace Leveraging DMS data asset + proprietary tech + expansive media reach; focused on consumer LTV		
Soft-Launched December 2020	Currently live with auto insurance. Will become DMS flagship marketplace, helping consumers shop for insurance + other verticals DMS supports.	Already Benefiting from Brand Drag
As of Feb. 26: More than ½ million visitors, representing \$2.5 million in revenue		FY21E ~\$25 MM Revenue 60% Net New

Additional Opportunities For Continued Growth Across The Entire DMS Ecosystem

The nation's top brands leverage our digital performance advertising solutions, including our:

PROPRIETARY TECH • FIRST-PARTY DATA • EXPANSIVE MEDIA REACH

MASTODON

ZipQuote
Powered by DMS

d DMS Exchange™

aimtell

Vertical-Agnostic
Click Platform

Agent-Centric Availability
Self-Service Platform

Self-Service,
Vertical-Agnostic
Lead Exchange

SaaS
Push Notification
Platform





Key Investment Takeaways



1. Growing TAM

Positioned well within large, underpenetrated and rapidly growing total addressable market with significant tailwinds

2. Economic Moat

Proprietary and data-driven technology platform paired with our first-party data, power the DMS ecosystem and provide a competitive advantage

3. Proven Client Value

Across high-value verticals with high diversification and meaningful focus in the insurance industry

4. ROI-Driven Model

Provides accountability and transparency to the digital marketing process, driving high client retention

5. Successful M&A Strategy

Selected accretive acquisitions have positioned the Company for accelerated growth and success

6. Powerful Financial Engine

Drives high FCF conversion compared to peers

7. Best-In-Class Leadership Team

Innovative team with 650+ years of combined experience and average industry experience of 20 years; culture of collaboration that creates winning results

8. Single Point Of Entry For Clients

Proven end-to-end digital customer acquisition solutions provider with flywheel differentiation proven to accelerate growth

Financial Overview

Q4 2020 Performance

	Reported (GAAP)	Adjustments ¹	Adjusted (Non-GAAP)
Revenue	\$ 102,629	\$ 2,101	\$ 104,730
Cost of Revenue	(74,238)	(2,101)	(76,339)
Gross Margin	28,391	-	28,391
Gross Margin Percentage	27.7%		27.1%
Operating Expenses	(22,063)		(22,063)
Depreciation & Amortization	(4,647)		(4,647)
Income (Loss) From Operations	1,681	-	1,681
Interest Expense	(3,028)		(3,028)
Income Tax Benefit (Expense)	(1,566)		(1,566)
Net (Loss) ³	(2,913)	-	(2,913)
Adjustments ²			
Depreciation, Amortization, Interest, Taxes	9,241		9,241
Acquisition Costs & Other Non-Operating	8,165		8,165
Sub-Total Before Additional Adjustments	14,493	-	14,493
Acquisition EBITDA	-		-
Estimated Cost Savings	896		896
Adjusted EBITDA ¹	15,389	-	15,389

¹These are non-GAAP financial measures.

²This provides a reconciliation of Adjusted Revenue to Revenue, the most directly comparable GAAP measure (in thousands).

³Net loss (\$2,913) includes the net loss (\$1,034) allocable to the non-controlling interest of DMSH, a partnership for federal and state income tax purposes, and Net Income of \$1,609 for DMS, Inc.



Q4 + 2020 Year-End Performance

2020 was a very strong year, resulting in record numbers both on the top and bottom lines.

ADJUSTED REVENUE ¹	Q420 (\$ in millions)	FY20 (\$ in millions)
BRAND-DIRECT	\$ 62.1	\$197.5
MARKETPLACE	47.6	156.5
OTHER	4	9.5
TOTAL ADJUSTED REVENUE ^{1,2}	104.7	341.2

	Q420 (\$ in millions)	FY20 (\$ in millions)
ADJUSTED EBITDA ¹	\$ 15.4	\$ 54.6
GROSS MARGIN	27.7%	29.6%
GROSS PROFIT	28.4	98.8

- Our Adjusted Revenue, gross profit and Adjusted EBITDA set records in both Q4 and FY 2020
- Q4 revenue growth was an impressive 56.5%, up from Q4 2019
 - Organic growth for this period was 38%
- Both Q4 and FY 2020 performance benefited from continued momentum and growth inside of our largest key vertical: insurance

¹This is a non-GAAP financial measure.

²This amount is net of intercompany eliminations.

Proven Ability To Grow Revenue

Growth by Quarter FY 2020	FY 2020 (\$ in millions)			
	Q1	Q2	Q3	Q4
Revenue	\$ 72,728	\$ 75,196	\$ 82,829	\$ 102,629
Pre-Acquisition Revenue - SmarterChaos ¹	1,924	2,473	310	-
Pro Forma Revenue ²	74,653	77,669	83,139	\$ 102,629
Quarterly Growth ⁴	0.40%	4.00%	7.00%	23.44%
Principal Revenue Gross Up ³	1,844	1,548	2,307	2,101
Pro Forma Adjusted Revenue ³	76,497	79,217	85,446	104,730
Quarterly Growth - Adjusted	0.50%	3.60%	7.90%	22.57%

¹This is a non-GAAP measurement used for comparability purposes. SmarterChaos acquired on 7/16/20.

²This is a non-GAAP measurement used for comparability purposes.

³This is a non-GAAP financial measure and the most directly comparable GAAP measure is Revenue. Revenue is adjusted for acquired agency legacy contracts recorded on net basis and adjusted to align with DMS, Inc. and the principal arrangement contracts, reported on a gross basis.

⁴Q1 2020 compared to Q4 2019 of Pro Forma Revenue of \$74,378.

APPENDIX: Additional Non-GAAP Reconciliations

The following table provides a reconciliation of Adjusted Revenue to Revenue, the most directly comparable GAAP measure (in thousands):

	Three Months Ended December 31, 2020			Year Ended December 31, 2020		
	Reported (GAAP)	Adjustments ¹	Adjusted (Non-GAAP)	Reported (GAAP)	Adjustments ¹	Adjusted (Non-GAAP)
Net Revenue	\$ 102,629	\$ 2,101	\$ 104,730	\$ 333,382	\$ 7,801	\$ 341,183
Cost of Revenue	74,238	2,101	76,339	234,576	7,801	242,377
Gross Profit	28,391	-	\$ 28,391	98,806	-	98,806
Gross Profit Margin	27.7%	---	27.1%	29.6%	---	29.0%

¹Includes the gross up for certain Managed Services contracts that are presented net of costs under GAAP for the three and twelve months ended December 31, 2020.

APPENDIX: Additional Non-GAAP Reconciliations

Reconciliation of Insurance Revenue for Applicable Periods to Total GAAP Revenue

Revenue	2019 (\$ in millions)				2020 (\$ in millions)			
	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20
Life	\$ 4,039	\$ 3,657	\$ 2,181	\$ 1,720	\$ 2,373	\$ 2,155	\$ 1,817	\$ 7,394
Health	3,778	4,609	4,388	6,628	6,049	5,443	5,682	4,352
Home	1,734	2,398	3,114	2,935	2,521	2,940	3,541	4,879
Auto	18,093	16,602	19,910	18,312	21,100	25,954	31,387	36,228
Insurance Vertical	27,644	27,266	29,593	29,593	32,044	36,492	42,427	52,853
Other Verticals	30,178	30,479	27,982	35,561	40,684	38,704	40,403	49,777
GAAP Revenue	57,822	57,745	57,575	65,154	72,728	75,196	82,830	102,629
Principal Revenue Gross Up ¹	1,804	1,640	1,821	1,774	1,844	1,548	2,307	2,101
Adjusted Revenue ²	59,626	59,385	59,396	66,928	4,572	76,744	84,137	104,730

¹Reported Revenue adjusted for acquired agency legacy contracts recorded on net basis and adjusted to align with DMS, Inc. Principal arrangement contracts reported on a gross basis. This provides a reconciliation of non-GAAP Adjusted Revenue to Revenue, the most directly comparable GAAP measure (in thousands).

²This is a non-GAAP financial measure.

APPENDIX: Additional Non-GAAP Reconciliations

	Reported (GAAP)	Adjustments ¹	Adjusted (Non-GAAP) ¹
Revenue	\$ 333,382	\$ 7,801	\$ 341,183
Cost of Revenue	(234,576)	(7,801)	(242,377)
Gross Margin	98,806	-	98,806
Gross Margin Percentage	29.6%		29.0%
Operating Expenses	(65,855)		(65,855)
Depreciation & Amortization	(17,954)		(17,954)
Income (Loss) From Operations	14,997		14,997
Interest Expense	(13,730)		(13,730)
Income Tax Benefit (expense)	(3,467)		(3,467)
Net (Loss)	(2,200)		(2,200)
Adjustments ²			
Depreciation, Amortization, Interest, Taxes	39,465		39,465
Acquisition Costs & Other Non-Operating	10,238		10,238
Sub-Total Before Additional Adjustments	47,503		47,503
Acquisition EBITDA	-		-
Estimated Cost Savings	7,122		7,122
Adjusted EBITDA ¹	54,625		54,625
Adjusted EBITDA Percentage	16.4%		16.0%
Capital Expenditures	10,410		10,410
Unlevered Free Cash Flow ¹	44,215		44,215

¹These are non-GAAP financial measures.

²This provides a reconciliation of Adjusted Revenue to Revenue, the most directly comparable GAAP measure (in thousands).

APPENDIX: Additional Non-GAAP Reconciliations

	Three Months Ended December 31, 2020	Year Ended December 31, 2020
Earnings Per Share Attributable to Digital Media Solutions, Inc.		
Basic and Diluted	\$ (0.05)	\$ (0.01)
Weighted-Average Shares Outstanding – Basic and Diluted	32,369	32,335
Net Income (Loss) Attributable to Digital Media Solutions, Inc.		
Net Income (Loss) Attributable to Digital Media Solutions, Inc.	(1,609)	(472)
Add Adjustments to Net Income (Loss)		
Acquisition and Related Costs	1,058	2,008
Lease Restructuring Charges	986	4,157
Business Combination Expenses	785	3,157
Equity-Based Compensation	958	958
	3,787	10,280
Net Income Tax (Expense)	48	131
Adjusted Net Income¹ (Loss)	2,226	9,939
Weighted-Average Shares Outstanding – Basic and Diluted		
Classic A Common Stock	32,369	32,335
Weighted-Average LLC Units of Digital Media Solutions Holdings, LLC that Are Convertible into Class A Common Stock	26,306	26,306
	58,675	58,641
Adjusted EPS¹	0.04	0.17

¹This is non-GAAP financial measure.

