

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following management's discussion and analysis ("MD&A") of the consolidated financial condition and results of operations of Global Signal Holdings V LLC and its consolidated wholly-owned subsidiaries ("GSL V") is provided as a convenience to the reader in understanding GSL V's financial condition, changes in financial condition and results of operations as of and for the three months ended March 31, 2009. GSL V is a wholly-owned subsidiary of Global Signal Operating Partnership, L.P., which is an indirect subsidiary of Crown Castle International Corp. ("CCIC" or "Crown Castle," a Delaware Corporation). The following should be read in conjunction with the (i) audited consolidated financial statements of GSL V for the years ended December 31, 2007 and 2008, (ii) CCIC's Annual Report on Form 10-K ("Crown Castle 10-K") for the year ended December 31, 2008, and (iii) CCIC's first quarter report on Form 10-Q ("Crown Castle 10-Q"). Unless indicated otherwise, reference to GSL V's consolidated financial statements refers to those financial statements for the three months ended March 31, 2008 and 2009. Any capitalized terms used but not defined herein have the same meaning given to them in GSL V's consolidated financial statements. Unless this report indicates otherwise or the context requires, the terms "we," "our," "our company," "the company," or "us" as used in this report refers to Global Signal Holdings V LLC and its consolidated wholly-owned subsidiaries.

Cautionary Language Regarding Forward-Looking Statements

This quarterly report contains forward-looking statements that are based on management's expectations as of the filing date of this report. Statements that are not historical facts are hereby identified as forward-looking statements. In addition, words such as "estimate," "anticipate," "project," "plan," "intend," "believe," "expect," "likely," "predicted," and similar expressions are intended to identify forward-looking statements. Such statements include plans, projections and estimates contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations" herein.

Such forward-looking statements are subject to certain risks, uncertainties and assumptions, including prevailing market conditions, the risk factors described in "Item 1A. Risk Factors" of the Crown Castle 10-K. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those expected.

General Overview

Overview

GSL V owns, operates and leases towers and other communication structures, including certain rooftop installations (collectively, "towers"), for wireless communications. GSL V's business is renting space on its towers via long-term contracts in various forms, including license, sublease and lease agreements. Generally, GSL V's towers can accommodate multiple customers for antennas and other equipment necessary for the transmission of wireless signals for mobile telephones and other devices.

Information concerning GSL V's tower portfolio as of March 31, 2009 is as follows:

- GSL V owned, leased or managed approximately 8,000 towers located across the United States.
- GSL V's customers include many of the world's major wireless communications companies. Sprint Nextel, AT&T, T-Mobile and Verizon Wireless (inclusive of Alltel) accounted for 38%, 14%, 12% and 10%, respectively, of GSL V's first quarter 2009 revenues.
- GSL V owned in fee or had perpetual or long-term easements in the land and other properties (collectively "land") on which approximately 1,000 of GSL V's towers reside, and GSL V leased, subleased or licensed the land on which approximately 6,600 of GSL V's towers reside. In addition, GSL V managed approximately 400 towers owned by third parties where GSL V had the right to market space on the tower or where GSL V had sublease agreements with the tower owner.

GSL V is a special purpose entity that has no employees. Management services are performed by Crown Castle USA Inc. ("CCUSA"), an affiliate of GSL V. The management fee is equal to 7.5% of GSL V's revenue excluding the revenues related to the accounting for leases with fixed escalators as required by Statement of Financial Accounting Standard No. 13 ("SFAS 13") *Accounting for Leases*. GSL V is an indirect subsidiary of Crown Castle and is a limited liability corporation that is treated as a disregarded entity for income tax return filing purposes.

The following are certain highlights of GSL V's business fundamentals, as further discussed in the Crown Castle 10-K, including in "*Item 1. Business*" and this "MD&A":

- potential growth resulting from wireless network expansion;
- site rental revenues under long-term leases with contractual escalations;
- revenues predominately from large wireless carriers;
- majority of land under GSL V's towers under long-term control;
- relatively fixed tower operating costs;
- high incremental margins and cash flows on organic revenue growth;
- minimal sustaining capital expenditure requirements;
- no debt maturities until May 2017 and outstanding debt has fixed rate coupons; and
- significant cash flows from operations.

The key elements of GSL V's strategy are (see "*Item 1. Business*" of the Crown Castle 10-K for further discussion):

- to organically grow revenues and cash flows from GSL V's towers by co-locating additional tenants on GSL V's existing towers; and
- to allocate capital efficiently. See "Liquidity and Capital Resources—Overview."

GSL V's long-term strategy is based on its belief that opportunities will be created by the expected continued growth in the wireless communications industry, which depends predominately on the demand for wireless telephony and data services by consumers. As a result of such expected growth in the wireless communications industry, GSL V believes that the demand for its towers will continue and result in organic growth of GSL V revenues due to the co-location of additional tenants on GSL V's existing towers. GSL V expects that new tenant additions or modifications of existing installations (collectively referred to as "tenant additions") on its towers should result in significant incremental cash flow due to the relatively fixed costs to operate a tower (which tend to increase at approximately the rate of inflation). Certain of the growth trends in the wireless communications industry are discussed further in "*Item 1. Business—Strategy*" of the Crown Castle 10-K.

The following is a discussion of certain recent events which may impact GSL V's or CCIC's business and its strategy or the wireless communications industry:

- Consumer wireless voice and data service usage increased according to a CTIA U.S. wireless industry survey and other published reports (see "*Item 1. Business—Strategy*" of the Crown Castle 10-K).
- In January 2009, Verizon Wireless completed the acquisition of Alltel Corp., a provider of wireless services to primarily rural markets. GSL V does not expect lease cancellations from duplicate or overlapping networks as a result of this acquisition to have a material adverse affect on GSL V's results.
- The challenging credit markets and global economic recession continued during the beginning of 2009. The credit markets currently are characterized by wide credit spreads and a lack of liquidity, including certain debt markets being unavailable. The global economic recession is predicted by some to continue or possibly worsen during 2009. The following is a discussion of the potential impact on us from the credit markets and global economic recession:
 - Historically, aggregate capital spending and the associated demand for GSL V's towers by wireless communication companies have been relatively stable over the last several years, although GSL V did see reductions during prior economic downturns. GSL V does not expect the current economic conditions to significantly impact the long-term growth in wireless voice and data demand, which has historically been the predominate driver of demand for GSL V's towers over the long-term. Consequently, GSL V currently does not anticipate any material impact on its revenues for 2009 or a material reduction in tenant additions over the near term.
 - As seen in GSL V's recent issuance of 7.75% secured notes, GSL V's borrowing costs on the new issuance is higher than GSL V's existing debt, which will negatively impact GSL V's cash flows, partially offset by the decrease in the face value of the debt outstanding. Further impact of the credit markets is mitigated by the fact that GSL V does not need to refinance its debt before May 2017. See "Liquidity and Capital Resources" herein and "*Item 1A. Risk Factors*" of the Crown Castle 10-K.

Results of Operations

The following discussion of GSL V's results of operations should be read in conjunction with its audited consolidated financial statements. The following discussion of GSL V's results of operations is based on its consolidated financial statements prepared in accordance with generally accepted accounting principles in the U.S. which requires them to make estimates and judgments that affect the reported amounts. (See "Accounting and Reporting Matters—Critical Accounting Policies and Estimates" herein and note 1 to GSL V's consolidated financial statements.)

Comparison of Consolidated Results

The following is a comparison of GSL V's consolidated results of operations for the three months ended March 31, 2008 and 2009:

	Three Months Ended March 31,				
	2008	Percentage of Net Revenues	2009	Percentage of Net Revenues	Percent Change
	(In thousands of dollars)				
Site rental revenues.....	\$ 108,738	100 %	\$ 111,847	100 %	3 %
Operating expenses:					
Costs of operations (a).....	41,368	38 %	41,059	37 %	(1)%
Management fee.....	7,839	7 %	8,174	7 %	4 %
Asset write-down charges.....	—	—	1,578	1 %	*
Depreciation, amortization and accretion.....	48,183	45 %	47,741	43 %	(1)%
	<u>97,390</u>	<u>90 %</u>	<u>98,552</u>	<u>88 %</u>	<u>1 %</u>
Operating income (loss).....	11,348	10 %	13,295	12 %	17 %
Interest and other income (expense)	778	1 %	7	—	*
Interest expense, including amortization of discount on long-term debt.....	<u>(22,333)</u>	<u>(20)%</u>	<u>(22,327)</u>	<u>(20)%</u>	<u>—</u>
Income (loss) before income taxes.....	(10,207)	(9)%	(9,025)	(8)%	(12)%
Benefit (provision) for income taxes.....	3,495	3 %	5,298	5 %	52 %
Net income (loss).....	<u>\$ (6,712)</u>	<u>6 %</u>	<u>\$ (3,727)</u>	<u>(3)%</u>	<u>(45)%</u>

* Percentage is not meaningful

(a) Exclusive of depreciation, amortization and accretion shown separately.

Site rental revenues for the three months ended March 31, 2009 increased by \$3.1 million, or 3%. This increase in site rental revenues was driven primarily by new tenant additions. Tenant additions were influenced by the previously mentioned growth in the wireless communications industry. GSL V continues to derive a large portion of its site rental revenues and new tenant additions from the four largest carriers in the U.S. In addition to the four largest carriers, GSL V's 2008 net revenues and new tenant additions were also derived from second tier and emerging wireless customers such as those offering flat rate calling plans and wireless data technologies.

Site rental gross margins (site rental revenues less site rental costs of operations) for three months ended March 31, 2009 increased by \$3.4 million, or 5%, from \$67.4 million. The increase in the site rental gross margins was related to the previously mentioned increase in site rental revenues primarily driven by new tenant additions. GSL V expects that future increases in site rental revenues resulting from tenant additions will have a high incremental margin (percentage of revenue growth converted to gross margin) given the relatively fixed nature of costs to operate its towers.

Management fee for the three months ended March 31, 2009 increased by \$0.3 million, or 1%, but remained 7% of total net revenues. The management fee is equal to 7.5% of GSL V's revenue excluding the revenues related to the accounting for leases with fixed escalators as required by Statement of Financial Accounting Standard No. 13, *Accounting for Leases*.

Depreciation, amortization and accretion for the three months ended March 31, 2009 decreased by \$0.4 million, or 1%. The decrease resulted from towers with short useful lives (as defined by GAAP), based on the remaining term of the related ground leases on which the related towers reside that were fully depreciated at December 31, 2007. GSL V's tower assets are recorded at cost (estimated replacement cost for those acquired) and are depreciated using a useful life that is defined as the period equal to the shorter of 20 years or the term of the underlying ground lease (including renewal options).

Interest expense, including amortization of discount on long-term debt for the three months ended March 31, 2009 was consistent with the three months ended March 31, 2008. GSL V made no changes in its indebtedness during the three months ended March 31, 2008 and 2009. GSL V's weighted-average interest rate for 2009 was consistent with 2008 as a result of all of its debt having fixed rate coupons. See "Liquidity and Capital Resources—Overview" herein and notes 5 and 11 to GSL V's consolidated financial statements for a discussion of the 7.75% secured notes issued in April 2009.

Benefit (provision) for income taxes for the three months ended March 31, 2009 was a benefit of \$5.3 million compared to a benefit of \$3.5 million for the three months ended March 31, 2008. The benefit for income taxes for the first quarter of 2009 is inclusive of a \$2.9 million reversal of state tax valuation allowances. The effective tax rate for the first quarter of 2009 differs from the federal statutory rate predominately due to these state tax benefits. See note 8 to GSL V's consolidated financial statements.

Net loss for the three months ended March 31, 2009 was \$3.7 million, an improvement of \$3.0 million from a loss of \$6.7 million for 2008. The improvement in net loss was predominately due to the incremental gross margin in GSL V's site rental business of \$3.4 million.

Liquidity and Capital Resources

Overview

General. GSL V's site rental business is generally characterized by a stable cash flow stream generated by revenues under long-term contracts that should be recurring for the foreseeable future. Historically, GSL V's cash flow from operations have exceeded its cash interest payments and capital expenditures. GSL V seeks to allocate the cash produced by its operations in a manner that will enhance operating results, such as capital expenditures to accommodate additional tenants, and advance its excess cash to the subsidiaries of Crown Castle.

Debt Maturities and Recent Events. In April 2009, GSL V issued 7.75% \$1.2 billion secured notes that are due in May 2017. GSL V used the net proceeds of \$1.15 billion from these 7.75% secured notes, inclusive of \$34.9 million original issue discount and \$18.0 million of fees, as well as an equity contribution from an indirect subsidiary of CCIC, to repay in full its mortgage loan due 2011 and the related prepayment consideration. As a result of the issuance of the 7.75% secured notes and the repayment of the mortgage loan, GSL V expects annual cash interest expense to increase by approximately \$4.7 million.

GSL V expects its cash flows from operations will exceed its interest payments and capital expenditures for 2009. GSL V's long-term strategy contemplates funding its discretionary investments with operating cash flows and continuing to advance excess cash to subsidiaries of Crown Castle. See "Liquidity and Capital Resources—Factors Affecting Sources of Liquidity" herein.

See notes 5 and 11 to GSL V's consolidated financial statements for additional information regarding its debt.

Summary Cash Flows Information

	Three Months Ended March 31,		
	2008	2009	Change
	(In thousands of dollars)		
Net cash provided by (used for) operating activities.....	\$ 32,524	\$ 42,147	\$ 9,623
Net cash provided by (used for) investing activities.....	(9,091)	(14,948)	(5,857)
Net cash provided by (used for) financing activities.....	(23,433)	(27,199)	(3,766)
Net increase (decrease) in cash and cash equivalents	\$ —	\$ —	\$ —

Operating Activities

The increase in net cash provided by operating activities for the first quarter of 2009 of \$9.6 million from 2008 was due primarily to the changes in working capital and growth in GSL V's core site rental business. Changes in working capital, and particularly changes in deferred rental revenues and prepaid ground leases, can have a dramatic impact on GSL V's net cash from operating activities, largely due to the timing of payments and receipts.

Investing Activities

Capital Expenditures. GSL V's capital expenditures can be generally categorized as sustaining or discretionary. Sustaining capital expenditures primarily include capitalized costs related to maintenance activities on GSL V's towers. Discretionary capital expenditures, which is commonly also refer to as "revenue-generating capital expenditures," include (1) tower improvements in order to support additional site rentals, (2) the construction or purchase of towers, and (3) purchases of land under towers. Other than sustaining capital expenditures, GSL V's capital expenditures are discretionary and are made with respect to activities it believes exhibit sufficient potential to improve its long-term results of operation. Such decisions are influenced by the availability and cost of capital and expected returns on alternative investments.

Total capital expenditures were \$14.9 million for the first quarter of 2009, an increase of \$5.9 million from 2008. Capital expenditures for the first quarter of 2009 included \$1.7 million of sustaining capital expenditures and \$13.2 million of revenue generating capital expenditures, predominately related to tower improvements in order to support additional site rentals.

Financing Activities

Net cash flows used for financing activities were \$23.4 million and \$27.2 million for the first quarter of 2008 and 2009, respectively. The primary use of net cash flows relates to advances of excess cash to Crown Castle and its subsidiaries. See note 8 to GSL V's consolidated financial statements.

During the first quarter of 2008 and 2009, GSL V recorded equity contributions of \$3.0 million and \$4.4 million, respectively, related to the use of net operating losses from members in its federal consolidated group that are not members of the GSL V's group of companies.

7.75% Secured Notes. On April 30, 2009, GSL V issued \$1.2 billion principal amount of 7.75% secured notes due 2017 pursuant to an indenture. These 7.75% secured notes are secured on a first priority basis by a pledge of the equity interests of CC Holdings GS V LLC and Crown Castle GS III Corp. and their direct and indirect subsidiaries (collectively "Guarantors"), and by certain other assets of the Guarantors. The 7.75% secured notes are obligations of the subsidiaries that are currently obligated under the mortgage loan being repaid. The 7.75% secured notes will not be guaranteed by and will not be obligations of CCIC or any of its other indirect subsidiaries. The 7.75% secured notes will be paid solely from the cash flows generated from operations of the towers held directly and indirectly by the issuers and the Guarantors. These 7.75% secured notes bear interest at a rate of 7.75% per annum, payable quarterly beginning on August 1, 2009.

The net proceeds from these 7.75% secured notes were \$1.15 billion inclusive of \$34.9 million original issue discount and \$18.0 million of fees. As discussed herein, GSL V has used the net proceeds, as well as an equity contribution from an indirect subsidiary of CCIC, to repay in full its mortgage loan due 2011 and the related prepayment consideration.

At its option, GSL V may redeem these 7.75% secured notes in whole or in part prior to May 1, 2013, at a price equal to 100% of the principal amount, together with accrued and unpaid interest, if any, plus a “make whole” premium. GSL V may also redeem some or all of these 7.75% secured notes on or after May 1, 2013, at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any. In addition, and subject to certain conditions, GSL V will be required to commence an offer to purchase the 7.75% secured notes as a result of the sale of assets or the receipt of casualty and condemnation proceeds.

Debt Repayments. The following is a summary of our repayment of our mortgage loan in April 2009.

	<u>Principal Amount</u>	<u>Cash Paid(a)</u>	<u>Gains (losses)</u>
		(In thousands of dollars)	
2006 Mortgage Loan.....	1,550,000	1,654,710	(109,624)

(a) Exclusive of accrued interest.

Factors Affecting Sources of Liquidity

Compliance with Debt Covenants. The following is a summary of GSL V’s covenants. The indenture also contains covenants with respect to the following: Restricted Payments, incurrence of Indebtedness, Liens, merger, consolidation of control, sales or issuances of Equity Interests of Subsidiaries, transactions with Affiliates, business activities of the Issuers and Subsidiaries, additional Guarantees, reports, maintenance of properties, leases, contracts and insurance, Management Agreement.

	<u>Debt</u>	<u>Covenant Requirement(a)</u>	<u>Pro forma as of March 31, 2009</u>
Consolidated Fixed Charge Coverage Ratio(b)	7.75% senior notes	>1.35	2.5(c)

(a) If the Consolidated Fixed Charge Coverage Ratio is equal to or less than 1.20 and the aggregate amount of cash deposited in the reserve account exceeds \$100.0 million, the issuing subsidiaries will be required to commence an offer to purchase the 7.75% secured notes using the cash in the reserve account.

(b) Ratio of Net Cash Flow (as defined in the 7.75% Senior Notes Indenture) to amount of interest required to be paid over the succeeding 12 months.

(c) Pro forma for the issuance of the 7.75% secured notes in April 2009.

Given the current level of indebtedness of GSL V, the primary risk of a debt covenant violation would be from a deterioration of its financial performance. GSL V currently does not have any financial covenant violations; based upon its current expectations, its operating results will be sufficient to comply with its debt covenants. See “*Item 1A. Risk Factors*” of the Crown Castle 10-K and “*Item 2. MD&A*” of the Crown Castle 10-Q.

Financial Performance. A factor affecting GSL V’s continued generation of cash flows from operating activities is its ability to maintain its existing recurring site rental revenues and to convert those revenues into operating cash flows by efficiently managing its operating costs. GSL V’s ability to service or refinance its current debt obligations and obtain additional debt will depend on its future financial performance, which, to a certain extent, is subject to various factors that are beyond its control as discussed further herein and in “*Item 1A. Risk Factors*” of the Crown Castle 10-K.

Levels of Indebtedness and Debt Service Requirements. GSL V’s ability to obtain cash financing in the form of debt instruments depends on, among other things, general economic conditions, conditions of the wireless industry, wireless carrier consolidation or network sharing, new technologies, its financial performance and the state of the capital markets. GSL V does not need to refinance its debt before May 2017. There can be no assurances that GSL V will be able to effect this anticipated financing on commercially reasonable terms or on terms, including with respect to interest rates, as favorable as its current debt.