

CC Holdings GS V LLC
f/k/a Global Signal Holdings V LLC

Consolidated Financial Statements

For the Six Months Ended June 30, 2008 and 2009
(Unaudited)

CC HOLDINGS GS V LLC
f/k/a GLOBAL SIGNAL HOLDINGS V LLC
CONSOLIDATED BALANCE SHEET
(In thousands)

	December 31, 2008	June 30, 2009
ASSETS		
Current assets:		(Unaudited)
Cash and cash equivalents.....	\$ —	\$ 6,827
Restricted cash	35,613	68,943
Trade receivables, less allowance for doubtful accounts of \$2,134 and \$2,076, respectively	8,055	6,422
Deferred site rental receivables	2,846	3,750
Deferred income tax assets.....	12,632	12,723
Prepaid expenses and other current assets.....	15,440	21,304
Total current assets.....	74,586	119,969
Deferred site rental receivables	36,985	43,474
Amount due from parent	219,342	—
Property and equipment, net.....	1,308,462	1,293,865
Goodwill.....	1,337,985	1,337,985
Other intangible assets, net.....	1,949,618	1,894,651
Deferred financing costs and other assets	12,837	36,071
Total assets.....	4,939,815	4,726,015
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Accounts payable and accrued expenses.....	\$ 13,263	\$ 18,115
Deferred revenues	33,717	34,331
Total current liabilities	46,980	52,446
Long-term debt	1,548,351	1,165,630
Amount due to parent.....	—	285,440
Deferred ground lease payables	27,675	34,137
Deferred income tax liabilities	473,986	423,281
Other liabilities.....	62,065	60,653
Total liabilities	2,159,057	2,021,587
Commitments and contingencies (note 9)		
Member's equity:		
Member's equity	2,849,833	2,849,833
Accumulated earnings (deficit)	(69,075)	(145,405)
Total member's equity	2,780,758	2,704,428
Total liabilities and equity.....	\$ 4,939,815	\$ 4,726,015

See condensed notes to consolidated financial statements.

CC HOLDINGS GS V LLC
f/k/a GLOBAL SIGNAL HOLDINGS V LLC
CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2008	2009
Site rental revenues	\$ 219,099	\$ 224,782
Operating expenses:		
Cost of operations (excluding depreciation, amortization and accretion)	83,626	82,752
Management fee	15,762	16,371
Asset write-down charges	672	3,206
Depreciation, amortization and accretion	95,904	95,389
	195,964	197,718
Operating income	23,135	27,064
Interest and other income (expense)	(263)	(20)
Gain (loss) on debt repayments	—	(107,718)
Interest expense and amortization of deferred financing costs	(44,667)	(46,291)
	(21,795)	(126,965)
Income (loss) before income taxes	(21,795)	(126,965)
Benefit (provision) for income taxes	7,446	50,635
	(14,349)	(76,330)
Net income (loss)	\$ (14,349)	\$ (76,330)

See condensed notes to consolidated financial statements.

CC HOLDINGS GS V LLC
f/k/a GLOBAL SIGNAL HOLDINGS V LLC
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2008	2009
Cash flow from operating activities:		
Net income (loss).....	\$ (14,349)	\$ (76,330)
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:		
Depreciation, amortization and accretion.....	95,904	95,389
Amortization of deferred financing costs and other non-cash interest.....	372	1,003
Asset write-down charges.....	672	3,206
(Gain) loss on debt repayments.....	—	107,718
Deferred income tax benefit (provision).....	(7,667)	(50,796)
Other adjustments.....	10	—
Changes in assets and liabilities:		
Increase (decrease) in accounts payable and accrued expenses.....	947	4,853
Increase (decrease) in deferred revenues, deferred ground lease payable and other liabilities.....	1,213	6,754
Decrease (increase) in receivables.....	1,373	1,633
Decrease (increase) in prepaid expenses, deferred site rental receivables and other current assets.....	(1,373)	(13,390)
Decrease (increase) in other assets.....	(14,023)	(2,904)
Net cash provided by (used for) operating activities.....	63,079	77,136
Cash flows from investing activities:		
Capital expenditures.....	(29,049)	(30,260)
Proceeds from disposition of property.....	24	—
Net cash provided by (used for) investing activities.....	(29,025)	(30,260)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt.....	—	1,165,104
Repayments of long-term debt.....	—	(1,656,255)
Incurrence of financing costs.....	—	(20,350)
(Increase) decrease in amount due from parent.....	(41,525)	504,782
Net (increase) decrease in restricted cash.....	7,471	(33,330)
Net cash provided by (used for) financing activities.....	(34,054)	(40,049)
Net increase (decrease) in cash and cash equivalents.....	—	6,827
Cash and cash equivalents at beginning of period.....	—	—
Cash and cash equivalents at end of period.....	\$ —	\$ 6,827
Supplemental disclosure of cash flow information		
Interest paid.....	44,295	36,133
Income taxes paid.....	—	—

See condensed notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—Unaudited
(Tabular dollars in thousands)

1. General

The information contained in the following notes to the consolidated financial statements is condensed from that which would appear in the annual consolidated financial statements; accordingly, the consolidated financial statements included herein should be reviewed in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2008, and related notes thereto.

The accompanying consolidated financial statements reflect the consolidated financial position, results of operations and cash flows of CC Holdings GS V LLC and its consolidated wholly-owned subsidiaries (“the Company,” f/k/a “Global Signal Holdings V LLC”). On April 30 2009, the Company was renamed CC Holdings GS V LLC. The Company 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). All significant inter-company accounts, transactions and profits have been eliminated.

The Company owns, operates and leases towers and other communications structures (collectively, “towers”). The Company’s primary business is the renting of antenna space to wireless communication companies under long-term contracts. The Company’s towers and sites are geographically dispersed across the United States. Management services of the communications towers and other communications sites are performed by Crown Castle USA Inc. (“CCUSA”), an affiliate of the Company, under a management agreement, as the Company has no employees.

Basis of Presentation

The consolidated financial statements included herein are unaudited; however, they include all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to present fairly the consolidated financial position of the Company at June 30, 2009, the consolidated results of operations for the six months ended June 30, 2008 and 2009 and the consolidated cash flows for the six months ended June 30, 2008 and 2009. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. The results of operations for the interim periods presented are not necessarily indicative of results to be expected for the entire year.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and the disclosure for contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Certain reclassifications have been made to the financial statements for prior periods in order to conform to the presentation for the three and six months ended June 30, 2009. In addition, the Company adopted the presentation and disclosure requirements of SFAS 160. See note 2.

Summary of Significant Accounting Policies

The summary of significant accounting policies used in the preparation of the Company’s consolidated financial statements is disclosed in the Company’s annual report.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—Unaudited (Continued)
(Tabular dollars in thousands)

2. New Accounting Pronouncements

In September 2006, the FASB issued SFAS 157, which defines fair value, establishes a framework for measuring fair value in U.S. generally accepted accounting principles, and expands disclosures about fair value measurements. In April 2009, FASB amended SFAS 157 to provide additional guidance for estimating fair value when volume and level of activity have significantly decreased and guidance on identifying a transaction that is not orderly. On January 1, 2008, the Company adopted the provisions of SFAS 157, with the exception of a one-year deferral of implementation for non-financial assets and liabilities that are not recognized or disclosed at fair value on a recurring basis (at least annually), which was adopted on January 1, 2009. The significant categories of assets and liabilities included in the Company's deferred implementation of SFAS 157 are (1) non-financial assets and liabilities initially measured at fair value in a business combination, (2) impairment assessments of long-lived assets, goodwill, and other intangible assets, and (3) asset retirement obligations initially measured at fair value. The requirements of SFAS 157 were applied prospectively. The January 1, 2009 adoption of the portions of SFAS 157 which were permitted to be initially deferred did not have a material impact on the Company's consolidated financial statements.

In December 2007, the FASB issued SFAS 160, which amends Accounting Research Bulletin No. 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. SFAS 160 requires consolidated net income to be reported at amounts that include the amounts attributable to both the parent and the noncontrolling interest. On January 1, 2009, the Company adopted the provisions SFAS 160. The adoption of SFAS 160 did not have a material impact on the Company's consolidated financial statements.

In December 2007, the FASB issued SFAS 141(R), which replaces SFAS 141. SFAS 141(R) establishes principles and requirements for recognizing and measuring identifiable assets and goodwill acquired, liabilities assumed and any noncontrolling interest in an acquisition, at their fair value as of the acquisition date. SFAS 141(R) changed the accounting treatment of certain items, including (1) acquisition and restructuring costs are generally expensed as incurred, (2) noncontrolling interests are valued at fair value at the acquisition date, (3) acquired contingent liabilities are recorded at fair value at the acquisition date and subsequently measured at either the higher of such amount or the amount determined under existing guidance for non-acquired contingencies, and (4) changes in deferred tax asset valuation allowances and income tax uncertainties after the acquisition date will affect the provision for income taxes. In April 2009, FASB issued a FASB staff position that amended SFAS 141(R) to address application issues related to contingencies in business combinations. The provisions of SFAS 141(R) are applied prospectively to the Company's business combinations for which the acquisition date is on or after January 1, 2009. The adoption of SFAS 141(R) did not have a material impact on the Company's consolidated financial statements. The prospective impact from application of SFAS 141(R) will depend on the future facts and circumstances of the business combinations.

In April 2008, the FASB issued FSP 142-3, which amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset. Specifically, the Company shall consider its own historical experience in renewing or extending similar arrangements, even when there is likely to be substantial cost or material modifications. Also, in the absence of its own experience, an entity shall consider the assumptions that market participants would use. The provisions of FSP 142-3 are applied to intangible assets acquired after January 1, 2009. The adoption of FSP 142-3 did not have a material impact on the Company's consolidated financial statements. The prospective impact, if any, from the application of FSP 142-3 will depend on the facts and circumstances of the intangible assets acquired after adoption.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—Unaudited (Continued)
(Tabular dollars in thousands)

In April 2009, the FASB issued FASB Staff Position No. FAS 107-1 and APB 28-1 (“FSP 107-1”). FSP 107-1 requires disclosure about fair value of financial instruments for interim periods as well as in annual financial statements. On June 30, 2009, the Company adopted the provisions of FSP 107-1.

In May 2009, the FASB issued Statement of Financial Accounting Standards No. 165 (“SFAS 165”) *Subsequent Events*, which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. On June 30, 2009, the Company adopted the provisions of SFAS 165. The adoption of SFAS 165 did not have a material impact on the Company’s consolidated financial statements. See note 1.

In June 2009, the FASB issued Statement of Financial Accounting Standards No. 167 (“SFAS 167”) *Amendments to FASB Interpretation No. 46(R)*, which amends the consolidation guidance applicable to variable interest entities. The amendments include (1) the elimination of the exemption for qualifying special purpose entities, (2) new criteria for determining the primary beneficiary, and (3) an increase in the frequency of required reassessments to determine whether the Company is the primary beneficiary of a variable interest entity. The provisions of SFAS 167 are effective for the Company as of January 1, 2010. The Company expects that the adoption of SFAS 167 will not have a material impact on its consolidated financial statements.

3. Property and Equipment

The major classes of property and equipment are as follows:

	<u>Estimated Useful Lives</u>	<u>December 31, 2008</u>	<u>June 30, 2009</u>
Land and buildings	40 years	\$ 77,330	\$ 76,844
Telecommunications towers	1-20 years	1,379,804	1,404,044
Construction in process	—	27,465	29,034
		<u>1,484,599</u>	<u>1,509,922</u>
Less: accumulated depreciation		<u>(176,137)</u>	<u>(216,057)</u>
		<u>\$ 1,308,462</u>	<u>\$ 1,293,865</u>

Depreciation expense was \$42.2 million and \$41.5 million for the six months ended June 30, 2008 and 2009, respectively.

4. Intangible Assets

As of June 30, 2009, \$1.8 billion of the consolidated net intangible assets relate to site rental contracts. As of June 30, 2009, the accumulated amortization on the consolidated intangible assets was \$258.1 million.

Amortization expense related to intangible assets is classified as follows on the Company’s consolidated statement of operations and comprehensive income (loss):

<u>Classification</u>	<u>Six Months Ended June 30,</u>	
	<u>2008</u>	<u>2009</u>
Depreciation, amortization and accretion	\$ 53,381	\$ 53,379
Site rental costs of operations	1,792	1,584
Total amortization expense	<u>\$ 55,173</u>	<u>\$ 54,963</u>

5. Debt

The Company’s outstanding debt as of December 31, 2008 consisted entirely of the February 2006 Mortgage Loan with a face value of \$1.550 billion. As of June 30, 2009 the Company’s outstanding debt consists entirely of the 7.75% Senior Secured Notes with a face value of \$1.2 billion.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—Unaudited (Continued)
(Tabular dollars in thousands)

7.75% Secured Notes

On April 30, 2009, CC Holdings GS V LLC (“Issuer Entity”) and Crown Castle GS III Corp. (“Co-Issuer Entity”) and together with the Issuer Entity, “Issuers”) issued \$1.2 billion aggregate principal amount of 7.75% Senior Secured Notes due 2017 (“7.75% Secured Notes”), pursuant to an indenture (“Indenture”) dated as of April 30, 2009, by and among the Issuers, the Guarantors (as defined below) and The Bank of New York Mellon Trust Company, N.A., as trustee (“Indenture Trustee”). The 7.75% Secured Notes are guaranteed by the direct and indirect wholly-owned subsidiaries of the Issuer Entity, other than the Co-Issuer Entity (collectively, “Guarantors”). The 7.75% Secured Notes are not guaranteed by and will not constitute obligations of CCIC or any of its subsidiaries, other than the Issuers and the Guarantors. The 7.75% Secured Notes will be paid solely from the cash flows generated from operation of the towers held directly and indirectly by the Issuer Entity and the Guarantors. The 7.75% Secured Notes are secured on a first priority basis by a pledge of the equity interests of the Guarantors holding such towers and by certain other assets of the Guarantors.

The net proceeds of the offering were \$1.15 billion, inclusive of the \$34.9 million original issue discount and \$18.0 million of fees. The proceeds were used by the Guarantors, as well as an advance from an indirect subsidiary of CCIC, to repay in full the February 2006 Mortgage Loan and the related prepayment considerations. The repayment of the February 2006 Mortgage Loan resulted in a loss of \$107.7 million in April 2009. The proceeds of such repayment were deposited with the trustee for the Certificates and will be distributed to the holders of such Certificates in accordance with the terms of the Trust. The repayment is inclusive of \$255.4 million that will ultimately be paid to CCIC for the portion of the February 2006 Mortgage Loan owned by CCIC (see note 5).

Some or all of the 7.75% Secured Notes, at the Issuer Entity’s option, may be redeemed at any time prior to May 1, 2013 at a price equal to 100% of the principal amount of the 7.75% Secured Notes plus a “make-whole” premium. In addition, some or all of the 7.75% Secured Notes, at the Issuer Entity’s option, may be redeemed at any time on or after May 1, 2013 at the redemption prices set forth in the Indenture. In addition, under certain circumstances, the Issuers may also be required to commence an offer to purchase 7.75% Secured Notes at par as a result of the sale of assets or the receipt of casualty and condemnation proceeds.

The Cash Management Agreement (as defined in the 7.75% senior notes indenture) provides that for so long as any Cash Trap Event (as described below) is continuing, all Excess Cash Flow will be deposited in a Cash Trap Reserve Sub-Account. A Cash Trap Event will occur as of the last day of any calendar quarter when the Consolidated Fixed Charge Coverage Ratio of the Issuer Entity is equal to or less than 1.35 to 1 and will continue to exist until such time as the Consolidated Fixed Charge Coverage Ratio exceeds 1.35 to 1 for two consecutive calendar quarters. As of June 30, 2009, pro forma for the closing of the 7.75% Secured Notes, the Consolidated Fixed Charge Coverage Ratio was 2.5.

If, at the end of any fiscal quarter, (i) the aggregate amount of funds deposited in the Cash Trap Reserve Sub-Account exceeds \$100.0 million and (ii) a Repayment Period (as described below) is in effect, the Issuers will be required to commence within 30 days following the end of such quarter an offer to purchase the maximum principal amount of 7.75% Secured Notes that may be purchased out of the aggregate amount of funds deposited in the Cash Trap Reserve Sub-Account. A Repayment Period will commence as of the last day of any calendar quarter if the Consolidated Fixed Charge Coverage Ratio is equal to or less than 1.20 to 1 and will continue to exist until the Consolidated Fixed Charge Coverage Ratio exceeds 1.20 to 1 as of the last day of any calendar quarter.

In connection with the issuance and sale of the 7.75% Secured Notes, the Issuer Entity and the Guarantors entered into a management agreement (“Management Agreement”) dated as of April 30, 2009, with Crown Castle USA Inc. (“Manager”). The Manager is a wholly-owned indirect subsidiary of CCIC. Pursuant to the Management Agreement, the Manager will perform, on behalf of the Guarantors, those functions reasonably necessary to maintain, market, operate, manage and administer the assets of the Guarantors.

Also in connection with the issuance and sale of the 7.75% Secured Notes, the Issuer Entity, the Guarantors, the Indenture Trustee and the Manager entered into the Cash Management Agreement. Pursuant to the Cash Management Agreement, the Manager and Indenture Trustee will administer the reserve and allocation of funds.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—Unaudited (Continued)
(Tabular dollars in thousands)

Previously Outstanding Indebtedness

February 2006 Mortgage Loan. The Company used the net proceeds from the 7.75% senior secured notes, along with other cash, to repay its February 2006 Mortgage Loan. Three special purpose entities and their direct subsidiaries, all of which were wholly-owned subsidiaries of the Company, borrowed a total of \$1.550 billion under a mortgage loan made payable to a newly formed trust, Global Signal Trust III (“February 2006 Mortgage Loan”).

Interest Expense and Amortization of Deferred Financing Costs

The components of “interest expense and amortization of deferred financing costs” are as follows:

	Six Months Ended June 30,	
	2008	2009
Interest expense on debt obligations	\$ 44,295	\$ 45,288
Amortization of deferred financing costs.....	—	305
Amortization of discounts on long-term debt	—	526
Amortization of purchase price adjustments on long-term debt.....	372	179
Other	—	(7)
Total.....	\$ 44,667	\$ 46,291

6. Member’s Equity

The following table provides a reconciliation of the beginning and ending carrying amounts of total equity.

	Member’s Equity	Accumulated Earnings (Deficit)	Total
Balance, January 1, 2009	\$ 2,849,833	\$ (69,075)	\$ 2,780,758
Net income (loss).....	—	(76,330)	(76,330)
Balance, June 30, 2009	\$ 2,849,833	\$ (145,405)	\$ 2,704,428

7. Fair Value Disclosures

The fair value of cash and cash equivalents and restricted cash approximates the carrying value. The estimated fair value of the Company’s debt securities is based on indicative quotes (that is non-binding quotes) from brokers that require judgment to interpret market information including implied credit spreads for similar borrowings on recent trades or bid/ask prices. The estimated fair values of the Company’s financial instruments, along with the carrying amounts of the related assets (liabilities), are as follows:

	December 31, 2008		June 30, 2009	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ —	\$ —	\$ 6,827	\$ 6,827
Restricted cash.....	35,613	35,613	68,943	68,943
Long-term debt	(1,548,351)	(1,268,754)	(1,165,630)	(1,162,500)

The Company’s assets and liabilities measured on a recurring basis consist of cash and cash equivalents and restricted cash that are classified as level 1 in the fair value hierarchy.

8. Income Taxes

For the six months ended June 30, 2009, the Company recorded a tax benefit of \$50.6 million. The tax benefit for the six months ended June 30, 2009 is inclusive of a \$5.8 million state reversal of state tax valuation allowances. The effective tax rate for the second quarter of 2009 differs from the federal statutory rate predominately due to these state tax benefits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—Unaudited (Continued)
(Tabular dollars in thousands)

During the six months ended June 30, 2008 and 2009, the Company recorded equity contributions of \$8.3 million and \$0, respectively, related to the use of net operating losses from members in its federal consolidated group that are not members of the Company's group of companies.

9. Commitments and Contingencies

The Company is involved in various claims, lawsuits and proceedings arising in the ordinary course of business. While there are uncertainties inherent in the ultimate outcome of such matters, and it is impossible to presently determine the ultimate costs or losses that may be incurred, if any, management believes the resolution of such uncertainties and the incurrence of such costs should not have a material adverse effect on the Company's consolidated financial position or results of operations.

10. Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily restricted cash and trade receivables. The Company's restricted cash is held and directed by a trustee.

The following table summarizes the percentage of the Company's revenue for those customers accounting for more than 10% of the Company's revenues.

	<u>Six Months Ended June 30, 2009</u>
Sprint Nextel Corp.....	38%
AT&T	14%
T-Mobile.....	12%
Verizon Wireless	10%