

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

The following management's discussion and analysis ("MD&A") of the combined 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 understating GSL V's financial condition, changes in financial condition and results of operations as of and for the year ended December 31, 2008. 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 combined financial statements of GSL V for the years ended December 31, 2007 and 2008, and (ii) Crown Castle International Corp.'s ("Crown Castle") Annual Report on Form 10-K ("Crown Castle 10-K") for the year ended December 31, 2008. Unless indicated otherwise, reference to GSL V's combined financial statements refers to those financial statements for the years ended December 31, 2007 and 2008. 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

The following contains forward-looking statements that are based on management's expectations. 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 January 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 36%, 14%, 12% and 10%, respectively, of GSL V's 2008 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, on the behalf of Global Signal Services LLC, 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 cash flows on organic revenue growth;
- minimal sustaining capital expenditure requirements;
- majority of GSL V's outstanding debt rated investment grade and 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 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).
- The auction of spectrum licenses in the FCC 700 MHz Band Auction No. 73 was completed in March 2008 for aggregate bids of \$19.6 billion. Verizon Wireless and AT&T accounted for nearly 85% of the dollar value of net bids. One block of the spectrum auctioned included a provision that the carrier provide open access to the network (i.e., to any applications and any devices), which could encourage more innovation. GSL V expects this spectrum auction, FCC Advanced Wireless Services Auction No. 66, and future spectrum auctions should enable next generation networks.
- 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.
- During the second half of 2008 and the beginning of 2009, the credit markets continued to be challenging and economic growth in the U.S. continued to slow. The deterioration in the credit markets included widening credit spreads and a further lack of liquidity, including certain debt markets being unavailable. The global economic recession is predicted by many to continue or worsen during 2009. The following is a discussion of the potential impact on us from the credit markets and economy:
 - 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.

- Unless credit markets improve, GSL V's prospective debt refinancings will likely have higher costs. 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 combined financial statements. The following discussion of GSL V's results of operations is based on its combined 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 combined financial statements.)

Comparison of Combined Results

The following is a comparison of GSL V's 2007 and 2008 combined results of operations:

	Years Ended December 31,		2008 vs. 2007
	2007	2008	
	(In thousands of dollars)		
Net revenues:			
Site rental revenues	\$ 422,256	\$ 442,362	5 %
	<u>422,256</u>	<u>442,362</u>	<u>5</u>
Operating expenses:			
Costs of operations (a).....	162,246	169,667	5
Management fee	30,023	31,910	6
Asset write-down charges	378	5,749	*
Depreciation, amortization and accretion	199,579	191,542	(4)
	<u>392,226</u>	<u>398,868</u>	<u>2</u>
Operating income (loss).....	30,030	43,494	45
Other income (expense):			
Interest and other income (expense).....	(880)	(105)	*
Interest expense, including amortization of discount on long-term debt ..	(89,104)	(89,333)	*
(Loss) income before income taxes	(59,954)	(45,944)	*
Benefit (provision) for income taxes	20,819	15,620	*
Net (loss) income.....	<u>\$ (39,135)</u>	<u>\$ (30,324)</u>	<u>*</u>

* Percentage is not meaningful

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

Site rental revenues for 2008 increased by \$20.1 million, or 5%, from 2007. This increase in site rental revenues was driven primarily by new tenant additions inclusive of the impact of straight-line accounting for certain lease escalators. In addition to new tenant additions, GSL V's site rental revenues are influenced by various factors (in no particular order) including (1) escalations net of the impact of straight-line accounting, (2) impact of straight-line accounting from renewal of customer leases, and (3) cancellation of customer leases. See note 1 to GSL V's combined financial statements for a further discussion of its revenue recognition policies. 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 for 2008 increased by \$12.7 million, or 5%, from 2007. The increase in the site rental gross margins was related to the previously mentioned 5% increase in site rental revenues primarily driven by tenant additions. The \$12.7 million incremental margin represents 63% of the related increase in site rental revenues.

Management fee for 2008 increased by \$1.9 million, or 6%, from 2007 but remained 7% of total net revenues. The management fee is a function of site rental revenues and should remain a consistent percentage of revenue. See notes 1 and 5 to GSL V's combined financial statements.

Depreciation, amortization and accretion for 2008 decreased by \$8.0 million, or 4%, from 2007. 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). See "Accounting and Reporting Matters—Critical Accounting Policies and Estimates" herein and note 1 to GSL V's combined financial statements.

Interest expense, including amortization of discount on long-term debt for 2008 was consistent between 2007 and 2008. GSL V made no material changes in its indebtedness during 2007 and 2008. GSL V's weighted-average interest rate for 2008 was consistent with 2007 as a result of all of its debt having fixed rate coupons. See "Liquidity and Capital Resources—Overview" herein and note 4 to GSL V's combined financial statements.

Benefit (provision) for income taxes for 2008 was a benefit of \$15.6 million compared to \$20.8 million for 2007. The effective income tax rate was 35% and 34% for 2007 and 2008, respectively. See note 6 to GSL V's combined financial statements.

Net loss for 2008 was \$30.3 million, an improvement of \$8.8 million from a loss of \$39.1 million for 2007. The improvement in net loss was predominately due to the incremental gross margin in GSL V's site rental business of \$12.7 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. Over the last two years, 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.

Merger. On October 5, 2006, Global Signal Inc. ("Global Signal"), Crown Castle, a Delaware corporation, and CCGS Holdings LLC, a Delaware limited liability company and a wholly-owned subsidiary of Crown Castle ("Merger Sub"), entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which Global Signal would merge with and into CCGS Holdings LLC (the "Merger"), with CCGS Holdings LLC continuing as the surviving company and a wholly-owned subsidiary of Crown Castle following the transaction. The Merger closed on January 12, 2007. The financial statements reflect adjustments to record assets and liabilities at fair value at the Merger Date as required by "push-down" purchase accounting. The impact of the non-cash "push-down" purchase accounting resulted in an increase to member's equity of \$2.8 billion and an adjustment to various assets and liabilities. See note 1 to the GSL V combined financial statements.

Debt Maturities. GSL V's debt has a mortgage loan (\$1.55 billion) maturing in 2011. The mortgage loan has a weighted-average interest rate of approximately 5.7% and is secured by first priority mortgage liens on sustainably all tangible assets of GSL V. GSL V does not anticipate the need to access the capital markets to refinance its existing debt until February 2011 when the \$1.55 billion mortgage loan matures, but it may access the capital markets sooner depending upon the state of the capital markets and its ability to obtain financing at commercially reasonable terms.

GSL V plans on endeavoring to refinance the mortgage loan with new debt on or before its repayment dates. GSL V's ability to obtain borrowings that are securitized by tower cash flows and are at commercially reasonable terms will depend on various factors, such as its ability to generate cash flows on its existing towers and the state of the capital markets. If GSL V is unable to refinance its debt with similar instruments, it may explore other forms of financing, which may include other forms of debt or repayment of debt in whole or in part from existing cash

balances of Crown Castle or its subsidiaries other than GSL V. GSL V's long-term strategy contemplates funding its discretionary investments primarily with operating cash flows. See "Liquidity and Capital Resources—Factors Affecting Sources of Liquidity" herein.

See notes 4 and 10 to GSL V's combined financial statements for additional information regarding its debt.

Summary Cash Flows Information

	Years Ended December 31,		
	2007	2008	Change
	(In thousands of dollars)		
Net cash provided by (used for) operating activities.....	\$ 143,795	\$ 156,514	\$ 12,719
Net cash provided by (used for) investing activities	(18,153)	(55,805)	(37,652)
Net cash provided by (used for) financing activities.....	(125,651)	(100,709)	24,942
Net increase (decrease) in cash and cash equivalents	<u>\$ (9)</u>	<u>\$ —</u>	<u>\$ 9</u>

Operating Activities

The increase in net cash provided by operating activities for 2008 of \$12.7 million from 2007 was due primarily to the 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 \$56.0 million for 2008, an increase of \$37.8 million from 2007. Capital expenditures for 2008 included \$7.8 million of sustaining capital expenditures and \$48.2 million of revenue generating capital expenditures, of which \$2.2 million was spent on land purchases, \$33.5 million on existing towers to support additional site rentals, and \$12.5 million on the construction and acquisition of new towers.

Financing Activities

Net cash flows used for financing activities were \$125.7 million and \$100.7 million for 2007 and 2008, respectively. The primary use of net cash flows relates to advances of excess cash to Crown Castle and its subsidiaries. See note 6 to GSL V's combined financial statements.

During 2007 and 2008, the Company recorded net equity contributions of \$25.7 million and \$15.4 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.

Restricted Cash. Pursuant to the indenture governing the 2006 Mortgage Loan, all rental cash receipts of the issuers of the 2006 Mortgage Loan and GSL V's subsidiaries are restricted and held by an indenture trustee. The restricted cash in excess of required reserve balances is subsequently released to GSL V in accordance with the terms of the indentures. See also notes 1 and 4 to GSL V's combined financial statements.

Contractual Cash Obligations

GSL V's contractual cash obligations relate primarily to its outstanding borrowings and ground lease obligations, as of December 31, 2008. The 2006 Mortgage Loan has a contractual maturity date of February 2011,

and interest is paid monthly. The ground lease obligations relate to the land on which GSL V's towers reside (see note 7 GSL V's combined financial statements).

In addition, GSL V has a legal obligation to perform certain asset retirement activities, including requirements upon lease termination to remove towers or remediate the land upon which GSL V's towers reside. GSL V is also obligated to pay or reimburse others for property taxes related to its towers. See note 8 to GSL V's combined financial statements for additional information regarding the asset retirement obligation and the property tax commitment.

Factors Affecting Sources of Liquidity

Compliance with Debt Covenants. GSL V's 2006 Mortgage Loan documents include covenants customary for mortgage loans subject to rated securitizations. Among other things, the borrowers are prohibited from incurring additional indebtedness or further encumbering their assets.

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. If GSL V were to default on the 2006 Mortgage Loan, the trustee could seek to foreclose upon or otherwise convert the ownership of the securitized towers, in which case GSL V could lose the towers and the revenues associated with the towers. 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.

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 anticipates refinancing its debt on or before February 2011. 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.

If GSL V is unable to refinance or renegotiate its debt, GSL V cannot guarantee that it will be able to generate enough cash flows from operations or that it will be able to obtain enough capital to service its debt or fund its planned capital expenditures. Failure to refinance indebtedness when required could result in a default under such indebtedness. See "*Item 1A. Risk Factors*" in the Crown Castle 10-K.

The current credit environment has resulted in a substantial widening of credit spreads in the market since the issuance of GSL V's existing debt. As GSL V refinances its existing debt, changes in its credit spreads may impact its interest expense and interest coverage ratios.

Off-balance Sheet Arrangements

GSL V has no off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K.