

# Crown Castle International

NYSE: CCI

Fourth Quarter 2008  
Earnings Conference Call

February 25, 2009



# Cautionary Information

This presentation contains forward-looking statements and information that are based on management's current expectations. Such statements include, but are not limited to plans, projections, Outlook and estimates regarding (i) the repayment, repurchase or refinancing of our debt, (ii) the use and impact of the proceeds of our 9% senior notes offering, (iii) currency exchange rates, including the impact on our results, (iv) site rental revenues, (v) site rental cost of operations, (vi) site rental gross margin, (vii) Adjusted EBITDA, (viii) interest expense and amortization of deferred financing costs, (ix) service gross margin, (x) capital expenditures, including expenditures on land and new towers, revenue generating expenditures, sustaining capital expenditures and acquisitions, (xi) recurring cash flow, including on a per share basis, (xii) net income (loss), including on a per share basis, and (xiii) the utility of certain financial measures in analyzing our results.

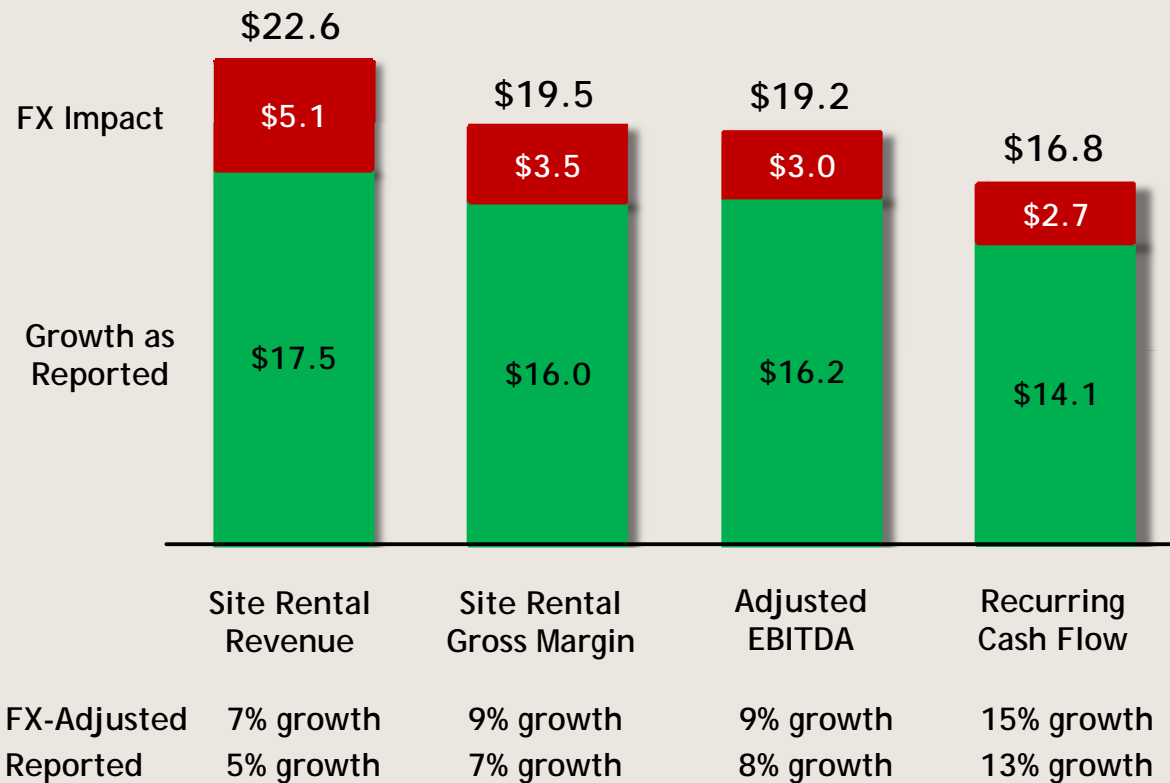
Such forward-looking statements are subject to numerous risks, uncertainties and assumptions, including prevailing market conditions and other factors. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those expected. More information about potential risk factors which could affect our results is included in our filings with the Securities and Exchange Commission. The Company assumes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures, including recurring cash flow and Adjusted EBITDA. Tables reconciling such non-GAAP financial measures are available at the end of this presentation and under the investor section of Crown Castle's website at <http://investor.crowncastle.com>.

# Q4 2008 Operating Highlights

\$ in millions

## Growth from Q4 2007 to Q4 2008

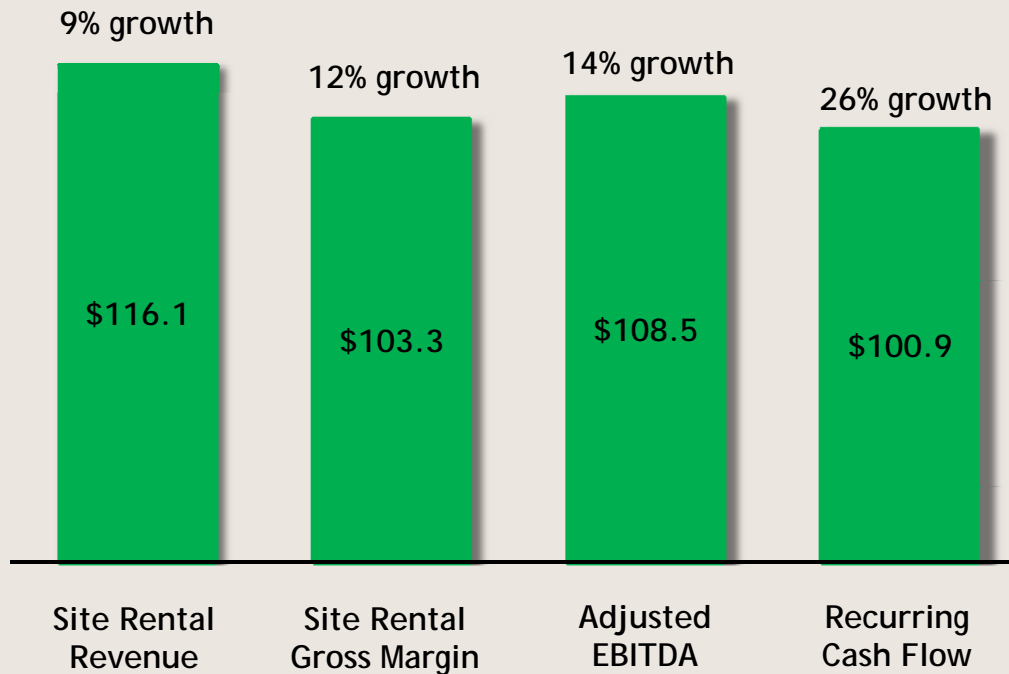


- Site rental business continues strong growth
- 91% incremental site rental margins

# Full Year 2008 Operating Highlights

\$ in millions

## Growth from 2007 to 2008

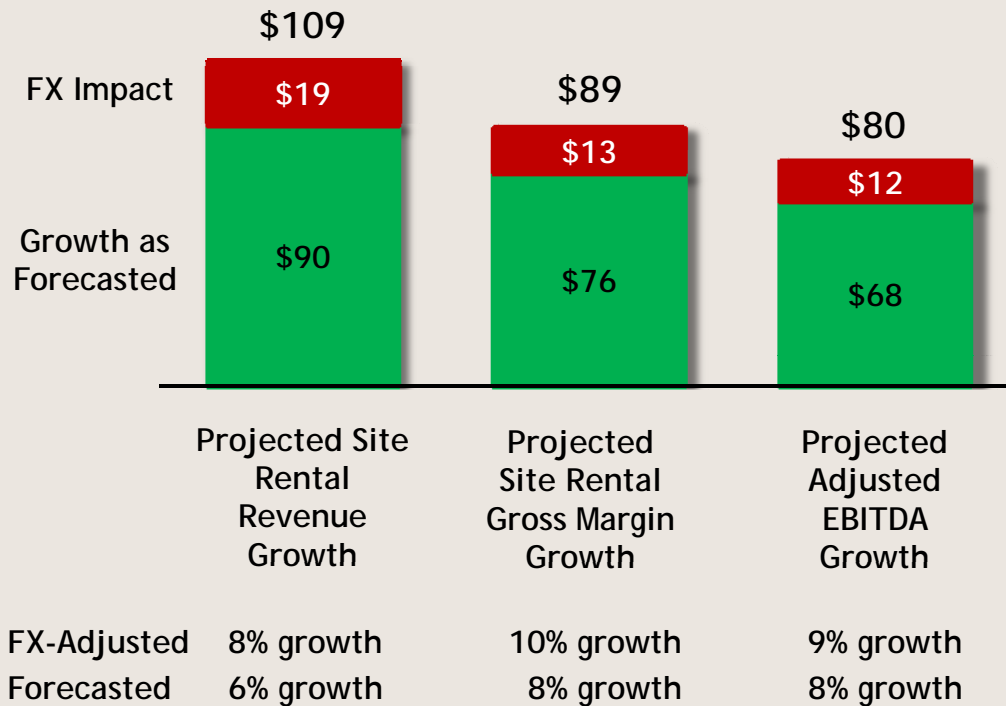


- FX impact is minimal on full year results
- 89% incremental site rental margins

# 2009 Growth Outlook

\$ in millions

## Projected 2008 to 2009 Growth<sup>(1,2)</sup>

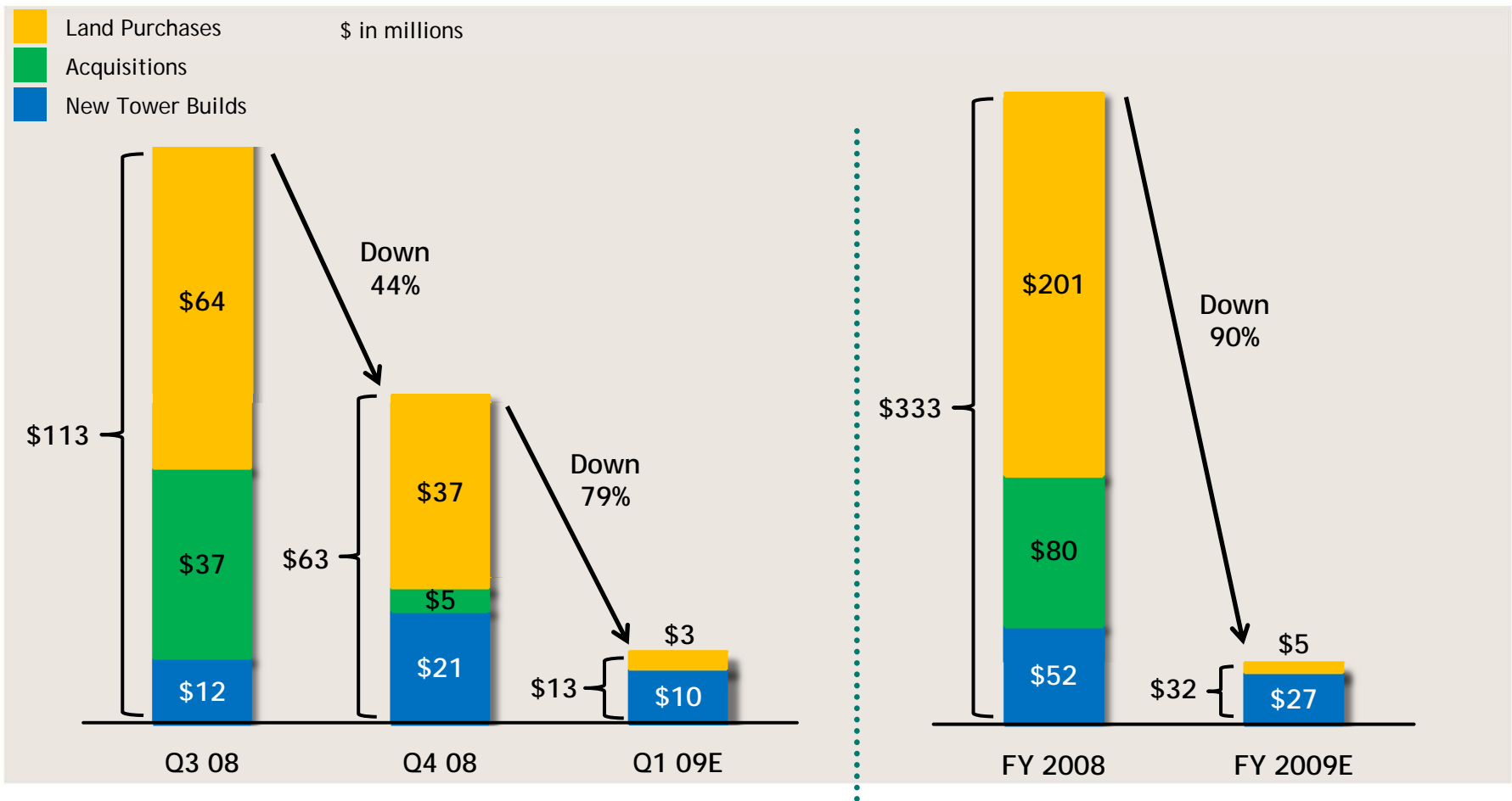


- Outlook does not include benefit from future acquisitions or interest expense savings from future debt repayment
- Outlook assumes approximately \$6m less service gross margin in 2009

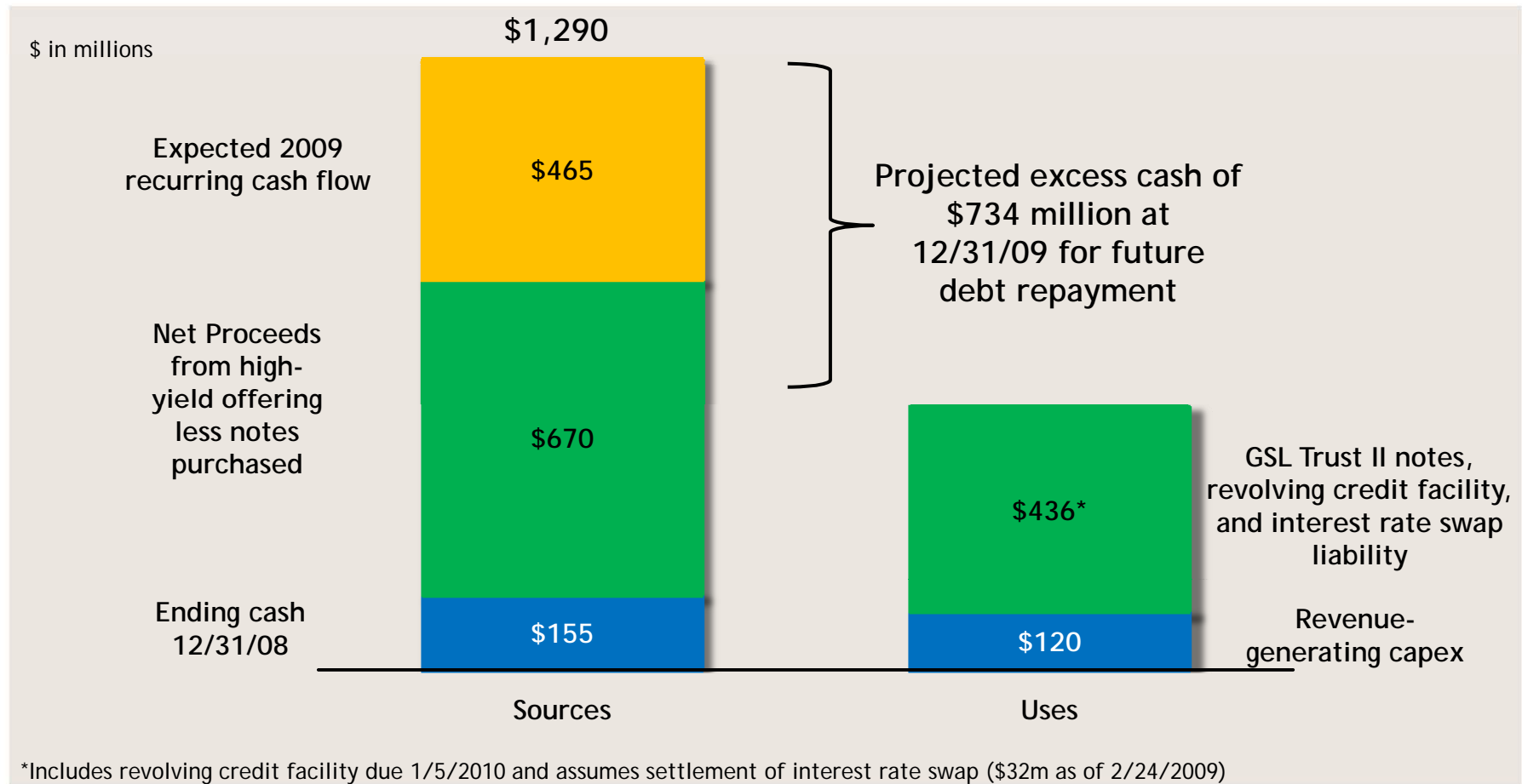
(1) The FX impact relates to the Australian dollar exchange rate calculated as follows: CCAL 2009 Outlook - (CCAL 2009 Outlook / current exchange rate \* prior exchange rate)

(2) 2009 Outlook based on midpoint of guidance issued on 2/24/2009

# Reduced Capital Spending



# 2009 Estimated Sources and Uses

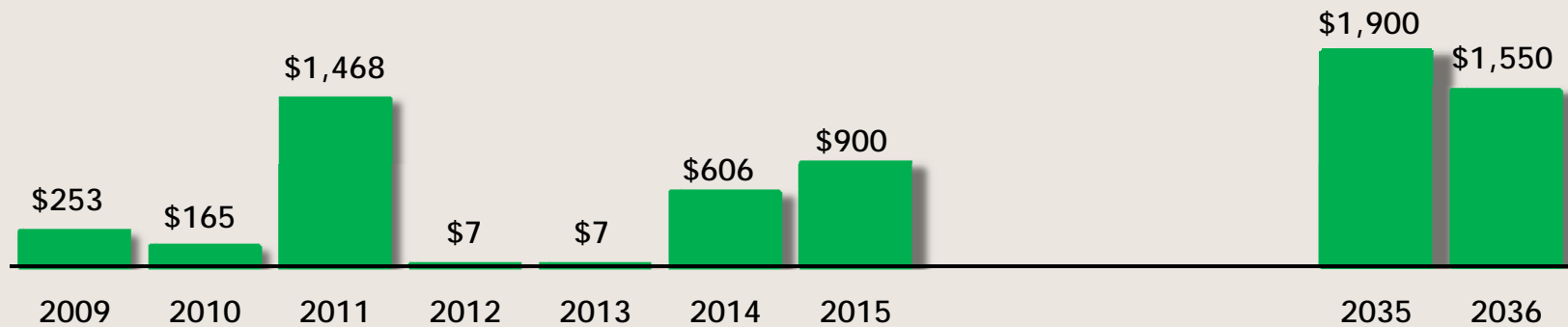


# Debt Maturity Schedule

- Cash balance of \$860 million on 2/24/09
- Current cash balance exceeds 2009 and 2010 debt maturities and interest rate swap liabilities

\$ in millions

## Debt Maturity Schedule



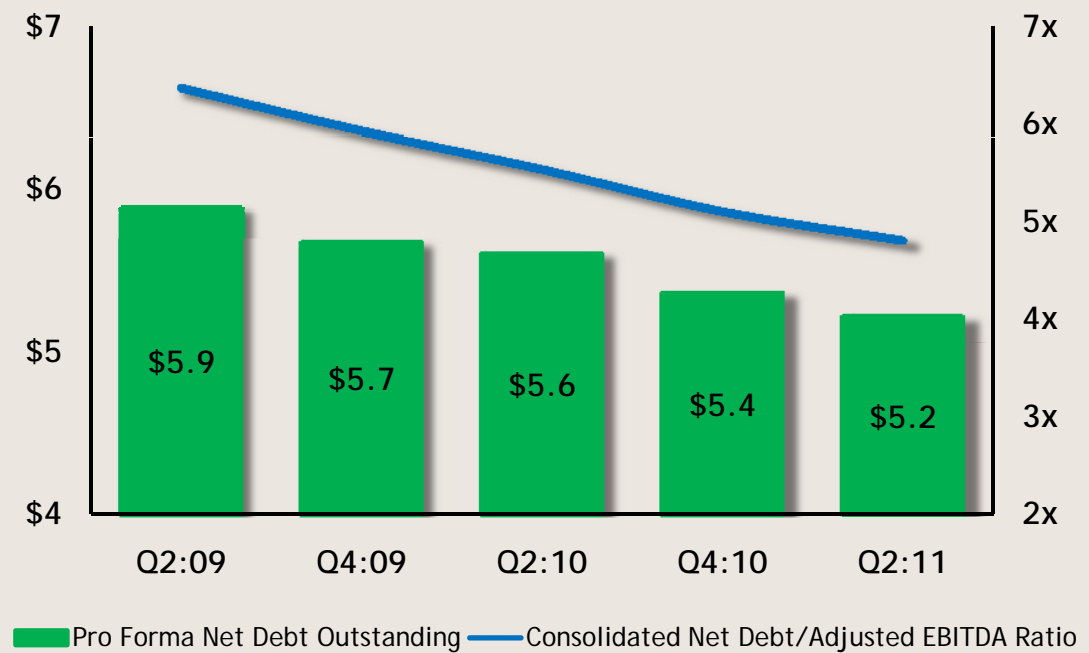
# Business Rapidly Delevers

## Key Assumptions:

- \$120 million of annual discretionary capex primarily related to the installation of new tenants
- Excess of cash flow used to retire debt at par
- Adjusted EBITDA at Wall Street consensus

\$ in billions

## Illustrative Consolidated Leverage



# Interest Rate Hedges

\$ in millions

- Effectively locks LIBOR for 5 years following settlement dates
- 20-year average of 5-year LIBOR swap rate is 5.8%

|                                 | <u>LIBOR<br/>Fixed Rate</u> | <u>Notional<br/>Amount</u> | <u>Final<br/>Settlement Date</u> <sup>(1)</sup> | <u>Valuation at<br/>2/24/2009</u> <sup>(2,3)</sup> |
|---------------------------------|-----------------------------|----------------------------|---|--|
|                                 | 5.14%                       | \$294                      | 12/15/2009                                      | (\$32)   |
|                                 | 5.18%                       | \$1,900                    | 6/15/2010                                       | (\$192)  |
| <b>Interest<br/>Rate Hedges</b> | 5.26%                       | \$1,550                    | 2/15/2011                                       | (\$143)  |
|                                 | 5.14%                       | \$1,550                    | 11/15/2011                                      | (\$119)  |
| <b>Total</b>                    |                             | <b>\$5,294</b>             |   | <b>(\$486)</b>                                     |

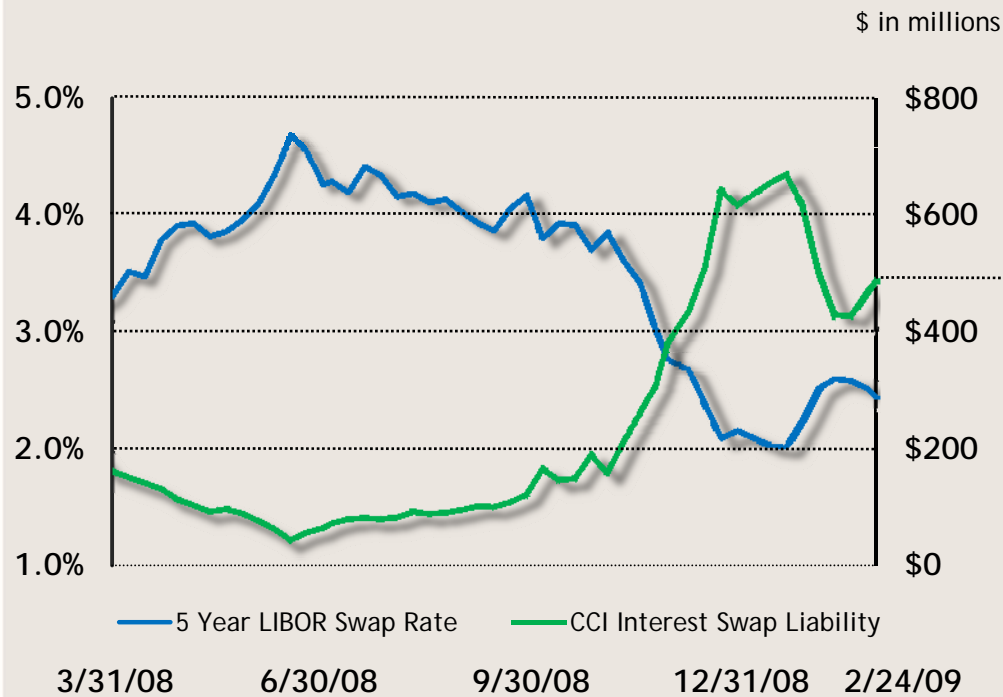
(1) Swaps to be cash settled on settlement date

(2) 5-year LIBOR interest swap rate @ 2.44%

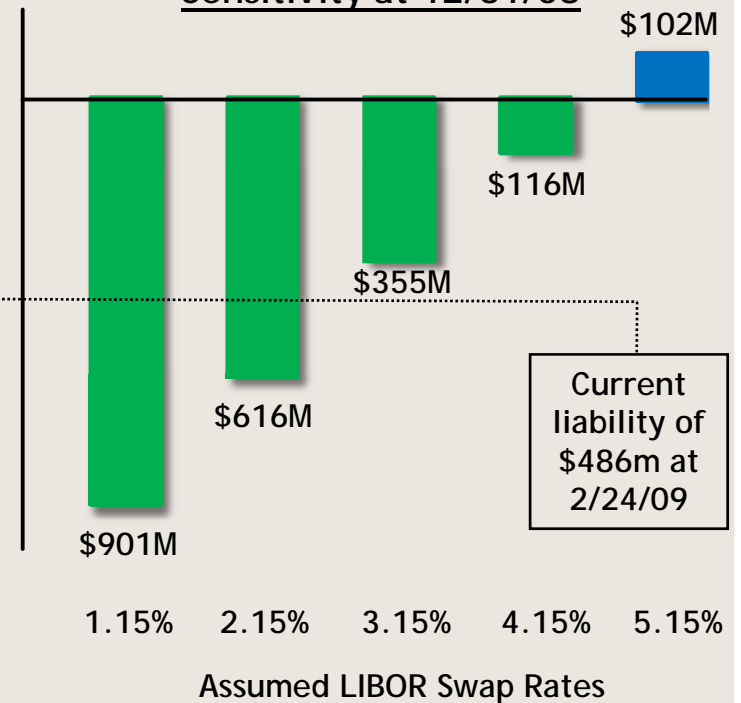
(3) Valuation represents cash settlement values at 2/24/2009

# Interest Rate Hedges (continued)

5 Year LIBOR Swap Rate<sup>(1)</sup> & CCI Interest Swap Liability<sup>(2)</sup>



Interest Swap Valuation Sensitivity at 12/31/08<sup>(2)</sup>



(1) Indicative of the interest rate curve which determines the interest swap liabilities

(2) Valuation represents cash settlement values

# Non-GAAP and Other Reconciliations



Crown Castle International Corp.  
Fourth Quarter 2008 Earnings Conference Call  
Non-GAAP and Other Reconciliations

## NON-GAAP FINANCIAL MEASURES

Certain of Crown Castle's financial releases and broadcast conference calls include presentations or discussions of recurring cash flow and Adjusted EBITDA, which are non-GAAP financial measures. Crown Castle defines Adjusted EBITDA as net income (loss) plus restructuring charges (credits), asset write-down charges, acquisition and integration costs (inclusive of stock-based compensation charges), depreciation, amortization and accretion, interest expense and amortization of deferred financing costs, losses on purchases and redemptions of debt, net gain (loss) on interest rate swaps, impairment of available-for-sale securities, interest and other income (expense), benefit (provision) for income taxes, minority interests, cumulative effect of change in accounting principle, income (loss) from discontinued operations and stock-based compensation expenses. Adjusted EBITDA is not intended as an alternative measure of cash flow from operations or operating results (as determined in accordance with U.S. Generally Accepted Accounting Principles (GAAP)).

Crown Castle defines recurring cash flow to be Adjusted EBITDA, less interest expense and less sustaining capital expenditures. Each of the amounts included in the calculation of recurring cash flow are computed in accordance with GAAP, with the exception of sustaining capital expenditures, which is not defined under GAAP. We define sustaining capital expenditures as capital expenditures (determined in accordance with GAAP) which do not increase the capacity or life of our revenue generating assets and include capitalized costs related to (i) maintenance activities on our towers, (ii) vehicles, (iii) information technology equipment, and (iv) office equipment. Recurring cash flow is not intended as an alternative measure of cash flow from operations, earnings per share or operating results (as determined in accordance with GAAP).

Adjusted EBITDA and recurring cash flow are presented as additional information because management believes these measures are useful indicators of the financial performance of our core businesses. In addition, Adjusted EBITDA is a measure of current financial performance used in our debt covenant calculations. Our measures of Adjusted EBITDA and recurring cash flow may not be comparable to similarly titled measures of other companies, including companies in the tower sector or in the historical financial statements of Global Signal. The tables set forth below reconcile these non-GAAP financial measures to comparable GAAP financial measures.

## Cautionary Language Regarding Forward-Looking Statements

These forward-looking statements and reconciliations contain forward-looking information that are based on our management's current expectations as of the date of the fourth quarter earnings conference call. Such statements include plans, projections and estimates contained under the heading "Outlook Reconciliations of Non-GAAP Financial Measures to Comparable GAAP Financial Measures." Words such as "Outlook" and "Forecast" are intended to identify forward-looking statements. Crown Castle assumes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Such forward-looking statements are subject to certain risks, uncertainties and assumptions, including but not limited to prevailing market conditions and other factors. Should one or more of these or other risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those expected. More information about potential risk factors which could affect our results is included in our filings with the SEC.

# Non-GAAP Financial Measures

## RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES TO COMPARABLE GAAP FINANCIAL MEASURES

### Historical Reconciliations of Non-GAAP Financial Measures to Comparable GAAP Financial Measures:

Adjusted EBITDA, recurring cash flow and recurring cash flow per share for the quarters and years ended December 31, 2008 and December 31, 2007 are computed as follows:

|   | For the Three Months Ended |                   | For the Twelve Months Ended |                   |
|---|----------------------------|-------------------|-----------------------------|-------------------|
|   | December 31, 2008          | December 31, 2007 | December 31, 2008           | December 31, 2007 |
| (in thousands, except per share amounts)                            |                            |                   |                             |                   |
| Net income (loss)   | \$ (63,817)                | \$ (80,169)       | \$ (48,858)                 | \$ (222,813)      |
| Adjustments to increase (decrease) net income (loss):               |                            |                   |                             |                   |
| Restructuring charges <sup>(1)</sup>                                | -                          | -                 | -                           | 3,191             |
| Asset write-down charges  | 7,689                      | 1,466             | 16,888                      | 65,515            |
| Integration costs <sup>(1)</sup>                                    | -                          | 6,752             | 2,504                       | 25,418            |
| Depreciation, amortization and accretion                            | 130,799                    | 132,347           | 526,442                     | 539,904           |
| Interest expense and amortization of deferred financing costs       | 88,074                     | 90,047            | 354,114                     | 350,259           |
| Net gain (loss) on interest rate swaps                              | 40,292                     | -                 | 37,888                      | -                 |
| Impairment of available-for-sale securities                         | 32,151                     | 75,623            | 55,869                      | 75,623            |
| Interest and other income (expense)                                 | (474)                      | (181)             | (2,143)                     | (9,351)           |
| Benefit (provision) for income taxes                                | (17,282)                   | (24,334)          | (104,361)                   | (94,039)          |
| Minority interests  | -                          | -                 | -                           | (151)             |
| Stock-based compensation expense <sup>(2)</sup>                     | 7,953                      | 7,674             | 28,767                      | 25,087            |
| Adjusted EBITDA   | \$ 225,385                 | \$ 209,225        | \$ 867,110                  | \$ 758,643        |
| Less: Interest expense and amortization of deferred financing costs | \$ 88,074                  | \$ 90,047         | \$ 354,114                  | \$ 350,259        |
| Less: Sustaining capital expenditures                               | 12,230                     | 8,238             | 27,065                      | 23,318            |
| Recurring cash flow   | \$ 125,081                 | \$ 110,940        | \$ 485,931                  | \$ 385,066        |
| Weighted average shares outstanding                                 | 285,686                    | 281,691           | 282,007                     | 279,937           |
| Recurring cash flow per share                                       | \$ 0.44                    | \$ 0.39           | \$ 1.72                     | \$ 1.38           |

(1) Inclusive of stock-based compensation expense.

(2) Exclusive of stock-based compensation expense included in restructuring charges and integration costs.

# Non-GAAP Financial Measures

Leverage ratio for the quarter and year ended December 31, 2008 is computed as follows:

|  | <u>For the Three Months Ended</u><br><u>December 31, 2008</u> |
|--|---|
| Total Debt at Quarter End                                  | \$6,096,744   |
| Last Quarter Adjusted EBITDA                               | \$225,385   |
| Last Quarter Annualized Adjusted EBITDA                    | \$901,540   |
| Total Gross Debt / Last Quarter Annualized Adjusted EBITDA | 6.8X  |

Cash interest coverage ratio for the quarter and year ended December 31, 2008 is computed as follows:

|   | <u>For the Three Months Ended</u><br><u>December 31, 2008</u> |
|---|---|
| Last Quarter Adjusted EBITDA                                      | \$225,385   |
| Last Quarter Cash Interest Expense                                | \$88,074  |
| Last Quarter Adjusted EBITDA / Last Quarter Cash Interest Expense | 2.6X  |

# Non-GAAP Financial Measures

## Outlook Reconciliations of Non-GAAP Financial Measures to Comparable GAAP Financial Measures

Adjusted EBITDA, recurring cash flow and recurring cash flow per share for the quarter ending March 31, 2009 and the year ending December 31, 2009 are forecasted as follows:

| (in millions, except per share amounts)  | <i>Forecast Ranges</i> |                  |
|--|------------------------|------------------|
|  | Q1 2009                | Full Year 2009   |
| Net income (loss)  | \$(36) to 22           | \$(125) to 20    |
| Adjustments to increase (decrease) net income (loss):                              |                        |                  |
| Asset write-down charges   | 2 to 5                 | 8 to 20          |
| Acquisitions costs   | - to 1                 | - to 3           |
| Depreciation, amortization and accretion   | 130 to 140             | 520 to 550       |
| Interest and other income (expense)  | (3) to -               | (12) to -        |
| Net gain (loss) on interest rate swaps <sup>(1)</sup>                              | (12) to -              | (12) to -        |
| Interest expense and amortization of deferred financing costs <sup>(2)</sup>       | 103 to 108             | 440 to 445       |
| Benefit (provision) for income taxes   | (11) to 5              | (43) to (1)      |
| Minority interests   | -                      | (1) to -         |
| Stock-based compensation expense   | 6 to 9                 | 25 to 35         |
| Adjusted EBITDA  | \$232 to 237           | \$925 to 945     |
| Less: Interest expense and amortization of deferred financing costs <sup>(2)</sup> | \$103 to 108           | \$440 to 445     |
| Less: Sustaining capital expenditures  | 8 to 10                | 25 to 30         |
| Recurring cash flow  | \$119 to 124           | \$455 to 475     |
| Weighted Average Common Shares Outstanding <sup>(3)</sup>                          | 285.7                  | 285.7            |
| Recurring cash flow per share  | \$0.42 to \$0.43       | \$1.59 to \$1.66 |

(1) Based on the interest rates and yield curves in effect as of February 20, 2009.

(2) Inclusive of \$10.8 million and \$46.1 million, respectively, from non-cash expense.

(3) Based on 285.7 million shares as of 12/31/2008.

# Other Calculations

## OTHER CALCULATIONS:

Sustaining capital expenditures for the quarters and years ended December 31, 2008 and December 31, 2007 is computed as follows:

|   | For the Three Months Ended |                   | For the Twelve Months Ended |                   |
|---|----------------------------|-------------------|-----------------------------|-------------------|
|   | December 31, 2008          | December 31, 2007 | December 31, 2008           | December 31, 2007 |
| (in thousands of dollars)                 |                            |                   |                             |                   |
| Capital expenditures                      | \$ 107,995                 | \$ 108,747        | \$ 450,732                  | \$ 300,005        |
| Less: Revenue enhancing on existing sites | 33,157                     | 17,913            | 90,111                      | 45,818            |
| Less: Land purchases                      | 36,842                     | 35,016            | 201,255                     | 133,032           |
| Less: New site construction               | 25,766                     | 47,580            | 132,301                     | 97,837            |
| Sustaining capital expenditures           | \$ 12,230                  | \$ 8,238          | \$ 27,065                   | \$ 23,318         |

Site rental revenue, site rental gross margin (tower gross margin) and recurring cash flow change for Crown Castle for the quarters and years ended December 31, 2008 and December 31, 2007 is computed as follows:

|   | For the Three Months Ended  |                   | % Change |
|---|-----------------------------|-------------------|----------|
|   | December 31, 2008           | December 31, 2007 |          |
| (in thousands)                                      |                             |                   |          |
| Site rental revenue                                 | \$ 355,019                  | \$ 337,543        | 5%       |
| Less: Site rental cost of operations <sup>(1)</sup> | 114,239                     | 112,718           |          |
| Site rental gross margin                            | \$ 240,780                  | \$ 224,825        | 7%       |
| Adjusted EBITDA                                     | \$ 225,385                  | \$ 209,225        | 8%       |
| Recurring cash flow                                 | \$ 125,081                  | \$ 110,940        | 13%      |
|   |                             |                   |          |
|   | For the Twelve Months Ended |                   | % Change |
|   | December 31, 2008           | December 31, 2007 |          |
| (in thousands)                                      |                             |                   |          |
| Site rental revenue                                 | \$ 1,402,559                | \$ 1,286,468      | 9%       |
| Less: Site rental cost of operations <sup>(1)</sup> | 456,123                     | 443,342           |          |
| Site rental gross margin                            | \$ 946,436                  | \$ 843,126        | 12%      |
| Adjusted EBITDA                                     | \$ 867,110                  | \$ 758,643        | 14%      |
| Recurring cash flow                                 | \$ 485,931                  | \$ 385,066        | 26%      |

Site rental gross margin (tower gross margin) for the quarter ending March 31, 2009 and the year ending December 31, 2009 are forecasted as follows:

|   | Forecast Ranges |                    |
|---|-----------------|--------------------|
|   | Q1 2009         | Full Year 2009     |
| (in millions of dollars)                            |                 |                    |
| Site rental revenue                                 | \$363 to \$368  | \$1,485 to \$1,500 |
| Less: Site rental cost of operations <sup>(1)</sup> | \$111 to \$116  | \$465 to \$475     |
| Site rental gross margin                            | \$250 to \$255  | \$1,015 to \$1,030 |

(1) Exclusive of amortization, depreciation and accretion.

# Other Calculations

Foreign exchange impact on site rental revenue, site rental gross margin (tower gross margin) and Adjusted EBITDA for Crown Castle for the quarter ended December 31, 2008 are computed as follows:

Assumed Q4 2007 AUD/USD exchange rate 0.8892  
 Assumed Q4 2008 AUD/USD exchange rate 0.6727

| (in thousands)   | Q4 2008          | Foreign Exchange Impact |
|--|------------------|-------------------------|
| CCAL Site rental revenue                                 | \$ 15,757        | \$ (5,071)              |
| Less: CCAL Site rental cost of operations <sup>(1)</sup> | 5,006            | (1,611)                 |
| CCAL Site rental revenue gross margin                    | <u>\$ 10,751</u> | <u>\$ (3,460)</u>       |
| CCAL Site rental Adjusted EBITDA                         | <u>\$ 9,421</u>  | <u>\$ (3,032)</u>       |
| CCAL Site rental recurring cash flow                     | <u>\$ 8,530</u>  | <u>\$ (2,745)</u>       |

(1) Exclusive of amortization, depreciation and accretion.