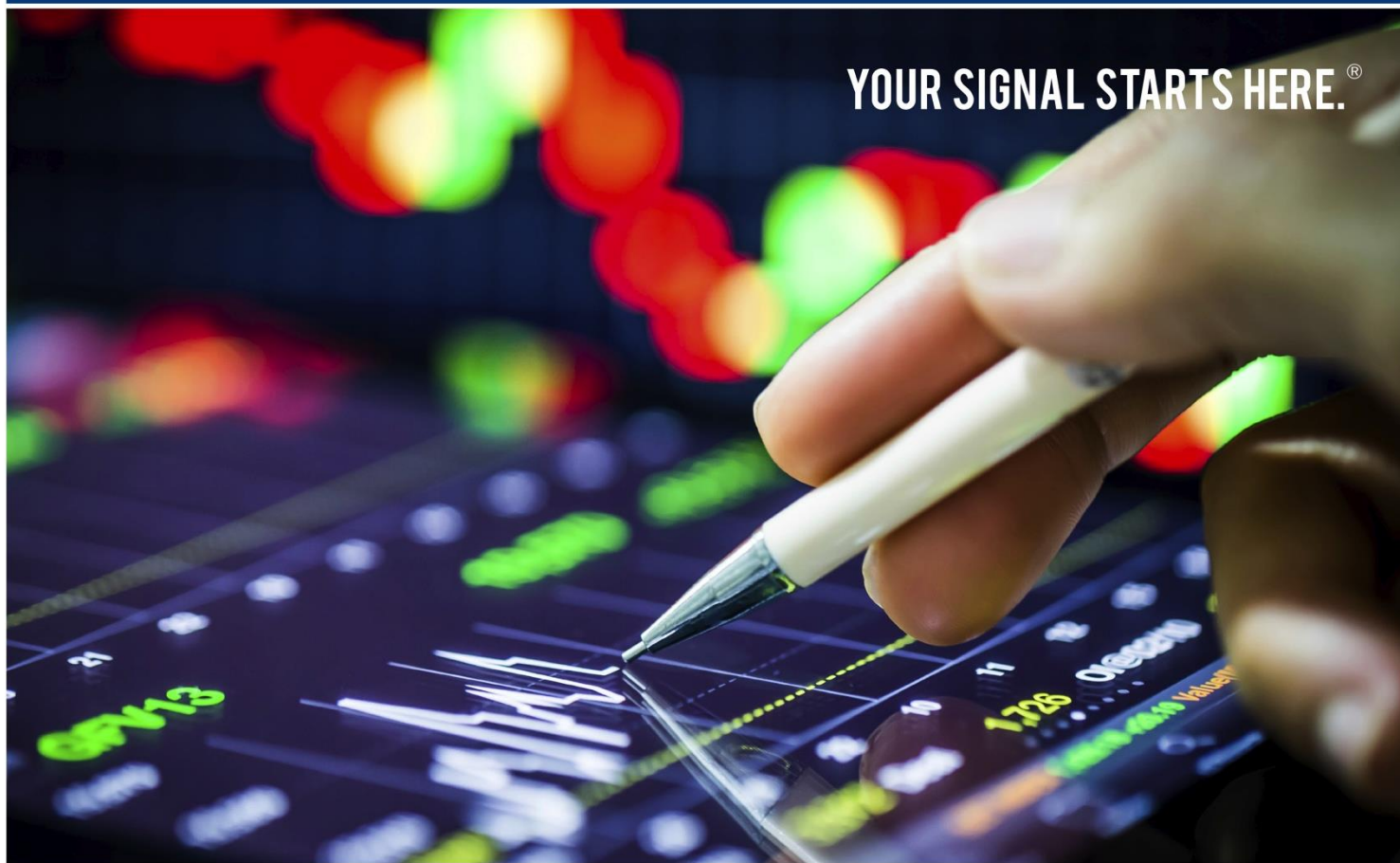


Supplemental Financial Data

Non-GAAP Financial Measures and Other Key Financial and Operational Measures



Third Quarter 2016



SBA Communications Corporation (“SBA” or “We”) often makes disclosures of non-GAAP financial measures, such as (1) Cash Site Leasing Revenue, (2) Tower Cash Flow, and Tower Cash Flow Margin, (3) Adjusted EBITDA, Annualized Adjusted EBITDA, and Adjusted EBITDA Margin, (4) Net Debt, Net Secured Debt, Leverage Ratio, Net Cash Interest Coverage Ratio, and Secured Leverage Ratio, (5) Funds From Operations, Adjusted Funds From Operations, and Adjusted Funds From Operations Per Share and (6) certain financial metrics after eliminating the impact of changes in foreign currency exchange rates (collectively, our “Constant Currency Measures”) and other identified non-recurring items. The following pages provide reconciliations of these non-GAAP financial measures to their most comparable GAAP measures and the other information required by Regulation G.

We also provide organic cash leasing revenue, an operational metric, which compares the results of towers owned in the prior-year period in the current period, excluding non-cash straight-line site leasing revenue, growth from acquisitions, new tower builds, and the impacts of certain non-standard tower leasing revenue items, such as pass-through expenses grossed up into leasing revenue, amortization of augmentation reimbursements and our managed and non-macro business.

In addition, we provide additional key metrics for the understanding of our business: (i) Segment Operating Profit, which is one of our two measures of segment profitability, and (ii) customer concentration, which reflect the contribution of our significant customers to the respective segment revenue. We also provide summaries of (1) the percentage of Total Cash Site Leasing Revenue generated in non-U.S. dollars by currency, (2) pass through expenses grossed up into leasing revenue, (3) Tower Cash Flow Margin and Adjusted EBITDA Margin excluding pass through reimbursable expenses, (4) the amortization of capital contributions for tower augmentations as leasing revenue, and (5) Return on Invested Capital.

Segment Operating Profit and Segment Operating Profit Margin for the Three Months are as follows:

	<u>Domestic Site Leasing</u>		<u>Int'l Site Leasing</u>		<u>Total Site Leasing</u>		<u>Site Development</u>	
	<u>For the three months ended September 30,</u>		<u>For the three months ended September 30,</u>		<u>For the three months ended September 30,</u>		<u>For the three months ended September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<i>(in thousands)</i>							
Segment revenue	\$ 319,109	\$ 313,131	\$ 69,059	\$ 58,862	\$ 388,168	\$ 371,993	\$ 23,151	\$ 38,742
Segment cost of revenues (excluding depreciation, accretion, and amortization)	<u>(65,353)</u>	<u>(63,587)</u>	<u>(21,001)</u>	<u>(17,759)</u>	<u>(86,354)</u>	<u>(81,346)</u>	<u>(19,114)</u>	<u>(30,387)</u>
Segment operating profit	<u>\$ 253,756</u>	<u>\$ 249,544</u>	<u>\$ 48,058</u>	<u>\$ 41,103</u>	<u>\$ 301,814</u>	<u>\$ 290,647</u>	<u>\$ 4,037</u>	<u>\$ 8,355</u>
Segment operating profit margin	<u>79.5%</u>	<u>79.7%</u>	<u>69.6%</u>	<u>69.8%</u>	<u>77.8%</u>	<u>78.1%</u>	<u>17.4%</u>	<u>21.6%</u>

Cash Site Leasing Revenue, Tower Cash Flow and Tower Cash Flow Margin



Cash Site Leasing Revenue is defined as site leasing revenue less non-cash straight-line site leasing revenue. Tower Cash Flow is defined as Cash Site Leasing Revenue less site leasing cost of revenues and non-cash straight-line ground lease expense and Tower Cash Flow Margin is defined as Tower Cash Flow divided by Cash Site Leasing Revenue. We discuss these non-GAAP financial measures because we believe these items are indicators of performance of our site leasing operations. In addition, Tower Cash Flow is a component of the calculation used by our lenders to determine compliance with certain covenants under our Senior Credit Agreement, 5.625% Notes, and two 4.875% Notes. Neither Cash Site Leasing Revenue, Tower Cash Flow nor Tower Cash Flow Margin are intended to be alternative measures of site leasing gross profit nor of site leasing gross profit margin as determined in accordance with GAAP.

The quarterly reconciliation of Cash Site Leasing Revenue and Tower Cash Flow and the calculation of Tower Cash Flow Margin is as follows:

	<u>Domestic Site Leasing</u>		<u>Int'l Site Leasing</u>		<u>Total Site Leasing</u>	
	<u>For the three months ended September 30,</u>		<u>For the three months ended September 30,</u>		<u>For the three months ended September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<i>(in thousands)</i>					
Site leasing revenue	\$ 319,109	\$ 313,131	\$ 69,059	\$ 58,862	\$ 388,168	\$ 371,993
Non-cash straight-line leasing revenue	(2,280)	(6,247)	(5,054)	(5,395)	(7,334)	(11,642)
Cash site leasing revenue	316,829	306,884	64,005	53,467	380,834	360,351
Site leasing cost of revenues (excluding depreciation, accretion, and amortization)	(65,353)	(63,587)	(21,001)	(17,759)	(86,354)	(81,346)
Non-cash straight-line ground lease expense	7,420	7,657	903	898	8,323	8,555
Tower Cash Flow	<u>\$ 258,896</u>	<u>\$ 250,954</u>	<u>\$ 43,907</u>	<u>\$ 36,606</u>	<u>\$ 302,803</u>	<u>\$ 287,560</u>
Tower Cash Flow Margin	<u>81.7%</u>	<u>81.8%</u>	<u>68.6%</u>	<u>68.5%</u>	<u>79.5%</u>	<u>79.8%</u>

Cash Site Leasing Revenue, Tower Cash Flow and Tower Cash Flow Margin



The quarterly reconciliation of Cash Site Leasing Revenue and Tower Cash Flow and the calculation of Tower Cash Flow Margin is as follows:

	Domestic									
	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014	9/30/2014	
	<i>(in thousands)</i>									
Site leasing revenue	\$ 319,109	\$ 316,842	\$ 315,230	\$ 310,316	\$ 313,131	\$ 307,361	\$ 305,950	\$ 303,290	\$ 293,775	
Non-cash straight-line leasing revenue	(2,280)	(4,069)	(4,079)	(5,175)	(6,247)	(7,154)	(7,497)	(7,850)	(10,004)	
Cash site leasing revenue	316,829	312,773	311,151	305,141	306,884	300,207	298,453	295,440	283,771	
Site leasing cost of revenues (excluding depreciation, accretion, and amortization)	(65,353)	(66,199)	(64,475)	(63,652)	(63,587)	(63,563)	(61,686)	(61,600)	(63,108)	
Non-cash straight-line ground lease expense	7,420	8,866	7,624	7,561	7,657	7,540	7,795	7,853	8,120	
Tower Cash Flow	\$ 258,896	\$ 255,440	\$ 254,300	\$ 249,050	\$ 250,954	\$ 244,184	\$ 244,562	\$ 241,693	\$ 228,783	
Tower Cash Flow Margin	81.7%	81.7%	81.7%	81.6%	81.8%	81.3%	81.9%	81.8%	80.6%	

Cash Site Leasing Revenue, Tower Cash Flow and Tower Cash Flow Margin



The quarterly reconciliation of Cash Site Leasing Revenue and Tower Cash Flow and the calculation of Tower Cash Flow Margin is as follows:

	International									
	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014	9/30/2014	
	<i>(in thousands)</i>									
Site leasing revenue	\$ 69,059	\$ 65,001	\$ 59,220	\$ 58,136	\$ 58,862	\$ 63,101	\$ 63,777	\$ 58,131	\$ 55,235	
Non-cash straight-line leasing revenue	(5,054)	(4,706)	(4,768)	(4,788)	(5,395)	(6,064)	(6,738)	(6,283)	(6,485)	
Cash site leasing revenue	64,005	60,295	54,452	53,348	53,467	57,037	57,039	51,848	48,750	
Site leasing cost of revenues (excluding depreciation, accretion, and amortization)	(21,001)	(20,294)	(18,287)	(17,705)	(17,759)	(18,168)	(18,531)	(16,664)	(14,818)	
Non-cash straight-line ground lease expense	903	928	870	849	898	983	921	1,048	1,105	
Tower Cash Flow	\$ 43,907	\$ 40,929	\$ 37,035	\$ 36,492	\$ 36,606	\$ 39,852	\$ 39,429	\$ 36,232	\$ 35,037	
Tower Cash Flow Margin	68.6%	67.9%	68.0%	68.4%	68.5%	69.9%	69.1%	69.9%	71.9%	

The annual reconciliation of Tower Cash Flow is as follows:

	For the year ended December 31,					
	2015	2014	2013	2012	2011	2010
	<i>(in thousands)</i>					
Site leasing revenue	\$ 1,480,634	\$ 1,360,202	\$ 1,133,013	\$ 846,094	\$ 616,294	\$ 535,444
Site leasing cost of revenue (excluding depreciation, accretion and amortization)	(324,655)	(301,313)	(270,772)	(188,951)	(131,916)	(119,141)
Site Leasing Segment Operating Profit	\$ 1,155,979	\$ 1,058,891	\$ 862,241	\$ 657,143	\$ 484,378	\$ 416,303
Non-cash straight-line leasing revenue	(49,064)	(56,866)	(65,611)	(52,009)	(12,762)	(5,289)
Non-cash straight-line ground lease expense	34,204	36,271	33,621	22,463	11,811	11,300
Tower Cash Flow ⁽¹⁾	\$ 1,141,119	\$ 1,038,296	\$ 830,251	\$ 627,597	\$ 483,427	\$ 422,314

(1) Annual numbers may not add up due to rounding.

Note: Tower Cash Flow for fiscal year 2016 will be calculated as defined in the previous page.

Adjusted EBITDA, Annualized Adjusted EBITDA and Adjusted EBITDA Margin



Adjusted EBITDA is defined as net income (loss) excluding the impact of interest expense, interest income, provision for or benefit from taxes, depreciation, accretion and amortization, asset impairment and decommission costs, non-cash compensation, loss/(gain) from extinguishment of debt, net, other (income) and expense, acquisition related adjustments and expenses, non-cash straight-line leasing revenue, and non-cash straight-line ground lease expense. Adjusted EBITDA excludes acquisition related costs which, pursuant to the adoption of new business combination accounting guidance, are expensed and included within operating expenses. Annualized Adjusted EBITDA is calculated as Adjusted EBITDA for the most recent quarter multiplied by four. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by the difference of total revenue minus non-cash straight-line leasing revenue.

Adjusted EBITDA is useful to investors or other interested parties in evaluating our financial performance. Adjusted EBITDA is the primary measure used by management (1) to evaluate the economic productivity of our operations and (2) for purposes of making decisions about allocating resources to, and assessing the performance of, our operations. Management believes that Adjusted EBITDA helps investors or other interested parties meaningfully evaluate and compare the results of our operations (1) from period to period and (2) to our competitors, by excluding the impact of our capital structure (primarily interest charges from our outstanding debt) and asset base (primarily depreciation, amortization and accretion) from our financial results. Management also believes Adjusted EBITDA is frequently used by investors or other interested parties in the evaluation of REITs. In addition, Adjusted EBITDA is similar to the measure of current financial performance generally used in our debt covenant calculations. Adjusted EBITDA should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.

Adjusted EBITDA, Annualized Adjusted EBITDA and Adjusted EBITDA Margin



The quarterly reconciliation of Adjusted EBITDA and the calculation of Annualized Adjusted EBITDA are as follows:

	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014	9/30/2014
	<i>(in thousands)</i>								
Net income (loss)	\$ (15,370)	\$ 32,711	\$ 53,639	\$ 31,019	\$ (155,946)	\$ 28,305	\$ (79,030)	\$ 388	\$ (16,624)
Non-cash straight-line leasing revenue	(7,334)	(8,775)	(8,847)	(9,963)	(11,642)	(13,218)	(14,235)	(14,133)	(16,489)
Non-cash straight-line ground lease expense	8,323	9,794	8,494	8,410	8,555	8,523	8,716	8,901	9,225
Non-cash compensation	8,076	8,893	7,785	6,845	6,702	8,213	6,988	5,440	6,416
Loss from extinguishment of debt, net	34,512	—	—	783	—	—	—	1,124	14,893
Other (income) / expense	1,139	(47,376)	(45,900)	(39,572)	111,250	(15,507)	82,968	9,758	(611)
Acquisition related adjustments and expenses	2,970	2,821	3,182	4,380	364	5,780	1,339	(2,930)	(58)
Asset impairment and decommission costs	2,305	14,691	6,183	20,598	63,353	4,010	6,822	10,247	5,992
Interest income	(3,101)	(2,737)	(1,866)	(1,610)	(1,276)	(715)	(293)	(249)	(161)
Total interest expense ⁽¹⁾	89,456	89,467	89,524	89,561	87,129	83,856	82,478	81,644	91,005
Depreciation, accretion and amortization	160,111	159,723	159,801	161,461	164,330	162,377	171,853	162,214	159,410
Provision for taxes ⁽²⁾	2,123	2,402	2,660	2,411	2,369	2,627	3,420	4,288	1,342
Adjusted EBITDA	\$ 283,210	\$ 261,614	\$ 274,655	\$ 274,323	\$ 275,188	\$ 274,251	\$ 271,026	\$ 266,692	\$ 254,340
Annualized Adjusted EBITDA ⁽³⁾	\$ 1,132,840	\$ 1,046,456	\$ 1,098,620	\$ 1,097,292	\$ 1,100,752	\$ 1,097,004	\$ 1,084,104	\$ 1,066,768	\$ 1,017,360
Oi reserve ⁽⁴⁾	-	16,498	-	-	-	-	-	-	-
Adjusted EBITDA net of the Oi Reserve	\$ 283,210	\$ 278,112	\$ 274,655	\$ 274,323	\$ 275,188	\$ 274,251	\$ 271,026	\$ 266,692	\$ 254,340
Annualized Adjusted EBITDA net of the Oi Reserve ⁽³⁾	\$ 1,132,840	\$ 1,112,448	\$ 1,098,620	\$ 1,097,292	\$ 1,100,752	\$ 1,097,004	\$ 1,084,104	\$ 1,066,768	\$ 1,017,360

(1) Total interest expense includes interest expense, non-cash interest expense, and amortization of deferred financing fees.

(2) These amounts include Franchise and Gross receipt taxes which are reflected in the Statements of Operations in selling, general and administrative expenses.

(3) Annualized Adjusted EBITDA is calculated as Adjusted EBITDA for the most recent quarter multiplied by four.

(4) Oi Reserve represents bad debt provision related to amounts owed or potentially owed by Oi as of June 20, 2016, the date Oi filed a petition for judicial reorganization in Brazil.

Adjusted EBITDA, Annualized Adjusted EBITDA and Adjusted EBITDA Margin



The annual reconciliation of Adjusted EBITDA is as follows:

	For the year ended December 31,					
	2015	2014	2013	2012	2011	2010
	<i>(in thousands)</i>					
Net income (loss)	\$ (175,656)	\$ (24,295)	\$ (55,909)	\$ (181,390)	\$ (126,892)	\$ (194,421)
Non-cash straight-line leasing revenue	(49,064)	(56,867)	(65,611)	(52,009)	(12,762)	(5,289)
Non-cash straight-line ground lease expense	34,204	36,271	33,621	22,463	11,811	11,300
Non-cash compensation	28,748	22,671	17,205	13,968	11,469	10,501
Loss from extinguishment of debt, net	783	26,204	6,099	51,799	1,696	49,060
Other (income) / expense	139,137	(10,628)	(31,138)	(5,654)	165	(29)
Acquisition related adjustments and expenses	11,864	7,798	19,198	40,433	7,144	10,106
Asset impairment and decommission costs	94,783	23,801	28,960	6,383	5,472	5,862
Interest income	(3,894)	(677)	(1,794)	(1,128)	(136)	(432)
Total interest expense ⁽¹⁾	343,025	337,284	313,696	279,221	233,713	219,090
Depreciation, accretion and amortization	660,021	627,072	533,334	408,467	309,146	278,727
Provision for taxes	10,827	10,120	(492)	7,689	4,091	2,904
Income from discontinued operations	-	-	-	(2,296)	-	-
Adjusted EBITDA ⁽²⁾	<u>\$ 1,094,777</u>	<u>\$ 998,754</u>	<u>\$ 797,169</u>	<u>\$ 587,946</u>	<u>\$ 444,917</u>	<u>\$ 387,379</u>

(1) Total interest expense includes interest expense, non-cash interest expense, and amortization of deferred financing fees.

(2) Adjusted EBITDA for the fiscal year 2016 will be calculated in the same manner.

Note: Annual numbers may not add up due to rounding.

Adjusted EBITDA, Annualized Adjusted EBITDA and Adjusted EBITDA Margin



The quarterly calculation of Adjusted EBITDA Margin is as follows:

	<u>For the three months</u>	
	<u>ended September 30,</u>	
	<u>2016</u>	<u>2015</u>
	<i>(in thousands)</i>	
Total revenues	\$ 411,319	\$ 410,735
Non-cash straight-line leasing revenue	(7,334)	(11,642)
Total revenues minus non-cash straight-line leasing revenue	<u>\$ 403,985</u>	<u>\$ 399,093</u>
Adjusted EBITDA	<u>\$ 283,210</u>	<u>\$ 275,188</u>
Adjusted EBITDA Margin	<u>70.1%</u>	<u>69.0%</u>

Adjusted EBITDA, Annualized Adjusted EBITDA and Adjusted EBITDA Margin



The annual calculation of Adjusted EBITDA Margin is as follows:

For the year ended
December 31,

	2015	2014	2013	2012	2011	2010
	<i>(in thousands)</i>					
Total revenues	\$ 1,638,474	\$ 1,526,996	\$ 1,304,866	\$ 954,084	\$ 698,170	\$ 626,619
Non-cash straight-line leasing revenue	(49,064)	(56,867)	(65,611)	(52,009)	(12,762)	(5,289)
Total revenues minus non-cash straight-line leasing revenue	\$ 1,589,410	\$ 1,470,131	\$ 1,239,255	\$ 902,075	\$ 685,408	\$ 621,330
Adjusted EBITDA	\$ 1,094,777	\$ 998,754	\$ 797,169	\$ 587,946	\$ 444,917	\$ 387,379
Adjusted EBITDA Margin ⁽¹⁾	68.90%	67.90%	64.30%	65.20%	64.90%	62.30%

(1) Adjusted EBITDA Margin for the fiscal year 2016 will be calculated in the same manner.
Note: Annual numbers may not add up due to rounding.

Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share



Funds From Operations, or FFO, is defined as net income (loss) plus real estate related depreciation, amortization and accretion. Adjusted Funds From Operations, or AFFO, is defined as FFO adjusted to remove the impact of non-cash straight-line leasing revenue, non-cash straight-line ground lease expense, non-cash compensation, changes in the non-cash portion of our reported tax position, non-real estate related depreciation, amortization and accretion, amortization of deferred financing costs and debt discounts, gain (loss) from extinguishment of debt, net, other (income) and expense, acquisition related adjustments and expenses, asset impairment and decommission costs, interest deemed paid upon conversion of convertible notes and non-discretionary cash capital expenditures. AFFO Per Share is defined as AFFO divided by the weighted number of shares outstanding, adjusted to include the dilutive effect of stock options and restricted stock units.

FFO, AFFO and AFFO per share, which are metrics used by our public company peers in the communication site industry, provide investors useful indicators of the financial performance of our business and permit investors an additional tool to evaluate the performance of our business against those of our two principal competitors. On October 3, 2016, SBA's Board authorized SBA to take the steps necessary to be subject to tax as a REIT commencing with the taxable year ending December 31, 2016. We believe that we are operating in a manner that complies with the REIT rules as of January 1, 2016. As a result, we have updated our definition of FFO. Under the revised definition, FFO no longer includes an adjustment to reflect our estimate of our cash taxes had we been a REIT. However, AFFO continues to exclude the non-cash portion of our reported tax provision. We refer to the prior definition as FFO, as previously defined. FFO, AFFO, and AFFO per share are also used to address questions we receive from analysts and investors who routinely assess our operating performance on the basis of these performance measures, which are considered industry standards. We believe that FFO helps investors or other interested parties meaningfully evaluate financial performance by excluding the impact of our asset base (primarily depreciation, amortization and accretion). We believe that AFFO and AFFO per share help investors or other interested parties meaningfully evaluate our financial performance as they include (1) the impact of our capital structure (primarily interest expense on our outstanding debt) and (2) sustaining capital expenditures and exclude the impact of our (1) asset base (primarily depreciation, amortization and accretion) and (2) certain non-cash items, including straight-lined revenues and expenses related to fixed escalations and rent free periods. GAAP requires rental revenues and expenses related to leases that contain specified rental increases over the life of the lease to be recognized evenly over the life of the lease. In accordance with GAAP, if payment terms call for fixed escalations, or rent free periods, the revenue or expense is recognized on a straight-lined basis over the fixed, non-cancelable term of the contract. We only use AFFO as a performance measure. AFFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance and should not be considered as an alternative to cash flows from operations or as residual cash flow available for discretionary investment. We believe our definition of FFO is consistent with how that term is defined by the National Association of Real Estate Investment Trusts ("NAREIT") and that our definition and use of AFFO and AFFO per share is consistent with those reported by the other communication site companies.

Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share



The calculation of Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share is as follows:

	For the three months	
	September 30,	
	2016	2015
	(in thousands)	
Net income	\$ (15,370)	\$ (155,946)
Less: Net loss from discontinued operations	—	—
Real estate related depreciation, amortization, and accretion	158,863	162,811
FFO	<u>\$ 143,493</u>	<u>\$ 6,865</u>
Adjustments to FFO:		
Non-cash straight-line leasing revenue	(7,334)	(11,642)
Non-cash straight-line ground lease expense	8,323	8,555
Non-cash compensation	8,076	6,702
Adjustment for non-cash portion of tax provision (1)	(1,163)	436
Non-real estate related depreciation, amortization, and accretion	1,248	1,519
Amortization of deferred financing costs and debt discounts	6,030	5,252
Interest deemed paid upon conversion of convertible notes	—	—
Loss from extinguishment of debt, net	34,512	—
Other (income) expense	1,139	111,250
Acquisition related adjustments and expenses	2,970	364
Asset impairment and decommission costs	2,305	63,353
Non-discretionary cash capital expenditures	(8,059)	(8,727)
AFFO	<u>\$ 191,540</u>	<u>\$ 183,927</u>
Oi reserve	—	—
AFFO net of the Oi reserve	<u>\$ 191,540</u>	<u>\$ 183,927</u>
Weighted average number of common shares (2)	<u>125,381</u>	<u>128,279</u>
AFFO per share	<u>\$ 1.53</u>	<u>\$ 1.43</u>
AFFO per share net of the Oi reserve	<u>\$ 1.53</u>	<u>\$ 1.43</u>

- (1) Adjusts the income tax provision during the third quarter of 2015 to reflect our estimate of cash income taxes (primarily foreign taxes) that would have been payable had we been a REIT. Removes the non-cash portion of the tax provision for the third quarter of 2016.
- (2) For purposes of the AFFO per share calculation, the basic weighted average number of common shares has been adjusted to include the dilutive effect of stock options and restricted stock units

Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share



The annual calculation of Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share is as follows:

	<u>For the years ended</u> <u>December 31</u>	
	<u>2015</u>	<u>2014</u>
	<i>(in thousands)</i>	
Net Loss	\$ (175,656)	\$ (24,295)
Real estate related depreciation, amortization, and accretion	653,990	621,208
FFO ⁽²⁾	<u>\$ 478,334</u>	<u>\$ 596,913</u>
Adjustments to FFO:		
Non-cash straight-line leasing revenue	(49,064)	(56,867)
Non-cash straight-line ground lease expense	34,204	36,271
Non-cash compensation	28,747	22,671
Adjustment for non-cash portion of tax provision ⁽¹⁾	2,211	2,705
Non-real estate related depreciation, amortization, and accretion	6,031	5,862
Amortization of deferred financing costs and debt discounts	20,659	44,684
Interest deemed paid upon conversion of convertible notes	-	7,537
Loss from extinguishment of debt, net	783	26,204
Other (income) expense	139,137	(10,628)
Acquisition related adjustments and expenses	11,863	7,798
Asset impairment and decommission costs	94,783	23,801
Non-discretionary cash capital expenditures	<u>(33,600)</u>	<u>(27,243)</u>
AFFO ⁽²⁾	<u>\$ 734,088</u>	<u>\$ 679,709</u>
Weighted average number of common shares ⁽³⁾	<u>128,914</u>	<u>130,061</u>
AFFO per share ⁽²⁾	<u>\$ 5.69</u>	<u>\$ 5.23</u>

(1) Adjusts the income tax provision during the periods to reflect our estimate of cash income taxes (primarily foreign taxes) that would have been payable had we been a REIT.

(2) FFO, AFFO and AFFO per Share for the fiscal year 2016 will be calculated in the same manner.

(3) For purposes of the AFFO per share calculation, the basic weighted average number of common shares has been adjusted to include the dilutive effect of stock options and restricted stock units.

Note: Annual numbers may not add up due to rounding.

Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share



The quarterly calculation of Funds From Operations, Adjusted Funds From Operations and Adjusted Funds From Operations Per Share is as follows:

	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
	<i>(in thousands)</i>							
Net income (loss)	\$ (15,370)	\$ 32,711	\$ 53,639	\$ 31,019	\$ (155,946)	\$ 28,305	\$ (79,030)	\$ 388
Real estate related depreciation, amortization and accretion	158,863	158,378	158,335	159,958	162,811	160,970	170,251	160,675
FFO	\$ 143,493	\$ 191,089	\$ 211,974	\$ 190,977	\$ 6,865	\$ 189,275	\$ 91,221	\$ 161,063
Adjustments to FFO:								
Non-cash straight-line leasing revenue	(7,334)	(8,775)	(8,847)	(9,963)	(11,642)	(13,218)	(14,235)	(14,133)
Non-cash straight-line ground lease expense	8,323	9,794	8,494	8,410	8,555	8,523	8,716	8,901
Non-cash compensation	8,076	8,893	7,785	6,845	6,702	8,213	6,988	5,440
Adjustment for non-cash portion of tax provision ⁽¹⁾	(1,163)	(208)	117	470	436	(401)	1,706	2,997
Non-real estate related depreciation, amortization and accretion	1,248	1,345	1,466	1,503	1,519	1,407	1,602	1,539
Amortization of deferred financing costs and debt discounts	6,030	5,785	5,720	5,635	5,252	4,948	4,824	4,738
Loss from extinguishment of debt, net	34,512	-	-	783	-	-	-	1,124
Other (income) expense	1,139	(47,376)	(45,900)	(39,572)	111,250	(15,507)	82,968	9,758
Acquisition related adjustments and expenses	2,970	2,821	3,182	4,380	364	5,780	1,339	(2,930)
Asset impairment and decommission costs	2,305	14,691	6,183	20,598	63,353	4,010	6,822	10,247
Non-discretionary cash capital expenditures	(8,059)	(8,749)	(7,824)	(8,958)	(8,727)	(8,539)	(7,376)	(7,238)
FFO	\$ 191,540	\$ 169,310	\$ 182,350	\$ 181,108	\$ 183,927	\$ 184,491	\$ 184,575	\$ 181,506
Oi reserve		16,498	-	-	-	-	-	-
FFO net of the Oi reserve	\$ 191,540	\$ 185,808	\$ 182,350	\$ 181,108	\$ 183,927	\$ 184,491	\$ 184,575	\$ 181,506
Weighted average number of common shares ⁽²⁾	125,391	125,783	126,124	126,964	128,279	129,948	130,525	130,339
FFO per share	\$1.53	\$1.35	\$1.45	\$1.43	\$1.43	\$1.42	\$1.41	\$1.39
FFO per share net of the Oi reserve	\$1.53	\$1.48	\$1.45	\$1.43	\$1.43	\$1.42	\$1.41	\$1.39

(1) Adjusts the income tax provision during the period to reflect our estimate of cash income taxes (primarily foreign taxes) that would have been payable had we been a REIT.

(2) Includes the dilutive effect of stock options and restricted stock units.

Net Debt, Leverage Ratio and Net Cash Interest Coverage Ratio



Net Debt is defined as the notional principal amount of outstanding debt minus cash and cash equivalents, short-term investments, and short-term restricted cash. Net Secured Debt is defined as the notional principal amount of outstanding secured debt minus cash and cash equivalents, short-term investments, and short-term restricted cash. Under GAAP policies, the notional principal amount of the Company's outstanding debt is not necessarily reflected on the face of the Company's financial statements. Leverage Ratio is defined as Net Debt divided by Annualized Adjusted EBITDA. Secured Leverage Ratio is defined as Net Secured Debt divided by Annualized Adjusted EBITDA. Net cash interest coverage ratio is defined as Adjusted EBITDA divided by Net Cash Interest Expense. We believe that by including the full amount of the notional principal amount due at maturity for purposes of calculating net debt, and, to the extent that such measures are calculated on net debt, by excluding cash and cash equivalents, it will provide investors a more complete understanding of our net debt and leverage position. We have included these non-GAAP financial measures because we believe these items are indicators of our financial condition, and they are used by our lenders to determine compliance with certain covenants under our Senior Credit Agreement, 5.625% Notes, and two 4.875% Notes.

Net Debt, Leverage Ratio and Net Cash Interest Coverage Ratio



The calculations of Net Debt and Leverage Ratio are as follows:

	<u>September 30, 2016</u>
	<i>(in thousands)</i>
2012-1C Tower Securities	\$ 610,000
2013-1C Tower Securities	425,000
2013-2C Tower Securities	575,000
2013-1D Tower Securities	330,000
2014-1C Tower Securities	920,000
2014-2C Tower Securities	620,000
2015-1C Tower Securities	500,000
2016-1C Tower Securities	700,000
Revolving Credit Facility	150,000
2014 Term Loan B (carrying value of \$1,455,214)	1,466,250
2015 Term Loan B (carrying value of \$485,344)	<u>493,750</u>
Total secured debt	<u>6,790,000</u>
5.625% 2019 Senior Notes	500,000
2014 Senior Notes (carrying value of \$736,488)	750,000
2016 Senior Notes (carrying value of \$1,078,665)	<u>1,100,000</u>
Total unsecured debt	<u>2,350,000</u>
Total debt	<u>\$ 9,140,000</u>
Less: Cash and cash equivalents, short-term restricted cash and short-term investments	<u>(717,919)</u>
Net debt	<u>\$ 8,422,081</u>
Divided by: Annualized Adjusted EBITDA	<u>\$ 1,132,840</u>
Leverage Ratio	<u>7.4x</u>

Net Debt, Leverage Ratio and Net Cash Interest Coverage Ratio



The calculations of Net Debt and Leverage Ratio are as follows:

	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
	<i>(in thousands)</i>							
Total Debt (notional)	\$ 9,140,000	\$ 8,575,000	\$ 8,570,000	\$ 8,555,000	\$ 8,500,000	\$ 8,270,000	\$ 7,972,500	\$ 7,870,000
Less: Cash and cash equivalents, short-term investments and short-term restricted cash	(717,919)	(159,624)	(129,112)	(144,098)	(120,758)	(117,606)	(108,625)	(97,511)
Net Debt	\$ 8,422,081	\$ 8,415,376	\$ 8,440,888	\$ 8,410,902	\$ 8,379,242	\$ 8,152,394	\$ 7,863,875	\$ 7,772,489
Divided by: Annualized Adjusted EBITDA excluding the Oi reserve	\$ 1,132,840	\$ 1,112,448	\$ 1,098,620	\$ 1,097,292	\$ 1,100,752	\$ 1,097,004	\$ 1,084,104	\$ 1,066,768
Leverage Ratio excluding the Oi reserve	7.4x	7.6x	7.7x	7.7x	7.6x	7.4x	7.3x	7.3x

Net Debt, Leverage Ratio and Net Cash Interest Coverage Ratio



The calculation of Net Cash Interest Coverage Ratio is as follows:

	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
	<i>(in thousands)</i>							
Adjusted EBITDA net of the Oi reserve	\$ 283,210	\$ 278,112	\$ 274,655	\$ 274,323	\$ 275,188	\$ 274,251	\$ 271,026	\$ 266,692
Interest expense	83,426	83,682	83,804	83,926	81,877	78,908	77,654	76,906
Interest income	(3,101)	(2,737)	(1,866)	(1,610)	(1,276)	(715)	(293)	(249)
Net cash interest expense	\$ 80,325	\$ 80,945	\$ 81,938	\$ 82,316	\$ 80,601	\$ 78,193	\$ 77,361	\$ 76,657
Net Cash Interest Coverage Ratio net of the Oi reserve	3.5x	3.4x	3.4x	3.3x	3.4x	3.5x	3.5x	3.5x

Net Secured Debt and Secured Leverage Ratio



The calculations of Net Secured Debt and Secured Leverage Ratio are as follows:

	<u>September 30, 2016</u>
	<i>(in thousands)</i>
Total debt ⁽¹⁾	\$ 9,140,000
Less:	
Unsecured debt ⁽¹⁾	\$ (2,350,000)
	<hr/>
Secured debt ⁽¹⁾	\$ 6,790,000
	<hr/>
Less: Cash and cash equivalents, short-term investments and short-term restricted cash	\$ (717,919)
Net Secured Debt	<hr/> \$ 6,072,081 <hr/>
	<hr/>
Divided by: Annualized Adjusted EBITDA	\$ 1,132,840
	<hr/>
Secured Leverage Ratio	<hr/> <hr/> 5.4x

(1) Notional principal amount of outstanding debt.

Constant Currency Measures and the Impact of iDen-Related Churn



We eliminate the impact of changes in foreign currency exchange rates for each of the following financial metrics (collectively, our “Constant Currency Measures”) by dividing the current period’s financial results by the average monthly exchange rates of the prior year period. The table below provides the reconciliation of the reported growth rate year-over-year, of each of the following measures to the growth rate, after eliminating the impact of changes in foreign currency exchange rates to such measure: (1) total site leasing revenue, total cash site leasing revenue, and international cash site leasing revenue, (2) total site leasing segment operating profit and international site leasing segment operating profit, (3) total Tower Cash Flow and international Tower Cash Flow, (4) Adjusted EBITDA and (5) AFFO and AFFO Per Share. The table also provides the reconciliation of the reported year-over-year growth rates of these measures to the growth rates after eliminating the iDen-related lease terminations that occurred during 2015.

We believe that our Constant Currency Measures provide management and investors the ability to evaluate the performance of the business without the impact of foreign exchange fluctuations. We believe that excluding the impact of iDen-related churn, which represents the roll-off of Sprint leases for the discontinued technology, provides management and investors a better understanding of our core growth rate.

	Third quarter 2016 year over year growth rate	Foreign currency impact	Growth excluding foreign currency impact	iDen churn impact	Growth excluding foreign currency and iDen churn impact
Total site leasing revenue	4.3%	1.0%	3.3%	(2.2%)	5.5%
Total cash site leasing revenue	5.7%	1.0%	4.7%	(2.3%)	7.0%
Int'l cash site leasing revenue	19.7%	6.5%	13.2%	--	13.2%
Total site leasing segment oper. profit	3.8%	0.8%	3.0%	(2.8%)	5.8%
Int'l site leasing segment oper. profit	16.9%	6.0%	10.9%	--	10.9%
Total site leasing tower cash flow	5.3%	0.8%	4.5%	(2.9%)	7.4%
Int'l site leasing tower cash flow	19.9%	5.9%	14.0%	--	14.0%
Adjusted EBITDA	2.9%	0.7%	2.2%	(3.0%)	5.2%
AFFO	4.1%	1.1%	3.0%	(4.5%)	7.5%
AFFO per share	7.0%	1.4%	5.6%	(4.2%)	9.8%

Selected Foreign Currency Exposure



The following is a summary of the percentage of Total Cash Site Leasing Revenue generated in non-U.S. dollars by currency.

	For the three months ended							
	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
Brazilian Real	11.3%	10.8%	9.6%	9.5%	9.9%	11.1%	11.4%	10.3%
Brazilian Real ⁽¹⁾	7.9%	7.5%	6.6%	6.6%	6.9%	8.1%	8.2%	7.5%
Canadian Dollar	0.7%	0.8%	0.7%	0.8%	0.7%	0.8%	0.7%	0.8%

(1) Adjusted to exclude pass through reimbursable expenses associated with site leasing revenue.

The following is a list of significant customers and the percentage of total segment revenue for the specified time periods derived from such customers.

Percentage of Domestic Site Leasing Revenue

For the three months ended

	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
AT&T Wireless ⁽¹⁾	32.7%	32.8%	32.4%	32.4%	31.7%	31.7%	31.7%	31.2%
Sprint ⁽²⁾	19.7%	19.7%	19.9%	20.2%	22.4%	23.2%	23.4%	24.2%
T-Mobile ⁽³⁾	19.8%	19.7%	19.6%	19.6%	18.7%	18.9%	18.6%	18.9%
Verizon Wireless	18.2%	18.1%	17.9%	17.4%	16.6%	15.9%	15.4%	15.5%

Percentage of International Site Leasing Revenue

For the three months ended

	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
Oi S.A.	44.2%	45.3%	42.7%	44.4%	41.6%	48.9%	49.4%	47.4%
Telefonica	26.3%	25.6%	27.2%	27.3%	25.6%	23.3%	21.4%	25.3%
Claro	9.3%	11.0%	9.6%	10.4%	9.6%	9.5%	8.6%	9.1%

(1) Prior year amounts have been adjusted to reflect the merger of AT&T Wireless and Leap Wireless (Cricket Wireless).

(2) Prior year amounts have been adjusted to reflect the merger of Sprint and Clearwire.

(3) Prior year amounts have been adjusted to reflect the merger of T-Mobile and Metro PCS.

Pass Through Reimbursable Expenses



The following is a summary of pass through reimbursable expenses which are associated with site leasing revenue.

For the three months ended

	<u>9/30/2016</u>	<u>6/30/2016</u>	<u>3/31/2016</u>	<u>12/31/2015</u>	<u>9/30/2015</u>	<u>6/30/2015</u>	<u>3/31/2015</u>	<u>12/31/2014</u>
	<i>(in thousands)</i>							
Domestic	\$ 7,853	\$ 7,847	\$ 7,659	\$ 7,455	\$ 7,343	\$ 8,105	\$ 7,544	\$ 7,592
International	14,988	14,374	12,531	12,025	12,040	12,505	13,199	11,108
Total	\$ 22,841	\$ 22,221	\$ 20,190	\$ 19,481	\$ 19,383	\$ 20,610	\$ 20,743	\$ 18,700

Tower Cash Flow Margin and Adjusted EBITDA Margin Excluding Pass Through Reimbursable Expenses



The following is a summary of Tower Cash Flow Margin and Adjusted EBITDA Margin excluding pass through reimbursable expenses which are associated with site leasing revenue.

	For the three months ended							
	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
Tower Cash Flow Margin	84.6%	84.5%	84.3%	84.2%	84.3%	84.4%	84.8%	84.6%
Adjusted EBITDA Margin	74.3%	69.9%	74.1%	72.7%	72.5%	72.8%	72.3%	71.7%
Adjusted EBITDA Margin net of the Oi reserve	74.3%	74.3%	74.1%	72.7%	72.5%	72.8%	72.3%	71.7%

Amortization of Capital Contributions



The following is a summary of amortization of capital contributions for tower augmentations as leasing revenue.

	For the three months ended							
	9/30/2016	6/30/2016	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015	12/31/2014
	<i>(in thousands)</i>							
Total	\$ 9,059	\$ 9,507	\$ 9,843	\$ 10,664	\$ 11,137	\$ 11,701	\$ 12,412	\$ 12,050

Return on Invested Capital (ROIC)



(in thousands)	2007	2008	2009	2010	2011	2012	2013	2014	2015	1Q16 ⁽¹⁾	2Q16 ⁽¹⁾	3Q16 ⁽¹⁾
Adjusted EBITDA	\$ 209,399	\$ 269,186	\$ 338,464	\$ 387,379	\$ 444,917	\$ 587,946	\$ 797,169	\$ 998,754	\$ 1,094,777	\$ 1,098,620	\$ 1,112,448	\$ 1,132,840
Less: Cash taxes	(2,557)	(1,893)	(1,975)	(3,814)	(6,477)	(2,142)	(5,194)	(5,916)	(6,851)	(8,352)	(7,172)	(10,948)
Less: Non-discretionary cash capital expenditures	(6,770)	(6,357)	(8,292)	(10,231)	(16,404)	(12,286)	(18,980)	(27,243)	(33,600)	(31,296)	(34,996)	(32,236)
Numerator	\$ 200,072	\$ 260,936	\$ 328,197	\$ 373,334	\$ 422,036	\$ 573,518	\$ 772,995	\$ 965,595	\$ 1,054,326	\$ 1,058,972	\$ 1,070,280	\$ 1,089,656
Historical Gross Property and Equipment	\$ 1,840,729	\$ 2,278,935	\$ 2,411,612	\$ 2,599,796	\$ 2,809,672	\$ 4,109,522	\$ 4,250,861	\$ 4,709,036	\$ 4,976,259	\$ 5,061,922	\$ 5,125,483	\$ 5,158,563
Historical Gross Intangibles	957,735	1,591,323	1,709,386	1,890,611	2,163,468	3,846,534	4,363,758	5,492,833	5,351,157	5,479,260	5,610,116	5,617,567
Demoninator	\$ 2,798,464	\$ 3,870,258	\$ 4,120,998	\$ 4,490,407	\$ 4,973,140	\$ 7,956,056	\$ 8,614,619	\$ 10,201,869	\$ 10,327,416	\$ 10,541,181	\$ 10,735,599	\$ 10,776,130
Return on Invested Capital	7.1%	6.7%	8.0%	8.3%	8.5%	7.2%	9.0%	9.5%	10.2%	10.0%	10.0%	10.1%

(1) Quarterly results multiplied by four.