CAPTION SHEET | CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00
2. BUREAU: FUS
3. SECTION(S):
4. PUBLIC MEETING DATE: 00/00/00
5. APPROVED BY:
   DIRECTOR:
   SUPERVISOR:
6. PERSON IN CHARGE:
7. DATE FILED: 04/07/05
8. DOCKET NO: A-311363
9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT:

RESPONDENT/APPLICANT: PA - CLEC LLC

COMP/APP COUNTY: UTILITY CODE: 311363

ALLEGATION OR SUBJECT

APPLICATION OF PA-CLEC LLC FOR APPROVAL TO OFFER, RENDER, FURNISH OR SUPPLY TELECOMMUNICATIONS SERVICES AS A COMPETITIVE ACCESS PROVIDER TO THE PUBLIC IN THE COMMONWEALTH OF PENNSYLVANIA.

DOCUMENT
FOLDER

DOCKETED
MAY 09 2005

ORIGINAL

COLE, RAYWID & BRAVERMAN, L.L.P.
ATTORNEYS AT LAW
1919 PENNSYLVANIA AVENUE, N.W., SUITE 200
WASHINGTON, D.C. 20006-3458
TELEPHONE (202) 659-9750
FAX (202) 452-0067
WWW.CRBLAW.COM

JOHN C. DODGE
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GERIE A. VOSS
GVOSS@CRBLAW.COM

LOS ANGELES OFFICE
2381 ROSECRANS AVENUE, SUITE 110
EL SEGUNDO, CALIFORNIA 90245-4290
TELEPHONE (310) 643-7999
FAX (310) 643-7997

ORIGINAL

RECEIVED

April 7, 2005

APR 07 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BY FEDERAL EXPRESS

Secretary
Pa. Public Utility Commission
Commonwealth Keystone Building
Second Floor - Room N201
Harrisburg, PA 17120

A-311363

Re: PA-CLEC LLC – Application for Approval of Authority to Provide Telecommunications Services

Dear Secretary:

Enclosed please find an original plus three copies of the above-referenced Application (including three copies of the cover letters) and a check for $250.00 made payable to "Commonwealth of Pennsylvania." Also enclosed is a "Stamp and Return" copy of the Application. Please date stamp it and return it in the enclosed self-addressed stamped envelope.

If you have any questions regarding this filing, please contact the undersigned.

Sincerely,

John C. Dodge
Gerie A. Voss

DOCUMENT
FOLDER

Enclosures

67

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RECEIVED ORIGINAL

PUC-377
Rev.05/04

APR 07 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

A-311363

ORIGINAL

Application of:

PA – CLEC LLC,

for approval to offer, render, furnish or supply telecommunications services to the public in the *Commonwealth of Pennsylvania.*

1. **IDENTITY OF THE APPLICANT**: The name, address, telephone number, and fax number of the Applicant.

PA – CLEC LLC
2000 Corporate Drive
Canonsburg, Pennsylvania 15317
Tel.: (724) 416-2000
Fax: (724) 416-2468

Please identify any predecessors of the Applicant and provide other names under which the Applicant has operated within the preceding five years, including name, address, and telephone number.

Applicant is a wholly-owned subsidiary of Crown Castle Solutions Corp. ("CCSC") and Crown Castle International Corp. ("CCIC"). CCSC shares the address and telephone number listed above. CCIC has the following contact information:

510 Bering Drive
Suite 500
Houston, TX 77057
Tel.: (713) 570-3000

2. **ATTORNEY**: The name, address, telephone number, and fax number of the Applicant's attorney.

John C. Dodge
Gerie A. Voss
Cole, Raywid & Braverman, LLP
1919 Pennsylvania Avenue, NW
Suite 200
Washington, DC 20006
Tel.: (202) 659-9750
Fax: (202) 452-0067

DOCKETED
MAY 09 2005

3. **CONTACTS:**

A) **APPLICATION:** The name, title, address, telephone number, and fax number of the person to whom questions about this application should be addressed.

Holly Ernst Groschner
Vice President – Legal
Crown Castle Solutions Corp.
2000 Corporate Drive
Canonsburg, PA 15317
Tel.: (724) 416-2000
Fax: (724) 416-2468

B) **PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY (PEMA):** The name, title, address, telephone number and FAX number of the person with whom contact should be made by PEMA.

Holly Ernst Groschner
Vice President – Legal
Crown Castle Solutions Corp.
2000 Corporate Drive
Canonsburg, PA 15317
Tel.: (724) 416-2000
Fax: (724) 416-2468

C) **RESOLVING COMPLAINTS:** Name, address, telephone number, and FAX number of the person and an alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints and queries filed with the Public Utility Commission or other agencies.

Holly Ernst Groschner
Vice President – Legal
Crown Castle Solutions Corp.
2000 Corporate Drive
Canonsburg, PA 15317
Tel.: (724) 416-2000
Fax: (724) 416-2468

4. **FICTITIOUS NAME:**

☐ The Applicant will not be using a fictitious name.

☑ The Applicant will be using a fictitious name. Attach to the Application a copy of the Applicant's filing with the Commonwealth's Department of State pursuant to 54 Pa. C.S. §311, Form PA-953.

Applicant will be operating under a (forced) DBA of "Pennsylvania – CLEC LLC."

5. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**

☐ The Applicant is a sole proprietor.

☐ The Applicant is a:

- ☐ General partnership
- ☐ Domestic limited partnership (15 Pa. C.S. §8511)
- ☐ *Foreign limited partnership (15 Pa. C.S. §8582)
- ☐ Domestic registered limited liability partnership (15 Pa. C.S. §8201)
- ☐ *Foreign registered limited liability general partnership (15 Pa. C.S. §8211)

**Provide name and address of Corporate Registered Office Provider or Registered Office within PA.*

Attach to the application the name and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.

Attach to the application proof of compliance with appropriate Department of State filing requirements as indicated above.

5. (Continued)

☐ The Applicant is a:

- ☐ Domestic corporation (15 Pa. C.S. §1306)
- ☐ *Foreign corporation (15 Pa. C.S. §4124)
- ☐ Domestic limited liability company (15 Pa. C.S. §8913)
- ☑ *Foreign limited liability company (15 Pa. C.S. §8981)

*Provide name and address of Corporate Registered Office Provider or Registered Office within PA.

Crown Castle Solutions Corp.
2000 Corporate Drive
Canonsburg, Pennsylvania 15317

Attach to the application proof of compliance with appropriate Department of State filing requirements as indicated above. Additionally, provide a copy of the Applicant's Articles of Incorporation or a Certificate of Organization.

The Applicant is organized in the state of Delaware. Copies of proof of compliance with the Department of State filing requirements and a copy of the Applicant's Certificate of Organization are attached as Exhibit 1.

Give name and address of officers:

The following people are officers of CCSC, which is the parent company of the Applicant:

Brian D. Jacks – President
Holly Ernst Groschner – Legal
Bill Topping – Operations

Rick Soto – RF Design and Performance
Lee St. Louis - Deployment

Their contact information is:

PA - CLEC LLC
2000 Corporate Drive
Canonsburg, PA 15317
Tel.: (724) 416-2000
Fax: (724) 416-2353

6. **AFFILIATES AND PREDECESSORS WITHIN PENNSYLVANIA**:

☐ The Applicant has no affiliates doing business in Pennsylvania or predecessors which have done business in Pennsylvania.

☑ The Applicant has affiliates doing business in Pennsylvania or predecessors which have done business in Pennsylvania. Name and address of the affiliates. State whether they are jurisdictional public utilities. Give docket numbers for the authority of such affiliates.

If the Applicant or an affiliates has a predecessor who has done business within Pennsylvania, give name and address of the predecessors and state whether they were jurisdictional public utilities. Give the docket numbers for the authority of such predecessors.

Crown Castle Solutions Corp., Applicant's parent company, currently provides service in Pennsylvania as a non-jurisdictional public utility.

7. **AFFILIATES AND PREDECESSORS RENDERING PUBLIC UTILITY SERVICE OUTSIDE PENNSYLVANIA:**

☐ The Applicant has no affiliates rendering or predecessors which rendered public utility service outside Pennsylvania.

☑ The Applicant has affiliates rendering or predecessors which rendered public utility service outside Pennsylvania. Name and address of the affiliates. Name and address of the predecessors (please specify which).

Crown Castle Solutions Corp., Applicant's parent company, currently provides public utility service in New York and South Carolina.

8. **APPLICANT'S PRESENT OPERATIONS**: (Select and complete the appropriate statement)

☑ The applicant is not presently doing business in Pennsylvania as a public utility.

☐ The applicant is presently doing business in Pennsylvania as a:

☐ Interexchange Toll Reseller, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)

- ☐ Interexchange Toll Facilities-based carrier, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)
- ☐ Competitive Access Provider (dedicated point-to-point or multipoint service; voice or data)
- ☐ Competitive Local Exchange Carrier:
  - ☐ Facilities-Based
  - ☐ UNE-P
  - ☐ Data Only
  - ☐ Reseller
- ☐ Incumbent Local Exchange Carrier.
- ☐ Other (Identify).

9. **APPLICANT'S PROPOSED OPERATIONS**: The Applicant proposes to operate as a:

- ☐ Interexchange Toll Reseller, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)
- ☐ Interexchange Toll Facilities-based carrier, InterLATA and/or IntraLATA, (e.g., MTS, 1+, 800, WATS, Travel and Debit Cards)
- ☑ Competitive Access Provider (dedicated point-to-point or multipoint service; voice or data)
- ☐ Competitive Local Exchange Carrier:
  - ☐ Facilities-based
  - ☐ UNE-P
  - ☐ Data Only
  - ☐ Reseller
- ☐ Incumbent Local Exchange Carrier
- ☐ Other (Identify).

10. **PROPOSED SERVICES**: *Describe in detail the services which the Applicant proposes to offer. If proposing* to provide more than one category in Item #9, clearly and separately delineate the services within each proposed operation. If proposing to operate as a facilities based Competitive Local Exchange Carrier, provide a brief description of the Company's facilities.

Applicant's Services will be both intrastate and interstate. Applicant plans to provide radio frequency ("RF") transport and backhaul services to commercial mobile radio service ("CMRS") providers. Applicant will amplify and extend CMRS carriers' RF signals into coverage gap areas that are presently unserved or inadequately served by existing facilities. Applicant also will carry wireless information services. Applicant will provide its Services using a system of radio access nodes or microcell antennas linked by fiber optic cables to conversion equipment attached to utility poles and other structures. The Services are customized to the transport and backhaul needs of individual customers. Tariffed rates will be available for all non-custom services. The tariffed rates contained in the Sample Tariff attached to this Application are based on the locality of service, type of service and the term plan selected. Initially, Applicant will not furnish residential or business telephone service, although any customer may obtain such service subject to the terms and conditions stated in Applicant's tariffs at the time the service is offered.

11. **SERVICE AREA:** Describe the geographic service area in which the Applicant proposes to offer services. Clearly and separately delineate the service territory for each category listed in Item #9. For Competitive Local Exchange Carrier operations, you must name and serve the Incumbent Local Exchange Carriers in whose territory you request authority.

Applicant seeks to provide service to the entire state of Pennsylvania.

12. **MARKET:** Describe the customer base to which the Applicant proposes to market its services. Clearly and separately delineate a market for each category listed in Item #9.

Applicant intends to provide service to business customers only.

13. **PROPOSED TARIFF(S):** Each category of proposed operations must have a separate and distinct proposed tariff setting forth the rates, rules and regulations of the Applicant. Every proposed tariff shall state on its cover page the nature of the proposed operations described therein, i.e., IXC R/S, CLEC, CAP, or IXC F/B. A copy of all proposed tariffs must be appended to each original and duplicate original and copy of Form 377.

Applicant attaches its proposed tariff as Exhibit 2.

14. **FINANCIAL:** Attach the following to the Application:

A general description of the Applicant's capitalization and, if applicable, its corporate stock structure;

Current balance sheet, Income Statement, and Cash Flow Statement of Applicant or Affiliated Company, if relying on affiliate for financial security;

A tentative operating balance sheet and a projected income statement for the first year of operation within the Commonwealth of Pennsylvania; provide the name, title, address, telephone number and fax number of the Applicant's custodian for its accounting records and supporting documentation; and indicate where the Applicant's accounting records and supporting documentation are, or will be, maintained.

If available, include bond rating, letters of credit, credit reports, insurance coverage and reports, and major contracts.

Applicant submits the most recent 10-Q statement of its parent company, Crown Castle International Corporation, who will be providing financial security for the applicant. Applicant also submits a tentative operating balance sheet and projected income statement. These documents are included in Exhibit 3. The financial documents will be maintained by Brian Berger, Director of Finance. His contact information is below. All records and supporting information will be maintained at the Canonsburg address below.

PA - CLEC LLC
2000 Corporate Drive
Canonsburg, PA 15317
Tel.: (724) 416-2000
Fax: (724) 416-2353

15. **START DATE**: The Applicant proposes to begin offering services on or about the date in which it receives authority from the Commission Prothonotary.

Applicant affirms the above statement.

16. **FURTHER DEVELOPMENTS**: Attach to the Application a statement of further developments, planned or contemplated, to which the present Application is preliminary or with which it forms a part, together with a reference to any related proceeding before the Commission.

Applicant does not have any additional information to provide to the Commission.

17. **NOTICE:** Pursuant to 52 Pa. Code §5.14, you are required to serve a copy of the signed and verified Application, with attachments, on the below-listed parties, and file proof of such service with this Commission:

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Office of the Attorney General
Office of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

A certificate of service must be attached to the Application as proof of service that the Application has been served on the above-listed parties. A copy of any Competitive Local Exchange Carrier Application must also be served on any and/or all Incumbent Local Exchange Carrier(s) in the geographical area where the Applicant proposes to offer services.

18. **FEDERAL TELECOMMUNICATIONS ACT OF 1996**: State whether the Applicant claims a particular status pursuant to the Federal Telecommunications Act of 1996. Provide supporting facts.

Applicant does not claim a particular status pursuant to the Federal Telecommunications Act of 1996.

19. **COMPLIANCE**: State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application has been convicted of a crime involving fraud or similar activity. Identify all proceedings, limited to proceedings dealing with business operations in the last five (5) years, whether before an administrative body or in a judicial forum, in which the Applicant, an affiliate, a predecessor of either, or a person identified herein has been a defendant or a respondent. Provide a statement as to the resolution or present status of any such proceedings.

Applicant, its affiliates, and its predecessors have not been convicted of a crime involving fraud or similarly activity.

Applicant, its affiliates, and its predecessors have not been involved in any such proceedings as a defendant or a respondent in the past five years.

20. **FALSIFICATION**: The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

Applicant acknowledges the above-referenced falsification requirements.

21. **CESSATION:** The Applicant understands that if it plans to cease doing business within the Commonwealth of Pennsylvania, it is under a duty to request authority from the Commission for permission prior to ceasing business.

Applicant acknowledges the above-referenced cessation requirements.

Applicant: PA – CLEC LLC

By: ______________________

John C. Dodge
Gerie A. Voss
Cole, Raywid & Braverman, L.L.P.
1919 Pennsylvania Avenue, Suite 200
Washington, DC 20006
Telephone: (202) 659-9750
Fax: (202) 452-0067

Title: Counsel for PA – CLEC LLC

VERIFICATION STATEMENT

Commonwealth of Pennsylvania :
: ss.
County of Washington :

Holly Ernst Groschner, Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

She is the Vice President – Legal of Crown Castle Solutions Corp., parent company of PA-CLEC LLC;

That she is authorized to and does make this affidavit for said company;

That the facts above set forth are true and correct to the best of her knowledge, information, and belief and that he expects said corporation to be able to prove the same at any hearing hereof.

Holly Ernst Groschner

Signature of Affiant

Sworn and subscribed before me this 11th day of March, 2005.
Month Year

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Juli K. Morneweck, Notary Public
Cecil Twp., Washington County
My Commission Expires June 25, 2008
Member, Pennsylvania Association Of Notaries

Juli K. Morneweck

Signature of official administering oath

My Commission expires 6/25/08.

AFFIDAVIT

Commonwealth of Pennsylvania :
: ss.
County of Washington :

Holly Ernst Groschner, Affiant, being duly affirmed according to law, deposes and says that:

She is the Vice President – Legal of Crown Castle Solutions Corp., parent company of PA-CLEC LLC;

That she is authorized to and does make this affidavit for said limited liability company;

That PA – CLEC LLC, the Applicant herein, acknowledges that it may have an obligation to serve or to continue to serve the public by virtue of the Applicant commencing the rendering of service pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; with the Federal Telecommunications Act of 1996, signed February 6, 1996, or with other applicable statutes or regulations;

That PA – CLEC LLC, the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render public utility service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That PA – CLEC LLC, the Applicant herein, asserts that it has contacted the appropriate 911 Coordinator(s) **via certified letter**, from the list provided from the PUC web site (www.puc.paonline.com), and that arrangements will be made for the provisioning of emergency 911 service in each of the Counties/Cities where residential or business local exchange service is to be provided, if it decides to provide such service in addition to its RF transport service. **The applicant certifies it has attached a copy of the 911 Coordinator list indicating each 911 Coordinator contacted.**

That the facts above set forth are true and correct to the best of his knowledge, information and belief, and that he expects said entity to be able to prove the same at any hearing thereof.

Signature of Affiant

Sworn and subscribe before me this 11th day of March, 2005.
Month Year

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Juli K. Momeweck, Notary Public
Cecil Twp., Washington County
My Commission Expires June 25, 2008
Member, Pennsylvania Association Of Notaries

Juli K Momeweck
Signature of official administering oath

My Commission expires 6/25/08.

Exhibit 1

Articles of Organization

Compliance with Department of State Requirements

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU

Application for Registration - Foreign

(15 Pa.C.S.)

Entity Number 3270990

___ Registered Limited Liability General Partnership (§ 8211)
___ Registered Limited Liability Limited Partnership (§ 8211)
___ Limited Partnership (§ 8582)
_X_ Limited Liability Company (§ 8981)

Name

Address CT CORP-COUNTER

City State Zip Code

Document will be returned to the name and address you enter to the left. ⇐

Fee: $250

Filed in the Department of State on DEC 22 2004

Pedro A. Cortés

Secretary of the Commonwealth

In compliance with the requirements of the applicable provisions (relating to registration), the undersigned, desiring to register to do business in this Commonwealth, hereby states that:

1. The name to be registered is:
PA - CLEC LLC

2. *(If the name set forth in paragraph 1 is not available for use in this Commonwealth, complete the following):*

The name under which the limited liability company/limited liability partnership/limited partnership proposes to register and do business in this Commonwealth is:

Pennsylvania - CLEC LLC

3. The name of the jurisdiction under the laws of which it was organized and the date of its formation:

Jurisdiction: Delaware Date of Formation: 12/6/04.

4. The (a) address of its initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) Number and street City State Zip County

(b) Name of Commercial Registered Office Provider County
C T Corporation System Philadelphia

DSCB:15-8981/8211/8582-2

5. *Check and complete one of the following:*

___ The address of the office required to be maintained by it in the jurisdiction of its organization by the laws of that jurisdiction is:

Number and street	City	State	Zip

_x_ It is not required by the laws of its jurisdiction of organization to maintain an office therein and the address of its principal office is:

Number and street	City	State	Zip
510 Bering, Suite 500	Houston	Texas	77057

6. *For Restricted Professional Limited Liability Company Only. Strike out if inapplicable:* The company is a restricted professional company organized to render the following professional service(s):

Limited Liability Partnership and Limited Partnership: Complete paragraphs 7 and 8

7. The name and business address of each general partner.

Name	Business Address

8. The address of the office at which is kept a list of the names and addresses of the limited partners and their capital contribution is:

Number and street	City	State	Zip	County
510 Bering, Suite 500	Houston	Texas	77057	

The registered partnership hereby undertakes to keep those records until its registration to do business in the Commonwealth is canceled or withdrawn.

IN TESTIMONY WHEREOF, the undersigned has caused this Application for Registration to be signed by a duly authorized officer/member or manager thereof this

17 day of Decemt 2004.

PA - CLEC LLC

Name of Partnership/Company

Signature

E. Blake Hawk, Executive Vice President

Title

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "PA - CLEC LLC", FILED IN THIS OFFICE ON THE SIXTH DAY OF DECEMBER, A.D. 2004, AT 1:28 O'CLOCK P.M.

3891246 8100

040875601

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3525202

DATE: 12-07-04

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:45 PM 12/06/2004
FILED 01:28 PM 12/06/2004
SRV 040875601 - 3891246 FILE

CERTIFICATE OF FORMATION

OF

PA - CLEC LLC

1. The name of the limited liability company is PA - CLEC LLC.

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Formation of PA - CLEC LLC as of December 3, 2004.

E. Blake Hawk, Authorized Person

Exhibit 2

Proposed Tariff

Tariff Schedule
Applicable to

COMPETITIVE ACCESS PROVIDER SERVICES

of

PA – CLEC LLC
(for the Commonwealth of Pennsylvania)

CHECK SHEET

The Title Sheet and Sheets 1 through 24 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s).

SHEET	REVISION
Title	Original
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
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14	Original
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16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original

TABLE OF CONTENTS

Subject Matter — Sheet No.

PRELIMINARY STATEMENT

This tariff contains all effective rates and rules together with information relating, and applicable to PA – CLEC LLC ("Company").

The Company has been authorized by the Pennsylvania Public Utilities Commission ("PUC") to provide competitive access provider services throughout the Commonwealth of Pennsylvania.

The rates and rules contained herein are subject to change pursuant to the rules and regulations of the PUC.

EXPLANATION OF SYMBOLS

(C) To signify **changed** listing, rule or condition which may affect rates or charges.

(D) To signify **deleted or discontinued** rate, regulation or condition.

(I) To signify a change resulting in an **increase** to a Customer's bill.

(L) To signify that material has been **relocated to** another tariff location.

(N) To signify a **new** rate, regulation, condition or sheet.

(R) To signify a change resulting in a **reduction** to a Customer's bill.

(T) To signify a change in **text** but no change to rate or charge.

SERVICE AREA MAP

The Company's service is available statewide. The obligation of the Company to provide service is dependent upon its ability to procure, construct, and maintain facilities that are required to meet the Customer's Service Order.

APPLICABILITY

This tariff sets forth the service offerings, rates, terms, and conditions applicable to the furnishing of intrastate communications services by the Company within the Commonwealth of Pennsylvania.

This tariff applies only for the use of the Company's services for communications between points within the Commonwealth of Pennsylvania; this includes the use of the Company's network to complete an end to end intrastate communication.

AVAILABILITY OF THE COMPANY'S TARIFF

A complete copy of the Company's current tariff is maintained at the Company's business offices located at:

Crown Castle Solutions Corp.
2000 Corporate Drive
Canonsburg, Pennsylvania 15317

This tariff is also available for public inspection at the Public Service Commission of Pennsylvania.

SECTION 1 – RATES AND CHARGES

Schedule 1: RF Transport Services

1. Application of rates

RF Transport Services rates apply to service furnished to business customers. RF Transport Services are not available to residential customers.

2. RF Transport Service

(A) General service offerings and limitations

RF Transport Services utilize optical technology, including multi-wavelength optical technology over dedicated transport facilities to provide Customers with links to emit RF coverage.

RF Transport Services connect Customer-provided wireless capacity equipment to Customer-provided or Company provided bi-directional RF-to-optical conversion equipment at a hub facility. The hub facility can be Customer or Company provided. The conversion equipment allows the Company to accept RF traffic from the Customer and then send bi-directional traffic transmission across the appropriate optical networks. At the remote end, Customer or Company provided RF-to-optical conversion equipment allows bi-directional conversion between optical signals and RF signals. RF signals can be received and transmitted at this remote node. Hence the Company provides optical transit services for RF signals.

The furnishing of RF Transport Services requires certain physical arrangements of equipment and facilities of the Company and other entities and is subject to the availability of such equipment and facilities and the economic feasibility of providing such necessary equipment and facilities and the RF Transport Services.

1.0 RATES AND CHARGES

Schedule 1: RF Transport Services (continued)

2. RF Transport Services (continued)

(A) General service offerings and limitations (continued)

The specific limitations applicable to RF Transport Services are as follows:

- All optical services are provided on single mode optical fiber.
- Some optical services may be of a multi-wavelength nature.
- Current wireless standards limit the distance between a hub site and a remote node to 20km.
- The optical loss between a hub site and a remote node must not exceed 18 dB.

(B) Recurring and nonrecurring charges

The monthly recurring rates and nonrecurring charges for RF Transport Services are as follows:

Description	Fee per Segment
Nonrecurring connection charge	$100,000
Monthly recurring charge	$15,000

For purposes of this Tariff, Segment shall mean a one-way optical carrier between one (1) Customer hub site or remote node and another Customer hub site or remote node. The optical carrier is a single optical wavelength. The optical fiber can carry more than one wavelength.

(C) Minimum Term

The minimum service term for RF Transport Service is five (5) years.

Schedule 2: Taxes and Surcharges

Appropriate federal, state, local and municipal taxes and surcharges will be charged on Services and are in addition to the rates for Service set forth in this tariff unless otherwise stated.

Customers shall pay all sales, use, gross receipts, excise, access, bypass, or other local, state and Federal taxes, charges, or surcharges, however designated, imposed on or based upon the provision, sale or use of the services (excluding taxes on the Company's net income). Such taxes shall be separately stated on the applicable invoice.

When a municipal corporation or other political subdivision of the state collects from the Company a license tax, privilege tax, street use tax, franchise fee, permit fee, or any tax, exaction, or fee measured by poles, wires, conduits, manholes, telephones, other units of plant, income or activities as a public service corporation, such taxes, exactions and fees shall, insofar as practicable, be billed *pro rata* to the Customers receiving service within the territorial limits of the municipal corporation or political subdivision.

SECTION 2 – DEFINITIONS

Channel:

A communications path between two or more points of termination.

Commission:

Pennsylvania Public Utilities Commission.

Company:

PA – CLEC LLC.

Customer:

The person, firm, corporation or other entity that orders or uses service and is responsible for payment of charges and compliance with tariff regulation.

Customer Designated Premises:

The premises specified by the Customer for origination or termination of services.

Dedicated Access:

Non-switched access between a Customer's premises and the point of presence of the Company's underlying carrier.

Facilities

Any cable, poles, conduit, carrier equipment, wire center distribution frames, central office switching equipment, etc., used to provide services offered under this tariff.

Holidays:

The Company observes the following Holidays: New Year's Day, Memorial Day, July 4, Labor Day, Thanksgiving Day, Christmas Day.

Premises:

A building or buildings on contiguous property, not separated by a public highway or right-of-way.

Transmission Path:

An electrical path capable of transmitting signals within the range of the service offering. A transmission path is comprised of physical or derived facilities consisting of any form or configuration of plant used in the telecommunications industry.

SECTION 3 – GENERAL RULES AND REGULATIONS

3.1 — Undertaking of Company

The Company's services are furnished for telecommunications services originating and/or terminating in any area within the Commonwealth of Pennsylvania.

The Company provides competitive access provider services to Customers for the direct transmission and reception of voice and other types of communications. Services are offered via the Company's facilities (whether owned, leased, or under contract) in combination with resold services provided by other certificated carriers. The Company is responsible under this tariff only for the services and facilities the Company provides hereunder.

Subject to availability, the Customer may use account codes to identify the users or user groups on an account. The numerical composition of the codes shall be set by Company to assure compatibility with the Company's accounting and billing systems and to avoid the duplication of codes.

The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four (24) hours per day, seven (7) days per week, subject to the availability of necessary service, equipment and facilities and the economic feasibility of providing such necessary service, equipment, and facilities.

3.2 — Application for Service

Service may be initiated only based on a written agreement between the Company and the Customer. To initiate a service request, the Customer must provide the following information: the Customer's name; an address to which the Company shall provide service; and a billing address (if different). The service application does not itself bind either the Customer to subscribe to the service or the Company to provide the service.

Request for service under this Tariff will authorize the Company to conduct a credit search on the Customer. The Company reserves the right to refuse service on the basis of credit history, and to refuse further service due to late payment or nonpayment by the Customer. Potential customers who are denied service must be given the reason for the denial in writing within 10 days of service denial.

3.3 — Contract or Agreements

Rates for ICB arrangements will be developed on a case-by-case basis in response to a bona fide request from a customer or prospective customer for services which vary from tariffed arrangements. Rates quoted in response to such requests may be different for tariffed services than those specified for such services. ICB rates will be offered to customers in writing and will be made available to similarly situated customers.

3.4 — Deposits

The Company may, at its sole discretion, require a deposit or usage prepayment as a condition to receiving service or additional service. The Company reserves the right to review an applicant's or a Customer's credit history at any time to determine if a deposit is required.

In the event the Customer fails to establish a satisfactory credit history, deposits are a form of security that may be required from Customers to ensure payment of bills.

Deposits shall be no greater than twice the estimated average monthly bill for the class of service applied for.

Deposits will be refunded with interest within 30 days after discontinuance of service or after 12 months of service, whichever comes first. Interest will accrue on the amount deposited. The interest rate to be applied shall be a composite yield of intermediate term, A-rated corporate bonds, as reported in financial publications, less costs of administering deposits of 1.75% per year. The rate will be updated effective January 1st each year and the PUC will issue an advisory letter announcing the interest rate. The Company will credit such interest to each depositor by paying such interest in cash or deducting it from the amount of a bill for service.

3.5 — Notices

Notices provided to the Customer by the Company shall be as follows:

A. Rate Information

(1) Rate information and information regarding the terms and conditions of service will be provided upon request by a current or potential Customer. Notice of major increases in rates will be provided in writing to Customers and postmarked at least 30 days prior to the effective date of the change. No Customer notice is required for minor rate increases or for rate decreases. Customers will be advised of optional service plans in writing as they become available. In addition, Customers shall be advised of changes to the terms and conditions of service no later than the Company's next periodic billing cycle.

(2) When Company provides information to a Customer that is in conflict with its tariffs, the Customer shall have the right to bring a complaint against the Company.

B. Discontinuance of Service Notice

(1) Notice by Customers

Customers are responsible for notifying the Company of their desire to discontinue service on or before the date of disconnection. Such notice must be in writing.

(2) Notice by Company

Notices to discontinue service for nonpayment of bills will be provided in writing by first class mail to the Customer not less than 7 calendar days prior to termination. Notices to discontinue will not be served on a Friday, Saturday, or Sunday; on bank holidays or the day preceding the holiday; on holidays observed by the Company or the day preceding; and holidays observed by the PUC and the day preceding. Each notice will include all of the following information:

1. The name and address of the Customer whose account is delinquent.

2. The amount that is delinquent.

3. The date when payment or arrangements for payment are required in order to avoid termination.

4. The procedure the Customer may use to initiate a complaint or to request an investigation concerning service or charges.

5. The telephone number of a representative of the Company, who can provide additional information or institute arrangements for payment.

C. Change in Ownership or Identity Notice

Company shall notify Customers in writing of a change in ownership or identity of the Customer's service provider on the Customers' next monthly billing cycle.

D. Rules for Company Notices

Notices the Company sends to Customers, or the Commission, will be a legible size and printed in a minimum point size type of 10 and are deemed made on date of presentation.

3.6 — Rendering and Payment of Bills

(a) Charges for service are applied on a recurring basis. Service is provided and billed on a monthly (30 day) basis. Months are presumed to have 30 days. The billing date is dependent on the billing cycle assigned to the Subscriber. Service continues to be provided for the minimum service term.

(b) The Customer is responsible for the payment of all charges for services furnished to the Customer. Charges are billed monthly in advance. The Company is not responsible for any telephone charges that may be incurred by the Customer in gaining access to the Company's network.

(c) Billing is payable upon receipt and past due thirty (30) days after issuance and posting of invoice. Bills not paid within thirty-one (31) days after the date of posting are subject to a 1.5 percent late payment charge for the unpaid balance, or the maximum allowable under state law. The late payment date will be prominently displayed on the Customer's bill. Company shall endeavor to credit payments within 24 hours of receipt to avoid assessing late payment charges incorrectly.

(d) The name(s) of the Customer(s) desiring to use service must be set forth in the application for service.

3.7 — Disputed Bills

Billing disputes should be addressed to Company's customer service organization via telephone to 1-877-486-9377.

In case of a billing dispute between the Customer and the Company as to the correct amount of a bill that cannot be adjusted with mutual satisfaction, the Customer can make the following arrangement:

Prior to suspension or termination of service by the Company, the Customer may request, either orally or in writing, that the Company investigate and review the disputed amount. The Company will comply with such request. The undisputed portion of the bill must be paid by the due date shown on the bill or the service will be subject to suspension/termination if the Company has notified the Customer by written notice of such delinquency and impending suspension/termination. Company will also advise the Customer in writing of the Commission's formal and informal complaint procedures and that, *if there is still disagreement after the investigation and review by the Company and* the Company's written findings to the Customer, the Customer may appeal to the Commission within 10 days of the date the Company mailed its findings to the Customer.

The Company will not suspend/terminate the Customer's service for nonpayment as long as the Customer complies with the procedures of this section.

In order to avoid suspension of service and late payment charges, the disputed amount must be paid within fourteen (14) calendar days after the date the Company notifies the Customer that the investigation and review are completed and that such payment must be made or service will be interrupted. However, the Company will not suspend service prior to the payment due date as shown on the bill.

A customer may dispute charges and seek a credit for bills paid to the Company within two years of billing, commencing five (5) days after remittance of the bill.

3.8 — Cancellation of Service by Company

(a) The Company may discontinue service under the following circumstances:

1. Nonpayment of any sum due to the Company for service more than 30 days beyond the date of the invoice for such service. In the event the Company terminates service for nonpayment, the Customer may be liable for all reasonable court costs and attorneys fees as determined by the PUC or by the Court; or

2. In the event of a condition determined to be hazardous to the Customer, to other Customers of the utility, to the utilities equipment, the public or to employees of the utility; or

3. By reason of any order or decision of a court or any other governmental authority which prohibits the Company from furnishing such service; or

4. If the Company deems such refusal necessary to protect itself or third parties against fraud or to otherwise protect its personnel, agents, facilities or services without notice; or

5. For unlawful use of the service or use of the service for unlawful purposes; or

6. Failure to post a required deposit or guarantee; or

7. A violation of, or failure to comply with, any regulation or condition governing the furnishing of service; or

8. If the Customer provides false information to the Company regarding the Customer's identity, address, creditworthiness, or past, current or planned use of Company's services.

(b) The Company will provide the following notice of disconnection:

1. Written notice of the pending disconnection will be rendered not less than 7 days prior to the disconnection. Notice shall be deemed given upon deposit, first class postage prepaid, in the U.S. Mail to the Customer's last known address.

2. Service may be discontinued during business hours on or after the date specified in the notice of discontinuance. Service will not initially be discontinued on any Saturday, Sunday, legal holiday, or any other day Company service representatives are not available to serve Customers.

(c) Restoration of service

The Customer may restore service by full payment in any reasonable manner including by personal check. However, the Company may refuse to accept a personal check if a Customer's check for payment of service has been dishonored, excepting bank error, within the last twelve months. There is a $35.00 charge for restoration of service after disconnection; if, however, the equipment necessary for service has been removed, the non-recurring fee will apply.

3.9 — Cancellation of Service By Customer

Customer may cancel service by providing written notice to Company thirty (30) days prior to cancellation. However, Customer may not cancel service prior to expiration of the initial five (5) year term.

Customer is responsible for charges while still connected to the Company's service and the payment of associated local exchange company charges, if any, for service charges.

Any non-recoverable cost of Company expenditures shall be borne by the Customer if:

A. The Customer orders service requiring special facilities dedicated to the Customer's use and then cancels the order before such service begins, before completion of the minimum period or before completion of some period mutually agreed with the Customer for the non-recoverable portions of expenditures; or

B. Liabilities are incurred expressly on behalf of the Customer by Company and not fully reimbursed by installation and monthly charges; and

C. Based on an order for service and construction has either begun or has been completed, but no service provided.

3.10 — Special Information Required on Forms

A. Customer Bills

The Company shall be identified on each bill. Each bill will prominently display a toll-free number for service or billing inquiries, along with an address where the Customer may write. If the Company uses a billing agent, it will also include the name of the billing agent it uses. Each bill for telephone service will contain notations concerning the following areas, as applicable:

(1) When to pay your bill;

(2) Billing detail including the period of service covered by the bill;

(3) Late payment charge and when applied;

(4) How to pay your bill;

(5) Questions about your bill;

(6) Network access for interstate calling;

(7) In addition to the above, each bill shall include the following statement:

"This bill is now due and payable; it becomes subject to a late payment charge if not paid within 30 calendar days of presentation date. Should you question this bill, please request an explanation from PA – CLEC LLC."

Company will also advise the Customer in writing of the Commission's formal and informal complaint procedures and that, if there is still disagreement after the investigation and review by the Company and the Company's written findings to the Customer, the Customer may appeal to the Commission within 10 days of the date the Company mailed its findings to the Customer.

B. Deposit Receipts

The Company shall provide the Applicant or Customer with a Deposit Receipt for any deposit received. The receipt shall show the Customer's name, service address, type of service, amount of deposit, rate of interest on deposit, date received, Company's name, and a statement of the conditions under which the deposit will be refunded. The Company will refund the Customer's deposit even if the Customer has lost the receipt.

3.11 — Credit Establishment

Each applicant for service shall provide credit information satisfactory to the Company or pay a deposit. Deposits may be avoided if the applicant:

A. Provides credit history acceptable to the Company. Credit information contained in the applicant's account record may include, but shall not be limited to, account established date, 'can-be-reached' number, billing name, and location of current and previous service.

B. A cosigner or guarantor may be used providing the cosigner or guarantor has acceptable credit history with the serving Company or another acceptable local carrier.

C. Company cannot refuse a deposit to establish credit for service. However, it may request the deposit to be in cash or other acceptable form of payment (e.g., cashier's check, money order, bond, letter of credit).

3.12 — Prorating of Bills

Any prorated bill shall use a 30-day month to calculate the pro-rata amount. Prorating shall apply only to recurring charges. All nonrecurring and usage charges incurred during the billing period shall be billed in addition to prorated amounts.

3.13 — Information to Be Provided to the Public

A copy of this tariff schedule will be available for public inspection in the Company's business office during regular business hours.

Copies of the Company's tariff schedules are available to the public at nominal costs to recover photocopying, postage and/or transmission expenses.

3.14 — Continuity of Service

In the event of prior knowledge of an interruption of service for a period exceeding one day, the Customers will, if feasible, be notified in writing, by mail, at least one week in advance.

3.15 — Use of Service

Service may not be used for any unlawful purpose or for any purpose for which any payment or other compensation is received by the Customer, except when the Customer is a duly authorized and regulated common carrier. This provision does not prohibit an arrangement between the Customer, authorized user or joint user to share the cost of service.

The Company strictly prohibits use of the Company's services without payment or an avoidance of payment by the Customer by fraudulent means or devices including providing falsified calling card numbers or invalid calling card numbers to the Company, providing falsified or invalid credit card numbers to the Company or in any way misrepresenting the identity of the Customer.

3.16 — Limitations of Service

Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff. Company reserves the right not to provide service to or from a location where the necessary facilities or equipment are not available.

Company reserves the right to discontinue furnishing the service upon its written notice, when necessitated by conditions beyond its control or when Customer is using the service in violation of the provisions of this tariff, or in violation of the law, pursuant to Section 19 of this tariff.

Title to all facilities provided by Company under these regulations remains in Company's name.

3.17 — Interconnection

Service furnished by Company may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Company. Any special interface of equipment or facilities necessary to achieve compatibility between the facilities of Company and other participating carriers shall be provided at the Customer's expense.

Interconnection between the facilities or services of other carriers shall be under the applicable terms and conditions of the other carriers' tariffs. The Customer is responsible for taking all necessary legal steps for interconnecting Customer-provided terminal equipment or communications equipment with Company's facilities. The Customer shall secure all licenses, permits, rights-of-way and other such arrangements necessary for interconnection.

3.18 — Liability of the Company

A. The provisions of this rule do not apply to errors and omissions caused by willful misconduct, fraudulent conduct or violations of law.

B. In the event an error or omission is caused by the gross negligence of the Company, the liability of the Company shall be limited to and in no event exceed the sum of $10,000.

C. The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, or errors, or defects in any of the services or facilities furnished by the Company up to and including its Local Loop Demarcation Point, including exchange, toll, private line, supplemental equipment, alphabetical directory listings (excluding the use of bold face type) and all other services, shall in no event exceed an amount equal to the pro rata charges to the Customer for the period during which the services or facilities are affected by the mistake, omission, interruption, delay, error or defect, provided, however, that where any mistake, omission, interruption, delay, error or defect in any one service or facility affects or diminishes the value of any other service said liability shall include such diminution, but in no event shall the liability exceed the total amount of the charges to the Customer for all services or facilities for the period affected by the mistake, omission, interruption, delay, error or defect.

D. Errors in Transmitting, Receiving or Delivering Oral Messages by Telephone

The Company shall not be liable for errors in transmitting, receiving or delivering oral messages by telephone over the lines of the Company and connecting utilities.

3.19 — Measurement of Service

Charges for service are without regard to mileage.

3.20 — Responsibilities of the Customer

(a) The Customer is responsible for: placing any necessary service orders; complying with tariff terms and conditions; for assuring that users comply with tariff regulations; and for payment of charges for calls originated from the Customer's telephone lines.

(b) The Customer is responsible for arranging access to its premises at times mutually agreeable to Company and the Customer when required for installation, repair, maintenance, inspection or removal of equipment associated with the provision of Company services.

(c) The Customer is responsible for maintaining its terminal equipment and facilities in good operating condition. The Customer is liable for any loss, including loss through theft, of any Company equipment installed at the Customer's premises.

3.21 — Special Construction

Special construction charges apply where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs. Charges will be based on the costs incurred by the Company (including return) and may include:

1. non-recurring charges;
2. recurring charges;
3. termination liabilities; or
4. combinations of the above.

3.22 — Demarcation Points

Services shall be provided to mutually agreeable points of demarcation.

3.23 — Force Majeure

The Company will not be liable for any failure of performance due to causes beyond its control, including but not limited to cable dig-up by third party, acts of God, civil disorders, actions of governmental authorities, actions of civil or military authority, labor problems, national emergency, insurrection, riots, war, fire, flood, and atmospheric conditions or other phenomena of nature, such as radiation. In addition, the Company will not be liable for any failure of performance due to necessary network reconfiguration, system modifications for technical upgrades, or actions taken by any court or government agency having jurisdiction over the Company.

3.24 — Disclaimer of Warranties

THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

SECTION 4 – PROMOTIONS

4.1 Promotional Offerings – General

Reserved for future use.

Exhibit 3

Financial Documents

Sample Pennsylvania Operations BALANCE SHEET (following 1 year of operations)

ASSETS		LIABILITIES	
Cash	$ 1,440,000	Deferred Revenue	$ 810,000
Network Assets	$18,000,000	I/C Payable to Parent Co.**	$18,000,000
		TOTAL LIABILITIES	$
		NET WORTH	
		Retained Earnings	$ 630,000
TOTAL ASSETS	$19,440,000	**TOTAL LIABILITIES AND NET WORTH**	$19,440,000

Sample Pennsylvania Operations PROFIT & LOSS (Year 1)

Annual Profit & Loss Year 1	
Rent	$3,240,000
Deferred Rent Revenue	$ 90,000
Total Income	**$3,330,000**
Operating Expenses	$2,160,000
General & Administrative Costs	$ 540,000
Total Expenses	**$2,700,000**
EBITDA	**$ 630,000**

**Crown Castle Solutions Corp. is a wholly-owned subsidiary of Crown Castle International (NYSE: CCI). PA-CLEC LLC will be a wholly-owned subsidiary of Crown Castle Solutions Corp. All funding for construction is provided by CCI.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2004

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period _________ to _________

Commission File Number 001-16441

CROWN CASTLE INTERNATIONAL CORP.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**76-0470458** (I.R.S. Employer Identification No.)
510 Bering Drive **Suite 500** **Houston, Texas** (Address of principal executive offices)	**77057-1457** (Zip Code)

(713) 570-3000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes ☒ No ☐

Number of shares of common stock outstanding at October 31, 2004: 223,591,172

CROWN CASTLE INTERNATIONAL CORP.
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CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(In thousands of dollars, except share amounts)

	December 31, 2003	September 30, 2004 (Unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 436,184	$ 908,505
Receivables:		
Trade, net of allowance for doubtful accounts of $7,603 and $6,763 at December 31, 2003 and September 30, 2004, respectively	37,289	29,977
Other	930	10,479
Inventories	9,615	8,368
Prepaid expenses and other current assets	32,133	31,916
Assets of discontinued operations (Notes 1 and 3)	2,052,510	—
Total current assets	2,568,661	989,245
Property and equipment, net of accumulated depreciation of $916,004 and $1,090,112 at December 31, 2003 and September 30, 2004, respectively	3,755,073	3,583,257
Goodwill	267,071	267,071
Deferred financing costs and other assets, net of accumulated amortization of $39,692 and $33,189 at December 31, 2003 and September 30, 2004, respectively	146,786	133,105
	$ 6,737,591	$ 4,972,678
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 9,785	$ 8,963
Accrued interest	49,063	32,559
Accrued compensation and related benefits	13,397	9,989
Deferred rental revenues and other accrued liabilities	106,384	121,303
Liabilities of discontinued operations (Notes 1 and 3)	353,544	—
Long-term debt, current maturities	267,142	—
Total current liabilities	799,315	172,814
Long-term debt, less current maturities	3,182,850	1,898,847
Other liabilities	55,978	54,037
Total liabilities	4,038,143	2,125,698
Commitments and contingencies		
Minority interests	208,333	211,176
Redeemable preferred stock	506,702	507,706
Stockholders' equity:		
Common stock, $.01 par value; 690,000,000 shares authorized; shares issued: December 31, 2003 – 220,758,321 and September 30, 2004 – 223,641,905	2,208	2,236
Additional paid-in capital	3,333,402	3,363,134
Accumulated other comprehensive income (loss)	257,435	49,356
Unearned stock compensation	(8,122)	(14,026)
Accumulated deficit	(1,600,510)	(1,272,602)
Total stockholders' equity	1,984,413	2,128,098
	$ 6,737,591	$ 4,972,678

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(In thousands of dollars, except per share amounts)

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2004	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2004
Net revenues:				
Site rental	$ 120,127	$ 134,090	$ 350,608	$ 394,422
Network services and other	17,396	14,956	53,944	48,172
	137,523	149,046	404,552	442,594
Operating expenses:				
Costs of operations (exclusive of depreciation, amortization and accretion):				
Site rental	40,062	42,196	120,655	124,974
Network services and other	10,178	10,786	34,608	34,054
General and administrative	21,422	22,641	64,160	66,936
Corporate development	1,039	211	3,577	1,021
Restructuring charges (credits)	(1,058)	(445)	1,291	(478)
Asset write-down charges	6,137	—	7,517	3,816
Non-cash general and administrative compensation charges	6,205	1,442	13,933	9,860
Depreciation, amortization and accretion	60,846	60,587	183,072	182,931
	144,831	137,418	428,813	423,114
Operating income (loss)	(7,308)	11,628	(24,261)	19,480
Other income (expense):				
Interest and other income (expense)	(35,104)	(13,590)	(45,938)	(39,966)
Interest expense, amortization of deferred financing costs and dividends on preferred stock	(62,408)	(52,281)	(189,928)	(166,171)
Loss from continuing operations before income taxes, minority interests and cumulative effect of change in accounting principle	(104,820)	(54,243)	(260,127)	(186,657)
Provision for income taxes	(85)	(144)	(328)	(481)
Minority interests	151	(1,729)	(1,136)	(4,538)
Loss from continuing operations before cumulative effect of change in accounting principle	(104,754)	(56,116)	(261,591)	(191,676)
Discontinued operations (Notes 1 and 3):				
Income from operations of CCUK, net of tax	5,076	20,239	12,617	51,238
Net gain on disposal of CCUK, net of tax	—	497,210	—	497,210
Income from discontinued operations, net of tax	5,076	517,449	12,617	548,448
Income (loss) before cumulative effect of change in accounting principle	(99,678)	461,333	(248,974)	356,772
Cumulative effect of change in accounting principle for asset retirement obligations	—	—	(551)	—
Net income (loss)	(99,678)	461,333	(249,525)	356,772
Dividends on preferred stock, net of gains (losses) on purchases of preferred stock	(9,496)	(9,836)	(43,948)	(28,864)
Net income (loss) after deduction of dividends on preferred stock, net of gains (losses) on purchases of preferred stock	$ (109,174)	$ 451,497	$ (293,473)	$ 327,908
Net income (loss)	$ (99,678)	$ 461,333	$ (249,525)	$ 356,772
Other comprehensive income (loss):				
Foreign currency translation adjustments	10,123	(1,052)	80,432	10,742
Less: reclassification adjustment for foreign currency translation adjustments included in net income (loss)	—	(232,893)	—	(232,893)
Derivative instruments:				
Net change in fair value of cash flow hedging instruments	67	(210)	(1,408)	(40)
Amounts reclassified into results of operations	1,810	725	5,188	2,599
Minimum pension liability adjustment	—	11,513	—	11,513
Comprehensive income (loss)	$ (87,678)	$ 239,416	$ (165,313)	$ 148,693
Per common share – basic and diluted:				
Loss from continuing operations before cumulative effect of change in accounting principle	$ (0.53)	$ (0.30)	$ (1.41)	$ (1.00)
Income from discontinued operations	0.03	2.32	0.06	2.48
Cumulative effect of change in accounting principle	—	—	(0.01)	—
Net income (loss)	$ (0.50)	$ 2.02	$ (1.36)	$ 1.48
Common shares outstanding – basic and diluted (in thousands)	216,621	222,841	216,516	221,329

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
(In thousands of dollars)

	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2004
Cash flows from operating activities:		
Net income (loss)	$ (249,525)	$ 356,772
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, amortization and accretion	183,072	182,931
Losses on purchases and redemption of long-term debt	18,858	38,253
Non-cash general and administrative compensation charges	13,933	9,860
Amortization of deferred financing costs, discounts on long-term debt and dividends on preferred stock	54,724	7,978
Minority interests and loss on issuance of interest in joint venture	9,250	4,538
Equity in losses and write-downs of unconsolidated affiliates	807	3,991
Asset write-down charges	7,517	3,816
Income from discontinued operations	(12,617)	(548,448)
Losses on purchases of preferred stock	18,718	—
Cumulative effect of change in accounting principle	551	—
Changes in assets and liabilities:		
Decrease in receivables	19,513	6,312
Decrease in accrued interest	(21,360)	(16,504)
Decrease in deferred rental revenues and other liabilities	(13,936)	(3,851)
Decrease (increase) in inventories, prepaid expenses and other assets	8,048	(3,625)
Decrease in accounts payable	(6,918)	(814)
Net cash provided by operating activities	30,635	41,209
Cash flows from investing activities:		
Proceeds from disposition of property and equipment	11,692	2,726
Capital expenditures	(20,702)	(29,215)
Investments in affiliates and other	(13,245)	(11,119)
Maturities of investments	171,760	—
Purchases of investments	(56,063)	—
Acquisition of minority interest in joint venture	(5,873)	—
Net cash provided by (used for) investing activities	87,569	(37,608)
Cash flows from financing activities:		
Proceeds from issuance of capital stock	4,532	30,074
Principal payments on long-term debt	(9,500)	(1,289,750)
Purchases and redemption of long-term debt	(251,867)	(267,359)
Purchases of capital stock	(281,468)	(52,990)
Net borrowings (payments) under revolving credit agreements	(35,000)	(15,000)
Incurrence of financing costs	(7,441)	(444)
Proceeds from issuance of long-term debt	230,000	—
Net cash used for financing activities	(350,744)	(1,595,469)
Effect of exchange rate changes on cash	3,269	(105)
Discontinued operations (Notes 1 and 3)	945	2,064,294
Net increase (decrease) in cash and cash equivalents	(228,326)	472,321
Cash and cash equivalents at beginning of period	402,837	436,184
Cash and cash equivalents at end of period	$ 174,511	$ 908,505
Supplementary schedule of non-cash investing and financing activities:		
Amounts recorded in connection with acquisition of minority interest:		
Fair value of net assets recorded, including goodwill and other intangible assets	$ 18,607	$ —
Minority interest acquired	55,381	—
Minority interest issued	(68,115)	—
Supplemental disclosure of cash flow information:		
Interest paid	$ 153,858	$ 172,376
Income taxes paid	328	481

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATION CORP. AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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, 2003, and related notes thereto, included in the Annual Report on Form 10-K (the "Form 10-K") filed by Crown Castle International Corp. with the Securities and Exchange Commission. All references to the "Company" include Crown Castle International Corp. and its subsidiary companies unless otherwise indicated or the context indicates otherwise.

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 September 30, 2004, the consolidated results of operations for the three and nine months ended September 30, 2003 and 2004, and the consolidated cash flows for the nine months ended September 30, 2003 and 2004. 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 the results to be expected for the entire year.

On June 28, 2004, the Company signed a definitive agreement to sell its UK subsidiary ("CCUK") to an affiliate of National Grid Transco Plc ("National Grid"). As a result, the Company has restated its financial statements to present CCUK's assets, liabilities, results of operations and cash flows as amounts from discontinued operations. Such restatements have been made for all periods presented. On August 31, 2004, the Company completed the sale of CCUK. See Note 3.

Stock-Based Compensation

The Company used the "intrinsic value based method" of accounting for its stock-based employee compensation plans until December 31, 2002. This method does not result in the recognition of compensation expense when employee stock options are granted if the exercise price of the options equals or exceeds the fair market value of the stock at the date of grant. On January 1, 2003, the Company adopted the fair value method of accounting (using the "prospective" method of transition) for stock-based employee compensation awards granted on or after that date (see Note 2). The following table shows the pro forma effect on the Company's net income (loss) and income (loss) per share as if compensation cost had been recognized for all stock options based on their fair value at the date of grant. The pro forma effect of stock options on the Company's net income (loss) for those periods may not be representative of the pro forma effect for future periods due to the impact of vesting and potential future awards.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2004	2003	2004
Net income (loss), as reported	$ (99,678)	$ 461,333	$ (249,525)	$ 356,772
Add: Stock-based employee compensation expense included in reported net loss	10,444	8,326	20,570	19,047
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards	(13,913)	(9,882)	(31,578)	(23,930)
Net income (loss), as adjusted	(103,147)	459,777	(260,533)	351,889
Dividends on preferred stock, net of gains (losses) on purchases of preferred stock	(9,496)	(9,836)	(43,948)	(28,864)
Net income (loss) applicable to common stock for basic and diluted computations, as adjusted	$ (112,643)	$ 449,941	$ (304,481)	$ 323,025
Net income (loss) per common share—basic and diluted:				
As reported	$ (0.50)	$ 2.02	$ (1.36)	$ 1.48
As adjusted	$ (0.52)	$ 2.02	$ (1.41)	$ 1.46

2. New Accounting Pronouncements

In June 2001, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations* ("SFAS 143"). SFAS 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the related asset retirement costs. The fair value of a liability for an asset retirement obligation is to be recognized in the period in which it is incurred and can be reasonably estimated. Such asset retirement costs are to be capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset's estimated useful life. Fair value estimates of liabilities for asset retirement obligations will generally involve discounted future cash flows. Periodic accretion of such liabilities due to the passage of time is to be recorded as an operating expense. The provisions of SFAS 143 were effective for fiscal years beginning after June 15, 2002, with initial application as of the beginning of the fiscal year. The Company adopted the requirements of SFAS 143 as of January 1, 2003. The adoption of SFAS 143 resulted in the recognition of liabilities amounting to $1,359,000 for contingent retirement obligations under certain tower site land leases (included in other long-term liabilities on the Company's consolidated balance sheet), the recognition of asset retirement costs amounting to $808,000 (included in property and equipment on the Company's consolidated balance sheet), and the recognition of a charge for the cumulative effect of the change in accounting principle amounting to $551,000. Accretion expense related to liabilities for contingent retirement obligations (included in depreciation, amortization and accretion on the Company's consolidated statement of operations) amounted to $46,000 and $51,000 for the three months ended September 30, 2003 and 2004, respectively, and $133,000 and $151,000 for the nine months ended September 30, 2003 and 2004, respectively. At December 31, 2003 and September 30, 2004, liabilities for contingent retirement obligations amounted to $1,584,000 and $1,628,000, respectively.

In June 2002, the FASB issued Statement of Financial Accounting Standards No. 146, *Accounting for Costs Associated with Exit or Disposal Activities* ("SFAS 146"). SFAS 146 replaces the previous accounting guidance provided by Emerging Issues Task Force Issue No. 94-3, "*Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)*" ("EITF 94-3"). SFAS 146 requires that costs associated with exit or disposal activities be recognized when they are incurred, rather than at the date of a commitment to an exit or disposal plan (as provided by EITF 94-3). Examples of costs covered by SFAS 146 include certain employee severance costs and lease termination costs that are associated with a restructuring or discontinued operation. The provisions of SFAS 146 were effective for exit or disposal activities initiated after December 31, 2002, and are to be applied prospectively. The Company adopted the requirements of SFAS 146 as of January 1, 2003. See Note 11.

In November 2002, the FASB's Emerging Issues Task Force released its final consensus on Issue No. 00-21, "*Revenue Arrangements with Multiple Deliverables*" ("EITF 00-21"). EITF 00-21 addresses certain aspects of the accounting for arrangements under which multiple revenue-generating activities will be performed, including the determination of whether an arrangement involving multiple deliverables contains more than one unit of accounting. The guidance in EITF 00-21 is effective for revenue arrangements entered into in fiscal periods beginning after June 15, 2003. The Company adopted the provisions of EITF 00-21 as of July 1, 2003, and such adoption did not have a significant effect on its consolidated financial statements.

In December 2002, the FASB issued Statement of Financial Accounting Standards No. 148, *Accounting for Stock-Based Compensation—Transition and Disclosure* ("SFAS 148"). SFAS 148 amends Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation* ("SFAS 123"), to provide alternative methods of transition for a voluntary change to the fair value method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the provisions of SFAS 123 to require more prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results of operations. The Company adopted the disclosure requirements of SFAS 148 as of December 31, 2002. On January 1, 2003, the Company adopted the fair value method of accounting for stock-based employee compensation using the "prospective" method of transition as provided by SFAS 148. Under this transition method, the Company is recognizing compensation cost for all employee awards granted on or after January 1, 2003. The adoption of this new accounting method did not have a significant effect on the Company's consolidated financial statements.

In January 2003, the FASB issued FASB Interpretation No. 46, *Consolidation of Variable Interest Entities* ("FIN 46"). In December 2003, the FASB issued a revised version of FIN 46. FIN 46 clarifies existing accounting literature regarding the consolidation of entities in which a company holds a "controlling financial interest". A majority voting interest in an entity has generally been considered indicative of a controlling financial interest. FIN 46 specifies other factors ("variable interests") which must be considered when determining whether a company holds a controlling financial interest in, and therefore must consolidate, an entity ("variable interest entities"). The provisions of FIN 46, as revised, are effective for the first reporting period ending after March 15, 2004. The Company adopted the provisions of FIN 46 as of March 31, 2004, and such adoption did not have a significant effect on its consolidated financial statements.

In May 2003, the FASB issued Statement of Financial Accounting Standards No. 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity* ("SFAS 150"). SFAS 150 requires that mandatorily redeemable financial instruments issued in the form of shares be classified as liabilities, and specifies certain measurement and disclosure requirements for such instruments. The provisions of SFAS 150 were effective at the beginning of the first interim period beginning after June 15, 2003. The Company adopted the requirements of SFAS 150 as of July 1, 2003. The Company determined that (1) its 12¾% Exchangeable Preferred Stock was to be reclassified as a liability upon adoption of SFAS 150 and (2) its 8¼% Convertible Preferred Stock and its 6.25% Convertible Preferred Stock were not to be reclassified as liabilities, since the conversion features caused them to be contingently redeemable rather than mandatorily redeemable financial instruments. In addition, the dividends on the Company's 12¾% Exchangeable Preferred Stock were included in interest expense on its consolidated statement of operations beginning on July 1, 2003. The Company redeemed the remaining outstanding shares of 12¾% Exchangeable Preferred Stock in December of 2003.

3. Sale of CCUK

On June 28, 2004, the Company signed a definitive agreement to sell CCUK to an affiliate of National Grid for $2,035,000,000 in cash, subject to certain working capital type adjustments. On August 31, 2004, the Company completed the sale of CCUK. The proceeds for the transaction amounted to $2,027,973,000, after taking into account preliminary working capital type adjustments. In accordance with the terms of the Company's 2000 Credit Facility, the Company was required to use $1,275,385,000 of the proceeds from the transaction to fully repay the outstanding borrowings under the 2000 Credit Facility (see Note 5). The remaining proceeds from the transaction will be used for general corporate purposes, which could include the repayment of outstanding indebtedness and/or investments in new business opportunities. Under the terms of the indentures governing the Company's public debt securities, any proceeds from the sale of CCUK not invested in qualifying assets within one year must be offered to purchase such debt securities from the Company's bondholders at the outstanding principal amount plus accrued interest. On September 10, 2004, in order to satisfy these requirements under the indentures, the Company voluntarily commenced an offer to purchase certain of its outstanding public debt securities in advance of the one year time period. On October 12, 2004, the Company purchased $465,000 in outstanding principal amount of tendered notes (see Note 5).

The carrying amounts of CCUK's assets and liabilities are as follows:

	December 31, 2003	August 31, 2004 (Date of sale)
	(In thousands of dollars)	
Assets:		
Cash and cash equivalents	$ 26,243	$ 53,621
Receivables	43,834	37,923
Inventories	5,927	6,384
Prepaid expenses and other current assets	49,605	40,458
Property and equipment, net	986,872	979,068
Goodwill	939,642	949,596
Other assets, net	387	809
Assets of discontinued operations	$ 2,052,510	$ 2,067,859
Liabilities:		
Accounts payable	$ 30,964	$ 30,930
Other current liabilities	166,795	133,545
Other liabilities	155,785	184,162
Liabilities of discontinued operations	$ 353,544	$ 348,637

As of August 31, 2004, the Company's consolidated stockholders' equity accounts included foreign currency translation adjustments and a minimum pension liability adjustment of $232,893,000 and $(11,513,000), respectively, related to CCUK's assets and liabilities. Such adjustments were included in accumulated other comprehensive income (loss) on the Company's consolidated balance sheet and are part of the calculation of the net gain on the sale of CCUK.

The Company has recognized a net gain of $497,210,000 during the third quarter of 2004 in connection with the sale of CCUK. Such gain is net of taxes of $11,000,000, representing the Company's estimated U.S. federal alternative minimum tax resulting from the transaction. This tax amount is included in other accrued liabilities on the Company's consolidated balance sheet as of September 30, 2004. The cash proceeds from the transaction ($2,022,566,000), the cash payments for fees and expenses for the transaction ($12,776,000), and the net cash payments received from CCUK for the nine months ended September 30, 2004 ($54,504,000) are included as discontinued operations on the Company's consolidated statement of cash flows. The net gain is calculated as follows (in thousands of dollars):

Proceeds from sale	$ 2,027,973
Assets of discontinued operations	(2,067,859)
Liabilities of discontinued operations	348,637
Foreign currency translation adjustments	232,893
Minimum pension liability adjustment	(11,513)
Fees and expenses	(12,776)
Severance costs	(2,663)
Compensation charges related to modified stock-based employee awards	(6,482)
Net gain on disposal of CCUK before income taxes	508,210
Estimated federal alternative minimum tax	(11,000)
Net gain on disposal of CCUK, net of tax	$ 497,210

Upon the closing of the sale of CCUK to National Grid, the Company's stock-based employee compensation awards (comprised of restricted common stock and stock options) granted to CCUK employees (other than the President and Managing Director of CCUK) were modified as to the terms of their vesting and exercise. Such awards will continue to vest after the closing until either April 1, 2005 or September 30, 2005, depending on the position held by the CCUK employee. Further, vested stock options will be exercisable until either September 30, 2005 or December 30, 2005, again depending on the position held by the CCUK employee. As of August 31, 2004, the number of shares of the Company's common stock subject to awards held by CCUK employees includes (1) 351,533 shares of restricted common stock, (2) 620,432 shares for unvested stock options and (3) 1,262,035 shares for vested stock options. The modifications to these awards have generally been treated as the grant of new awards for accounting purposes. As such, compensation charges related to the modified awards amounting to $6,482,000 have been recognized as part of the calculation of the net gain on the sale of CCUK. The awards held by the President and Managing Director of CCUK are subject to a severance agreement with stock options vesting and restricted common stock eligible for vesting over a period of 36 months from the closing date of the CCUK transaction. See Notes 7 and 12.

CCUK's financial results have historically been presented as a separate operating segment (see Note 10). A summary of CCUK's operating results is as follows:

	Three Months Ended September 30, 2003	Two Months Ended August 31, 2004 (Date of sale)	Nine Months Ended September 30, 2003	Eight Months Ended August 31, 2004 (Date of sale)
	(In thousands of dollars)			
Net revenues	$ 98,054	$ 74,700	$ 271,950	$ 291,399
Income before income taxes and cumulative effect of change in accounting principle	$ 9,227	$ 35,801	$ 25,393	$ 80,040
Provision for income taxes	(4,151)	(15,562)	(11,292)	(28,802)
Cumulative effect of change in accounting principle for asset retirement obligations	—	—	(1,484)	—
Income from discontinued operations	$ 5,076	$ 20,239	$ 12,617	$ 51,238

4. Goodwill and Other Intangible Assets

As of December 31, 2003 and September 30, 2004, the Company had consolidated goodwill of $267,071,000 (including $211,694,000 at CCUSA and $55,377,000 at Crown Atlantic).

The value of site rental contracts from acquisitions included in CCUSA are accounted for as other intangible assets with finite useful lives, and are included in deferred financing costs and other assets on the Company's consolidated balance sheet. A summary of other intangible assets with finite useful lives is as follows:

	Nine Months Ended September 30, 2004		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value
	(In thousands of dollars)		
Balance at beginning of period	$ 30,005	$ (14,653)	$ 15,352
Amortization expense	—	(1,389)	(1,389)
Balance at end of period	$ 30,005	$ (16,042)	$ 13,963
Estimated aggregate annual amortization expense:			
Years ending December 31, 2004 through 2008		$ 1,852	

5. Long-term Debt

Long-term debt consists of the following:

	December 31, 2003	September 30, 2004
	(In thousands of dollars)	
2000 Credit Facility	$ 1,289,750	$ —
Crown Atlantic Credit Facility	195,000	180,000
4% Convertible Senior Notes due 2010	230,000	230,000
10⅜% Senior Discount Notes due 2011, net of discount	12,366	11,341
9% Senior Notes due 2011	161,712	26,133
11¼% Senior Discount Notes due 2011, net of discount	10,979	10,700
9½% Senior Notes due 2011	114,265	4,753
10¾% Senior Notes due 2011	428,695	428,695
9⅜% Senior Notes due 2011	407,225	407,225
7.5% Senior Notes due 2013	300,000	300,000
7.5% Series B Senior Notes due 2013	300,000	300,000
	3,449,992	1,898,847
Less: current maturities	(267,142)	—
	$ 3,182,850	$ 1,898,847

2000 Credit Facility

On June 28, 2004, the Company signed a definitive agreement to sell CCUK to an affiliate of National Grid. On August 31, 2004, the Company completed the sale of CCUK. In accordance with the terms of the 2000 Credit Facility, the Company was required to use $1,286,568,000 of the proceeds from the transaction to fully repay the outstanding borrowings under the 2000 Credit Facility, including accrued interest and fees of $11,183,000. The repayment of the 2000 Credit Facility resulted in a loss of $13,886,000, consisting of the write-off of unamortized deferred financing costs. Such loss is included in interest and other income (expense) on the Company's consolidated statement of operations. See Note 3.

Crown Atlantic Credit Facility

In February of 2004, Crown Atlantic amended its credit facility to reduce the available borrowings from $301,050,000 to $250,000,000. During the nine months ended September 30, 2004, Crown Atlantic repaid $15,000,000 in outstanding borrowings under the Crown Atlantic Credit Facility. Crown Atlantic utilized cash provided by its operations to effect this repayment.

Purchases of the Company's Debt Securities

On December 5, 2003, the Company commenced cash tender offers and consent solicitations for all of its outstanding 9% Senior Notes and 9½% Senior Notes. On December 31, 2003, in accordance with the terms of the tender offers, the purchase prices for the tendered notes (excluding accrued interest through the purchase date) were determined to be 107.112% of the outstanding principal amount for the 9% Senior Notes and 109.140% of the outstanding principal amount for the 9½% Senior Notes. Such purchase prices include a consent payment of $20.00 for each $1,000 principal amount of the tendered notes. On January 7, 2004, the Company (1) utilized $146,984,000 of its cash to purchase the $135,579,000 in outstanding principal amount of the tendered 9% Senior Notes, including accrued interest thereon of $1,763,000, and (2) utilized $124,030,000 of its cash to purchase the $109,512,000 in outstanding principal amount of the tendered 9½% Senior Notes, including accrued interest thereon of $4,508,000. The purchase of the tendered 9% Senior Notes resulted in a loss of $12,466,000 for the first quarter of 2004, consisting of the write-off of unamortized deferred financing costs ($2,823,000) and the excess of the total purchase price over the carrying value of the tendered notes ($9,643,000). The purchase of the tendered 9½% Senior Notes resulted in a loss of $11,652,000 for the first quarter of 2004, consisting of the write-off of unamortized deferred financing costs ($1,642,000) and the excess of the total purchase price over the carrying value of the tendered notes

($10,010,000). Such losses are included in interest and other income (expense) on the Company's consolidated statement of operations for the nine months ended September 30, 2004. The 9% Senior Notes and 9½% Senior Notes that were tendered through December 31, 2003 have been classified as current maturities of long-term debt on the Company's consolidated balance sheet as of December 31, 2003.

In January of 2004, the Company (1) utilized $1,570,000 of its cash to purchase $1,500,000 in outstanding principal amount at maturity of its 10⅜% Discount Notes and (2) utilized $1,046,000 of its cash to purchase $1,000,000 in outstanding principal amount at maturity of its 11¼% Discount Notes, both in public market transactions. The debt purchases resulted in losses of $249,000 that are included in interest and other income (expense) on the Company's consolidated statement of operations for the nine months ended September 30, 2004.

Under the terms of the indentures governing the Company's public debt securities, any proceeds from the sale of CCUK not invested in qualifying assets within one year must be offered to purchase such debt securities from the Company's bondholders at the outstanding principal amount plus accrued interest (see Note 3). On September 10, 2004, in order to satisfy these requirements under the indentures, the Company voluntarily commenced an offer to purchase for cash up to $216,412,000 of its 10 ¾% Senior Notes, $205,574,000 of its 9⅜% Senior Notes, $151,445,000 of its 7.5% Senior Notes and $151,445,000 of its 7.5% Series B Senior Notes in advance of the one year time period. The offer to purchase these securities expired on October 8, 2004, at which time the Company accepted an aggregate of $465,000 in notes that had been tendered. On October 12, 2004, the Company utilized $475,000 of its cash to purchase the $465,000 in outstanding principal amount of the tendered notes, including accrued interest thereon of $10,000. The purchase of the tendered notes will result in a loss of $10,000 for the fourth quarter of 2004, consisting of the write-off of unamortized deferred financing costs. Such loss will be included in interest and other income (expense) on the Company's consolidated statement of operations for the year ending December 31, 2004.

The Company anticipates that it may purchase additional debt securities using a portion of the proceeds from the sale of CCUK. See Notes 3 and 12.

Reporting Requirements Under the Indentures Governing the Company's Debt Securities (the "Indentures")

The following information (as such capitalized terms are defined in the Indentures) is presented solely as a requirement of the Indentures; such information is not intended as an alternative measure of financial position, operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, the Company's measure of the following information may not be comparable to similarly titled measures of other companies.

Summarized financial information for (1) the Company and its Restricted Subsidiaries and (2) the Company's Unrestricted Subsidiaries is as follows:

	September 30, 2004			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 835,997	$ 72,508	$ —	$ 908,505
Other current assets	74,107	6,633	—	80,740
Property and equipment, net	2,906,699	676,558	—	3,583,257
Investments in Unrestricted Subsidiaries	477,239	—	(477,239)	—
Goodwill	211,694	55,377	—	267,071
Other assets, net	96,510	36,595	—	133,105
	$ 4,602,246	$ 847,671	$ (477,239)	$ 4,972,678
Current liabilities	$ 154,411	$ 18,403	$ —	$ 172,814
Long-term debt, less current maturities	1,718,847	180,000	—	1,898,847
Other liabilities	49,069	4,968	—	54,037
Minority interests	44,115	167,061	—	211,176
Redeemable preferred stock	507,706	—	—	507,706
Stockholders' equity	2,128,098	477,239	(477,239)	2,128,098
	$ 4,602,246	$ 847,671	$ (477,239)	$ 4,972,678

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Three Months Ended September 30, 2004			Nine Months Ended September 30, 2004		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)					
Net revenues	$ 118,672	$ 30,374	$ 149,046	$ 352,506	$ 90,088	$ 442,594
Costs of operations (exclusive of depreciation, amortization and accretion)	41,403	11,579	52,982	125,048	33,980	159,028
General and administrative	19,181	3,460	22,641	57,881	9,055	66,936
Corporate development	211	—	211	1,021	—	1,021
Restructuring charges (credits)	(428)	(17)	(445)	(461)	(17)	(478)
Asset write-down charges	—	—	—	2,772	1,044	3,816
Non-cash general and administrative compensation charges	1,296	146	1,442	8,907	953	9,860
Depreciation, amortization and accretion	49,934	10,653	60,587	151,224	31,707	182,931
Operating income	7,075	4,553	11,628	6,114	13,366	19,480
Interest and other income (expense)	(12,381)	(1,209)	(13,590)	(36,732)	(3,234)	(39,966)
Interest expense and amortization of deferred financing costs	(49,765)	(2,516)	(52,281)	(158,515)	(7,656)	(166,171)
Provision for income taxes	(144)	—	(144)	(481)	—	(481)
Minority interests	971	(2,700)	(1,729)	2,846	(7,384)	(4,538)
Income (loss) from discontinued operations	517,450	(1)	517,449	548,617	(169)	548,448
Net income (loss)	$ 463,206	$ (1,873)	$ 461,333	$ 361,849	$ (5,077)	$ 356,772

Tower Cash Flow and Adjusted Consolidated Cash Flow for the Company and its Restricted Subsidiaries is as follows under the indentures governing the 4% Convertible Senior Notes, the 10¾% Senior Notes, the 9⅜% Senior Notes, the 7.5% Senior Notes and the 7.5% Series B Senior Notes:

	(In thousands of dollars)
Tower Cash Flow, for the three months ended September 30, 2004	$ 101,170
Consolidated Cash Flow, for the twelve months ended September 30, 2004	$ 404,988
Less: Tower Cash Flow, for the twelve months ended September 30, 2004	(432,134)
Plus: four times Tower Cash Flow, for the three months ended September 30, 2004	404,680
Adjusted Consolidated Cash Flow, for the twelve months ended September 30, 2004	$ 377,534

The amounts presented above for Tower Cash Flow, Consolidated Cash Flow and Adjusted Consolidated Cash Flow include the operating results from CCUK through August 31, 2004 (the date of sale). See Note 3.

Letters of Credit

The Company has issued letters of credit to various landlords, insurers and other parties in connection with certain contingent retirement obligations under various tower site land leases and certain other contractual obligations. The letters of credit were issued through one of CCUSA's lenders in amounts aggregating $6,391,000 and expire on various dates through October 2005.

6. Redeemable Preferred Stock

Redeemable preferred stock ($.01 par value, 20,000,000 shares authorized) consists of the following:

	December 31, 2003	September 30, 2004
	(In thousands of dollars)	
8¼% Cumulative Convertible Redeemable Preferred Stock; shares issued and outstanding: 200,000 (stated net of unamortized value of warrants; mandatory redemption and aggregate liquidation value of $200,000)	$ 196,614	$ 196,922
6.25% Convertible Preferred Stock; shares issued and outstanding: 6,361,000 (stated net of unamortized issue costs; mandatory redemption and aggregate liquidation value of $318,050)	310,088	310,784
	$ 506,702	$ 507,706

In March and June of 2004, the Company paid its quarterly dividends on the 8¼% Convertible Preferred Stock by issuing a total of 600,000 shares of its common stock. As allowed by the Deposit Agreement relating to dividend payments on the 8¼% Convertible Preferred Stock, the Company purchased the 600,000 shares of common stock from the dividend paying agent for a total of $8,247,000 in cash. The Company utilized cash from an Unrestricted investment subsidiary to effect the stock purchases. The Company may choose to continue issuances and purchases of stock in the future in order to offset dilution caused by the issuance of common stock as dividends on its preferred stock. See Note 7.

7. Stockholders' Equity

In February of 2004, the Company issued 35,400 shares of common stock to the non-executive members of its Board of Directors. These shares had a grant-date fair value of $11.85 per share. In connection with these shares, the Company recognized non-cash general and administrative compensation charges of $419,000 for the three months ended March 31, 2004.

In March, April and May of 2004, the Company granted approximately 1,343,000 shares of restricted common stock to approximately 500 of its employees (including approximately 175 employees of CCUK). These restricted shares had a weighted-average grant-date fair value of $13.99 per share, determined based on the closing market price of the Company's common stock on the grant dates. The restrictions on the shares will expire in various annual amounts over the vesting period of four years, with provisions for accelerated vesting based on the market performance of the Company's common stock. In connection with these restricted shares, the Company will recognize non-cash general and administrative compensation charges of approximately $18,800,000 over the vesting period. Such charges will be reduced in the event that any of the restricted shares are forfeited before they become vested. In order to reach the first target level for accelerated vesting of these restricted shares, the market price of the Company's common stock would have to close at or above $14.81 per share (125% of the base price of $11.85 per share) for twenty consecutive trading days. Reaching the first target level would result in the restrictions expiring with respect to one third of these restricted shares. In order to reach the second and third target levels for accelerated vesting of these restricted shares, the market price of the Company's common stock would have to close at or above $18.52 per share and $23.14 per share, respectively (125% of each of the previous target levels), for twenty consecutive trading days. Reaching each of the second and third target levels would result in the restrictions expiring with respect to an additional third of these restricted shares. The vesting terms for the restricted shares held by CCUK employees were modified upon the closing of the sale of CCUK (see Notes 3 and 12).

On April 27, 2004, the market performance of the Company's common stock reached the third (and final) target level for accelerated vesting of the restricted common shares that had been issued during the first quarter of 2003. This third target level was reached when the market price of the Company's common stock closed at or above $12.45 per share (150% of the second target level of $8.30 per share) for twenty consecutive trading days. As a result, the restrictions expired with respect to the final third of such outstanding shares during the second quarter of 2004. The acceleration of the vesting for these shares resulted in the recognition of non-cash general and administrative compensation charges of $5,378,000 for the three months ended June 30, 2004. All of the executives and employees elected to sell a portion of their vested shares in order to pay their respective minimum withholding tax liabilities, and the Company arranged to purchase these shares in order to facilitate the stock sales. The Company purchased approximately 587,300 of such shares of common stock (at a price of $14.92 per share) for a total of $8,762,000 in cash. The Company utilized cash from an Unrestricted investment subsidiary to effect the stock purchase.

In August of 2004, the Company began purchasing its common stock in public market transactions. Through September 3, 2004, the Company purchased a total of 2,666,400 shares of common stock. The Company utilized $35,981,000 in cash from an Unrestricted investment subsidiary to effect these common stock purchases. The Company may choose to continue purchases of common stock in the future. See Note 6.

8. Per Share Information

Per share information is based on the weighted-average number of common shares outstanding during each period for the basic computation and, if dilutive, the weighted-average number of potential common shares resulting from the assumed conversion of outstanding stock options, warrants, convertible preferred stock and convertible senior notes for the diluted computation.

A reconciliation of the numerators and denominators of the basic and diluted per share computations is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2004	2003	2004
	(In thousands of dollars, except per share amounts)			
Loss from continuing operations before cumulative effect of change in accounting principle	$ (104,754)	$ (56,116)	$ (261,591)	$ (191,676)
Dividends on preferred stock	(9,496)	(9,836)	(44,297)	(28,864)
Gains (losses) on purchases of preferred stock	—	—	349	—
Loss from continuing operations before cumulative effect of change in accounting principle applicable to common stock for basic and diluted computations	(114,250)	(65,952)	(305,539)	(220,540)
Income from discontinued operations	5,076	517,449	12,617	548,448
Cumulative effect of change in accounting principle	—	—	(551)	—
Net income (loss) applicable to common stock for basic and diluted computations	$ (109,174)	$ 451,497	$ (293,473)	$ 327,908
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	216,621	222,841	216,516	221,329
Per common share—basic and diluted:				
Loss from continuing operations before cumulative effect of change in accounting principle	$ (0.53)	$ (0.30)	$ (1.41)	$ (1.00)
Income from discontinued operations	0.03	2.32	0.06	2.48
Cumulative effect of change in accounting principle	—	—	(0.01)	—
Net income (loss)	$ (0.50)	$ 2.02	$ (1.36)	$ 1.48

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares. The inclusion of such potential common shares in the diluted per share computations would be antidilutive since the Company incurred net losses from continuing operations for all periods presented.

	September 30,	
	2003	2004
	(In thousands)	
Options to purchase shares of common stock	20,659	15,403
Warrants to purchase shares of common stock at an exercise price of $7.50 per share	640	640
Warrants to purchase shares of common stock at an exercise price of $26.875 per share	1,000	1,000
Shares of 8¼% Cumulative Convertible Redeemable Preferred Stock which are convertible into shares of common stock at a conversion price of $26.875 per share	7,442	7,442
Shares of 6.25% Convertible Preferred Stock which are convertible into shares of common stock at a conversion price of $36.875 per share	8,625	8,625
Shares of restricted common stock	1,890	1,389
4% Convertible Senior Notes which are convertible into shares of common stock at a conversion price of $10.83 per share	21,237	21,237
Total potential common shares	61,493	55,736

As of September 30, 2004, outstanding stock options include (1) 7,223,000 options at exercise prices ranging from $-0- to $14.81 per share and a weighted-average exercise price of $8.68 per share, and (2) 8,180,000 options at exercise prices ranging from $15.13 to $39.75 per share and a weighted-average exercise price of $23.51 per share.

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 that may be incurred, 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. Operating Segments

The measurement of profit or loss currently used to evaluate the results of operations for the Company and its operating segments is earnings before interest, taxes, depreciation and amortization, as adjusted ("Adjusted EBITDA"). The Company defines Adjusted EBITDA as net income (loss) plus cumulative effect of change in accounting principle, income from discontinued operations, minority interests, provision for income taxes, interest expense, amortization of deferred financing costs and dividends on preferred stock, interest and other income (expense), depreciation, amortization and accretion, non-cash general and administrative compensation charges, asset write-down charges and restructuring charges (credits). Adjusted EBITDA is not intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles), and the Company's measure of Adjusted EBITDA may not be comparable to similarly titled measures of other companies. There are no significant revenues resulting from transactions between the Company's operating segments.

As a result of the sale of CCUK, the Company has restated its financial statements to present CCUK's results of operations and cash flows as amounts from discontinued operations (see Note 3). Such restatements have been made for all periods presented. The financial results for the Company's operating segments are as follows:

	Three Months Ended September 30, 2004					
	CCUSA	CCUK	CCAL	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental	$ 96,810	$ —	$ 8,775	$ 28,505	$ —	$ 134,090
Network services and other	12,112	—	975	1,869	—	14,956
	108,922	—	9,750	30,374	—	149,046
Costs of operations (exclusive of depreciation, amortization and accretion)	37,579	—	3,919	11,484	—	52,982
General and administrative	13,069	—	2,508	1,289	5,775	22,641
Corporate development	—	—	—	—	211	211
Adjusted EBITDA	58,274	—	3,323	17,601	(5,986)	73,212
Restructuring charges (credits)	(428)	—	—	(17)	—	(445)
Non-cash general and administrative compensation charges	725	—	9	144	564	1,442
Depreciation, amortization and accretion	45,429	—	4,511	10,548	99	60,587
Operating income (loss)	12,548	—	(1,197)	6,926	(6,649)	11,628
Interest and other income (expense)	(11,852)	—	(368)	45	(1,415)	(13,590)
Interest expense and amortization of deferred financing costs	(11,661)	—	(978)	(2,516)	(37,126)	(52,281)
Provision for income taxes	—	—	(144)	—	—	(144)
Minority interests	—	—	971	(2,700)	—	(1,729)
Income from discontinued operations	—	517,449	—	—	—	517,449
Net income (loss)	$ (10,965)	$ 517,449	$ (1,716)	$ 1,755	$ (45,190)	$ 461,333
Capital expenditures	$ 7,058		$ 576	$ 2,086	$ 38	$ 9,758
Total assets (at period end)	$3,026,713	$ —	$ 317,704	$ 776,920	$ 851,341	$4,972,678

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Nine Months Ended September 30, 2004					
	CCUSA	CCUK	CCAL	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental	$ 282,546	$ —	$ 27,585	$ 84,291	$ —	$ 394,422
Network services and other	39,338	—	3,302	5,532	—	48,172
	321,884	—	30,887	89,823	—	442,594
Costs of operations (exclusive of depreciation, amortization and accretion)	112,920	—	12,541	33,567	—	159,028
General and administrative	39,417	—	7,518	4,015	15,986	66,936
Corporate development	—	—	—	—	1,021	1,021
Adjusted EBITDA	169,547	—	10,828	52,241	(17,007)	215,609
Restructuring charges (credits)	(428)	—	—	(17)	(33)	(478)
Asset write-down charges	2,772	—	—	1,044	—	3,816
Non-cash general and administrative compensation charges	4,372	—	50	949	4,489	9,860
Depreciation, amortization and accretion	137,238	—	13,844	31,399	450	182,931
Operating income (loss)	25,593	—	(3,066)	18,866	(21,913)	19,480
Interest and other income (expense)	(11,682)	—	(689)	152	(27,747)	(39,966)
Interest expense and amortization of deferred financing costs	(43,328)	—	(3,438)	(7,656)	(111,749)	(166,171)
Provision for income taxes	—	—	(481)	—	—	(481)
Minority interests	—	—	2,846	(7,384)	—	(4,538)
Income from discontinued operations	—	548,448	—	—	—	548,448
Net income (loss)	$ (29,417)	$ 548,448	$ (4,828)	$ 3,978	$ (161,409)	$ 356,772
Capital expenditures	$ 23,230		$ 1,161	$ 4,565	$ 259	$ 29,215

	Three Months Ended September 30, 2003					
	CCUSA	CCUK	CCAL	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental	$ 87,880	$ —	$ 6,740	$ 25,507	$ —	$ 120,127
Network services and other	12,999	—	1,035	3,362	—	17,396
	100,879	—	7,775	28,869	—	137,523
Costs of operations (exclusive of depreciation, amortization and accretion)	37,237	—	3,274	9,729	—	50,240
General and administrative	11,985	—	2,037	1,445	5,955	21,422
Corporate development	—	—	—	—	1,039	1,039
Adjusted EBITDA	51,657	—	2,464	17,695	(6,994)	64,822
Restructuring charges (credits)	(734)	—	—	(324)	—	(1,058)
Asset write-down charges	1,991	—	—	4,146	—	6,137
Non-cash general and administrative compensation charges	2,798	—	—	656	2,751	6,205
Depreciation, amortization and accretion	45,708	—	4,141	10,561	436	60,846
Operating income (loss)	1,894	—	(1,677)	2,656	(10,181)	(7,308)
Interest and other income (expense)	(168)	—	218	145	(35,299)	(35,104)
Interest expense, amortization of deferred financing costs and dividends on preferred stock	(7,852)	—	(922)	(3,809)	(49,825)	(62,408)
Provision for income taxes	—	—	(85)	—	—	(85)
Minority interests	—	—	881	(730)	—	151
Income from discontinued operations	—	5,076	—	—	—	5,076
Net income (loss)	$ (6,126)	$ 5,076	$ (1,585)	$ (1,738)	$ (95,305)	$ (99,678)
Capital expenditures	$ 3,164		$ 735	$ 2,165	$ 28	$ 6,092

	Nine Months Ended September 30, 2003					
	CCUSA	CCUK	CCAL	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental	$ 255,981	$ —	$ 18,868	$ 75,759	$ —	$ 350,608
Network services and other	41,149	—	2,677	10,118	—	53,944
	297,130	—	21,545	85,877	—	404,552
Costs of operations (exclusive of depreciation, amortization and accretion)	113,442	—	9,200	32,621	—	155,263
General and administrative	38,048	—	5,385	4,569	16,158	64,160
Corporate development	—	—	—	—	3,577	3,577
Adjusted EBITDA	145,640	—	6,960	48,687	(19,735)	181,552
Restructuring charges (credits)	1,580	—	—	(289)	—	1,291
Asset write-down charges	3,352	—	—	4,165	—	7,517
Non-cash general and administrative compensation charges	6,675	—	—	1,348	5,910	13,933
Depreciation, amortization and accretion	138,368	—	11,869	31,419	1,416	183,072
Operating income (loss)	(4,335)	—	(4,909)	12,044	(27,061)	(24,261)
Interest and other income (expense)	353	—	615	(7,957)	(38,949)	(45,938)
Interest expense, amortization of deferred financing costs and dividends on preferred stock	(24,774)	—	(2,757)	(11,574)	(150,823)	(189,928)
Provision for income taxes	—	—	(328)	—	—	(328)
Minority interests	(15)	—	2,618	(3,739)	—	(1,136)
Income from discontinued operations	—	12,617	—	—	—	12,617
Cumulative effect of change in accounting principle for asset retirement obligations	(394)	—	(57)	(100)	—	(551)
Net income (loss)	$ (29,165)	$ 12,617	$ (4,818)	$ (11,326)	$ (216,833)	$ (249,525)
Capital expenditures	$ 11,233		$ 1,995	$ 7,357	$ 117	$ 20,702

11. Restructuring Charges and Asset Write-Down Charges

At December 31, 2003 and September 30, 2004, other accrued liabilities includes $2,716,000 and $1,487,000, respectively, related to restructuring charges. A summary of the restructuring charges by operating segment is as follows:

	Nine Months Ended September 30, 2004			
	CCUSA	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)			
Amounts accrued at beginning of period:				
Employee severance	$ 492	$ —	$ 33	$ 525
Costs of office closures and other	2,143	48	—	2,191
	2,635	48	33	2,716
Amounts charged (credited) to expense:				
Employee severance	—	—	(33)	(33)
Costs of office closures and other	(428)	(17)	—	(445)
Total restructuring charges (credits)	(428)	(17)	(33)	(478)
Amounts paid:				
Employee severance	(492)	—	—	(492)
Costs of office closures and other	(228)	(31)	—	(259)
	(720)	(31)	—	(751)
Amounts accrued at end of period:				
Employee severance	—	—	—	—
Costs of office closures and other	1,487	—	—	1,487
	$ 1,487	$ —	$ —	$ 1,487

During the nine months ended September 30, 2004, the Company abandoned or disposed of certain tower sites and sites in development and recorded asset write-down charges of $2,772,000 for CCUSA and $1,044,000 for Crown Atlantic.

12. Subsequent Events

On October 27, 2004, the market performance of the Company's common stock reached the first target level for accelerated vesting of the restricted common shares that had been issued during March, April and May of 2004 (see Note 7). This first target level was reached when the market price of the Company's common stock closed at or above $14.81 per share (125% of the base price of $11.85 per share) for twenty consecutive trading days. As a result, the restrictions expired with respect to the first third of such outstanding shares during the fourth quarter of 2004. The acceleration of the vesting for these shares will result in the recognition of non-cash general and administrative compensation charges of approximately $3,133,000 for the three months ending December 31, 2004, of which $2,495,000 will be recorded in continuing operations and $638,000 will be charged to the net gain on disposal of CCUK (see Note 3). Most of the executives and employees sold a portion of their vested shares in order to pay their respective minimum withholding tax liabilities, and the Company arranged to purchase these shares in order to facilitate the stock sales. The Company purchased approximately 153,100 of such shares of common stock (at a price of $15.52 per share) for a total of $2,376,000 in cash. The Company utilized cash from an Unrestricted investment subsidiary to effect the stock purchase.

On November 4, 2004, the Company entered into an agreement with a subsidiary of Verizon Communications ("Verizon") to acquire Verizon's 37.245% equity interest in the Crown Castle Atlantic venture ("Crown Atlantic"). On that date, the Company acquired such equity interest for $295,000,000 in cash, inclusive of approximately $15,000,000 of net working capital. Following the transaction, the Company owns 100% of Crown Atlantic. The Company will account for the acquisition of the minority interest in Crown Atlantic using the purchase method. Following this transaction, the Company intends to combine the Crown Atlantic operating segment with the CCUSA operating segment (see Note 10). This change in reportable segments will be made in the Company's consolidated financial statements for the year ending December 31, 2004, and segment information for all prior periods presented will be restated at that time.

On November 8, 2004, the Company commenced a cash tender offer for all of its outstanding 4% Convertible Senior Notes. In accordance with the terms of the tender offer, the purchase price for the tendered notes will be determined on December 3, 2004. The tender offer will expire on December 7, 2004.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to assist in understanding our consolidated financial condition as of September 30, 2004 and our consolidated results of operations for the three- and nine-month periods ended September 30, 2003 and 2004. The statements in this discussion regarding the industry outlook, our expectations regarding the future performance of our businesses and the other non-historical statements in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks, uncertainties and assumptions, including but not limited to prevailing market conditions and those set forth below under the caption *"Liquidity and Capital Resources — Factors That Could Affect Future Results"*.

The following discussion should be read in conjunction with the response to Part I, Item 1 of this report and the consolidated financial statements of the Company, including the related notes, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Form 10-K. Any capitalized terms used but not defined in this Item have the same meaning given to them in the Form 10-K.

On June 28, 2004, we signed a definitive agreement to sell our UK subsidiary ("CCUK") to an affiliate of National Grid Transco Plc ("National Grid"). As a result, we have restated our financial statements to present CCUK's assets, liabilities, results of operations and cash flows as amounts from discontinued operations. Such restatements have been made for all periods presented. On August 31, 2004, we completed the sale of CCUK. See "—Liquidity and Capital Resources".

Results of Operations

The following information is derived from our historical Consolidated Statements of Operations for the periods indicated.

	Three Months Ended September 30, 2003		Three Months Ended September 30, 2004		Nine Months Ended September 30, 2003		Nine Months Ended September 30, 2004	
	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues
				(In thousands of dollars)				
Net revenues:								
Site rental	$ 120,127	87.4%	$ 134,090	90.0%	$ 350,608	86.7%	$ 394,422	89.1%
Network services and other	17,396	12.6	14,956	10.0	53,944	13.3	48,172	10.9
Total net revenues	137,523	100.0	149,046	100.0	404,552	100.0	442,594	100.0
Operating expenses:								
Costs of operations:								
Site rental	40,062	33.4	42,196	31.5	120,655	34.4	124,974	31.7
Network services and other	10,178	58.5	10,786	72.1	34,608	64.2	34,054	70.7
Total costs of operations	50,240	36.5	52,982	35.5	155,263	38.4	159,028	35.9
General and administrative	21,422	15.6	22,641	15.2	64,160	15.9	66,936	15.1
Corporate development	1,039	0.8	211	0.1	3,577	0.9	1,021	0.2
Restructuring charges (credits)	(1,058)	(0.8)	(445)	(0.3)	1,291	0.3	(478)	(0.1)
Asset write-down charges	6,137	4.5	—	—	7,517	1.8	3,816	0.9
Non-cash general and administrative compensation charges	6,205	4.5	1,442	1.0	13,933	3.4	9,860	2.2
Depreciation, amortization and accretion	60,846	44.2	60,587	40.7	183,072	45.3	182,931	41.4
Operating income (loss)	(7,308)	(5.3)	11,628	7.8	(24,261)	(6.0)	19,480	4.4
Other income (expense):								
Interest and other income (expense)	(35,104)	(25.5)	(13,590)	(9.1)	(45,938)	(11.4)	(39,966)	(9.0)
Interest expense and amortization of deferred financing costs	(62,408)	(45.4)	(52,281)	(35.1)	(189,928)	(46.9)	(166,171)	(37.6)
Loss from continuing operations before income taxes, minority interests and cumulative effect of change in accounting principle	(104,820)	(76.2)	(54,243)	(36.4)	(260,127)	(64.3)	(186,657)	(42.2)
Provision for income taxes	(85)	(0.1)	(144)	(0.1)	(328)	(0.1)	(481)	(0.1)
Minority interests	151	0.1	(1,729)	(1.2)	(1,136)	(0.3)	(4,538)	(1.0)
Loss from continuing operations before cumulative effect of change in accounting principle	(104,754)	(76.2)	(56,116)	(37.7)	(261,591)	(64.7)	(191,676)	(43.3)
Discontinued operations:								
Income from operations of CCUK, net of tax	5,076	3.7	20,239	13.6	12,617	3.1	51,238	11.6
Net gain on disposal of CCUK, net of tax	—	—	497,210	333.6	—	—	497,210	112.3
Income from discontinued operations, net of tax	5,076	3.7	517,449	347.2	12,617	3.1	548,448	123.9
Income (loss) before cumulative effect of change in accounting principle	(99,678)	(72.5)	461,333	309.5	(248,974)	(61.6)	356,772	80.6
Cumulative effect of change in accounting principle for asset retirement obligations	—	—	—	—	(551)	(0.1)	—	—
Net income (loss)	$ (99,678)	(72.5)%	$ 461,333	309.5%	$ (249,525)	(61.7)%	$ 356,772	80.6%

Comparison of Three Months Ended September 30, 2004 and 2003

Site rental revenues for the three months ended September 30, 2004 were $134.1 million, an increase of $14.0 million, or 11.6%, from the three months ended September 30, 2003. Of this increase, $8.9 million was attributable to CCUSA, $2.0 million was attributable to CCAL and $3.0 million was attributable to Crown Atlantic. Network services and other revenues for the three months ended September 30, 2004 were $15.0 million, a decrease of $2.4 million from the three months ended September 30, 2003. This decrease was primarily attributable to a $1.5 million decrease from Crown Atlantic and a $0.9 million decrease from CCUSA.

Total revenues for the three months ended September 30, 2004 were $149.0 million, a net increase of $11.5 million from the three months ended September 30, 2003. The increases in site rental revenues reflect the new tenant additions on our tower sites and contractual escalations on existing leases. In 2004, the rate of new tenant additions on our US tower sites has been approximately 25% greater than the comparable periods in 2003. The decreases in network services and other revenues reflect our efforts to de-emphasize this area of our business and increased competition. We expect that network services and other revenues may continue to decline as a percentage of total revenues for CCUSA and Crown Atlantic.

Site rental costs of operations for the three months ended September 30, 2004 were $42.2 million, an increase of $2.1 million from the three months ended September 30, 2003. This increase was primarily attributable to cost increases of $1.1 million for CCUSA, $0.3 million for CCAL and $0.7 million for Crown Atlantic. Such cost increases relate to normal and customary increases in ground rentals, repairs and maintenance and property taxes. Network services and other costs of operations for the three months ended September 30, 2004 were $10.8 million, an increase of $0.6 million from the three months ended September 30, 2003. This increase was primarily attributable to a $1.0 million increase in costs from Crown Atlantic and a $0.4 million increase in costs at CCAL, partially offset by a $0.8 million decrease in costs from CCUSA.

Total costs of operations for the three months ended September 30, 2004 were $53.0 million, a net increase of $2.7 million from the three months ended September 30, 2003. Gross margins (net revenues less costs of operations) for site rental as a percentage of site rental revenues increased to 68.5% for the three months ended September 30, 2004 from 66.6% for the three months ended September 30, 2003, because of higher margins from the CCUSA, CCAL and Crown Atlantic operations. Gross margins for network services and other as a percentage of network services and other revenues decreased to 27.9% for the three months ended September 30, 2004 from 41.5% for the three months ended September 30, 2003 because of lower margins from the Crown Atlantic operations, partially offset by higher margins from the CCUSA operations.

General and administrative expenses for the three months ended September 30, 2004 were $22.6 million, an increase of $1.2 million from the three months ended September 30, 2003. This increase was primarily attributable to:

(1) a $0.5 million increase in expenses at CCAL (attributable to increased employee and other costs associated with increased business activity), and

(2) a $1.1 million increase in expenses at CCUSA (primarily attributable to the transfer of a strategic business unit from the corporate office segment to CCUSA), partially offset by

(3) a $0.2 million decrease in expenses at our corporate office segment (partially attributable to the transfer of such strategic business unit from the corporate office segment to CCUSA), and

(4) a $0.2 million decrease in expenses at Crown Atlantic.

General and administrative expenses as a percentage of revenues decreased to 15.2% for the three months ended September 30, 2004 from 15.6% for the three months ended September 30, 2003, primarily due to stable overhead costs as compared to increasing revenues for CCUSA and Crown Atlantic.

Corporate development expenses for the three months ended September 30, 2004 were $0.2 million, compared to $1.0 million for the three months ended September 30, 2003. This decrease was primarily attributable to a decrease in salary costs related to corporate activities.

For the three months ended September 30, 2004, we recorded non-cash general and administrative compensation charges of $1.4 million related to the issuance of stock and stock options to certain employees and executives, compared to $6.2 million for the three months ended September 30, 2003. On October 27, 2004, the market performance of our common stock reached the first target level for accelerated vesting of the restricted common shares that had been issued during March, April and May of 2004. This first target level was reached when the market price of our common stock closed at or above $14.81 per share (125% of the base price of $11.85 per share) for twenty consecutive trading days. As a result, the restrictions expired with respect to the first third of such outstanding shares during the fourth quarter of 2004. The acceleration of the vesting for these shares will result in the recognition of non-cash general and administrative compensation charges of approximately $3.1 million for the three months ending December 31, 2004, of which $2.5 million will be recorded in continuing operations and $0.6 million will be charged to the net gain on disposal of CCUK.

Depreciation, amortization and accretion for the three months ended September 30, 2004 was $60.6 million, a decrease of $0.3 million from the three months ended September 30, 2003. This decrease was primarily attributable to:

(1) a $0.3 million decrease in depreciation from CCUSA, and

(2) a $0.3 million decrease in depreciation at our corporate office segment, partially offset by

(3) a $0.4 million increase in depreciation from CCAL.

Interest and other income (expense) for the three months ended September 30, 2004 resulted primarily from:

(1) a loss of $13.9 million from the repayment of our 2000 credit facility (see "—Liquidity and Capital Resources"), and

(2) $1.4 million from our share of losses incurred by unconsolidated affiliates, partially offset by

(3) interest income from invested cash balances.

Interest expense and amortization of deferred financing costs for the three months ended September 30, 2004 was $52.3 million, a decrease of $10.1 million, or 16.2%, from the three months ended September 30, 2003. This decrease was primarily attributable to:

(1) purchases and redemptions of our debt securities in 2003 and 2004 (see "—Liquidity and Capital Resources"), and

(2) reductions in outstanding bank indebtedness at Crown Atlantic, partially offset by

(3) the issuance of the 4% senior notes, the 7.5% senior notes and the 7.5% Series B senior notes in 2003, and

(4) an increase in outstanding bank indebtedness at CCUSA in 2003, the proceeds of which were used to retire CCUK's indebtedness and purchase certain of our public debt and preferred stock.

Minority interests represent the minority partner's 37.245% interest in Crown Atlantic's operations and the minority shareholder's 22.4% interest in the CCAL operations.

Comparison of Nine Months Ended September 30, 2004 and 2003

Site rental revenues for the nine months ended September 30, 2004 were $394.4 million, an increase of $43.8 million, or 12.5%, from the nine months ended September 30, 2003. Of this increase, $26.6 million was attributable to CCUSA, $8.7 million was attributable to CCAL and $8.5 million was attributable to Crown Atlantic. Network services and other revenues for the nine months ended September 30, 2004 were $48.2 million, a decrease of $5.8 million from the nine months ended September 30, 2003. This decrease was primarily attributable to a $1.8 million decrease from CCUSA and a $4.6 million decrease from Crown Atlantic, partially offset by a $0.6 million increase from CCAL.

Total revenues for the nine months ended September 30, 2004 were $442.6 million, a net increase of $38.0 million from the nine months ended September 30, 2003. The increases in site rental revenues reflect the new tenant additions on our tower sites and contractual escalations on existing leases. In 2004, the rate of new tenant additions on our US tower sites has been approximately 25% greater than the comparable periods in 2003. In addition, CCAL's site rental revenues for the nine months ended September 30, 2004 include a nonrecurring contractual payment of $2.1 million related to a site commitment agreement with one of its customers. The decreases in network services and other revenues reflect our efforts to de-emphasize this area of our business and increased competition. We expect that network services and other revenues may continue to decline as a percentage of total revenues for CCUSA and Crown Atlantic.

Site rental costs of operations for the nine months ended September 30, 2004 were $125.0 million, an increase of $4.3 million from the nine months ended September 30, 2003. This increase was primarily attributable to cost increases of $2.7 million for CCAL, $0.9 million for CCUSA and $0.7 million for Crown Atlantic. Such cost increases relate to normal and customary increases in ground rentals, repairs and maintenance and property taxes.

Network services and other costs of operations for the nine months ended September 30, 2004 were $34.1 million, a decrease of $0.6 million from the nine months ended September 30, 2003. This decrease was primarily attributable to a $1.4 million decrease in costs from CCUSA, partially offset by a $0.2 million increase in costs from Crown Atlantic and a $0.6 million increase in costs from CCAL.

Total costs of operations for the nine months ended September 30, 2004 were $159.0 million, a net increase of $3.8 million from the nine months ended September 30, 2003. Gross margins (net revenues less costs of operations) for site rental as a percentage of site rental revenues increased to 68.3% for the nine months ended September 30, 2004 from 65.6% for the nine months ended September 30, 2003, because of higher margins from the CCUSA, CCAL and Crown Atlantic operations. Gross margins for network services and other as a percentage of network services and other revenues decreased to 29.3% for the nine months ended September 30, 2004 from 35.8% for the nine months ended September 30, 2003 because of lower margins from the Crown Atlantic operations.

General and administrative expenses for the nine months ended September 30, 2004 were $66.9 million, an increase of $2.8 million from the nine months ended September 30, 2003. This increase was primarily attributable to:

(1) a $2.1 million increase in expenses at CCAL (attributable to increased employee and other costs associated with increased business activity), and

(2) a $1.4 million increase in expenses at CCUSA (primarily attributable to the transfer of a strategic business unit from the corporate office segment to CCUSA), partially offset by

(3) a $0.2 million decrease in expenses at our corporate office segment (partially attributable to the transfer of such strategic business unit from the corporate office segment to CCUSA), and

(4) a $0.6 million decrease in expenses at Crown Atlantic.

General and administrative expenses as a percentage of revenues decreased to 15.1% for the nine months ended September 30, 2004 from 15.9% for the nine months ended September 30, 2003, primarily due to stable overhead costs as compared to increasing revenues for CCUSA and Crown Atlantic.

Corporate development expenses for the nine months ended September 30, 2004 were $1.0 million, compared to $3.6 million for the nine months ended September 30, 2003. This decrease was primarily attributable to a decrease in salary costs related to corporate activities.

During the nine months ended September 30, 2004, we recorded asset write-down charges of $3.8 million for CCUSA and Crown Atlantic. Such non-cash charges related to the abandonment or disposal of certain tower sites and sites in development.

For the nine months ended September 30, 2004, we recorded non-cash general and administrative compensation charges of $9.9 million related to the issuance of stock and stock options to certain employees and executives, compared to $13.9 million for the nine months ended September 30, 2003. On April 27, 2004, the market performance of our common stock reached the third (and final) target level for accelerated vesting of the restricted common shares that had been issued during the first quarter of 2003. This third target level was reached when the market price of our common stock closed at or above $12.45 per share (150% of the second target level of $8.30 per share) for twenty consecutive trading days. As a result, the restrictions expired with respect to the final third of such outstanding shares during the second quarter of 2004. The acceleration of the vesting for these shares resulted in the recognition of non-cash general and administrative compensation charges of $5.4 million for the second quarter of 2004. The restricted common shares that were issued during the first quarter of 2003 were granted to approximately 350 employees, while the restricted common shares that were issued in March through May of 2004 were granted to approximately 500 employees (including approximately 175 employees of CCUK).

On October 27, 2004, the market performance of our common stock reached the first target level for accelerated vesting of the restricted common shares that had been issued during March, April and May of 2004. This first target level was reached when the market price of our common stock closed at or above $14.81 per share (125% of the base price of $11.85 per share) for twenty consecutive trading days. As a result, the restrictions expired with respect to the first third of such outstanding shares during the fourth quarter of 2004. The acceleration of the vesting for these shares will result in the recognition of non-cash general and administrative compensation charges of approximately $3.1 million for the three months ending December 31, 2004, of which $2.5 million will be recorded in continuing operations and $0.6 million will be charged to the net gain on disposal of CCUK.

Depreciation, amortization and accretion for the nine months ended September 30, 2004 was $182.9 million, a decrease of $0.1 million from the nine months ended September 30, 2003. This decrease was primarily attributable to:

(1) a $1.1 million decrease in depreciation from CCUSA, and

(2) a $1.0 million decrease in depreciation at our corporate office segment, partially offset by

(3) a $2.0 million increase in depreciation from CCAL.

Interest and other income (expense) for the nine months ended September 30, 2004 resulted primarily from:

(1) losses of $24.4 million from purchases of our debt securities (see "—Liquidity and Capital Resources"),

(2) a loss of $13.9 million from the repayment of our 2000 credit facility (see "—Liquidity and Capital Resources"), and

(3) $4.0 million from our share of losses incurred by unconsolidated affiliates, partially offset by

(4) interest income from invested cash balances.

Interest expense and amortization of deferred financing costs for the nine months ended September 30, 2004 was $166.2 million, a decrease of $23.8 million, or 12.5%, from the nine months ended September 30, 2003. This decrease was primarily attributable to:

(1) purchases and redemptions of our debt securities in 2003 and 2004 (see "—Liquidity and Capital Resources"), and

(2) reductions in outstanding bank indebtedness at Crown Atlantic, partially offset by

(3) the issuance of the 4% senior notes, the 7.5% senior notes and the 7.5% Series B senior notes in 2003, and

(4) an increase in outstanding bank indebtedness at CCUSA in 2003, the proceeds of which were used to retire CCUK's indebtedness and purchase certain of our public debt and preferred stock.

Minority interests represent the minority partner's interest in Crown Atlantic's operations (43.1% through April 30, 2003 and 37.245% since May 1, 2003), the minority partner's interest in the operations of the Crown Castle GT joint venture (17.8% through April 30, 2003 and none thereafter) and the minority shareholder's 22.4% interest in the CCAL operations.

Liquidity and Capital Resources

We seek to allocate our available capital among the investment alternatives that provide the greatest risk-adjusted returns given current market conditions. As such, we may continue to (1) acquire sites, build new towers and make improvements to existing towers and (2) make investments in emerging businesses that are complementary to our core site leasing business when the expected returns from such investments meet our investment return criteria. In addition, we may continue to utilize a portion of our available cash balances to purchase our own stock (either common or preferred) or debt securities from time to time as market prices make such investments attractive.

On June 28, 2004, we signed a definitive agreement to sell CCUK to an affiliate of National Grid for $2.035 billion in cash, subject to certain working capital type adjustments. On August 31, 2004, we completed the sale of CCUK. The proceeds for the transaction amounted to $2.028 billion, after taking into account preliminary working capital type adjustments. In accordance with the terms of our 2000 credit facility, we were required to use $1.275 billion of the proceeds from the transaction to fully repay the outstanding borrowings under the 2000 credit facility. The remaining proceeds from the transaction will be used for general corporate purposes, which could include the repayment of outstanding indebtedness (including any required tender premiums) and/or investments in new business opportunities. Under the terms of the indentures governing our public debt securities, any proceeds from the sale of CCUK not invested in qualifying assets within one year must be offered to purchase such debt securities from our bondholders at the outstanding principal amount plus accrued interest. On September 10, 2004, in order to satisfy these requirements under the indentures, we voluntarily commenced an offer to purchase certain of our outstanding public debt securities in advance of the one year time period (as further discussed below). As a result of the sale of CCUK, we have restated our financial statements to present CCUK's assets, liabilities, results of operations and cash flows as amounts from discontinued operations. Such restatements have been made for all periods presented.

After having closed the sale of CCUK and repaid the outstanding borrowings under the 2000 credit facility, we anticipate replacing such facility with new senior indebtedness. We currently expect that the principal amount of such new senior indebtedness would range from $1.3 billion to $1.9 billion. In addition, we anticipate that we may purchase additional debt and preferred securities with the proceeds from such new senior indebtedness and the remaining proceeds from the CCUK sale. Such purchases would likely be of our outstanding public debt securities, the 8¼% convertible preferred stock or outstanding borrowings under Crown Atlantic's credit facility, and could involve public market purchases, contractual redemptions or tender offers.

Our goal is to maximize net cash from operating activities and fund all capital spending and debt service from our operating cash flow, without reliance on additional borrowing or the use of our cash. However, due to the risk factors outlined below (see "Factors that Could Affect Future Results"), there can be no assurance that this will be possible. As part of our strategy to achieve increases in net cash from operating activities, we seek to lower our interest expense by reducing outstanding debt balances or lowering interest rates. Such reductions can be made either by using a portion of our existing cash balances to purchase our debt securities, or with attractive refinancing opportunities.

Our business strategy contemplates substantial discretionary capital expenditures, although significantly reduced from previous years' levels, in connection with the further improvement and selective expansion of our existing tower portfolios. During 2004, we expect that the majority of our discretionary capital expenditures will occur in connection with additional site improvements.

A summary of our net cash provided by operating activities and capital expenditures (both amounts from our consolidated statement of cash flows) is as follows:

	Nine Months Ended September 30,	
	2003	2004
	(In thousands of dollars)	
Net cash provided by operating activities	$ 30,635	$ 41,209
Capital expenditures	20,702	29,215

The increase in net cash from operating activities for the nine months ended September 30, 2004 as compared to the nine months ended September 30, 2003 is largely due to growth in our core site leasing business, partially offset by an increase in cash interest paid and the continued decline in our network services business. Changes in working capital, and particularly changes in accrued interest, have a dramatic impact on our net cash from operating activities for interim periods, largely due to the timing of interest payments on our various senior notes issues. In addition, the debt refinancing transactions we completed in 2003 and 2004 have impacted the timing of our interest payments as compared to prior periods. Cash interest payments for the nine months ended September 30, 2004, as compared to the comparable prior year period, were increased by payments related to the 4% senior notes, the 7.5% senior notes and the 7.5% Series B senior notes. The proceeds from these three debt issues were used in 2003 to retire the 10⅝% discount notes (which required cash interest payments beginning on May 15, 2003) and a portion of the 10⅜%

discount notes and the 11 ¼% discount notes (which were not going to require cash interest payments until November 15, 2004 and February 1, 2005, respectively). Cash interest payments for the nine months ended September 30, 2004 were also impacted by increased borrowings under the amended 2000 credit facility, a portion of which were used to retire CCUK's outstanding indebtedness in 2003. For the year ending December 31, 2004, we expect that our net cash from operating activities will be positively impacted by continued growth in our core site leasing business, but we do not expect to benefit from improvements in working capital to the same extent as in 2003. Further repayment or refinancing of existing indebtedness with lower cost senior debt is expected to reduce interest expense levels beginning in late 2004 or early 2005.

Our capital expenditures can be separated into two general categories: (1) maintenance (which includes maintenance activities on our sites, vehicles, information technology equipment and office equipment), and (2) revenue generating (which includes tower improvements, enhancements to the structural capacity of our towers in order to support additional leasing and the construction of new towers and rooftop sites). For the third quarter of 2004, total capital expenditures were $9.8 million, of which $1.6 million were for maintenance activities and $8.2 million were for revenue generating activities.

Capital expenditures were $29.2 million for the nine months ended September 30, 2004, of which $23.2 million were for CCUSA, $1.2 million were for CCAL, $4.6 million were for Crown Atlantic and $0.2 million were for CCIC. For the year ending December 31, 2004, we currently expect that our total capital expenditures will be between approximately $44.0 million and $47.0 million, of which approximately $37.0 million to $38.0 million will be for revenue generating activities and approximately $7.0 million to $9.0 million will be for maintenance activities. As such, we expect that our capital expenditures for this period will be fully funded by net cash from operating activities, as discussed above. Our decisions regarding the construction of new towers and structural enhancements are discretionary, and depend upon expectations of achieving acceptable rates of return given current market conditions. Such decisions are influenced by the availability of capital and expected returns on alternative investments.

To fund the execution of our business strategy, we expect to use our available cash balances and cash provided by future operations. We may have additional cash needs to fund our operations in the future should our financial performance deteriorate. We may also have additional cash needs in the future if additional tower acquisitions, build-to-suit or other opportunities arise. If we do not otherwise have cash available, or borrowings under our credit facilities have otherwise been utilized, when our cash need arises, we would be forced to seek additional debt or equity financing or to forego the opportunity. In the event we determine to seek additional debt or equity financing, there can be no assurance that any such financing will be available, on commercially acceptable terms or at all, or permitted by the terms of our existing indebtedness.

As of September 30, 2004, we had consolidated cash and cash equivalents of $908.5 million (including $22.7 million at CCUSA, $12.8 million at CCAL, $36.9 million at Crown Atlantic, $35.0 million in an unrestricted investment subsidiary and $801.1 million at restricted group companies in our corporate segment), consolidated long-term debt of $1,898.8 million, consolidated redeemable preferred stock of $507.7 million and consolidated stockholders' equity of $2,128.1 million.

For the nine months ended September 30, 2003 and 2004, our net cash used for financing activities was $350.7 million and $1,595.5 million, respectively. The amount for 2004 is largely due to financing transactions we have completed in an effort to lower our future cash interest payments and simplify our capital structure. Following is a summary of significant financing transactions completed in 2004.

On December 5, 2003, we commenced cash tender offers and consent solicitations for all of our outstanding 9% senior notes and 9½% senior notes. On December 31, 2003, in accordance with the terms of the tender offers, the purchase prices for the tendered notes (excluding accrued interest through the purchase date) were determined to be 107.112% of the outstanding principal amount for the 9% senior notes and 109.140% of the outstanding principal amount for the 9½% senior notes. Such purchase prices include a consent payment of $20.00 for each $1,000 principal amount of the tendered notes. On January 7, 2004, we (1) utilized $147.0 million of our cash to purchase the $135.6 million in outstanding principal amount of the tendered 9% senior notes, including accrued interest thereon of $1.8 million, and (2) utilized $124.0 million of our cash to purchase the $109.5 million in outstanding principal amount of the tendered 9½% senior notes, including accrued interest thereon of $4.5 million. The purchase of the tendered 9% senior notes resulted in a loss of $12.5 million for the first quarter of 2004, consisting of the write-off of unamortized deferred financing costs ($2.8 million) and the excess of the total purchase price over the carrying value of the tendered notes ($9.7 million). The purchase of the tendered 9½% senior notes resulted in a loss of $11.7 million for the first quarter of 2004, consisting of the write-off of unamortized deferred financing costs ($1.7 million) and the excess of the total purchase price over the carrying value of the tendered notes ($10.0 million). Such losses are included in interest and other income (expense) on our consolidated statement of operations for the nine months ended September 30, 2004. The 9% senior notes and 9½% senior notes that were tendered through December 31, 2003 have been classified as current maturities of long-term debt on our consolidated balance sheet as of December 31, 2003. Upon completion of these tender offers, the outstanding balances for the 9% senior notes and the 9½% senior notes were $26.1 million and $4.8 million, respectively.

In January of 2004, we (1) utilized $1.6 million of our cash to purchase $1.5 million in outstanding principal amount at maturity of our 10⅜% discount notes and (2) utilized $1.0 million of our cash to purchase $1.0 million in outstanding principal amount at maturity of our 11¼% discount notes, both in public market transactions. The debt purchases resulted in losses of $0.2 million that are included in interest and other income (expense) on our consolidated statement of operations for the nine months ended September 30, 2004.

During the nine months ended September 30, 2004, Crown Atlantic repaid $15.0 million in outstanding borrowings under its credit facility. Crown Atlantic utilized cash provided by its operations to effect this repayment. In February of 2004, Crown Atlantic amended its credit facility to reduce the available borrowings from $301.1 million to $250.0 million.

Under the terms of the indentures governing our public debt securities, any proceeds from the sale of CCUK not invested in qualifying assets within one year must be offered to purchase such debt securities from our bondholders at the outstanding principal amount plus accrued interest. On September 10, 2004, in order to satisfy these requirements under the indentures, we voluntarily commenced an offer to purchase for cash up to $216.4 million of our 10¾% senior notes, $205.6 million of our 9⅜% senior notes, $151.4 million of our 7.5% senior notes and $151.4 million of our 7.5% Series B senior notes in advance of the one year time period. The offer to purchase these securities expired on October 8, 2004, at which time we accepted an aggregate of $0.5 million in notes that had been tendered. On October 12, 2004, we utilized $0.5 million of our cash to purchase the $0.5 million in outstanding principal amount of the tendered notes, including accrued interest thereon.

In March and June of 2004, we paid our quarterly dividends on the 8¼% convertible preferred stock by issuing a total of 0.6 million shares of our common stock. As allowed by the Deposit Agreement relating to dividend payments on the 8¼% convertible preferred stock, we purchased the 0.6 million shares of common stock from the dividend paying agent for a total of $8.2 million in cash. We utilized cash from an unrestricted investment subsidiary to effect the stock purchases. We may choose to continue issuances and purchases of stock in the future in order to offset dilution caused by the issuance of common stock as dividends on our preferred stock. Such purchases could amount to $36.4 million annually if we were to choose to offset all of the dividends on our preferred stock through continued share purchases.

In April of 2004, the restrictions expired with respect to the final third of the outstanding restricted common shares that had been issued during the first quarter of 2003 (see "—*Results of Operations*"). All of the executives and employees elected to sell a portion of their vested shares in order to pay their respective minimum withholding tax liabilities, and we arranged to purchase these shares in order to facilitate the stock sales. We purchased 0.6 million of such shares of common stock (at a price of $14.92 per share) for a total of $8.8 million in cash. We utilized cash from an unrestricted investment subsidiary to effect the stock purchase.

In August of 2004, we began purchasing our common stock in public market transactions. Through September 3, 2004, we purchased a total of 2.7 million shares of common stock. We utilized $36.0 million in cash from an unrestricted investment subsidiary to effect these common stock purchases. We may choose to continue purchases of common stock in the future.

In October of 2004, the restrictions expired with respect to the first third of the outstanding restricted common shares that had been issued during March, April and May of 2004 (see "—Results of Operations"). Most of the executives and employees sold a portion of their vested shares in order to pay their respective minimum withholding tax liabilities, and we arranged to purchase these shares in order to facilitate the stock sales. We purchased 0.2 million of such shares of common stock (at a price of $15.52 per share) for a total of $2.4 million in cash. We utilized cash from an unrestricted investment subsidiary to effect the stock purchase.

On November 4, 2004, we entered into an agreement with a subsidiary of Verizon Communications ("Verizon") to acquire Verizon's 37.245% equity interest in the Crown Castle Atlantic venture ("Crown Atlantic"). On that date, we acquired such equity interest for $295.0 million in cash, inclusive of approximately $15.0 million of net working capital. Following the transaction, we own 100% of Crown Atlantic. We will account for the acquisition of the minority interest in Crown Atlantic using the purchase method. Following this transaction, we intend to combine the Crown Atlantic operating segment with the CCUSA operating segment. This change in reportable segments will be made in our consolidated financial statements for the year ending December 31, 2004, and segment information for all prior periods presented will be restated at that time. As permitted by the indentures governing our public debt securities, in order to designate Crown Atlantic as a restricted group subsidiary (as defined in the indentures) we transferred an additional $118.8 million of the remaining proceeds from the CCUK sale to an unrestricted investment subsidiary in exchange for a 15% ownership interest in Crown Atlantic. As a result, approximately 52% of Crown Atlantic is now held by our restricted group and the remaining approximately 48% is held by the unrestricted subsidiary. In addition, the $180.0 million in outstanding borrowings under Crown Atlantic's credit facility are now indebtedness of our restricted group per the covenants in our bond indentures. From time to time, we may choose to use funds from our restricted group to purchase additional interests in Crown Atlantic from our unrestricted subsidiary, subject to satisfying the conditions imposed by our bond indentures.

On November 8, 2004, we commenced a cash tender offer for all of our outstanding 4% senior notes. In accordance with the terms of the tender offer, the purchase price for the tendered notes will be determined on December 3, 2004. The tender offer will expire on December 7, 2004.

As of October 31, 2004, Crown Atlantic had unused borrowing availability under its amended credit facility of approximately $19.8 million. This credit facility requires Crown Atlantic to maintain certain financial covenants and places restrictions on the ability of Crown Atlantic to, among other things, incur debt and liens, pay dividends, make capital expenditures, undertake transactions with affiliates and make investments. This facility also currently limits the ability of Crown Atlantic to pay dividends.

The primary factors that are likely to determine our subsidiaries' ability to comply with their current and future debt covenants are (1) their current financial performance, (2) their levels of indebtedness and (3) their debt service requirements. Given the levels of indebtedness that we anticipate for our subsidiaries, the primary risk of a debt covenant violation would result from a deterioration of a subsidiary's financial performance. In addition, the current and future credit facilities are likely to require that financial performance increase in future years as covenant calculations become more restrictive. Should a covenant violation occur in the future as a result of a shortfall in financial performance (or for any other reason), we might be required to make principal payments earlier than currently scheduled and may not have access to additional borrowings under these facilities as long as the covenant violation continues. Any such early principal payments would have to be made from our existing cash balances.

As a holding company, CCIC will require distributions or dividends from its subsidiaries, or will be forced to use its remaining cash balances, to fund its debt obligations, including interest payments on the notes. The terms of the current and future indebtedness of our subsidiaries are likely to limit their ability to distribute cash to CCIC. In addition, there can be no assurance that our subsidiaries will generate sufficient cash from their operations to make any permitted distributions. As a result, we could be required to apply a portion of our remaining cash to fund interest payments on the notes. If we do not retain sufficient funds or raise additional funds from any future financing, we may not be able to make our interest payments on the notes.

If we are unable to refinance our indebtedness or renegotiate the terms of such debt prior to maturity, we may not be able to meet our debt service requirements, including interest payments on the notes, in the future. Our 4% senior notes, our 10⅜% discount notes, our 9% senior notes, our 11¼% discount notes, our 9½% senior notes, our 10¾% senior notes, our 9⅜% senior notes, our 7.5% senior notes and our 7.5% Series B senior notes require annual cash interest payments of $9.2 million, $1.2 million, $2.4 million, $1.2 million, $0.5 million, $46.1 million, $38.2 million, $22.5 million and $22.5 million, respectively.

We have issued letters of credit to various landlords, insurers and other parties in connection with certain contingent retirement obligations under various tower site land leases and certain other contractual obligations. The letters of credit were issued through one of CCUSA's lenders in amounts aggregating $6.4 million and expire on various dates through October 2005.

Our ability to make scheduled payments of principal of, or to pay interest on, our debt obligations, and our ability to refinance any such debt obligations, will depend on our future performance, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We anticipate that we may need to refinance a substantial portion of our indebtedness on or prior to its scheduled maturity. There can be no assurance that we will be able to effect any required refinancings of our indebtedness on commercially reasonable terms or at all.

Reporting Requirements Under the Indentures Governing the Company's Debt Securities (the "Indentures")

The following information (as such capitalized terms are defined in the Indentures) is presented solely as a requirement of the Indentures; such information is not intended as an alternative measure of financial position, operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, our measure of the following information may not be comparable to similarly titled measures of other companies.

Summarized financial information for (1) CCIC and our Restricted Subsidiaries and (2) our Unrestricted Subsidiaries is as follows:

	September 30, 2004			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 835,997	$ 72,508	$ —	$ 908,505
Other current assets	74,107	6,633	—	80,740
Property and equipment, net	2,906,699	676,558	—	3,583,257
Investments in Unrestricted Subsidiaries	477,239	—	(477,239)	—
Goodwill	211,694	55,377	—	267,071
Other assets, net	96,510	36,595	—	133,105
	$ 4,602,246	$ 847,671	$ (477,239)	$ 4,972,678
Current liabilities	$ 154,411	$ 18,403	$ —	$ 172,814
Long-term debt, less current maturities	1,718,847	180,000	—	1,898,847
Other liabilities	49,069	4,968	—	54,037
Minority interests	44,115	167,061	—	211,176
Redeemable preferred stock	507,706	—	—	507,706
Stockholders' equity	2,128,098	477,239	(477,239)	2,128,098
	$ 4,602,246	$ 847,671	$ (477,239)	$ 4,972,678

	Three Months Ended September 30, 2004			Nine Months Ended September 30, 2004		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)					
Net revenues	$ 118,672	$ 30,374	$ 149,046	$ 352,506	$ 90,088	$ 442,594
Costs of operations (exclusive of depreciation, amortization and accretion)	41,403	11,579	52,982	125,048	33,980	159,028
General and administrative	19,181	3,460	22,641	57,881	9,055	66,936
Corporate development	211	—	211	1,021	—	1,021
Restructuring charges (credits)	(428)	(17)	(445)	(461)	(17)	(478)
Asset write-down charges	—	—	—	2,772	1,044	3,816
Non-cash general and administrative compensation charges	1,296	146	1,442	8,907	953	9,860
Depreciation, amortization and accretion	49,934	10,653	60,587	151,224	31,707	182,931
Operating income	7,075	4,553	11,628	6,114	13,366	19,480
Interest and other income (expense)	(12,381)	(1,209)	(13,590)	(36,732)	(3,234)	(39,966)
Interest expense and amortization of deferred financing costs	(49,765)	(2,516)	(52,281)	(158,515)	(7,656)	(166,171)
Provision for income taxes	(144)	—	(144)	(481)	—	(481)
Minority interests	971	(2,700)	(1,729)	2,846	(7,384)	(4,538)
Income (loss) from discontinued operations	517,450	(1)	517,449	548,617	(169)	548,448
Net income (loss)	$ 463,206	$ (1,873)	$ 461,333	$ 361,849	$ (5,077)	$ 356,772

Tower Cash Flow and Adjusted Consolidated Cash Flow for CCIC and our Restricted Subsidiaries is as follows under the indentures governing the 4% senior notes, the 10¾% senior notes, the 9⅜% senior notes, the 7.5% senior notes and the 7.5% Series B senior notes:

	(In thousands of dollars)
Tower Cash Flow, for the three months ended September 30, 2004	$ 101,170
Consolidated Cash Flow, for the twelve months ended September 30, 2004	$ 404,988
Less: Tower Cash Flow, for the twelve months ended September 30, 2004	(432,134)
Plus: four times Tower Cash Flow, for the three months ended September 30, 2004	404,680
Adjusted Consolidated Cash Flow, for the twelve months ended September 30, 2004	$ 377,534

The amounts presented above for Tower Cash Flow, Consolidated Cash Flow and Adjusted Consolidated Cash Flow include the operating results from CCUK through August 31, 2004 (the date of sale). See "—Liquidity and Capital Resources".

Impact of Recently Issued Accounting Standards

In January 2003, the Financial Accounting Standards Board (the "FASB") issued FASB Interpretation No. 46, *Consolidation of Variable Interest Entities* ("FIN 46"). In December 2003, the FASB issued a revised version of FIN 46. FIN 46 clarifies existing accounting literature regarding the consolidation of entities in which a company holds a "controlling financial interest". A majority voting interest in an entity has generally been considered indicative of a controlling financial interest. FIN 46 specifies other factors ("variable interests") which must be considered when determining whether a company holds a controlling financial interest in, and therefore must consolidate, an entity ("variable interest entities"). The provisions of FIN 46, as revised, are effective for the first reporting period ending after March 15, 2004. We adopted the provisions of FIN 46 as of March 31, 2004, and such adoption did not have a significant effect on our consolidated financial statements.

Factors That Could Affect Future Results

The following factors could affect our future results or cause actual results to vary materially from those described in our forward-looking statements:

- Our business depends on the demand for wireless communications and towers, and we may be adversely affected by any slowdown in such demand.
- The loss, consolidation, network sharing or financial instability of any of our limited number of customers may materially decrease revenues.
- An economic or wireless telecommunications industry slowdown may materially and adversely affect our business and the business of our customers.
- Restrictive covenants on our debt instruments may limit our ability to take actions that may be in our best interests.
- Our substantial level of indebtedness may adversely affect our ability to react to changes in our business and limit our ability to use debt to fund future capital needs.
- We operate in a competitive industry and some of our competitors have significantly more resources or less debt than we do.
- Technology changes may significantly reduce the demand for site leases and negatively impact the growth in our revenues.
- 2.5G/3G and other technologies may not deploy or be adopted by customers as rapidly or in the manner projected.
- We generally lease or sublease the land under our sites and towers and may not be able to extend these leases.
- We may need additional financing, which may not be available, for strategic growth opportunities or contractual obligations.
- Laws and regulations, which may change at any time and with which we may fail to comply, regulate our business.
- Our network services business has historically experienced significant volatility in demand, which reduces the predictability of our results.
- We are heavily dependent on our senior management.
- We may suffer from future claims if radio frequency emissions from wireless handsets or equipment on our sites and towers are demonstrated to cause negative health effects.
- Certain provisions of our certificate of incorporation, bylaws and operative agreements and domestic and international competition laws may make it more difficult for a third party to acquire control of us or for us to acquire control of a third party, even if such a change in control would be beneficial to our stockholders.
- Sales or issuances of a substantial number of shares of our common stock may adversely affect the market price of our common stock.
- Disputes with customers and suppliers may adversely affect results.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those expected. More information about potential factors which could affect our results is included in the Risk Factors sections of our filings with the Securities and Exchange Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a result of our international operating, investing and financing activities, we are exposed to market risks, which include changes in foreign currency exchange rates and interest rates which may adversely affect our results of operations and financial position. In attempting to minimize the risks and/or costs associated with such activities, we seek to manage exposure to changes in interest rates and foreign currency exchange rates where economically prudent to do so.

Certain of the financial instruments we have used to obtain capital are subject to market risks from fluctuations in market interest rates. The majority of our financial instruments, however, are long-term fixed interest rate notes and debentures. As of September 30, 2004, we have $180.0 million of floating rate indebtedness, of which $59.4 million has been effectively converted to fixed rate indebtedness through the use of an interest rate swap agreement. As a result, a fluctuation in market interest rates of one percentage point over the next twelve months would impact our interest expense by approximately $1.3 million.

The majority of our foreign currency transactions are denominated in the British pound sterling or the Australian dollar, which are the functional currencies of CCUK and CCAL, respectively. As a result of CCUK's and CCAL's transactions being denominated and settled in such functional currencies, the risks associated with currency fluctuations are primarily associated with foreign currency translation adjustments. We do not currently hedge against foreign currency translation risks and do not currently believe that foreign currency exchange risk is significant to our operations. The sale of CCUK generally eliminated our foreign currency risks related to the British pound sterling. In addition, substantially all of the cash consideration for the CCUK sale was denominated in United States dollars, so we had no significant foreign currency risk related to that transaction.

The foreign currency exchange rates used to translate the 2003 and 2004 financial statements for CCAL were as follows:

	CCAL (Australian dollar)
Average exchange rate for:	
January 2003	$ 0.5829
February 2003	0.5956
March 2003	0.6015
April 2003	0.6100
May 2003	0.6468
June 2003	0.6652
July 2003	0.6607
August 2003	0.6518
September 2003	0.6635
January 2004	0.7717
February 2004	0.7770
March 2004	0.7496
April 2004	0.7443
May 2004	0.7039
June 2004	0.6937
July 2004	0.7161
August 2004	0.7111
September 2004	0.7028
Ending exchange rate for:	
December 2003	0.7520
September 2004	0.7244

ITEM 4. CONTROLS AND PROCEDURES

The Company conducted an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective in alerting them in a timely manner to material information relating to the Company required to be included in the Company's periodic reports under the Securities Exchange Act of 1934.

There have been no changes in the Company's internal control over financial reporting during the fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 6. EXHIBITS

Number	Description
11.1	Computation of Net Loss Per Common Share
12.1	Computation of Ratios of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends
31.1	Certification of Chief Executive Officer pursuant to Section 302 of Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CROWN CASTLE INTERNATIONAL CORP.

Date: November 8, 2004	By:	/S/ W. BENJAMIN MORELAND **W. Benjamin Moreland** **Executive Vice President and** **Chief Financial Officer** **(Principal Financial Officer)**
Date: November 8, 2004	By:	/S/ WESLEY D. CUNNINGHAM **Wesley D. Cunningham** **Senior Vice President, Chief Accounting Officer** **and Corporate Controller** **(Principal Accounting Officer)**

CERTIFICATE OF SERVICE

I, Gerie Voss, certify that a copy of the signed and verified Application, with attachments, has been served on the following parties, via First Class Mail:

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Office of the Attorney General
Office of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Gerie Voss

DEC-22-2004 09:09

COPY

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU

Application for Registration - Foreign

(15 Pa.C.S.)

Entity Number

____ Registered Limited Liability General Partnership (§ 8211)
____ Registered Limited Liability Limited Partnership (§ 8211)
____ Limited Partnership (§ 8582)
X Limited Liability Company (§ 8981)

Name

Address CT CORP-COUNTER

City State Zip Code

Document will be returned to the name and address you enter to the left. ⇐

Fee: $250

Filed in the Department of State on __________

Secretary of the Commonwealth

2004 DEC 22 PM 4:15
PA DEPT. OF STATE

In compliance with the requirements of the applicable provisions (relating to registration), the undersigned, desiring to register to do business in this Commonwealth, hereby states that:

1. The name to be registered is:
PA - CLEC LLC

2. *(If the name set forth in paragraph 1 is not available for use in this Commonwealth, complete the following):*

The name under which the limited liability company/limited liability partnership/limited partnership proposes to register and do business in this Commonwealth is:

Pennsylvania- CLEC LLC

3. The name of the jurisdiction under the laws of which it was organized and the date of its formation:

Jurisdiction: Delaware Date of Formation: 12/6/04.

4. The (a) address of its initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) Number and street City State Zip County

(b) Name of Commercial Registered Office Provider County
C T Corporation System Philadelphia

PA057 - 01/07/2004 C T System Online

DSCB:15-8981/8211/8582-2

5. *Check and complete one of the following:*

____ The address of the office required to be maintained by it in the jurisdiction of its organization by the laws of that jurisdiction is:

Number and street	City	State	Zip

_x_ It is not required by the laws of its jurisdiction of organization to maintain an office therein and the address of its principal office is:

Number and street	City	State	Zip
510 Bering, Suite 500	Houston	Texas	77057

6. *For Restricted Professional Limited Liability Company Only. Strike out if inapplicable:* The company is a restricted professional company organized to render the following professional service(s):

Limited Liability Partnership and Limited Partnership: Complete paragraphs 7 and 8

7. The name and business address of each general partner.

Name	Business Address

8. The address of the office at which is kept a list of the names and addresses of the limited partners and their capital contribution is:

Number and street	City	State	Zip	County
510 Bering, Suite 500	Houston	Texas	77057	

The registered partnership hereby undertakes to keep those records until its registration to do business in the Commonwealth is canceled or withdrawn.

IN TESTIMONY WHEREOF, the undersigned has caused this Application for Registration to be signed by a duly authorized officer/member or manager thereof this

17 day of Decemt, 2004.

PA - CLEC LLC
Name of Partnership/Company

Signature

E. Blake Hawk, Executive Vice President
Title

Docketing Statement DSCB:15-134A (Rev 2001)
Departments of State and Revenue

One (1) copy required

BUREAU USE ONLY:
Dept. of State Entity # ____________
Dept. of Rev. Box # ____________
Filing Period ________ Date 3 4 5 ________
SIC/NAICS ________ Report Code ________

Check proper box:

Pennsylvania Entities

- [ ] business stock
- [ ] business non-stock
- [ ] professional
- [ ] nonprofit stock
- [ ] nonprofit non-stock
- [ ] statutory close
- [ ] management
- [ ] cooperative
- [ ] insurance
- [ ] limited liability company
- [ ] restricted professional limited liability company
- [ ] business trust

Foreign Entities
State/Country Delaware Date 12/6/04

- [ ] business
- [ ] nonprofit
- [x] limited liability company
- [ ] restricted professional limited liability company
- [ ] business trust

Other

- [ ] domestication
- [ ] division
- [ ] consolidation

1. Entity Name:
PA - CLEC LLC

2. Individual name and mailing address responsible for initial tax reports:

Name	Number and street	City	State	Zip
Frank Deible	2000 Corporate Drive	Canonsburg	PA	15317

3. Description of business activity:
telecommunications infrastructure

4. Specified effective date, if any:
________ month/day/year hour, if any

5. EIN (Employee Identification Number), if any:
20-1973469

6. Fiscal Year End:
12/31

7. Fictitious Name (only if foreign corporation is transacting business in PA under a fictitious name):

PA015 - 10/01/2001 C T System Online

COMMONWEALTH OF PENNSYLVANIA

DATE: May 9, 2005

SUBJECT: A-311363

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary

Application of PA-CLEC LLC

We attach hereto a copy of the Application of PA-CLEC LLC, for approval to provide telecommunication services as a Competitive Access Provider to the public in the Commonwealth of Pennsylvania, which has been captioned and docketed to the above number.

The Protest period for this application has expired on April 22, 2005.

This matter is being referred to your Bureau to schedule it for consideration by the Commission at Public Meeting.

jih

Attachment

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG PA 17105-3265

May 9, 2005

IN REPLY PLEASE
REFER TO OUR FILE
A-311363

COLE, RAYWID & BRAVERMAN, LLP
ATTN: JOHN C. DODGE & GERIE A. VOSS
1919 PENNSYLVANIA AVENUE, NW
SUITE 200
WASHINGTON DC 20006

Dear Sir/Madam:

Please be advised that the Application of PA-CLEC LLC to provide telecommunications services as a Competitive Access Provider to the public in the Commonwealth of Pennsylvania, has been reviewed and found to be in compliance with the filing requirements of the Commission's Opinion and Order entered June 3, 1996, at Docket Number M-00960799.

This matter is being referred to the Bureau of Fixed Utility Services to schedule it for consideration by the Commission at Public Meeting.

Please be advised that you now have provisional authority to do business in Pennsylvania.

Should you have any further questions concerning this matter, please do not hesitate to contact me.

DOCKETED
MAY 0 9 2005

Sincerely,

James J. McNulty

James J. McNulty
Secretary

JJM:jih

cc: Janet Tuzinski-FUS

DOCUMENT
FOLDER

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

The addressee named here has paid the PA P.U.C. for the following bill:

DATE: 5/9/2005
RECEIPT NO: 203135

GERIE A. VOSS
COLE, RAYWID & BRAVERMAN, L.L.P.
1919 PENNSYLVANIA AVE. N.W.
WASHINGTON DC 20006-3458

DOCKETED
MAY 9 2005

IN RE: Application fees for PA-CLEC LLC

Docket Number A-311363.................................. $250.00

REVENUE ACCOUNT: 001780-017601-102

CHECK NUMBER: 86146
CHECK AMOUNT: $250.00

Stephen Reed
(for Department of Revenue)

DOCUMENT
FOLDER

KJR