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

FORM 10-Q

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

For the quarterly period ended March 31, 2002

Commission File Number 000-24737

CROWN CASTLE INTERNATIONAL CORP.

(Exact name of registrant as specified in its charter)

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

Number of shares of common stock outstanding at May 1, 2002: 220,388,579

CROWN CASTLE INTERNATIONAL CORP.

INDEX

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(In thousands of dollars, except share amounts)

	December 31, 2001	March 31, 2002
		(Unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 804,602	$ 780,018
Receivables:		
Trade, net of allowance for doubtful accounts of $24,785 and $21,878 at December 31, 2001 and March 31, 2002, respectively	188,496	186,311
Other	2,364	7,920
Short-term investments	72,963	72,463
Inventories	102,771	105,387
Prepaid expenses and other current assets	44,865	50,491
Total current assets	1,216,061	1,202,590
Property and equipment, net of accumulated depreciation of $566,837 and $635,607 at December 31, 2001 and March 31, 2002, respectively	4,844,912	4,811,688
Investments	128,500	91,500
Goodwill, net of accumulated amortization of $152,451 at December 31, 2001	1,036,914	1,035,498
Deferred financing costs and other assets, net of accumulated amortization of $32,859 and $35,594 at December 31, 2001 and March 31, 2002, respectively	149,071	141,202
	$7,375,458	$ 7,282,478
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 104,149	$ 93,485
Accrued interest	60,081	41,772
Accrued compensation and related benefits	13,553	10,823
Deferred rental revenues and other accrued liabilities	204,584	229,629
Long-term debt, current maturities	29,086	342,737
Total current liabilities	411,453	718,446
Long-term debt	3,394,011	3,095,192
Other liabilities	157,549	159,711
Total liabilities	3,963,013	3,973,349
Commitments and contingencies		
Minority interests	168,936	166,826
Redeemable preferred stock	878,861	888,596
Stockholders' equity:		
Common stock, $.01 par value; 690,000,000 shares authorized; shares issued: December 31, 2001--218,804,363 and March 31, 2002--220,386,829	2,188	2,204
Additional paid-in capital	3,301,023	3,312,811
Accumulated other comprehensive loss	(43,246)	(42,493)
Accumulated deficit	(895,317)	(1,018,815)
Total stockholders' equity	2,364,648	2,253,707
	$7,375,458	$ 7,282,478

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS (Unaudited)

(In thousands of dollars, except per share amounts)

	Three Months Ended March 31, 2001	Three Months Ended March 31, 2002
Net revenues:		
Site rental and broadcast transmission	$134,042	$ 160,264
Network services and other	78,911	60,353
	212,953	220,617
Operating expenses:		
Costs of operations (exclusive of depreciation and amortization):		
Site rental and broadcast transmission	57,739	62,066
Network services and other	55,456	43,725
General and administrative	25,895	21,788
Corporate development	3,453	2,239
Restructuring charges	--	5,852
Asset write-down charges	--	31,941
Non-cash general and administrative compensation charges	1,395	1,314
Depreciation and amortization	74,091	71,715
	218,029	240,640
Operating income (loss)	(5,076)	(20,023)
Other income (expense):		
Interest and other income (expense)	3,092	(6,090)
Interest expense and amortization of deferred financing costs	(66,655)	(76,319)
Loss before income taxes and minority interests	(68,639)	(102,432)
Provision for income taxes	(60)	(4,659)
Minority interests	644	3,698
Net loss	(68,055)	(103,393)
Dividends on preferred stock	(19,505)	(20,105)
Net loss after deduction of dividends on preferred stock	$(87,560)	$(123,498)
Net loss	$(68,055)	$(103,393)
Other comprehensive income (loss):		
Foreign currency translation adjustments	(27,593)	(2,206)
Derivative instruments:		
Net change in fair value of cash flow hedging instruments	(3,341)	1,540
Amounts reclassified into results of operations	(222)	1,419
Comprehensive loss before cumulative effect of change in accounting principle	(99,211)	(102,640)
Cumulative effect of change in accounting principle for derivative financial instruments	178	--
Comprehensive loss	$(99,033)	$(102,640)
Loss per common share--basic and diluted	$ (0.41)	$ (0.56)
Common shares outstanding--basic and diluted (in thousands)	211,195	219,420

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

(In thousands of dollars)

	Three Months Ended March 31, 2001	Three Months Ended March 31, 2002
Cash flows from operating activities:		
Net loss	$ (68,055)	$(103,393)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	74,091	71,715
Asset write-down charges	--	31,941
Amortization of deferred financing costs and discounts on long-term debt	22,161	24,254
Non-cash general and administrative compensation charges	1,395	1,314
Minority interests	(644)	(3,698)
Changes in assets and liabilities, excluding the effects of acquisitions:		
Increase in deferred rental revenues and other liabilities	107,159	28,976
Decrease in accrued interest	(30,020)	(18,041)
Decrease in accounts payable	(15,945)	(9,940)
Increase in receivables	(29,170)	(3,879)
Increase in inventories, prepaid expenses and other assets	(16,083)	(3,208)
Net cash provided by operating activities	44,889	16,041
Cash flows from investing activities:		
Maturities of investments	111,000	116,500
Purchases of investments	(73,500)	(79,000)
Capital expenditures	(251,860)	(72,981)
Investments in affiliates and other	(10,568)	(2,946)
Net cash used for investing activities	(224,928)	(38,427)
Cash flows from financing activities:		
Proceeds from issuance of capital stock	350,830	538
Net borrowings under revolving credit agreements	95,548	--
Incurrence of financing costs	(2,672)	--
Net cash provided by financing activities	443,706	538
Effect of exchange rate changes on cash	(559)	(2,736)
Net increase (decrease) in cash and cash equivalents	263,108	(24,584)
Cash and cash equivalents at beginning of period	453,833	804,602
Cash and cash equivalents at end of period	$ 716,941	$ 780,018
Supplemental disclosure of cash flow information:		
Interest paid	$ 74,443	$ 68,960
Income taxes paid	60	89

See condensed notes to consolidated financial statements.

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, 2001, 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 March 31, 2002 and the consolidated results of operations and consolidated cash flows for the three months ended March 31, 2001 and 2002. 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. Certain reclassifications have been made to the prior period's financial statements to be consistent with the presentation in the current period.

2. New Accounting Pronouncements

Derivative Instruments

On January 1, 2001, the Company adopted the requirements of Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 requires that derivative instruments be recognized as either assets or liabilities in the consolidated balance sheet based on their fair values. Changes in the fair values of such derivative instruments are recorded either in results of operations or in other comprehensive income (loss), depending on the intended use of the derivative instrument. The initial application of SFAS 133 is reported as the effect of a change in accounting principle. The adoption of SFAS 133 resulted in a net transition adjustment gain of approximately $178,000 in accumulated other comprehensive income (loss), the recognition of approximately $363,000 of derivative instrument assets and the recognition of approximately $185,000 of derivative instrument liabilities. The amounts for this transition adjustment are based on current fair value measurements at the date of adoption of SFAS 133. The Company expects that the adoption of SFAS 133 will increase the volatility of other comprehensive income (loss) as reported in its future financial statements.

The derivative instruments recognized upon the Company's adoption of SFAS 133 consist of interest rate swap agreements. Such agreements are used to manage interest rate risk on a portion of the Company's floating rate indebtedness, and are designated as cash flow hedging instruments in accordance with SFAS 133. The interest rate swap agreements have notional amounts aggregating $150,000,000 and effectively convert the interest payments on an equal amount of debt from a floating rate to a fixed rate. As such, the Company is protected from future increases in market interest rates on that portion of its indebtedness. To the extent that the interest rate swap agreements are effective in hedging the Company's interest rate risk, the changes in their fair values are recorded as other comprehensive income (loss). Amounts recorded as other comprehensive income (loss) are reclassified into results of operations in the same periods that the hedged interest costs are recorded in interest expense. The Company estimates that such reclassified amounts will be approximately $5,300,000 for the year ending December 31, 2002. To the extent that any portions of the interest rate swap agreements are deemed ineffective, the related changes in fair values are recognized in results of operations. As of March 31, 2002, the accumulated other comprehensive loss in consolidated stockholders' equity includes $5,033,000 in losses related to derivative instruments.

Business Combinations, Goodwill and Long-Lived Assets

In July 2001, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 141, Business Combinations ("SFAS 141"), and Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets ("SFAS 142"). SFAS 141 prohibits the use of the pooling-of-interests method of accounting for business combinations, and requires that the purchase method be used for all business combinations after June 30, 2001. SFAS 141 also changes the manner in which acquired intangible assets are identified and recognized apart from goodwill. Further, SFAS 141 requires additional disclosures regarding the reasons for business combinations, the allocation of the purchase price to recognized assets and liabilities and the recognition of goodwill and other intangible assets. The Company has used the purchase method of accounting since its inception, so the adoption of SFAS 141 will not change its method of accounting for business combinations. The Company has adopted the other recognition and disclosure requirements of SFAS 141 as of July 1, 2001 for any future business combinations. The transition provisions of SFAS 141 require that the carrying amounts for goodwill and other intangible assets acquired in prior purchase method business combinations be reviewed and reclassified in accordance with the new recognition rules; such reclassifications are to be made in conjunction with the adoption of SFAS 142. The application of these transition provisions of SFAS 141 as of January 1, 2002 resulted in a reclassification of other intangible assets with finite useful lives (the value of site rental contracts from the acquisition of Crown Communication) to deferred financing costs and other assets on the Company's consolidated balance sheet. The net book value of such reclassified intangible assets was $14,517,000.

SFAS 142 changes the accounting and disclosure requirements for acquired goodwill and other intangible assets. The most significant provision of SFAS 142 is that goodwill and other intangible assets with indefinite useful lives will no longer be amortized, but rather will be tested for impairment on an annual basis. This annual impairment test will involve (1) a step to identify potential impairment at a reporting unit level based on fair values, and (2) a step to measure the amount of the impairment, if any. Intangible assets with finite useful lives will continue to be amortized over such lives, and tested for impairment in accordance with the Company's existing policies. SFAS 142 requires disclosures about goodwill and other intangible assets in the periods subsequent to their acquisition, including (1) changes in the carrying amount of goodwill, in total and by operating segment, (2) the carrying amounts of intangible assets subject to amortization and those which are not subject to amortization, (3) information about impairment losses recognized, and (4) the estimated amount of intangible asset amortization expense for the next five years. The provisions of SFAS 142 are effective for fiscal years beginning after December 15, 2001. In addition, the nonamortization provisions of SFAS 142 were to be immediately applied for goodwill and other intangible assets acquired in business combinations subsequent to June 30, 2001. The Company has adopted the requirements of SFAS 142 as of January 1, 2002. SFAS 142 requires that transitional impairment tests be performed at its adoption, and provides that resulting impairment losses for goodwill and other intangible assets with indefinite useful lives be reported as the effect of a change in accounting principle. The Company has not yet completed its transitional impairment tests but, based on preliminary results of those tests, does not currently believe that an impairment loss for goodwill and other intangible assets will be recorded upon the adoption of SFAS 142. The Company expects that its depreciation and amortization expense will decrease by approximately $62,068,000 per year as a result of the adoption of SFAS 142. If amortization of goodwill and other intangible assets had not been recorded during the three months ended March 31, 2001, the Company's net loss for that period would have been $52,314,000, or $0.34 per share.

In October 2001, the FASB issued Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets ("SFAS 144"). SFAS 144 supersedes Statement of Financial Accounting Standards No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of ("SFAS 121"), but retains many of its fundamental provisions. SFAS 144 also clarifies certain measurement and classification issues from SFAS 121. In addition, SFAS 144 supersedes the accounting and reporting provisions for the disposal of a business segment as found in Accounting Principles Board Opinion

No. 30, Reporting the Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions ("APB 30"). However, SFAS 144 retains the requirement in APB 30 to separately report discontinued operations, and broadens the scope of such requirement to include more types of disposal transactions. The scope of SFAS 144 excludes goodwill and other intangible assets that are not to be amortized, as the accounting for such items is prescribed by SFAS 142. The provisions of SFAS 144 are effective for fiscal years beginning after December 15, 2001, and are to be applied prospectively. The adoption of the requirements of SFAS 144 as of January 1, 2002 had no impact on the Company's consolidated financial statements.

3. Long-term Debt

Long-term debt consists of the following:

	December 31, 2001	March 31, 2002
	(In thousands of dollars)	
2000 Credit Facility	$ 700,000	$ 700,000
CCUK Credit Facility	172,050	168,767
Crown Atlantic Credit Facility	300,000	300,000
9% Guaranteed Bonds due 2007	177,401	173,970
10 5/8% Senior Discount Notes due 2007, net of discount	229,321	235,333
10 3/8% Senior Discount Notes due 2011, net of discount	393,320	403,391
9% Senior Notes due 2011	180,000	180,000
11 1/4% Senior Discount Notes due 2011, net of discount	196,005	201,468
9 1/2% Senior Notes due 2011	125,000	125,000
10 3/4% Senior Notes due 2011	500,000	500,000
9 3/8% Senior Notes due 2011	450,000	450,000
	3,423,097	3,437,929
Less: current maturities	(29,086)	(342,737)
	$3,394,011	$3,095,192

CCUK Credit Facility

In April 2002, ITVdigital ("ITV") announced plans to liquidate its assets, and it is anticipated that the liquidation will commence in the near future (see Note 9). The termination of the ITV transmission contract is a Termination Event (a defined event of default) under the CCUK Credit Facility. The Company has entered into discussions with the banks in order to obtain an amendment to the CCUK Credit Facility such that the Termination Event would be cured. Based on these preliminary discussions, the Company does not currently believe that it will be required to prepay the outstanding borrowings under the CCUK Credit Facility as a result of this event of default. However, there can be no assurance that such an amendment can be obtained. As a result, the Company has reclassified all the outstanding borrowings under the CCUK Credit Facility as current liabilities on its consolidated balance sheet as of March 31, 2002.

If the Company is unable to obtain an amendment to the CCUK Credit Facility as discussed above, the uncured Termination Event would result in an event of default under the trust deed governing the 9% Guaranteed Bonds due 2007 (the "CCUK Bonds"). As a result, the Company has also reclassified the principal amount of the CCUK Bonds as a current liability on its consolidated balance sheet as of March 31, 2002.

Reporting Requirements Under the Indentures Governing the Company's Debt Securities (the "Indentures") and the Certificate of Designations Governing the Company's 12 3/4% Senior Exchangeable Preferred Stock (the "Certificate")

The following information (as such capitalized terms are defined in the Indentures and the Certificate) is presented solely as a requirement of the Indentures and the Certificate; 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:

	March 31, 2002			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 188,450	$ 591,568	$ --	$ 780,018
Other current assets	279,253	143,319	--	422,572
Property and equipment, net	3,339,096	1,472,592	--	4,811,688
Investments	91,500	--	--	91,500
Investments in Unrestricted Subsidiaries	2,077,745	--	(2,077,745)	--
Goodwill	164,023	871,475	--	1,035,498
Other assets, net	128,292	12,910	--	141,202
	$6,268,359	$3,091,864	$(2,077,745)	$7,282,478
Current liabilities	$ 201,283	$ 517,163	$ --	$ 718,446
Long-term debt, less current maturities	2,795,192	300,000	--	3,095,192
Other liabilities	36,703	123,008	--	159,711
Minority interests	92,878	73,948	--	166,826
Redeemable preferred stock	888,596	--	--	888,596
Stockholders' equity	2,253,707	2,077,745	(2,077,745)	2,253,707
	$6,268,359	$3,091,864	$(2,077,745)	$7,282,478

	Three Months Ended March 31, 2002		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)		
Net revenues	$122,248	$ 98,369	$ 220,617
Costs of operations (exclusive of depreciation and amortization)	56,567	49,224	105,791
General and administrative	18,284	3,504	21,788
Corporate development	2,239	--	2,239
Restructuring charges	2,126	3,726	5,852
Asset write-down charges	23,721	8,220	31,941
Non-cash general and administrative compensation charges	872	442	1,314
Depreciation and amortization	47,784	23,931	71,715
Operating income (loss)	(29,345)	9,322	(20,023)

Interest and other income (expense)....	(599)	(5,491)	(6,090)
Interest expense and amortization of deferred financing costs..............	(64,117)	(12,202)	(76,319)
Provision for income taxes.............	(88)	(4,571)	(4,659)
Minority interests.....................	1,523	2,175	3,698
Net loss...............................	$(92,626)	$(10,767)	$(103,393)

Tower Cash Flow and Adjusted Consolidated Cash Flow for the Company and its Restricted Subsidiaries is as follows under (1) the indenture governing the 10 5/8% Discount Notes and the Certificate (the "1997 and 1998 Securities") and (2) the indentures governing the 10 3/8% Discount Notes, the 9% Senior Notes, the 11 1/4% Discount Notes, the 9 1/2% Senior Notes, the 10 3/4% Senior Notes and the 9 3/8% Senior Notes (the "1999, 2000 and 2001 Securities"):

	1997 and 1998 Securities	1999, 2000 and 2001 Securities
	(In thousands of dollars)	
Tower Cash Flow, for the three months ended March 31, 2002	$ 50,150	$ 50,150
Consolidated Cash Flow, for the twelve months ended March 31, 2002	$ 173,100	$ 182,436
Less: Tower Cash Flow, for the twelve months ended March 31, 2002	(170,240)	(170,240)
Plus: four times Tower Cash Flow, for the three months ended March 31, 2002	200,600	200,600
Adjusted Consolidated Cash Flow, for the twelve months ended March 31, 2002	$ 203,460	$ 212,796

4. Redeemable Preferred Stock

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

	December 31, 2001	March 31, 2002
	(In thousands of dollars)	
12 3/4% Senior Exchangeable Preferred Stock; shares issued: December 31, 2001--291,444 and March 31, 2002--300,734 (stated at mandatory redemption and aggregate liquidation value)	$292,992	$302,331
8 1/4% Cumulative Convertible Redeemable Preferred Stock; shares issued: 200,000 (stated net of unamortized value of warrants; mandatory redemption and aggregate liquidation value of $200,000)	195,793	195,896
6.25% Convertible Preferred Stock; shares issued: 8,050,000 (stated net of unamortized issue costs; mandatory redemption and aggregate liquidation value of $402,500)	390,076	390,369
	$878,861	$888,596

5. 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 and convertible preferred stock 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 March 31, 2001	Three Months Ended March 31, 2002
	(In thousands of dollars, except per share amounts)	
Net loss	$(68,055)	$(103,393)
Dividends on preferred stock	(19,505)	(20,105)
Net loss applicable to common stock for basic and diluted computations	$(87,560)	$(123,498)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	211,195	219,420
Loss per common share--basic and diluted	$ (0.41)	$ (0.56)

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares as of March 31, 2002: (1) options to purchase 23,775,862 shares of common stock at exercise prices ranging from $-0- to $39.75 per share, (2) warrants to purchase 639,990 shares of common stock at an exercise price of $7.50 per share, (3) warrants to purchase 1,000,000 shares of common stock at an exercise price of $26.875 per share, (4) shares of the Company's 8 1/4% Cumulative Convertible Redeemable Preferred Stock which are convertible into 7,441,860 shares of common stock and (5) shares of the Company's 6.25% Convertible Preferred Stock which are convertible into 10,915,254 shares of common stock. The inclusion of such potential common shares in the diluted per share computations would be antidilutive since the Company incurred net losses for all periods presented.

6. 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.

7. 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 ("EBITDA"). The Company defines EBITDA as operating income (loss) plus depreciation and amortization, non-cash general and administrative compensation charges, asset write-down charges and restructuring charges. 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 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.

The financial results for the Company's operating segments are as follows:

	Three Months Ended March 31, 2002					
	CCUSA	CCAL	CCUK	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission	$ 79,253	$ 5,013	$ 53,455	$ 22,543	$ --	$ 160,264
Network services and other	37,349	633	15,945	6,426	--	60,353
	116,602	5,646	69,400	28,969	--	220,617
Costs of operations (exclusive of depreciation and amortization)	53,932	2,635	36,856	12,368	--	105,791
General and administrative	13,229	1,261	1,727	1,737	3,834	21,788
Corporate development	--	--	--	--	2,239	2,239
EBITDA	49,441	1,750	30,817	14,864	(6,073)	90,799
Restructuring charges	--	--	3,726	--	2,126	5,852
Asset write-down charges	23,721	--	431	7,789	--	31,941
Non-cash general and administrative compensation charges	532	--	442	--	340	1,314
Depreciation and amortization	44,244	3,186	13,473	10,269	543	71,715
Operating income (loss)	(19,056)	(1,436)	12,745	(3,194)	(9,082)	(20,023)
Interest and other income (expense)	(743)	162	(5,569)	(19)	79	(6,090)
Interest expense and amortization of deferred financing costs	(9,295)	(826)	(7,552)	(4,650)	(53,996)	(76,319)
Provision for income taxes	--	(88)	(4,571)	--	--	(4,659)
Minority interests	819	704	--	2,175	--	3,698
Net loss	$ (28,275)	$ (1,484)	$ (4,947)	$ (5,688)	$(62,999)	$ (103,393)
Capital expenditures	$ 41,631	$ 2,956	$ 17,668	$ 10,397	$ 329	$ 72,981
Total assets (at period end)	$3,510,721	$267,963	$1,816,235	$894,789	$792,770	$7,282,478

	Three Months Ended March 31, 2001					
	CCUSA	CCAL	CCUK	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission.........	$ 62,176	$2,990	$ 49,368	$19,508	$ --	$134,042
Network services and other................	60,605	--	9,776	8,530	--	78,911
	122,781	2,990	59,144	28,038	--	212,953
Costs of operations (exclusive of depreciation and amortization)..........	66,101	1,095	32,029	13,970	--	113,195
General and administrative.........	16,322	1,491	1,703	2,645	3,734	25,895
Corporate development...	--	--	48	--	3,405	3,453
EBITDA..................	40,358	404	25,364	11,423	(7,139)	70,410
Non-cash general and administrative compensation charges...	531	--	523	--	341	1,395
Depreciation and amortization..........	39,627	1,696	22,219	10,131	418	74,091
Operating income (loss)................	200	(1,292)	2,622	1,292	(7,898)	(5,076)
Interest and other income (expense).......	874	(144)	931	15	1,416	3,092
Interest expense and amortization of deferred financing costs..................	(13,467)	(43)	(7,035)	(5,015)	(41,095)	(66,655)
Provision for income taxes..................	--	--	(27)	(33)	--	(60)
Minority interests......	(198)	923	--	(81)	--	644
Net loss................	$(12,591)	$ (556)	$ (3,509)	$(3,822)	$(47,577)	$(68,055)
Capital expenditures....	$113,863	$ 486	$110,829	$26,101	$ 581	$251,860

8. Restructuring Charges and Asset Write-Down Charges

For the three months ended March 31, 2002, the Company recorded cash charges of $3,726,000 in connection with a restructuring of its CCUK business announced in March 2002. Such charges relate to staff redundancies and the disposition of certain service lines. The Company expects that the total charges reflected in its 2002 results of operations for this CCUK restructuring will be between approximately $7,000,000 and $13,000,000. For the three months ended March 31, 2002, the Company also recorded cash charges of $2,126,000 related to additional employee severance payments at its corporate office in connection with the July 2001 restructuring. At December 31, 2001 and March 31, 2002, other accrued liabilities includes $6,591,000 and $7,222,000, respectively, related to restructuring charges.

During the three months ended March 31, 2002, the Company abandoned a portion of its construction in process related to certain open projects and recorded related asset write-down charges of $23,721,000 for CCUSA and $7,789,000 for Crown Atlantic. For the three months ended March 31, 2002, the Company also recorded asset write-down charges of $431,000 for CCUK related to certain inventories and property and equipment.

9. Subsequent Events

Since 1999, CCUK has provided digital transmission services to ITVdigital ("ITV"). On March 27, 2002, a U.K. court approved an application by ITV to be placed into administration (a proceeding, similar to a Chapter 11 bankruptcy proceeding in the United States, designed to protect the applicant from the claims of its creditors while it reorganizes its business). In April 2002, after unsuccessful efforts by the administrator to sell the ITV business as a going concern, ITV announced plans to liquidate its assets. It is anticipated that the liquidation will commence in the near future. With the ITV liquidation and suspension of service, further on-going collections under the ITV transmission contract are not expected. CCUK had gross revenues of approximately $27,600,000 annually under the ITV transmission contact. If current efforts to re-market the CCUK network prove unsuccessful, CCUK expects EBITDA to be impacted negatively by approximately $16,000,000 in 2002 and approximately $23,000,000 annually thereafter assuming no significant mitigation of costs. ITV represented approximately 10% of the 2001 gross revenues of CCUK and approximately 3% of the 2001 consolidated gross revenues of the Company. The termination of the ITV transmission contract is a Termination Event under the CCUK Credit Facility (see Note 3).

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 March 31, 2002 and our consolidated results of operations for the three-month periods ended March 31, 2001 and 2002. The statements in this discussion regarding the industry outlook, our expectations regarding the future performance of our businesses and the other nonhistorical statements in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the uncertainties relating to decisions on capital expenditures to be made in the future by wireless carriers and broadcasters, the success or failure of our efforts to implement our business strategy and the following:

- Our substantial level of indebtedness could adversely affect our ability to react to changes in our business and limit our ability to use debt to fund future capital needs.

- If we are unable to service our indebtedness, our indebtedness may be accelerated.

- Our business depends on the demand for wireless communications, which may be lower or slower than anticipated.

- The continuation of the current economic and telecommunications industry slowdown could materially and adversely affect our business and the business of our customers.

- We may be unable to manage our significant growth.

- The loss, consolidation or financial instability of any of our limited number of customers could materially decrease revenues.

- Restrictive covenants on our debt instruments may limit our ability to take actions that may be in our best interests.

- We operate in an increasingly competitive industry and many of our competitors have significantly more resources than we do.

- Technology changes may significantly reduce the demand for towers.

- 2.5G/3G and other technologies may not deploy or be adopted by customers as rapidly or in the manner projected.

- Carrier consolidation or reduced carrier expansion may significantly reduce the demand for towers and wireless communication sites.

- Network sharing and other agreements among our customers may act as alternatives to leasing sites from us.

- We may not be able to construct or acquire new towers at the pace and in the locations that we desire.

- Demand for our network services business is very volatile which causes our network services operating results to vary significantly for any particular period.

- We anticipate significant capital expenditures and may need additional financing which may not be available.

- We generally lease or sublease the land under our towers and may not be able to maintain these leases.

- Extensive regulations, which could change at any time, govern our business and industry, and we could fail to comply with these regulations.

- We could suffer from future claims if radio frequency emissions from equipment on our towers are demonstrated to cause negative health effects.

- Our international operations expose us to changes in foreign currency exchange rates.

- We are heavily dependent on our senior management.

. Disputes with customers and suppliers have recently increased.

. Economic viability or acceptance of digital terrestrial broadcasting.

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

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.

Results of Operations

During 2001 we completed the transactions with BellSouth and BellSouth DCS. Results of operations of these acquired towers are included in our consolidated financial statements for the periods subsequent to the respective dates of acquisition. As such, our results of operations for the three months ended March 31, 2001 are not comparable to the results of operations for the three months ended March 31, 2002.

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

	Three Months Ended March 31, 2001		Three Months Ended March 31, 2002	
	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues
	(In thousands of dollars)			
Net revenues:				
Site rental and broadcast transmission	$134,042	62.9%	$ 160,264	72.6%
Network services and other	78,911	37.1	60,353	27.4
Total net revenues	212,953	100.0	220,617	100.0
Operating expenses:				
Costs of operations:				
Site rental and broadcast transmission	57,739	43.1	62,066	38.7
Network services and other	55,456	70.3	43,725	72.4
Total costs of operations	113,195	53.2	105,791	47.9
General and administrative	25,895	12.2	21,788	9.9
Corporate development	3,453	1.6	2,239	1.0
Restructuring charges	--	--	5,852	2.7
Asset write-down charges	--	--	31,941	14.5
Non-cash general and administrative compensation charges	1,395	0.6	1,314	0.6
Depreciation and amortization	74,091	34.8	71,715	32.5
Operating income (loss)	(5,076)	(2.4)	(20,023)	(9.1)
Other income (expense):				
Interest and other income (expense)	3,092	1.5	(6,090)	(2.8)
Interest expense and amortization of deferred financing costs	(66,655)	(31.3)	(76,319)	(34.6)
Loss before income taxes and minority interests	(68,639)	(32.2)	(102,432)	(46.5)
Provision for income taxes	(60)	(0.1)	(4,659)	(2.1)
Minority interests	644	0.3	3,698	1.7
Net loss	$(68,055)	(32.0)%	$(103,393)	(46.9)%

Comparison of Three Months Ended March 31, 2002 and 2001

Consolidated revenues for the three months ended March 31, 2002 were $220.6 million, an increase of $7.7 million from the three months ended March 31, 2001. This increase was primarily attributable to:

(1) a $26.2 million, or 19.6%, increase in site rental and broadcast transmission revenues, of which $4.1 million was attributable to CCUK, $3.0 million was attributable to Crown Atlantic, $2.0 million was attributable to CCAL and $17.1 million was attributable to CCUSA,

(2) a $6.2 million increase in network services and other revenues from CCUK, partially offset by

(3) a $23.3 million decrease in network services and other revenues from CCUSA, and

(4) a $2.1 million decrease in network services and other revenues from Crown Atlantic.

The following is a summary of tenant leasing activity on our tower sites:

	Three Months Ended March 31, 2001	Three Months Ended March 31, 2002
New tenants added on existing, newly constructed and acquired tower sites, net:		
CCUSA	931	762
Crown Atlantic	185	139
CCUK	626	399
CCAL	139	96
	1,881	1,396
Average monthly lease rate per new tenant added on existing tower sites:		
CCUSA and Crown Atlantic	$1,476	$1,479
CCUK	496	1,070
CCAL	629	558

The increases in site rental and broadcast transmission revenues reflect the new tenant additions on our tower sites. The increases or decreases in network services and other revenues reflect fluctuations in demand for antenna installation from our tenants along with fluctuations in third party service work.

Costs of operations for the three months ended March 31, 2002 were $105.8 million, a decrease of $7.4 million from the three months ended March 31, 2001. This decrease was primarily attributable to:

(1) a $13.1 million decrease in network services costs related to CCUSA and

(2) a $2.2 million decrease in network services costs from Crown Atlantic, partially offset by

(3) a $4.3 million increase in site rental and broadcast transmission costs, of which $1.7 million was attributable to CCUK, $0.6 million was attributable to Crown Atlantic, $1.1 million was attributable to CCAL and $0.9 million was attributable to CCUSA, and

(4) a $3.2 million increase in network services costs from CCUK.

Costs of operations for site rental and broadcast transmission as a percentage of site rental and broadcast transmission revenues decreased to 38.7% for the three months ended March 31, 2002 from 43.1% for the three months ended March 31, 2001, because of higher margins attributable to incremental revenues from the CCUSA, Crown Atlantic and CCAL operations. Costs of operations for network services and other as a percentage of network services and other revenues increased to 72.4% for the three months ended March 31, 2002 from 70.3% for the three months ended March 31, 2001 because of lower margins from the CCUSA operations, partially offset by higher margins from the CCUK and Crown Atlantic operations.

General and administrative expenses for the three months ended March 31, 2002 were $21.8 million, a decrease of $4.1 million from the three months ended March 31, 2001. This decrease was primarily attributable to:

(1) a $3.1 million decrease in expenses related to the CCUSA operations,

(2) a $0.9 million decrease in expenses at Crown Atlantic, and

(3) a $0.2 million decrease in expenses at CCAL, partially offset by

(4) a $0.1 million increase in expenses at our corporate office.

The decreases in general and administrative expenses resulted primarily from lower staffing levels after the restructuring of our business announced in July 2001. General and administrative expenses as a percentage of revenues decreased to 9.9% for the three months ended March 31, 2002 from 12.2% for the three months ended March 31, 2001 because of lower overhead costs as a percentage of revenues for CCUSA, CCAL, CCUK and Crown Atlantic.

Corporate development expenses for the three months ended March 31, 2002 were $2.2 million, compared to $3.5 million for the three months ended March 31, 2001. This decrease was primarily attributable to a decrease in expenses at our corporate office.

For the three months ended March 31, 2002, we recorded cash charges of $3.7 million in connection with a restructuring of our CCUK business announced in March 2002. Such charges relate to staff redundancies and the disposition of certain service lines. We expect that the total charges reflected in our 2002 results of operations for this CCUK restructuring will be between approximately $7.0 million and $13.0 million. For the three months ended March 31, 2002, we also recorded cash charges of $2.1 million related to additional employee severance payments at our corporate office in connection with the July 2001 restructuring. See "--Restructuring Charges and Asset Write-Down Charges".

During the three months ended March 31, 2002, we abandoned a portion of our construction in process related to certain open projects and recorded related asset write-down charges of $23.7 million for CCUSA and $7.8 million for Crown Atlantic. For the three months ended March 31, 2002, we also recorded asset write-down charges of $0.4 million for CCUK related to certain inventories and property and equipment. See "--Restructuring Charges and Asset Write-Down Charges".

For the three months ended March 31, 2002, we recorded non-cash general and administrative compensation charges of $1.3 million related to the issuance of stock and stock options to certain employees and executives, compared to $1.4 million for the three months ended March 31, 2001.

Depreciation and amortization for the three months ended March 31, 2002 was $71.7 million, a decrease of $2.4 million from the three months ended March 31, 2001. This decrease was primarily attributable to:

(1) a $15.7 million decrease in goodwill amortization resulting from the adoption of a new accounting standard for goodwill and other intangible assets, of which $3.1 million was attributable to CCUSA, $11.8 million was attributable to CCUK and $0.8 million was attributable to Crown Atlantic (see "--Impact of Recently Issued Accounting Standards"), partially offset by

(2) a $3.1 million increase in depreciation related to property and equipment from CCUK,

(3) a $7.7 million increase in depreciation related to property and equipment from CCUSA,

(4) a $1.5 million increase in depreciation related to property and equipment from CCAL, and

(5) a $0.9 million increase in depreciation related to property and equipment from Crown Atlantic.

Interest and other income (expense) for the three months ended March 31, 2002 resulted primarily from:

(1) a charge of approximately $7.0 million for the write-down of an investment in an unconsolidated affiliate,

(2) our share of losses incurred by unconsolidated affiliates and

(3) costs incurred in connection with unsuccessful network acquisitions, partially offset by

(4) the investment of the net proceeds from our recent offerings.

Interest expense and amortization of deferred financing costs for the three months ended March 31, 2002 was $76.3 million, an increase of $9.7 million, or 14.5%, from the three months ended March 31, 2001. This increase was primarily attributable to interest on indebtedness at CCUSA, CCUK and Crown Atlantic, and interest on the 9 3/8% senior notes.

The provision for income taxes of $4.7 million for the three months ended March 31, 2002 consists primarily of a non-cash deferred tax liability recognized by CCUK. CCUK's deferred tax liability resulted from differences between book and tax basis for its property and equipment.

Minority interests represent the minority partner's 43.1% interest in Crown Atlantic's operations, the minority partner's 17.8% interest in the operations of the GTE joint venture and the minority shareholder's 22.4% interest in the CCAL operations.

Liquidity and Capital Resources

Our business strategy contemplates substantial capital expenditures in connection with the expansion of our tower portfolios by pursuing build-to-suit opportunities in the markets in which we currently operate.

Since its inception, CCIC has generally funded its activities, other than acquisitions and investments, through excess proceeds from contributions of equity capital and cash provided by operations. CCIC has financed acquisitions and investments with the proceeds from equity contributions, borrowings under our senior credit facilities and issuances of debt securities. Since its inception, CCUK has generally funded its activities, other than the acquisition of the BBC home service transmission business, through cash provided by operations and borrowings under CCUK's credit facility. CCUK financed the acquisition of the BBC home service transmission business with the proceeds from equity contributions and the issuance of the CCUK bonds.

For the three months ended March 31, 2001 and 2002, our net cash provided by operating activities was $44.9 million and $16.0 million, respectively. For the three months ended March 31, 2001 and 2002, our net cash provided by financing activities was $443.7 million and $0.5 million, respectively.

Capital expenditures were $73.0 million for the three months ended March 31, 2002, of which $0.3 million were for CCIC, $41.6 million were for CCUSA, $10.4 million were for Crown Atlantic, $17.7 million were for CCUK and $3.0 million were for CCAL. We anticipate that we will build, through the end of 2002, approximately 250 to 350 towers in the United States at a cost of approximately $81 million and approximately 450 to 550 towers in the United Kingdom at a cost of approximately $50 million. In addition, we are obligated to pay a site access fee to British Telecom in the amount of (Pounds)100.0 million ($142.5 million). In April 2002, we reached agreement with British Telecom to defer until March 2003 payment of (Pounds)50.0 million ($71.3 million) of the (Pounds)100.0 million originally due March 2002. We also expect to spend approximately $125 million in the United States for tower improvements, including enhancements to the structural capacity of our domestic towers in order to support the anticipated leasing.

We expect that the execution of our new tower build, or build-to-suit, program will have a material impact on our liquidity. We expect that once integrated, these new towers will have a positive impact on liquidity, but will require some period of time to offset the initial adverse impact on liquidity. In addition, we believe that as new towers become operational and we begin to add tenants, they should result in a long-term increase in liquidity.

To fund the execution of our business strategy, including the construction of new towers, we expect to use the net proceeds of our recent offerings and cash provided by operations. We do not currently expect to utilize further borrowings available under our U.S. and U.K. credit facilities in any significant amounts. We will have additional cash needs to fund our operations in the future. We may also have additional cash needs in the future if additional tower acquisitions or build-to-suit 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 March 31, 2002, we had consolidated cash and cash equivalents of $780.0 million (including $20.5 million at CCUSA, $183.1 million at CCUK, $30.5 million at Crown Atlantic, $13.3 million at CCAL, $377.9 million in an unrestricted investment subsidiary and $154.6 million at CCIC and a restricted investment subsidiary), consolidated liquid investments (consisting of marketable securities) of $164.0 million, consolidated long-term debt of $3,437.9 million, consolidated redeemable preferred stock of $888.6 million and consolidated stockholders' equity of $2,253.7 million.

As of May 1, 2002, Crown Atlantic had unused borrowing availability under its amended credit facility of approximately $45.0 million. As of May 1, 2002, our restricted U.S. and Australian subsidiaries had approximately $500.0 million of unused borrowing availability under the 2000 credit facility. Our various credit facilities require our subsidiaries to maintain certain financial covenants and place restrictions on the ability of our subsidiaries to, among other things, incur debt and liens, pay dividends, make capital expenditures, undertake transactions with affiliates and make investments. These facilities also limit the ability of the borrowing subsidiaries to pay dividends to CCIC.

The primary factors that determine our subsidiaries' ability to comply with their debt covenants are (1) their current financial performance (based on earnings before interest, taxes, depreciation and amortization, or "EBITDA"), (2) their levels of indebtedness and (3) their debt service requirements. Since we do not currently expect that our subsidiaries will need to utilize significant additional borrowings under their credit facilities, the primary risk of a debt covenant violation would result from a deterioration of a subsidiary's EBITDA performance. In addition, certain of the credit facilities will require that EBITDA 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 EBITDA 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.

In April 2002, ITVdigital ("ITV") announced plans to liquidate its assets, and it is anticipated that the liquidation will commence in the near future (see "Item 5. Other Information"). The termination of the ITV transmission contract is a Termination Event (a defined event of default) under the CCUK credit facility. We have entered into discussions with the banks in order to obtain an amendment to the CCUK credit facility such that the Termination Event would be cured. Based on these preliminary discussions, we do not currently believe that we will be required to prepay the outstanding borrowings under the CCUK credit facility as a result of this event of default. However, there can be no assurance that such an amendment can be obtained. As a result, we have reclassified all the outstanding borrowings under the CCUK credit facility as current liabilities on our consolidated balance sheet as of March 31, 2002. If we are unable to obtain an amendment to the CCUK credit facility as discussed above, the uncured Termination Event would result in an event of default under the trust deed governing the CCUK bonds. As a result, we have also reclassified the principal amount of the CCUK bonds as a current liability on our consolidated balance sheet as of March 31, 2002.

If we are unable to refinance our subsidiary debt or renegotiate the terms of such debt, we may not be able to meet our debt service requirements, including interest payments on the notes, in the future. Our 9% senior notes, our 9 1/2% senior notes, our 10 3/4% senior notes and our 9 3/8% senior notes require annual cash interest payments of approximately $16.2 million, $11.9 million, $53.8 million and $42.2 million, respectively. Prior to November 15, 2002, May 15, 2004 and August 1, 2004, the interest expense on our 10 5/8% discount notes, our

10 3/8% discount notes and our 11 1/4% discount notes, respectively, will be comprised solely of the amortization of original issue discount. Thereafter, the 10 5/8% discount notes, the 10 3/8% discount notes and the 11 1/4% discount notes will require annual cash interest payments of approximately $26.7 million, $51.9 million and $29.3 million, respectively. Prior to December 15, 2003, we do not expect to pay cash dividends on our 12 3/4% exchangeable preferred stock or, if issued, cash interest on the exchange debentures. Thereafter, assuming all dividends or interest have been paid-in-kind, our exchangeable preferred stock or, if issued, the exchange debentures will require annual cash dividend or interest payments of approximately $47.8 million. Annual cash interest payments on the CCUK bonds are (Pounds)11.25 million ($16.0 million). In addition, our various credit facilities will require periodic interest payments on amounts borrowed thereunder, which amounts could be substantial.

As a holding company, CCIC will require distributions or dividends from its subsidiaries, or will be forced to use capital raised in debt and equity offerings, to fund its debt obligations, including interest payments on the cash-pay notes and eventually the 10 5/8% discount notes, the 10 3/8% discount notes and the 11 1/4% discount notes. The terms of the indebtedness of our subsidiaries significantly limit their ability to distribute cash to CCIC. As a result, we will be required to apply a portion of the net proceeds from the recent debt offerings to fund interest payments on the cash-pay notes. If we do not retain sufficient funds from the offerings or any future financing, we may not be able to make our interest payments on the cash-pay notes.

Our joint venture agreements with Bell Atlantic Mobile and GTE (both now part of Verizon Communications) provide that, upon dissolution of either venture, Verizon Communications will receive (1) the shares of our common stock contributed to the venture and (2) a payment equal to a percentage of the fair market value (at the dissolution date) of the venture's other net assets. As of March 31, 2002, such percentages would be approximately 24.1% for the Bell Atlantic Mobile venture and 11.0% for the GTE venture. The 24.1% payment for the Bell Atlantic Mobile venture could be paid either in cash or shares of our common stock, at our election. The 11.0% payment for the GTE venture could only be paid in cash. A dissolution of either venture may be triggered (1) by Verizon Communications at any time following the third anniversary of the formation of the applicable venture and (2) by us at any time following the fourth anniversary of such venture's formation (subject to certain penalties if prior to the seventh anniversary). Our joint venture with Bell Atlantic Mobile was formed on March 31, 1999, and our joint venture with GTE was formed on January 31, 2000.

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. In addition, our ability to refinance any indebtedness in the future would depend in part on our maintaining adequate credit ratings from the commercial rating agencies. Such credit ratings are dependent on all the liquidity and performance factors discussed above, as well as general expectations that the rating agencies have regarding the outlook for our business and our industry. 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.

Restructuring Charges and Asset Write-Down Charges

For the three months ended March 31, 2002, we recorded cash charges of $3.7 million in connection with a restructuring of our CCUK business announced in March 2002. Such charges relate to staff redundancies and the disposition of certain service lines. We expect that the total charges reflected in our 2002 results of operations for this CCUK restructuring will be between approximately $7.0 million and $13.0 million. For the three months ended March 31, 2002, we also recorded cash charges of $2.1 million related to additional employee severance payments at our corporate office in connection with the July 2001 restructuring.

During the three months ended March 31, 2002, we abandoned a portion of our construction in process related to certain open projects and recorded related asset write-down charges of $23.7 million for CCUSA and $7.8 million for Crown Atlantic. For the three months ended March 31, 2002, we also recorded asset write-down charges of $0.4 million for CCUK related to certain inventories and property and equipment.

Reporting Requirements Under the Indentures Governing the Company's Debt Securities (the "Indentures") and the Certificate of Designations Governing the Company's 12 3/4% Senior Exchangeable Preferred Stock the "Certificate")

The following information (as such capitalized terms are defined in the Indentures and the Certificate) is presented solely as a requirement of the Indentures and the Certificate; 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:

	March 31, 2002			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 188,450	$ 591,568	$ --	$ 780,018
Other current assets	279,253	143,319	--	422,572
Property and equipment, net	3,339,096	1,472,592	--	4,811,688
Investments	91,500	--	--	91,500
Investments in Unrestricted Subsidiaries	2,077,745	--	(2,077,745)	--
Goodwill	164,023	871,475	--	1,035,498
Other assets, net	128,292	12,910	--	141,202
	$6,268,359	$3,091,864	$(2,077,745)	$7,282,478
Current liabilities	$ 201,283	$ 517,163	$ --	$ 718,446
Long-term debt, less current maturities	2,795,192	300,000	--	3,095,192
Other liabilities	36,703	123,008	--	159,711
Minority interests	92,878	73,948	--	166,826
Redeemable preferred stock	888,596	--	--	888,596
Stockholders' equity	2,253,707	2,077,745	(2,077,745)	2,253,707
	$6,268,359	$3,091,864	$(2,077,745)	$7,282,478

	Three Months Ended March 31, 2002		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)		
Net revenues	$122,248	$ 98,369	$ 220,617
Costs of operations (exclusive of depreciation and amortization)	56,567	49,224	105,791
General and administrative	18,284	3,504	21,788
Corporate development	2,239	--	2,239
Restructuring charges	2,126	3,726	5,852
Asset write-down charges	23,721	8,220	31,941
Non-cash general and administrative compensation charges	872	442	1,314
Depreciation and amortization	47,784	23,931	71,715
Operating income (loss)	(29,345)	9,322	(20,023)
Interest and other income (expense)	(599)	(5,491)	(6,090)
Interest expense and amortization of deferred financing costs	(64,117)	(12,202)	(76,319)
Provision for income taxes	(88)	(4,571)	(4,659)

Minority interests....................	1,523	2,175	3,698
Net loss..............................	$(92,626)	$(10,767)	$(103,393)

Tower Cash Flow and Adjusted Consolidated Cash Flow for CCIC and our Restricted Subsidiaries is as follows under (1) the indenture governing the 10 5/8% Discount Notes and the Certificate (the "1997 and 1998 Securities") and (2) the indentures governing the 10 3/8% Discount Notes, the 9% Senior Notes, the 11 1/4% Discount Notes, the 9 1/2% Senior Notes, the 10 3/4% Senior Notes and the 9 3/8% Senior Notes (the "1999, 2000 and 2001 Securities"):

	1997 and 1998 Securities	1999, 2000 and 2001 Securities
	(In thousands of dollars)	
Tower Cash Flow, for the three months ended March 31, 2002	$ 50,150	$ 50,150
Consolidated Cash Flow, for the twelve months ended March 31, 2002	$ 173,100	$ 182,436
Less: Tower Cash Flow, for the twelve months ended March 31, 2002	(170,240)	(170,240)
Plus: four times Tower Cash Flow, for the three months ended March 31, 2002	200,600	200,600
Adjusted Consolidated Cash Flow, for the twelve months ended March 31, 2002	$ 203,460	$ 212,796

Impact of Recently Issued Accounting Standards

In July 2001, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 141, Business Combinations ("SFAS 141"), and Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets ("SFAS 142"). SFAS 141 prohibits the use of the pooling-of-interests method of accounting for business combinations, and requires that the purchase method be used for all business combinations after June 30, 2001. SFAS 141 also changes the manner in which acquired intangible assets are identified and recognized apart from goodwill. Further, SFAS 141 requires additional disclosures regarding the reasons for business combinations, the allocation of the purchase price to recognized assets and liabilities and the recognition of goodwill and other intangible assets. We have used the purchase method of accounting since our inception, so the adoption of SFAS 141 will not change our method of accounting for business combinations. We have adopted the other recognition and disclosure requirements of SFAS 141 as of July 1, 2001 for any future business combinations. The transition provisions of SFAS 141 require that the carrying amounts for goodwill and other intangible assets acquired in prior purchase method business combinations be reviewed and reclassified in accordance with the new recognition rules; such reclassifications are to be made in conjunction with the adoption of SFAS 142. The application of these transition provisions of SFAS 141 as of January 1, 2002 resulted in a reclassification of other intangible assets with finite useful lives (the value of site rental contracts from the acquisition of Crown Communication) to deferred financing costs and other assets on our consolidated balance sheet. The net book value of such reclassified intangible assets was approximately $14.5 million.

SFAS 142 changes the accounting and disclosure requirements for acquired goodwill and other intangible assets. The most significant provision of SFAS 142 is that goodwill and other intangible assets with indefinite useful lives will no longer be amortized, but rather will be tested for impairment on an annual basis. This annual impairment test will involve (1) a step to identify potential impairment at a reporting unit level based on fair values, and (2) a step to measure the amount of the impairment, if any. Intangible assets with finite useful lives will continue to be amortized over such lives, and tested for impairment in accordance with the Company's existing policies. SFAS 142 requires disclosures about goodwill and other intangible assets in the periods subsequent to their acquisition, including (1) changes in the carrying amount of goodwill, in total and by operating segment, (2) the carrying amounts of intangible assets subject to amortization and those which are not subject to amortization, (3) information about impairment losses recognized, and (4) the estimated amount of intangible asset amortization expense for the next five years. The provisions of SFAS 142 are effective for fiscal years beginning after December 15, 2001. In addition, the nonamortization provisions of SFAS 142 were to be immediately applied for goodwill and other intangible assets acquired in business combinations subsequent to June 30, 2001. The Company has adopted the requirements of SFAS 142 as of January 1, 2002. SFAS 142 requires that transitional impairment tests be performed at its adoption, and provides that resulting impairment losses for goodwill and other intangible assets with indefinite useful lives be reported as the effect of a change in accounting principle. The Company has not yet completed its transitional impairment tests but, based on preliminary results of those tests, does not currently believe that an impairment loss for goodwill and other intangible assets will be recorded upon the adoption of SFAS 142. The Company expects that its depreciation and amortization expense will decrease by approximately $62,068,000 per year as a result of the adoption of SFAS 142. If amortization of goodwill and other intangible assets had not been recorded during the three months ended March 31, 2001, the Company's net loss for that period would have been $52,314,000, or $0.34 per share.

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. A fluctuation in market interest rates of one percentage point in 2002 would impact our interest expense by approximately $10.2 million. As of March 31, 2002, we have approximately $1,168.8 million of floating rate indebtedness, of which approximately $150.0 million has been effectively converted to fixed rate indebtedness through the use of interest rate swap agreements.

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 generally limited to foreign currency translation adjustments. We do not currently hedge against foreign currency translation risks and believe that foreign currency exchange risk is not significant to our operations.

PART II--OTHER INFORMATION

ITEM 5. OTHER INFORMATION

Since 1999, CCUK has provided digital transmission services to ITVdigital ("ITV") through the CCUK-owned digital terrestrial television ("DTT") network pursuant to a 12 year digital transmission contract. ITV provided a DTT service on a subscription basis to approximately 1.2 million subscribers in the U.K. On March 27, 2002, a U.K. court approved an application by ITV to be placed into administration (a proceeding, similar to a Chapter 11 bankruptcy proceeding in the United States, designed to protect the applicant from the claims of its creditors while it reorganizes its business). In April 2002, after unsuccessful efforts by the administrator to sell the ITV business as a going concern, ITV announced plans to liquidate its assets. It is anticipated that the liquidation will commence in the near future. With the ITV pending liquidation and suspension of service, further on-going collections under the ITV transmission contract are not expected. CCUK had gross revenues of approximately $27.6 million annually under the ITV transmission contact. The U.K. Independent Television Commission has indicated that is plans to re-issue the licenses previously owned by ITV on an expedited basis. If current efforts to re-market the CCUK network prove unsuccessful, CCUK expects EBITDA to be impacted negatively by approximately $16 million in 2002 and approximately $23 million annually thereafter assuming no significant mitigation of costs. ITV represented approximately 10% of the 2001 gross revenues of CCUK and approximately 3% of the 2001 consolidated gross revenues of the Company.

The termination of the ITV transmission contract is a Termination Event (a defined event of default) under the CCUK credit facility. We have entered into discussions with the banks in order to obtain an amendment to the CCUK credit facility such that the Termination Event would be cured. Based on these preliminary discussions, we do not currently believe that we will be required to prepay the outstanding borrowings under the CCUK credit facility as a result of this event of default. However, there can be no assurance that such an amendment can be obtained. As a result, we have reclassified all the outstanding borrowings under the CCUK credit facility as current liabilities on our consolidated balance sheet as of March 31, 2002. If we are unable to obtain an amendment to the CCUK credit facility as discussed above, the uncured Termination Event would result in an event of default under the trust deed governing the CCUK bonds. As a result, we have also reclassified the principal amount of the CCUK bonds as a current liability on our consolidated balance sheet as of March 31, 2002.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

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

(b) Reports on Form 8-K:

The Registrant filed a Current Report on Form 8-K dated January 11, 2002 with the SEC on January 11, 2002 furnishing under Item 9 the slides from a presentation by John P. Kelly, Chief Executive Officer, and W. Benjamin Moreland, Chief Financial Officer at the Salomon Smith Barney Entertainment, Media and Telecommunications Conference on January 9, 2002.

The Registrant filed a Current Report on Form 8-K dated February 28, 2002 with the SEC on March 11, 2002 (i) reporting under Item 5 a non-recurring restructuring charge and (ii) furnishing under Item 9 revised guidance through 2004 as disclosed in a press release dated February 28, 2002 setting forth the Registrant's financial results for the fourth quarter and year-end 2001.

The Registrant filed a Current Report on Form 8-K dated May 1, 2002 with the SEC on May 3, 2002 furnishing under Item 9 further details and a press release dated May 1, 2002 regarding the potential impact on its U.K. subsidiary, Crown Castle UK Limited, of liquidation plans of ITVdigital.

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: May 13, 2002

/s/ W. Benjamin Moreland
By: ________________________________
W. Benjamin Moreland
Senior Vice President,
Chief Financial Officer and
Treasurer
(Principal Financial Officer)

Date: May 13, 2002

/s/ Wesley D. Cunningham
By: ________________________________
Wesley D. Cunningham
Senior Vice President, Chief
Accounting Officer
and Corporate Controller
(Principal Accounting Officer)

EXHIBIT 11.1

CROWN CASTLE INTERNATIONAL CORP.

COMPUTATION OF NET LOSS PER COMMON SHARE
(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED MARCH 31, 2001	THREE MONTHS ENDED MARCH 31, 2002
Net loss	$(68,055)	$(103,393)
Dividends on preferred stock	(19,505)	(20,105)
Net loss applicable to common stock for basic and diluted computations	$(87,560)	$(123,498)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	211,195	219,420
Loss per common share - basic and diluted	$ (0.41)	$ (0.56)

EXHIBIT 12.1

CROWN CASTLE INTERNATIONAL CORP.
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS
(DOLLARS IN THOUSANDS)

	THREE MONTHS ENDED MARCH 31,	
	2001	2002
Computation of Earnings:		
Income (loss) before income taxes and minority interests	$(68,639)	$(102,432)
Add:		
Fixed charges (as computed below)	74,330	84,328
	$ 5,691	$ (18,104)
Computation of Fixed Charges and Combined Fixed Charges and Preferred Stock Dividends:		
Interest expense	$ 44,494	$ 52,065
Amortization of deferred financing costs and discounts on long-term debt	22,161	24,254
Interest component of operating lease expense	7,675	8,009
Fixed charges	74,330	84,328
Preferred stock dividends	19,505	20,105
Combined fixed charges and preferred stock dividends	$ 93,835	$ 104,433
Ratio of Earnings to Fixed Charges	--	--
Deficiency of Earnings to Cover Fixed Charges	$ 68,639	$ 102,432
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	--	--
Deficiency of Earnings to Cover Combined Fixed Charges and Preferred Stock Dividends	$ 88,144	$ 122,537