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

# FORM 10-K

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

**For the fiscal year ended December 31, 2019**
**or**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the transition period from ______ to ______**

**Commission File Number 001-16441**

**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.)** |

**1220 Augusta Drive, Suite 600, Houston, Texas 77057-2261**
**(Address of principal executive offices) (Zip Code)**
**(713) 570-3000**
**(Registrant's telephone number, including area code)**

| Securities Registered Pursuant to Section 12(b) of the Act | Trading Symbols | Name of Each Exchange on Which Registered |
|---|---|---|
| Common Stock, $0.01 par value | CCI | New York Stock Exchange |
| 6.875% Mandatory Convertible Preferred Stock, Series A, $0.01 par value | CCI.PRA | New York Stock Exchange |

**Securities Registered Pursuant to Section 12(g) of the Act: NONE.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of a "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was approximately $54.0 billion as of June 28, 2019, the last business day of the registrant's most recently completed second fiscal quarter, based on the New York Stock Exchange closing price on that day of $130.35 per share.

**Applicable Only to Corporate Registrants**

As of March 6, 2020, there were 416,746,380 shares of common stock outstanding.

**Documents Incorporated by Reference**

The information required to be furnished pursuant to Part III of this Form 10-K will be set forth in, and incorporated by reference from, the registrant's definitive proxy statement for the annual meeting of stockholders ("2020 Proxy Statement"), which will be filed with the Securities and Exchange Commission not later than 120 days after the end of the fiscal year ended December 31, 2019.

**CROWN CASTLE INTERNATIONAL CORP.**

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**Cautionary Language Regarding Forward-Looking Statements**

This Annual Report on Form 10-K contains forward-looking statements that are based on our management's expectations as of the filing date of this report with the Securities and Exchange Commission ("SEC"). Statements that are not historical facts are hereby identified as forward-looking statements. In addition, words such as "estimate," "anticipate," "project," "plan," "intend," "believe," "expect," "likely," "predicted," "positioned," "continue," "target," and any variations of these words and similar expressions are intended to identify forward-looking statements. Such statements include plans, projections and estimates contained in *"Item 1. Business," "Item 3. Legal Proceedings," "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations"* ("MD&A"), and *"Item 7A. Quantitative and Qualitative Disclosures About Market Risk"* herein. Such forward-looking statements include (1) benefits and opportunities stemming from our strategy, strategic position, business model and capabilities, (2) the strength and growth potential of the U.S. market for shared communications infrastructure investment, (3) expectations regarding anticipated growth in the wireless industry, and consumption of and demand for data, including growth in, and factors driving, consumption and demand, (4) potential benefits of our communications infrastructure (on an individual and collective basis) and expectations regarding demand therefore, including potential benefits and continuity of and factors driving such demand, (5) expectations regarding construction, including duration of our construction projects, and acquisition of communications infrastructure, (6) the utilization of our net operating loss carryforwards ("NOLs"), (7) expectations regarding wireless carriers' focus on improving network quality and expanding capacity, (8) expectations regarding continued adoption and increase in usage of high-bandwidth applications by organizations, (9) expected benefits of future potential spectrum auctions, (10) competitive factors affecting our business, (11) expected use of net proceeds from issuances under the commercial paper program ("CP Program"), (12) assumed conversion of 6.785% Mandatory Convertible Preferred Stock and the impact therefrom and dividends expected to be paid on such preferred stock, (13) our full year 2020 outlook and the anticipated growth in our financial results, including future revenues, and the expectations regarding our 2020 capital expenditures, as well as the factors impacting expected growth in financial results and the levels of capital expenditures, (14) expectations regarding our capital structure and the credit markets, our availability and cost of capital, capital allocation, our leverage ratio and interest coverage targets, our ability to service our debt and comply with debt covenants, future of LIBOR and any replacement rate thereto, level of available commitment we intend to maintain under our debt instruments, and the plans for and the benefits of any future refinancings, (15) the utility of certain financial measures, including non-GAAP financial measures, (16) expectations related to our ability to remain qualified as a real estate investment trust ("REIT") and the advantages, benefits or impact of, or opportunities created by, our REIT status, (17) adequacy, projected sources and uses of liquidity, (18) expectations related to the impact of tenant consolidation or ownership changes, including the impact from the potential transaction between T-Mobile and Sprint, (19) continued slowdown in demand for our communications infrastructure, (20) expectations regarding non-renewals of tenant contracts, (21) our dividend policy and the timing, amount, growth or tax characterization of any dividends, (22) the potential effects of the restatement of our previously issued consolidated financial statements, including the Historical Adjustments (as defined below) related thereto, and any litigation stemming therefrom and (23) expectations regarding our remediation efforts related to a material weakness in our internal control over financial reporting. All future dividends are subject to declaration by our board of directors.

Such forward-looking statements should, therefore, be considered in light of various risks, uncertainties and assumptions, including prevailing market conditions, risk factors described under *"Item 1A. Risk Factors"* herein and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those expected.

Our filings with the SEC are available through the SEC website at www.sec.gov or through our investor relations website at investor.crowncastle.com. We use our investor relations website to disclose information about us that may be deemed to be material. We encourage investors, the media and others interested in us to visit our investor relations website from time to time to review up-to-date information or to sign up for e-mail alerts to be notified when new or updated information is posted on the site.

**Interpretation**

As used herein, the term "including," and any variation thereof, means "including without limitation." The use of the word "or" herein is not exclusive. Unless this Form 10-K indicates otherwise or the context otherwise requires, the terms, "we," "our," "our company," "the company" or "us" as used in this Form 10-K refer to Crown Castle International Corp. and its predecessor (organized in 1995), as applicable, each a Delaware corporation (together, "CCIC"), and their subsidiaries. Additionally, unless the context suggests otherwise, references to "U.S." are to the United States of America and Puerto Rico, collectively.

## Explanatory Note

### General

Prior to the filing of this Form 10-K, we identified historical errors related to the timing of revenue recognition for our tower installation services. Specifically, we determined that our historical practice of recognizing the full transaction price as service revenues upon completion of an installation was not acceptable under generally accepted accounting principles in the U.S. ("GAAP"). Instead, a portion of the transaction price for our tower installation services, specifically the amounts associated with permanent improvements recorded as fixed assets, represents a lease component and should be recognized as site rental revenues on a ratable basis over the associated estimated lease term.

Due to these errors, on February 25, 2020, the Audit Committee of our Board of Directors, after considering the recommendation of management and after discussion with our independent registered public accounting firm, PricewaterhouseCoopers LLP, concluded that the following previously issued financial statements should no longer be relied upon: (1) our audited consolidated financial statements and related disclosures for years ended December 31, 2016 through and including 2018, and (2) each of our unaudited condensed consolidated financial statements and related disclosures for the quarterly and year-to-date periods during 2018 and for the first three quarters of fiscal year 2019. As a result, we have restated our financial statements for the years ended December 31, 2018 and 2017, and quarterly unaudited financial information for the quarterly and year-to-date periods in the year ended December 31, 2018 and first three quarters for the year ended December 31, 2019. The restatement also affects periods prior to 2017, the cumulative effect of which is reflected as an adjustment to opening "Dividends/distributions in excess of earnings" as of January 1, 2017.

### Items Restated in This Filing

For ease of reference, this Annual Report on Form 10-K restates historical information in the following sections:

- Part II, Item 6. Selected Financial Data
- Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations
- Part II, Item 8. Financial Statements and Supplementary Data
- Part IV, Item 15. Exhibits, Financial Statement Schedules

### Impact of Restatement

The restatement of previously issued consolidated financial statements reduced our net income and diluted earnings per share for the year ended December 31, 2018 by approximately $48 million or $0.11 per share, respectively, and $59 million or $0.16 per share, respectively, for the year ended December 31, 2017. The cumulative impact of the errors for all previously issued financial statements for the periods through September 30, 2019 was a reduction in net income of approximately $516 million. The historical errors do not have an impact on the Company’s business operations or net cash flows. We refer to the adjustments to correct the historical error described above as the "Restatement Adjustments." In addition to the Restatement Adjustments, we have also made other adjustments to the financial statements referenced above to correct errors that were not material to our consolidated financial statements. Such immaterial adjustments are related to (1) an out-of-period adjustment to reduce 2017 site development service revenues which are now recorded in 2016; and (2) a revision in the presentation of certain tower installation activities from a gross basis to a net basis, including the associated removal of certain amounts historically categorized as capital expenditures. These immaterial adjustments relate exclusively to our Towers segment. Collectively, we refer to the Restatement Adjustments and immaterial adjustments as "Historical Adjustments."

Note 2 to our consolidated financial statements illustrates the impact of the Historical Adjustments to our consolidated financial statements for the years ended December 31, 2018 and 2017. For information on the restatement for years prior to 2017, see "*Item 6. Selected Financial Data"* in this Annual Report on Form 10-K.

The restated quarterly unaudited financial information for the quarters and year-to-date periods described above is included in note 18 to our consolidated financial statements within this Form 10-K. As such, we have not amended, and do not intend to amend, previously filed Quarterly Reports on Form 10-Q.

### Internal Control Considerations

We have determined that the restatement of our previously issued financial statements as described above indicates the existence of a material weakness in our internal control over financial reporting and that our internal control over financial reporting and disclosure controls and procedures were ineffective as of December 31, 2019. We have created a plan of remediation to address the material weakness. See Item 9A in this Annual Report on Form 10-K for a further discussion of the material weakness in our internal control over financial reporting and plan of remediation.

## PART I

## Item 1. *Business*

### Overview

We own, operate and lease shared communications infrastructure that is geographically dispersed throughout the U.S., including approximately (1) 40,000 towers and other structures, such as rooftops (collectively, "towers"), and (2) 80,000 route miles of fiber primarily supporting small cell networks ("small cells") and fiber solutions. We refer to our towers, fiber and small cells assets collectively as "communications infrastructure," and to our customers on our communications infrastructure as "tenants." Our operating segments consist of (1) Towers and (2) Fiber. Our core business is providing access, including space or capacity, to our shared communications infrastructure via long-term contracts in various forms, including lease, license, sublease and service agreements (collectively, "tenant contracts"). We seek to increase our site rental revenues by adding more tenants on our shared communications infrastructure, which we expect to result in significant incremental cash flows due to our low incremental operating costs.

Below is certain information concerning our core business:

- Over the last two decades, we have assembled a leading portfolio of towers predominately through acquisitions from large wireless carriers or their predecessors. More recently, both through acquisitions (see note 4 to our consolidated financial statements) and new construction of small cells and fiber, we have extended our communications infrastructure presence by investing significantly in our Fiber segment. Through our product offerings of towers and small cells, we seek to provide a comprehensive solution to enable our wireless tenants to expand coverage and capacity for wireless networks. Furthermore, within our Fiber segment, we seek to generate cash flow growth and stockholder return by deploying our fiber for both small cells' and fiber solutions' tenants.
- Below is certain information regarding our Towers segment:
    - Approximately 56% and 71% of our towers are located in the 50 and 100 largest U.S. basic trading areas ("BTAs"), respectively. Our towers have a significant presence in each of the top 100 BTAs.
    - We derive approximately 40% of our Towers site rental gross margin from towers residing on land and other property interests (collectively, "land") that we own, including through fee interests and perpetual easements, and we derive approximately 60% of our Towers site rental gross margin from towers residing on land that we lease, sublease, manage or license.
    - The contracts for the land under our towers have an average total remaining life of approximately 35 years (including all renewal terms exercisable at our option), weighted based on Towers site rental gross margin.
- Below is certain information regarding our Fiber segment:
    - The majority of our small cells and fiber are located in major metropolitan areas, including a presence within every major U.S. market.
    - The vast majority of our small cells and fiber assets is located on public rights-of-way.
- We operate as a REIT for U.S. federal income tax purposes. See *"Item 1. Business—2019 Industry Highlights and Company Developments—REIT Status"* and note 11 to our consolidated financial statements.

Certain information concerning our tenant contracts is as follows:

- Our largest tenants are T-Mobile, AT&T, Verizon Wireless and Sprint, which collectively accounted for approximately 75% of our 2019 consolidated site rental revenues.
- Site rental revenues represented 88% of our 2019 consolidated net revenues, of which approximately 67% and 33% were from our Towers segment and our Fiber segment, respectively.
- The vast majority of our site rental revenues are of a recurring nature and are pursuant to long-term tenant contracts with our tenants.
- Our site rental revenues derived from wireless tenants typically result from long-term tenant contracts with (1) initial terms of five to 15 years, (2) multiple renewal periods of five to 10 years each, exercisable at the option of the tenant, (3) limited termination rights for our tenants and (4) contractual escalations of the rental price and, in some cases, an additional upfront payment.
- Our site rental revenues derived from our fiber solutions tenants (including from organizations with high-bandwidth and multi-location demands), typically result from tenant contracts with (1) initial terms that generally vary between three to 20 years and (2) a fixed monthly recurring fee and, in some cases, an additional upfront payment.
- Exclusive of renewals exercisable at the tenants' option, our tenant contracts have a weighted-average remaining life of approximately five years and represent $24 billion of expected future cash inflows.

As part of our effort to provide comprehensive communications infrastructure solutions, as an ancillary business, we also offer certain services primarily relating to our Towers segment, predominately consisting of (1) site development services primarily relating to existing or new tenant equipment installations, including: site acquisition, architectural and engineering, or zoning and permitting (collectively, "site development services") and (2) tenant equipment installation or subsequent augmentations (collectively, "installation services").

**Strategy**

As a leading provider of shared communications infrastructure in the U.S., our strategy is to create long-term stockholder value via a combination of (1) growing cash flows generated from our existing portfolio of communications infrastructure, (2) returning a meaningful portion of our cash generated by operating activities to our common stockholders in the form of dividends and (3) investing capital efficiently to grow cash flows and long-term dividends per share. Our strategy is based, in part, on our belief that the U.S. is the most attractive market for shared communications infrastructure investment with the greatest long-term growth potential. We measure our efforts to create "long-term stockholder value" by the combined payment of dividends to stockholders and growth in our per-share results. The key elements of our strategy are to:

- *Grow cash flows from our existing communications infrastructure.* We are focused on maximizing the recurring site rental cash flows generated from providing our tenants with long-term access to our shared infrastructure assets, which we believe is the core driver of value for our stockholders. Tenant additions or modifications of existing tenant equipment (collectively, "tenant additions") enable our tenants to expand coverage and capacity in order to meet increasing demand for data while generating high incremental returns for our business. We believe our product offerings of towers and small cells provide a comprehensive solution to our wireless tenants' growing network needs through our shared communications infrastructure model, which is an efficient and cost-effective way to serve our tenants. Additionally, we believe our ability to share our fiber assets across multiple tenants to deploy both small cells and offer fiber solutions allows us to generate cash flows and increase stockholder return.

- *Return cash generated by operating activities to common stockholders in the form of dividends*. We believe that distributing a meaningful portion of our cash generated by operating activities appropriately provides common stockholders with increased certainty for a portion of expected long-term stockholder value while still allowing us to retain sufficient flexibility to invest in our business and deliver growth. We believe this decision reflects the translation of the high-quality, long-term contractual cash flows of our business into stable capital returns to common stockholders.

- *Invest capital efficiently to grow cash flows and long-term dividends per share.* In addition to adding tenants to existing communications infrastructure, we seek to invest our available capital, including the net cash generated by our operating activities and external financing sources, in a manner that will increase long-term stockholder value on a risk-adjusted basis. These investments include constructing and acquiring new communications infrastructure that we expect will generate future cash flow growth and attractive long-term returns by adding tenants to those assets over time. Our historical investments have included the following (in no particular order):

    - construction of towers, fiber and small cells;
    - acquisitions of towers, fiber and small cells;
    - acquisitions of land interests (which primarily relate to land assets under towers);
    - improvements and structural enhancements to our existing communications infrastructure;
    - purchases of shares of our common stock from time to time; and
    - purchases, repayments or redemptions of our debt.

Our strategy to create long-term stockholder value is based on our belief that there will be considerable future demand for our communications infrastructure based on the location of our assets and the rapid growth in the demand for data. We believe that such demand for our communications infrastructure will continue, will result in growth of our cash flows due to tenant additions on our existing communications infrastructure, and will create other growth opportunities for us, such as demand for newly constructed or acquired communications infrastructure, as described above. Further, we seek to augment the long-term value creation associated with growing our recurring site rental cash flows by offering certain ancillary site development and installation services within our Towers segment.

**Company Developments, REIT Status and Industry Overview**

*Company Developments.* The Company is a Delaware company founded in 1995. See *"Item 1. Business—Overview," "Item 1. Business—The Company," "Item 7. MD&A"* and our consolidated financial statements for a discussion of certain recent developments, activities, and results, including the increase in our quarterly common stock dividend and our recent debt and equity financing activities.

*REIT Status.* We commenced operating as a REIT for U.S. federal income tax purposes effective January 1, 2014. As a REIT, we are generally entitled to a deduction for dividends that we pay and therefore are not subject to U.S. federal corporate income tax on our net taxable income that is currently distributed to our stockholders. We may be subject to certain federal, state, local and foreign taxes on our income or assets, including (1) taxes on any undistributed income, (2) taxes related to our taxable REIT subsidiaries ("TRSs"), (3) franchise taxes, (4) property taxes and (5) transfer taxes. In addition, we could, in certain circumstances, be required to pay an excise or penalty tax, which could be significant in amount, in order to utilize one or more relief provisions under the Internal Revenue Code of 1986, as amended ("Code"), to maintain qualification for taxation as a REIT.

The Tax Cuts and Jobs Act, which was signed into law in 2017 ("Tax Reform Act"), made substantial changes to the Code. Among the many changes impacting corporations are a significant reduction in the corporate income tax rate, the repeal of the corporate alternative minimum tax for years beginning in 2018 and limitations on the deductibility of interest expense. In addition, under the Tax Reform Act, qualified REIT dividends (within the meaning of Section 199A(e)(3) of the Code) constitute a part of a non-corporate taxpayer's "qualified business income amount" and thus our non-corporate U.S. stockholders may be eligible to take a qualified business income deduction in an amount equal to 20% of such dividends received from us. Without further legislative action, the 20% deduction applicable to qualified REIT dividends will expire on January 1, 2026. The Tax Reform Act has not had a material impact on us.

The vast majority of our assets and revenues are in the REIT. See note 11 to our consolidated financial statements. Additionally, we have included in TRSs certain other assets and operations. Those TRS assets and operations will continue to be subject, as applicable, to federal and state corporate income taxes or to foreign taxes in the jurisdictions in which such assets and operations are located.

Our foreign assets and operations (including our tower operations in Puerto Rico) most likely will be subject to foreign income taxes in the jurisdictions in which such assets and operations are located, regardless of whether they are included in a TRS.

To remain qualified and be taxed as a REIT, we will generally be required to annually distribute to our stockholders at least 90% of our REIT taxable income, after the utilization of our NOLs (determined without regard to the dividends paid deduction and excluding net capital gain) (see notes 3 and 11 to our consolidated financial statements). Our quarterly common stock dividend will delay the utilization of our NOLs and may cause certain of the NOLs to expire without utilization.

*Industry Overview.* Consumer demand for data continues to grow due to increases in data consumption and increased penetration of bandwidth-intensive devices. This increase in data consumption is driven by growth in factors such as (1) mobile entertainment (such as mobile video, mobile applications and social networking), (2) mobile internet usage (such as email and web browsing), (3) machine-to-machine applications or the "Internet of Things" (such as smart city technologies), and (4) the adoption of other bandwidth-intensive applications (such as cloud services and video communications). As a result, consumer wireless devices are trending toward bandwidth-intensive devices, including smartphones, laptops, tablets, wearables and other emerging and embedded devices, and U.S. wireless carriers are among the first carriers in the world to begin offering commercial 5th Generation ("5G") mobile cellular communications services to further support such growth.

We expect the following anticipated factors to contribute to potential demand for our communications infrastructure:

- Consumers' growing wireless data consumption likely resulting in major wireless carriers continuing to upgrade and enhance their networks, including through the use of both towers and small cells, in an effort to improve network quality and capacity and customer retention or satisfaction;
- Prior and future potential spectrum auctioned, licensed or made available by the Federal Communications Commission ("FCC") enabling additional wireless carrier network development;
- Next-generation technologies and new uses for wireless communications may potentially result in new entrants or increased demand in the wireless industry, which may include companies involved in the continued evolution and deployment of the Internet of Things (such as connected cars, smart cities and virtual reality); and
- The continued adoption of bandwidth-intensive applications could result in demand for high-capacity, multi-location, fiber-based network solutions.

**The Company**

Virtually all of our operations in both our Towers and Fiber operating segments are located in the U.S. For more information about our operating segments, see *"Item 7. MD&A—General Overview"* and note 16 to our consolidated financial statements. Our core business is providing access, including space or capacity, to our shared communications infrastructure via long-term tenant contracts in the U.S. We believe our communications infrastructure is integral to our tenants' networks and organizations. See *"Item 1. Business—Strategy."*

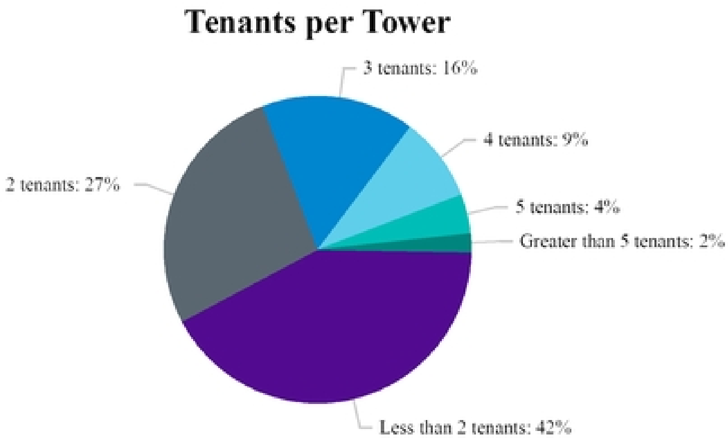
*Towers Segment.* We believe towers are the most efficient and cost-effective solution for providing coverage and capacity for wireless carrier network deployments. We acquired ownership interests or exclusive rights to the majority of our towers directly or indirectly from the four largest U.S. wireless carriers (or their predecessors) through transactions consummated since 1999, including transactions with (1) AT&T in 2013 ("AT&T Acquisition"), (2) T-Mobile in 2012 ("T-Mobile Acquisition"), (3) Global Signal Inc. in 2007 ("Global Signal Acquisition"), which had originally acquired the majority of its towers from Sprint, (4) companies now part of Verizon Wireless in 1999 and 2000 and (5) companies now part of AT&T in 1999 and 2000.

We generally receive monthly rental payments from our Towers tenants pursuant to long-term tenant contracts. Typically, we negotiate initial contract terms of five to 15 years, with multiple renewal periods of five to 10 years each, exercisable at the option of the tenant, and our tenant contracts typically include fixed escalations (which generally exceed expected non-renewals, as discussed below). We strive to negotiate with our existing tenant base for longer contractual terms, which often contain fixed escalation rates.

Our Towers tenant contracts, while amended and re-negotiated over time, have historically led to a long-term relationship with tenants on our towers, resulting in a retention rate generally between 97% and 99% each year. In general, each renewable tenant contract automatically renews at the end of its term unless (1) the tenant provides prior notice of its intent not to renew or (2) the contract is amended or re-negotiated. See note 5 to our consolidated financial statements for a tabular presentation of the minimum rental payments due to us by tenants pursuant to tenant contracts without consideration of tenant renewal options.

The average monthly rental payment from a new tenant added to towers can vary based on (1) aggregate tenant volume, (2) the region in the U.S. where the tower is located, or (3) the amount of space granted to a tenant, which can be influenced by the physical size, weight and shape of the tenant's antenna installation or related equipment. When possible, we seek to receive rental payment increases in connection with tenant contract amendments, pursuant to which our tenants add antennas or other equipment to our towers on which they already have equipment pursuant to preexisting tenant contracts. Our Towers tenant contracts and pricing are not influenced by whether or not we perform the respective site development or installation services. See *"—Services"* below for a further discussion of our tower installation services.

As of December 31, 2019, the average number of tenants (calculated as a unique license together with any related amendments thereto) per tower is approximately 2.1. The following chart sets forth the number of existing tenants per tower as of December 31, 2019 (see *"Item 7. MD&A—Accounting and Reporting Matters—Critical Accounting Policies and Estimates"* for a discussion of our impairment evaluation and our towers with no tenants).




*Fiber Segment.* Our Fiber segment includes both small cells and fiber solutions.

- Our small cells offload data traffic from towers and bolster our tenants' network capacity where data demand is the greatest, and are typically attached to public right-of-way infrastructure, including utility poles and street lights.
- We offer certain fiber solutions to organizations with high-bandwidth and multi-location demands. Our fiber solutions provide essential connectivity resources needed to create integrated networks and support organizations.

Our fiber assets include those acquired from: (1) NextG Networks, Inc. in 2012 ("NextG Acquisition"), (2) Quanta Fiber Networks, Inc. in 2015 ("Sunesys Acquisition"), (3) FPL FiberNet Holdings, LLC and certain other subsidiaries of NextEra Energy, Inc. in 2017 ("FiberNet Acquisition"), (4) Wilcon Holdings LLC in 2017 ("Wilcon Acquisition") and (5) LTS Group Holdings LLC in 2017 ("Lightower Acquisition"). We refer to the FiberNet Acquisition, Wilcon Acquisition and Lightower Acquisition collectively as the "2017 Acquisitions."

We generally receive monthly recurring payments from our Fiber tenants and, in some cases, receive upfront payments, pursuant to tenant contracts. The average monthly rental payment from a new tenant can vary based on the amount or cost of (1) construction for initial and subsequent tenants, (2) fiber strand requirements and supply, (3) equipment at the site and (4) any upfront payment received.

*Additional site rental information.* For both our Towers and Fiber segments, we have existing master agreements with our largest tenants, including T-Mobile, AT&T, Verizon Wireless and Sprint. Such agreements provide certain terms (including economic terms) that govern underlying contracts (entered into during the term of the master agreements) regarding the right to use our communications infrastructure by such tenants.

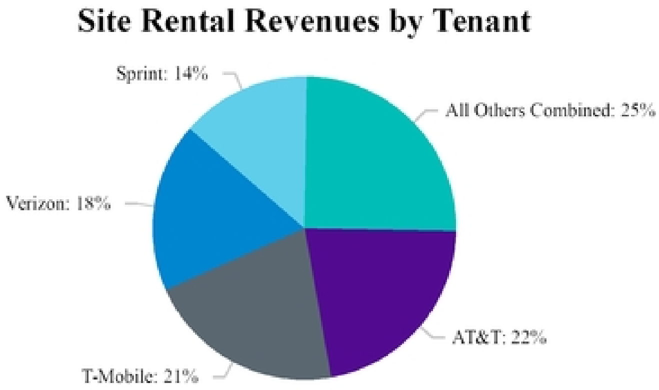
Approximately half of our site rental cost of operations consists of Towers ground lease expenses, and the remainder includes fiber access expenses (primarily leases of fiber assets and other access agreements to facilitate our communications infrastructure), property taxes, repairs and maintenance, employee compensation or related benefit costs, and utilities. Assuming current leasing activity levels, our cash operating expenses generally tend to escalate at approximately the rate of inflation. We seek to add tenants to our existing communications infrastructure assets at a low incremental operating cost, delivering high incremental returns to our business. Once constructed, our communications infrastructure portfolio requires minimal sustaining capital expenditures, including maintenance or other non-discretionary capital expenditures, which are typically approximately 2% of net revenues. See note 15 to our consolidated financial statements for a tabular presentation of the rental payments owed by us to landlords pursuant to our contractual agreements.

*Services.* As part of our effort to provide comprehensive communications infrastructure solutions, as an ancillary business, we also offer certain services primarily relating to our Towers segment, predominately consisting of (1) site development services and (2) installation services. For 2019, approximately 55% of our services and other revenues related to installation services, and the remainder predominately related to site development services. We seek to grow our service revenues by capitalizing on (1) increased leasing volumes that may result from carrier network upgrades, (2) promoting site development services, (3) expanding the scope of our services, and (4) focusing on tenant service and deployment speed. We have the capability and expertise to install, with the assistance of our network of subcontractors, equipment or antenna systems for our tenants. We do not always provide the installation services or site development services for our tenants on our communications infrastructure as other service providers also provide these services (see also *"—Competition"* below). These activities are typically non-recurring and highly competitive, with several competitors in most markets. Typically, our installation services are billed on a cost-plus profit basis and site development services are billed on a fixed fee basis. The terms and pricing of both site development services and installation services are negotiated separately from our tenant contracts.

*Customers.* Our Towers customers are primarily comprised of large wireless carriers that operate national networks.

Our Fiber customers generally consist of large wireless carriers and organizations with high-bandwidth and multi-location demands, such as enterprise, government, education, healthcare, wholesale, financial, legal, media and entertainment, content distribution, and energy and utilities customers.

Our four largest tenants are T-Mobile, AT&T, Verizon Wireless and Sprint. Collectively, these four tenants accounted for approximately 75% of our 2019 site rental revenues. See *"Item 1A. Risk Factors"* for risks associated with our dependence on a small number of customers and note 16 to our consolidated financial statements. For 2019, our site rental revenues by tenant were as follows:




*Sales and Marketing.* Our sales organization markets our communications infrastructure with the objective of contracting access with tenants to existing communications infrastructure or to new communications infrastructure prior to construction. We seek to become the critical partner and preferred independent communications infrastructure provider for our tenants and increase tenant satisfaction relative to our peers by leveraging our (1) existing unique communications infrastructure footprint, (2) tenant relationships, (3) process-centric approach, (4) technological tools and (5) construction capabilities and expertise.

Our sales team is organized based on a variety of factors, including tenant type (such as wireless carriers and organizations) and geography. A team of national account directors maintains our relationships with our largest tenants. These directors work to develop new business opportunities, as well as to ensure that tenants' communications infrastructure needs are efficiently translated into new contracts for our communications infrastructure. Sales personnel in our local offices develop and maintain relationships with our tenants that are expanding their networks, entering new markets, seeking new or additional communication infrastructure offerings, bringing new technologies to market or requiring maintenance or add-on business. In addition to our full-time sales or marketing staff, a number of senior-level employees spend a significant portion of their time on sales and marketing activities and call on existing or prospective tenants.

*Competition.* We face competition for site rental tenants from various sources, including (1) other independent communications infrastructure owners or operators, including competitors that own, operate, or manage towers, rooftops, broadcast towers, utility poles, fiber (including non-traditional competitors such as cable providers) or small cells, (2) tenants who elect to self-perform or (3) new alternative deployment methods for communications infrastructure.

Some of our largest competitors in the Towers segment are American Tower Corporation and SBA Communications Corporation. Our Fiber segment business competitors can vary significantly based on geography. Some of the larger competitors in the Fiber segment include other owners of fiber, as well as recent and potential entrants into small cells and the fiber solutions business. We believe that location, existing communications infrastructure footprint, deployment speed, quality of service, expertise, reputation, capacity and price have been and will continue to be the most significant competitive factors affecting our businesses. See *"Item 1A. Risk Factors"* for a discussion of competition in our industry.

Competitors to our services offering include site acquisition consultants, zoning consultants, real estate firms, right-of-way consulting firms, construction companies, tower owners or managers, radio frequency engineering consultants, our tenants' internal staff or contractors, or telecommunications equipment vendors who can provide turnkey site development services through multiple subcontractors. We believe that our tenants base their decisions on the outsourcing of services on criteria such as a company's experience, record of accomplishment, reputation, price and time for completion of a project.

**Employees**

At January 31, 2020, we employed approximately 5,100 people. We are not a party to any collective bargaining agreements. We have not experienced any strikes or work stoppages, and management believes that our employee relations are satisfactory.

**Regulatory and Environmental Matters**

We are required to comply with a variety of federal, state and local regulations and laws in the U.S., including FCC and Federal Aviation Administration ("FAA") regulations and those discussed under *"—Environmental"* below. To date, we have not incurred any material fines or penalties or experienced any material adverse effects to our business as a result of any domestic or international regulations, including any environmental regulations. The summary below is based on regulations currently in effect, and such regulations are subject to review or modification by the applicable governmental authority from time to time. If we fail to comply with applicable laws and regulations, we may be fined or even lose our rights to conduct some of our business.

*Federal Regulations.* Both the FCC and the FAA regulate towers used for wireless communications, radio, or television broadcasting. Such regulations control the siting, construction, modification, lighting, and marking of towers and may, depending on the characteristics of particular towers, require the registration of tower facilities with the FCC and the issuance of determinations confirming no hazard to air traffic. Wireless communications devices operating on towers are separately regulated and independently licensed based upon the particular frequency used. In addition, the FCC and the FAA have developed standards to consider proposals for new or modified tower or antenna structures based upon the height or location, including proximity to airports. Proposals to construct or to modify existing tower or antenna structures above certain heights are reviewed by the FAA to ensure the structure will not present a hazard to aviation, which determination may be conditioned upon compliance with lighting or marking requirements. The FCC requires its licensees to operate communications devices only on towers that comply with FAA rules and are registered with the FCC, if required by its regulations. Where tower lighting is required by FAA regulation, tower owners bear the responsibility of notifying the FAA of any tower lighting outage and ensuring the timely restoration of such outages.

*State and Local Regulations.* The U.S. Telecommunications Act of 1996 amended the Communications Act of 1934 to preserve state and local zoning authorities' jurisdiction over the siting of communications towers and small cells. The law, however, limits state and local zoning authority by prohibiting actions by such authorities that discriminate between different service providers of wireless communications or prohibit altogether (actually or effectively) the provision of wireless communications. Additionally, the law prohibits state and local restrictions based on the environmental effects of radio frequency emissions to the extent the facilities comply with FCC regulations.

Local regulations include city and other local ordinances (including subdivision and zoning ordinances), approvals for construction, modification and removal of towers and small cells, and restrictive covenants imposed by community developers. These regulations vary greatly, but typically require us to obtain approval from local officials prior to construction. Local regulatory authorities may render decisions that prevent the construction or modification of towers or small cells, or place conditions on such construction or modifications that are responsive to community residents' concerns regarding the height, visibility, or other characteristics of such infrastructure. Over the last several years, the FCC has adopted regulations and 28 states have passed legislation intended to expedite and streamline the deployment of wireless networks, including establishing presumptively reasonable timeframes for reviews by local and state governments. Notwithstanding such developments, decisions of local regulatory authorities and utilities in certain jurisdictions may continue to adversely affect deployment timing and cost.

Certain of our subsidiaries hold state authorizations, including authorizations to act as competitive local exchange carriers ("CLEC"), to provide intrastate telecommunication services in addition to FCC authorization to provide domestic interstate telecommunication services. State authorizations may help promote access to public rights-of-way, which is beneficial to the timely deployment of fiber and small cells, and often allow us to deploy such infrastructure in locations where zoning restrictions might otherwise delay, restrict, or prevent building or expanding traditional wireless tower and rooftop sites. See *"Item 1A. Risk Factors"* for additional information regarding rights to our infrastructure.

*Environmental.* We are required to comply with a variety of federal, state and local environmental laws and regulations protecting environmental quality, including air and water quality and wildlife protection. To date, we have not incurred any material fines or penalties or experienced any material adverse effects to our business as a result of any domestic or international environmental regulations or matters. See *"Item 1A. Risk Factors"* for additional information regarding compliance with laws and regulations.

The construction of new towers and small cells or, in some cases, their modification in the U.S. may be subject to environmental review under the National Environmental Policy Act of 1969, as amended ("NEPA"), which requires federal agencies to evaluate the environmental impact of major federal actions. NEPA regulations require applicants to investigate the potential environmental impact of the proposed tower or small cells construction. If the FCC determines that the proposed tower or small cells construction or modification presents a significant environmental impact, the FCC is required to prepare an environmental impact statement, which is subject to public comment. Such determination could significantly delay the FCC's approval of the construction or modification.

Our operations are also subject to federal, state and local laws and regulations relating to the management, use, storage, disposal, emission, or remediation of, or exposure to, hazardous or non-hazardous substances, materials, or wastes. As an owner, lessee, or operator of real property, we are subject to certain environmental laws that impose strict, joint-and-several liability for the cleanup of on-site or off-site contamination relating to existing or historical operations; or we could also be subject to personal injury or property damage claims relating to such contamination. In general, our tenant contracts prohibit our tenants from using or storing any hazardous substances on our communications infrastructure sites in violation of applicable environmental laws and require our tenants to provide notice of certain environmental conditions caused by them.

We are subject to Occupational Safety and Health Administration and similar guidelines regarding employee protection from radio frequency exposure. In recent years, the scientific community has extensively studied low-level radio frequency emissions to determine whether they have any connection to certain negative health effects, such as cancer.

We have compliance programs and monitoring projects designed to promote compliance with applicable environmental laws and regulations. Nevertheless, there can be no assurance that the costs of compliance with existing or future environmental laws will not have a material adverse effect on us.

**Available Information**

We maintain a website at www.crowncastle.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K (and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")), proxy statements and other information about us are made available, free of charge, through the investor relations section of our website at http://investor.crowncastle.com and at the SEC's website at http://sec.gov as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

In addition, our corporate governance guidelines, business practices, ethics policy and financial code of ethics and the charters of our Audit Committee, Compensation Committee and Nominating & Corporate Governance Committee are available through the investor relations section of our website at http://www.crowncastle.com/investors/corporate-governance, and such information is also available in print to any stockholder who requests it. We intend to post to our website any amendments to or waivers from each of the ethics policy and financial code of ethics applicable to our Chief Executive Officer, Chief Financial Officer and Controller that are required to be disclosed.

**Item 1A.** ***Risk Factors***

You should carefully consider all of the risks described below, as well as the other information contained in this document, when evaluating your investment in our securities.

**Risks Relating to Our Business**

***Our business depends on the demand for our communications infrastructure, driven primarily by demand for data, and we may be adversely affected by any slowdown in such demand. Additionally, a reduction in the amount or change in the mix of network investment by our tenants may materially and adversely affect our business (including reducing demand for our communications infrastructure or services).***

Tenant demand for our communications infrastructure depends on consumers' and organizations' demand for data. Additionally, the willingness of our tenants to utilize our communications infrastructure, or renew or extend existing tenant contracts on our communications infrastructure, is affected by numerous factors, including:

- availability or capacity of our communications infrastructure or associated land interests;
- location of our communications infrastructure;
- financial condition of our tenants, including their profitability and availability or cost of capital;
- willingness of our tenants to maintain or increase their network investment or changes in their capital allocation strategy;
- need for integrated networks and organizations;
- availability and cost of spectrum for commercial use;
- increased use of network sharing, roaming, joint development, or resale agreements by our tenants;
- mergers or consolidations by and among our tenants;
- changes in, or success of, our tenants' business models;
- governmental regulations and initiatives, including local or state restrictions on the proliferation of communications infrastructure;
- cost of constructing communications infrastructure;
- our market competition, including tenants that may elect to self-perform;
- technological changes, including those (1) affecting the number or type of communications infrastructure needed to provide data to a given geographic area or which may otherwise serve as a substitute or alternative to our communications infrastructure or (2) resulting in the obsolescence or decommissioning of certain existing wireless networks; and
- our ability to efficiently satisfy our tenants' service requirements.

A slowdown in demand for data or our communications infrastructure may negatively impact our growth or otherwise have a material adverse effect on us. If our tenants or potential tenants are unable to raise adequate capital to fund their business plans, as a result of disruptions in the financial and credit markets or otherwise, they may reduce their spending, which could adversely affect our anticipated growth or the demand for our communications infrastructure or services.

The amount, timing, and mix of our tenants' network investment is variable and can be significantly impacted by the various matters described in these risk factors. Changes in tenant network investment typically impact the demand for our communications infrastructure. As a result, changes in tenant plans such as delays in the implementation of new systems, new and emerging technologies (including small cells and fiber solutions), or plans to expand coverage or capacity may reduce demand for our communications infrastructure. Furthermore, the industries in which our tenants operate (particularly those in the wireless industry) could experience a slowdown or slowing growth rates as a result of numerous factors, including a reduction in consumer demand for data or general economic conditions. There can be no assurances that weakness or uncertainty in the economic environment will not adversely impact our tenants or their industries, which may materially and adversely affect our business, including by reducing demand for our communications infrastructure or services. In addition, a slowdown may increase competition for site rental tenants or services. Such an industry slowdown or a reduction in tenant network investment may materially and adversely affect our business.

***A substantial portion of our revenues is derived from a small number of tenants, and the loss, consolidation or financial instability of any of such tenants may materially decrease revenues or reduce demand for our communications infrastructure and services.***

Our four largest tenants are T-Mobile, AT&T, Verizon Wireless and Sprint. The loss of any one of our largest tenants as a result of consolidation, merger, bankruptcy, insolvency, network sharing, roaming, joint development, resale agreements by our tenants or otherwise may result in (1) a material decrease in our revenues, (2) uncollectible account receivables, (3) an impairment of our deferred site rental receivables, communications infrastructure assets, or intangible assets, or (4) other adverse effects to our business. We cannot guarantee that tenant contracts with our largest tenants will not be terminated or that these tenants will renew their tenant contracts with us. In addition to our four largest tenants, we also derive a portion of our revenues and anticipated future growth from (1) fiber solutions tenants and (2) new entrants offering or contemplating offering wireless services. Such tenants (including those dependent on government funding) may be smaller or have less financial resources than our four largest tenants, may have business models which may not be successful, or may require additional capital.

Consolidation among our tenants will likely result in duplicate or overlapping parts of networks, for example, where they are co-residents on a tower, which may result in the termination, non-renewal or re-negotiation of tenant contracts and negatively impact revenues from our communications infrastructure. Due to the long-term nature of our tenant contracts, we expect that the impact to our site rental revenues from any termination of our tenant contracts as a result of such potential consolidation would be spread over multiple years. Such consolidation (or potential consolidation) may result in a reduction or slowdown in such tenants' network investment in the aggregate because their expansion plans may be similar. Tenant consolidation could decrease the demand for our communications infrastructure and services, which in turn may result in a reduction in our revenues or cash flows.

In April 2018, T-Mobile and Sprint entered into a definitive agreement to merge, subject to regulatory approval and other closing conditions. For the year ended December 31, 2019, T-Mobile and Sprint represented approximately 21% and 14%, respectively, of our consolidated site rental revenues. Further, during 2019, we derived approximately 7% and 6% of our consolidated site rental revenues from T-Mobile and Sprint, respectively, on towers where both carriers currently reside, inclusive of approximately 1% impact from previously disclosed expected non-renewals from the anticipated decommissioning of portions of T-Mobile's MetroPCS and Sprint's Clearwire networks. In addition, there is an average of approximately six years of current term remaining on all tenant contracts with both T-Mobile and Sprint.

This potential transaction between T-Mobile and Sprint may result in a decrease or delay in demand for our communications infrastructure and services, either (1) prior to the closing of such transaction or (2) as a result of the anticipated integration of the T-Mobile and Sprint networks and related duplicate or overlapping parts of their networks following the closing of such transaction. Any such decrease or delay may lead to a reduction in our revenues or cash flows and may trigger a review for impairment of certain long-lived assets.

To date, we have experienced a slowdown in demand due to the uncertainty surrounding the completion of the proposed merger. Further delay in the completion of the proposed transaction may extend such slowdown. We cannot predict with certainty how the demand for our communications infrastructure and services will be impacted in the event the proposed merger is or is not ultimately consummated.

See also *"Item 1. Business—The Company"* and note 16 to our consolidated financial statements for further information regarding our largest tenants.

***The expansion or development of our business, including through acquisitions, increased product offerings or other strategic growth opportunities, may cause disruptions in our business, which may have an adverse effect on our business, operations or financial results.***

We seek to expand and develop our business, including through acquisitions, increased product offerings (such as small cells and fiber solutions), or other strategic growth opportunities. In the ordinary course of our business, we review, analyze and evaluate various potential transactions or other activities in which we may engage. Such transactions or activities could be a complex, costly, time-consuming process, or cause disruptions in, increase risk or otherwise negatively impact our business. Among other things, such transactions and activities may:

- disrupt our business relationships with our tenants, depending on the nature of or counterparty to such transactions and activities;
- divert the time or attention of management away from other business operations, including as a result of post-transaction integration activities;
- fail to achieve revenue or margin targets, operational synergies or other benefits contemplated;
- increase operational risk or volatility in our business;

- not result in the benefits management had expected to realize from such expansion and development activities, or those benefits may take longer to realize than expected;
- impact our cost structure and result in the need to hire additional employees;
- increase demands on current employees or result in current or prospective employees experiencing uncertainty about their future roles with us, which might adversely affect our ability to retain or attract key employees; or
- result in the need for additional TRSs or contributions of certain assets to TRSs, which are subject to federal and state corporate income taxes.

***Our Fiber segment has expanded rapidly, and the Fiber business model contains certain differences from our Towers business model, resulting in different operational risks. If we do not successfully operate our Fiber business model or identify or manage the related operational risks, such operations may produce results that are lower than anticipated.***

In recent years, we have allocated a significant amount of capital to our Fiber business, which is a much less mature business for us than our Towers business. Our Fiber segment represented 33% of our site rental revenues for each of the years ended December 31, 2019 and 2018. The business model for our Fiber operations contains certain differences from our business model for our Towers operations, including certain differences relating to tenant base, competition, contract terms (including requirements for service level agreements regarding network performance and maintenance), upfront capital requirements, landlord demographics, deployment and ownership of certain network assets, operational oversight requirements, government regulations, growth rates and applicable laws.

While our Fiber operations have certain risks that are similar to our Towers operations, they also have certain operational risks (including the scalability of processes) that are different from our Towers business, including:

- the use of public rights-of-way and franchise agreements;
- the use of poles and conduits owned solely by, or jointly with, third parties;
- risks relating to overbuilding;
- risks relating to the specific markets that we choose to operate in or plan to operate in;
- risks relating to construction hazards, construction management and construction-related billings to tenants;
- risks relating to wireless carriers building their own small cell networks, or tenants utilizing their own or alternative fiber assets;
- the risk of failing to optimize the use of our finite supply of fiber strands;
- damage to our assets and the need to maintain, repair, upgrade and periodically replace our assets;
- the risk of failing to properly maintain or operate highly specialized hardware and software;
- network data security risks;
- the risk of new technologies that could enable tenants to realize the same benefits with less utilization of our fiber;
- potential damage to our overall reputation as a communications infrastructure provider; and
- the use of CLEC status.

In addition, the rate at which tenants adopt or prioritize small cells and fiber solutions may be lower or slower than we anticipate or may cease to exist altogether. Our Fiber operations will also expose us to different safety or liability risks or hazards than our Towers business as a result of numerous factors, including those stemming from the deployment, location or nature of the assets involved. There may be risks and challenges associated with small cells and fiber solutions being comparatively new and emerging technologies that are continuing to evolve, and there may be other risks related to small cells and fiber solutions of which we are not yet aware.

***Failure to timely and efficiently execute on our construction projects could adversely affect our business.***

Our construction projects and related contracts, particularly in our Fiber business, can be long-term, complex in nature, and challenging to execute. The quality of our performance on such construction projects depends in large part upon our ability to manage (1) the associated tenant relationship and (2) the project itself by timely deploying and properly managing appropriate internal and external project resources. In connection with our construction projects, we generally bear the risk of cost over-runs, labor availability and productivity, and contractor pricing and performance. Further, investments in newly constructed communications infrastructure may result in lower initial returns compared to returns on our existing communications infrastructure or us not being able to realize future tenant additions at anticipated levels. Additionally, contracts with our tenants for these projects typically specify delivery dates, performance criteria and penalties for our failure to perform. On occasion, we experience unforeseen delays from municipalities and utility companies that result in longer construction timelines than expected, which impact our ability to timely deliver on our projects. Our failure to manage such tenant relationships, project resources, and project milestones in a timely and efficient manner could have a material adverse effect on our business.

***Our substantial level of indebtedness could adversely affect our ability to react to changes in our business, and the terms of our debt instruments and our 6.875% Convertible Preferred Stock limit our ability to take a number of actions that our management might otherwise believe to be in our best interests. In addition, if we fail to comply with our covenants, our debt could be accelerated.***

We have a substantial amount of indebtedness (approximately $18.4 billion as of March 6, 2020). See *"Item 7. MD&A—Liquidity and Capital Resources"* for a tabular presentation of our contractual debt maturities. As a result of our substantial indebtedness:

- we may be more vulnerable to general adverse economic or industry conditions;
- we may find it more difficult to obtain additional financing to fund discretionary investments or other general corporate requirements or to refinance our existing indebtedness;
- we are or will be required to dedicate a substantial portion of our cash flows from operations to the payment of principal or interest on our debt, thereby reducing the available cash flows to fund other projects, including the discretionary investments discussed in *"Item 1. Business"* and *"Item 7. MD&A—Liquidity and Capital Resources"*;
- we may have limited flexibility in planning for, or reacting to, changes in our business or in the industry;
- we may have a competitive disadvantage relative to other companies in our industry with less debt;
- we may be adversely impacted by changes in interest rates;
- we may be adversely impacted by changes to credit ratings related to our debt instruments;
- we may be required to issue equity securities or securities convertible into equity or sell some of our assets, possibly on unfavorable terms, in order to meet payment obligations;
- we may be limited in our ability to take advantage of strategic business opportunities, including communications infrastructure development or mergers and acquisitions; and
- we could fail to remain qualified for taxation as a REIT due to limitations on our ability to declare and pay dividends to stockholders as a result of restrictive covenants in our debt instruments or the terms of our 6.875% Mandatory Convertible Preferred Stock, Series A, par value $0.01 per share ("6.875% Convertible Preferred Stock").

Currently we have debt instruments in place that limit in certain circumstances our ability to incur additional indebtedness, pay dividends, create liens, sell assets, or engage in certain mergers and acquisitions, among other things. In addition, the credit agreement ("Credit Agreement") governing our senior unsecured credit facility, which consists of our senior unsecured term loan A facility and senior unsecured revolving credit facility (collectively, "2016 Credit Facility"), contains financial maintenance covenants. Our ability to comply with these covenants or to satisfy our debt obligations will depend on our future operating performance. If we violate the restrictions in our debt instruments or fail to comply with our financial maintenance covenants, we will be in default under those instruments, which in some cases would cause the maturity of a substantial portion of our long-term indebtedness to be accelerated. Furthermore, if the limits on our ability to pay dividends prevent us from satisfying our REIT distribution requirements, we could fail to remain qualified for taxation as a REIT. If these limits do not jeopardize our qualification for taxation as a REIT but nevertheless prevent us from distributing 100% of our REIT taxable income, we will be subject to federal and state corporate income taxes, and potentially a nondeductible excise tax, on our undistributed taxable income. If our operating subsidiaries were to default on their debt, the trustee could seek to foreclose the collateral securing such debt, in which case we could lose the communications infrastructure and the associated revenues. See *"Item 7. MD&A—Liquidity and Capital Resources—Debt Covenants"* for a further discussion of our debt covenants. See also our risk factor below associated with our identified material weakness in internal controls over financial reporting for further discussion of risks that may impact our access to capital markets.

CCIC is a holding company that conducts all of its operations through its subsidiaries. Accordingly, CCIC's sources of cash to pay interest or principal on its outstanding indebtedness are distributions relating to its respective ownership interests in its subsidiaries from the net earnings and cash flows generated by such subsidiaries or from proceeds of debt or equity offerings. Earnings and cash flows generated by CCIC's subsidiaries are first applied by such subsidiaries to conduct their operations, including servicing their respective debt obligations, after which any excess cash flows generally may be paid to CCIC, in the absence of any special conditions, such as a continuing event of default. However, CCIC's subsidiaries are legally distinct from the holding company and, unless they guarantee such debt, have no obligation to pay amounts due on their debt or to make funds available to us for such payment.

If we fail to pay scheduled dividends on our 6.875% Convertible Preferred Stock (prior to the automatic conversion in August 2020), in cash, common stock, or any combination of cash and common stock, we will be prohibited from paying dividends on our common stock, which may jeopardize our status as a REIT.

***We have a substantial amount of indebtedness. In the event we do not repay or refinance such indebtedness, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations.***

We have a substantial amount of indebtedness, which, upon final maturity, we will need to refinance or repay. See *"Item 7. MD&A—Liquidity and Capital Resources"* for a tabular presentation of our contractual debt maturities. There can be no assurances we will be able to refinance our indebtedness (1) on commercially reasonable terms, (2) on terms, including with respect to interest rates, as favorable as our current debt, or (3) at all.

Economic conditions and the credit markets have historically experienced, and may continue to experience, periods of volatility, uncertainty, or weakness that could impact (1) the availability or cost of debt financing, including any refinancing of the obligations described above, (2) our ability to draw the full amount of our $5.0 billion senior unsecured revolving credit facility under our 2016 Credit Facility ("2016 Revolver"), that, as of March 6, 2020, has $4.4 billion of undrawn availability, or (3) our ability to issue the full amount of the $1.0 billion commercial paper notes ("Commercial Paper Notes") under our unsecured commercial paper program ("CP Program"), that, as of March 6, 2020, had $360 million outstanding.

Borrowings under our 2016 Credit Facility generally bear an interest rate based on the London interbank offered rate ("LIBOR") per annum plus a credit spread based on our senior unsecured credit rating. In July 2017, the United Kingdom's Financial Conduct Authority, which regulates LIBOR, announced that, after 2021, it will stop compelling banks to submit rates for the calculation of LIBOR. Our Credit Agreement contemplates a mechanism for replacing LIBOR with a new benchmark rate (to be agreed upon by us and the administrative agent) for loans made under the 2016 Credit Facility. This mechanism is triggered in the event that LIBOR is no longer published or otherwise available as a benchmark for establishing interest rates for loans. Since the conditions for the implementation of this mechanism have not yet been triggered, we cannot determine with certainty what such replacement rate would be or reasonably predict the potential effect of these changes, other reforms or the establishment of alternative reference rates on our business. The discontinuation, reform or replacement of LIBOR could result in interest rate increases on our 2016 Credit Facility, which could adversely affect our cash flows and operating results.

If we are unable to repay or refinance our debt, we cannot guarantee that we will be able to generate enough cash flows from operations or that we will be able to obtain enough capital to service our debt, fund our planned capital expenditures or pay future dividends. In such an event, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations. Failure to repay or refinance indebtedness when required could result in a default under such indebtedness. If we incur additional indebtedness, any such indebtedness could exacerbate the risks described above.

***Sales or issuances of a substantial number of shares of our common stock or securities convertible into shares of our common stock may adversely affect the market price of our common stock.***

Future sales or issuances of common stock or other equity related securities may adversely affect the market price of our common stock, including any shares of our common stock issued to finance capital expenditures, finance acquisitions or repay debt. Our business strategy contemplates access to external financing to fund certain discretionary investments, which may include issuances of common stock or other equity related securities. We maintain an "at-the-market" stock offering program ("2018 ATM Program") through which we may, from time to time, issue and sell shares of our common stock having an aggregate gross sales price of up to $750 million to or through sales agents. As of March 6, 2020, we had approximately $750 million of gross sales of common stock remaining under our 2018 ATM Program. From time to time, we may refresh or implement a new "at-the-market" stock offering program. See note 12 to our consolidated financial statements. As of March 6, 2020, we had approximately 417 million shares of common stock outstanding.

We have reserved 9 million and 17 million shares of common stock, respectively, for issuance in connection with awards granted under our various stock compensation plans and our 6.875% Convertible Preferred Stock, which will automatically convert into common stock on August 1, 2020. See *"Item 7. MD&A—Liquidity and Capital Resources—Mandatory Convertible Preferred Stock."* The dividends on our 6.875% Convertible Preferred Stock may also be paid in cash or, subject to certain limitations, shares of common stock or any combination of cash and shares of common stock.

Further, a small number of common stockholders own a significant percentage of our outstanding common stock. If any one of these common stockholders, or any group of our common stockholders, sells a large quantity of shares of our common stock, or the public market perceives that existing common stockholders might sell a large quantity of shares of our common stock, the market price of our common stock may significantly decline.

***As a result of competition in our industry, we may find it more difficult to negotiate favorable rates on our new or renewing tenant contracts.***

Our growth is dependent on our entering into new tenant contracts (including amendments to tenant contracts upon modification of an existing tower, fiber, or small cell installation), as well as renewing or renegotiating tenant contracts when existing tenant contracts terminate. Competition in our industry may make it more difficult for us to attract new tenants, maintain or increase our gross margins, or maintain or increase our market share. In addition, competition (primarily in our fiber solutions business) may, in certain circumstances, cause us to renegotiate certain existing tenant contracts to avoid early contract terminations. We face competition for site rental tenants and associated contractual rates from various sources, including (1) other independent communications infrastructure owners or operators, including those that own, operate, or manage towers, rooftops, broadcast towers, utility poles, fiber (including non-traditional competitors such as cable providers) or small cells, or (2) new alternative deployment methods for communications infrastructure.

Our Fiber business may have different competitors than our Towers business, including other owners of fiber, as well as new entrants into small cells and fiber solutions, some of which may have larger networks or greater financial resources than we have.

***New technologies may reduce demand for our communications infrastructure or negatively impact our revenues.***

Improvements in the efficiency, architecture, and design of communication networks may reduce the demand for our communications infrastructure. For example, new technologies that may promote network sharing, joint development, wireless backhaul, or resale agreements by our tenants, such as signal combining technologies or network functions virtualization, may reduce the need for our communications infrastructure. In addition, other technologies, such as WiFi, Distributed Antenna Systems ("DAS"), femtocells, other small cells, or satellite (such as low earth orbiting) and mesh transmission systems may, in the future, serve as substitutes for, or alternatives to, leasing on communications infrastructure that might otherwise be anticipated or expected had such technologies not existed. In addition, new technologies that enhance the range, efficiency, and capacity of communication equipment could reduce demand for our communications infrastructure. Any significant reduction in demand for our communications infrastructure resulting from the new technologies may negatively impact our revenues or otherwise have a material adverse effect on us.

***If we fail to retain rights to our communications infrastructure, including the land interests under our towers and the right-of-way and other agreements related to our small cells and fiber, our business may be adversely affected.***

The property interests, on which our communications infrastructure resides, including the land interests under our towers, consist of leasehold and sub-leasehold interests, fee interests, easements, licenses, rights-of-way and franchise agreements. A loss of these interests may interfere with our ability to conduct our business or generate revenues. For various reasons, we may not always have the ability to access, analyze, or verify all information regarding titles or other issues prior to acquiring communications infrastructure. Further, we may not be able to renew ground leases or other agreements on commercially viable terms.

Our ability to retain rights to the land interests on which our towers reside depends on our ability to purchase such land, including through fee interests and perpetual easements, or renegotiate or extend the terms of the leases relating to such land. Approximately 10% of our Towers site rental gross margin for the year ended December 31, 2019 was derived from towers where the leases for the interests under such towers had final expiration dates of less than 10 years. If we are unable to retain rights to the property interests on which our communications infrastructure resides, our business may be adversely affected.

As of December 31, 2019, approximately 53% of our towers were leased or subleased or operated and managed under master leases, subleases, or other agreements with AT&T, Sprint and T-Mobile. We have the option to purchase these towers at the end of their respective lease terms. We have no obligation to exercise such purchase options. We may not have the required available capital to exercise our right to purchase some or all of these towers at the time these options are exercisable. Even if we do have available capital, we may choose not to exercise our right to purchase these towers or some or all of the T-Mobile or AT&T towers for business or other reasons. In the event that we do not exercise these purchase rights, or are otherwise unable to acquire an interest that would allow us to continue to operate these towers after the applicable period, we will lose the cash flows derived from such towers, which may have a material adverse effect on our business. In the event that we decide to exercise these purchase rights, the benefits of the acquisition of these towers may not exceed the costs, which could adversely affect our business. Additional information concerning these towers and the applicable purchase options as of December 31, 2019 is as follows:

- 22% of our towers are leased or subleased or operated and managed under a master prepaid lease or other related agreements with AT&T for a weighted-average initial term of approximately 28 years, weighted on Towers site rental gross margin. We have the option to purchase the leased and subleased towers from AT&T at the end of the respective lease or sublease terms for aggregate option payments of approximately $4.2 billion, which payments, if such option is exercised, would be due between 2032 and 2048.

- 16% of our towers are leased or subleased or operated and managed for an initial period of 32 years (through May 2037) under master leases, subleases or other agreements with Sprint. We have the option to purchase in 2037 all (but not less than all) of the leased and subleased Sprint towers from Sprint for approximately $2.3 billion.

- 15% of our towers are leased or subleased or operated and managed under a master prepaid lease or other related agreements with T-Mobile for a weighted-average initial term of approximately 28 years, weighted on Towers site rental gross margin. We have the option to purchase the leased and subleased towers from T-Mobile at the end of the respective lease or sublease terms for aggregate option payments of approximately $2.0 billion, which payments, if such option is exercised, would be due between 2035 and 2049. In addition, through the T-Mobile Acquisition, another 1% of our towers are subject to a lease and sublease or other related arrangements with AT&T. We have the option to purchase these towers that we do not otherwise already own at the end of their respective lease terms for aggregate option payments of up to approximately $405 million, which payments, if such option is exercised, would be due prior to 2032 (less than $10 million would be due before 2025).

Under master lease or master prepaid lease arrangements we have with AT&T, Sprint and T-Mobile, certain of our subsidiaries lease or sublease, or are otherwise granted the right to manage and operate, towers from bankruptcy remote subsidiaries of such carriers. If one of these bankruptcy remote subsidiaries should become a debtor in a bankruptcy proceeding and is permitted to reject the underlying ground lease, our subsidiaries could lose their interest in the applicable sites. If our subsidiaries were to lose their interest in the applicable sites or if the applicable ground leases were to be terminated, we would lose the cash flow derived from the towers on those sites, which may have a material adverse effect on our business. We have similar bankruptcy risks with respect to sites that we operate under management agreements.

For our small cells and fiber, we must maintain rights-of-way, franchise, pole attachment, conduit use, fiber use and other agreements to operate our assets. For various reasons, we may not always have the ability to maintain these agreements or obtain future agreements to construct, maintain and operate our fiber assets. Access to rights-of-way may depend on our CLEC status, and we cannot be certain that jurisdictions will (1) recognize such CLEC status or (2) not change their laws concerning CLEC access to rights-of-way. If a material portion of these agreements are terminated or are not renewed, we might be forced to abandon our assets, which may adversely impact our business. In order to operate our assets, we must also maintain fiber agreements that we have with public and private entities. There is no assurance that we will be able to renew these agreements on favorable terms, or at all. If we are unable to renew these agreements on favorable terms, we may face increased costs or reduced revenues.

Additionally, in order to expand our communications infrastructure footprint to new locations, we often need to obtain new or additional rights-of-way and other agreements. Our failure to obtain these agreements in a prompt and cost-effective manner may prevent us from expanding our footprint, which may be necessary to meet our contractual obligations to our tenants and could adversely impact our business.

***Our services business has historically experienced significant volatility in demand, which reduces the predictability of our results.***

The operating results of our services business for any particular period may experience significant fluctuations given its non-recurring nature and should not necessarily be considered indicative of longer-term results for this activity. Our services business is generally driven by demand for our communications infrastructure and may be adversely impacted by various factors, including:

- competition;
- the timing, mix and amount of tenant network investments;
- the rate and volume of tenant deployment plans;
- unforeseen delays or challenges relating to work performed;
- economic weakness or uncertainty;
- our market share; or
- changes in the size, scope, or volume of work performed.

***The restatement of our previously issued financial statements, the errors that resulted in such restatement, the material weakness that was identified in our internal control over financial reporting and the determination that our internal control over financial reporting and disclosure controls and procedures were not effective, could result in loss of investor confidence, shareholder litigation or governmental proceedings or investigations, any of which could cause the market value of our common stock or debt securities to decline or impact our ability to access the capital markets.***

As discussed in the "Explanatory Note" and note 2 to our consolidated financial statements, prior to the filing of this Annual Report on Form 10-K, we identified certain errors and determined that our previously issued consolidated financial statements for fiscal years ended December 31, 2017 and 2018, and each of our unaudited condensed consolidated financial statements and related disclosures for the quarterly and year-to-date periods during such years and for the first three quarters of fiscal year 2019, should be restated. Our identification of the errors included a consultation with the SEC's Office of the Chief Accountant ("OCA"). The OCA only provided advice on the specific revenue recognition question we submitted to them for their review and did not review or address any other aspect of our accounting policies. Our consultation with the OCA was not part of the previously disclosed SEC investigation, which is still ongoing, or the related subpoena, which primarily related to certain of our long-standing capitalization and expense policies for tenant upgrades and installations in our services business. See note 14 to our consolidated financial statements for more information about the SEC investigation and subpoena. As a result of these errors and restatement, we are subject to additional risks and uncertainties, including unanticipated costs for legal fees, litigation, governmental proceedings or investigations and loss of investor confidence. Recently, lawsuits naming the Company and some of its officers have been filed, and additional lawsuits naming the Company and its officers and directors may be filed in the future. These lawsuits could result in unanticipated legal costs, regardless of the outcome of the litigation. See note 14 to our consolidated financial statements for more information regarding the litigation. We are currently unable to predict the outcome of any such litigation.

We have also identified a material weakness in the Company's internal control over financial reporting, and we have concluded that our internal control over financial reporting and disclosure controls and procedures were not effective as of December 31, 2019. For further discussion of the material weakness identified and our remediation efforts, see *Item 9A, Controls and Procedures*. Remediation efforts place a significant burden on management and add increased pressure to our financial resources and processes. If we are unable to successfully remediate our existing or any future material weaknesses or other deficiencies in our internal control over financial reporting or disclosure controls and procedures, investors may lose confidence in our financial reporting and the accuracy and timing of our financial reporting and disclosures and our business, reputation, results of operations, financial condition, stock price, and ability to access the capital markets through equity or debt issuances could be adversely affected. In addition, we may be unable to maintain compliance with the covenants under our debt instruments regarding the timely filing of periodic reports, and we may be subject to governmental investigations and penalties and litigation.

***New wireless technologies may not deploy or be adopted by tenants as rapidly or in the manner projected.***

There can be no assurances that new wireless services or technologies, which may drive demand for our communications infrastructure, will be introduced or deployed as rapidly or in the manner projected by the wireless carriers. In addition, demand or tenant adoption rates for such new technologies may be lower or slower than anticipated for numerous reasons. As a result, growth opportunities or demand for our communications infrastructure arising from such technologies may not be realized at the times or to the extent anticipated.

***If we fail to comply with laws or regulations which regulate our business and which may change at any time, we may be fined or even lose our right to conduct some of our business.***

A variety of federal, state, local, and foreign laws and regulations apply to our business, including those discussed in *"Item 1. Business."* Failure to comply with applicable requirements may lead to civil or criminal penalties, require us to assume indemnification obligations or breach contractual provisions. We cannot guarantee that existing or future laws or regulations, including federal, state, local, or foreign tax laws, will not adversely affect our business (including our REIT status), increase delays or result in additional costs. We also may incur additional costs as a result of liabilities under applicable laws and regulations, such as those governing environmental and safety matters. These factors may have a material adverse effect on us.

***If radio frequency emissions from wireless handsets or equipment on our communications infrastructure are demonstrated to cause negative health effects, potential future claims could adversely affect our operations, costs or revenues.***

The potential connection between radio frequency emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. We cannot guarantee that claims relating to radio frequency emissions will not arise in the future or that the results of such studies will not be adverse to us.

Public perception of possible health risks associated with cellular or other wireless connectivity services may slow or diminish the growth of wireless companies, which may in turn slow or diminish our growth. In particular, negative public perception of, and regulations regarding, these perceived health risks may slow or diminish the market acceptance of wireless services. If a connection between radio frequency emissions and possible negative health effects were established, our operations, costs, or revenues may be materially and adversely affected. We currently do not maintain any significant insurance with respect to these matters.

***Certain provisions of our restated certificate of incorporation ("Charter"), amended and restated by-laws ("by-laws") 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.***

We have a number of anti-takeover devices in place that will hinder takeover attempts or may reduce the market value of our common stock. Our anti-takeover provisions include:

- the authority of the board of directors to issue preferred stock without approval of the holders of our common stock;
- advance notice requirements for director nominations or actions to be taken at annual meetings; and
- a provision that the state courts or, in certain circumstances, the federal courts, in Delaware shall be the sole and exclusive forum for certain actions involving us, our directors, officers, employees and stockholders.

Our by-laws permit special meetings of the stockholders to be called only upon the request of our Chief Executive Officer or a majority of the board of directors, and deny stockholders the ability to call such meetings. Such provisions, as well as the provisions of Section 203 of the Delaware General Corporation Law, may impede a merger, consolidation, takeover, or other business combination or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

In addition, domestic or international competition laws may prevent or discourage us from acquiring communications infrastructure in certain geographical areas or impede a merger, consolidation, takeover, or other business combination or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

***We may be vulnerable to security breaches or other unforeseen events that could adversely affect our operations, business, and reputation.***

Despite existing security measures, certain of our communications infrastructure may be vulnerable to damage, disruptions, or shutdowns due to unauthorized access, computer viruses, cyber-attacks, and other security breaches. An attack attempt or security breach, such as a distributed denial of service attack, could potentially result in (1) interruption or cessation of certain of our services to our tenants, (2) our inability to meet expected levels of service to our tenants, (3) data transmitted over our tenants' networks being compromised or misappropriated, or (4) business or other sensitive data being compromised or misappropriated. We cannot guarantee that our security measures will not be circumvented, resulting in tenant network failures or interruptions that could impact our tenants' network availability and have a material adverse effect on our business, financial condition, or operational results. Additionally, security incidents impacting our tenants, vendors and business partners could result in a material adverse effect on our business. We may be required to expend significant resources to protect against or recover from such threats. If an actual or perceived breach of our security occurs, the market perception of the effectiveness of our security measures could be harmed, and we could lose tenants. Further, the perpetrators of cyber-attacks are not restricted to particular groups or persons. These attacks may be committed by our employees or external actors operating in any geography. In addition, our acquisitions, both past and future, may alter our potential exposure to the risks described above.

Additionally, we could be negatively impacted by other unforeseen events, such as natural disasters or public health emergencies (such as the coronavirus (COVID-19)), which could, among other things, damage or delay deployment of our communication infrastructure assets or interrupt or delay service to our tenants. Any such events could result in legal claims or penalties, disruption in operations, damage to our reputation, negative market perception, or costly response measures, which could adversely affect our business.

While we maintain insurance policies that include coverage in the event of security breaches and other unforeseen events, there can be no assurances that such coverage will be adequate to cover exposure for such incidents.

**Risks Relating to Our REIT Status**

***Future dividend payments to our stockholders will reduce the availability of our cash on hand available to fund future discretionary investments, and may result in a need to incur indebtedness or issue equity securities to fund growth opportunities. In such event, the then current economic, credit market or equity market conditions will impact the availability or cost of such financing, which may hinder our ability to grow our per share results of operations.***

During each of the first three quarters of 2019, we paid a common stock dividend of $1.125 per share, totaling approximately $1.4 billion. In October 2019, our board of directors declared a quarterly common stock dividend of $1.20 per share, which represents an increase of 7% from the quarterly common stock dividend declared during each of the first three quarters of 2019. We currently expect our common stock dividends over the next 12 months to be a cumulative amount of at least $4.80 per share, or an aggregate amount of approximately $2.0 billion. Over time, we expect to increase our dividend per share generally commensurate with our realized growth in cash flows. Any future dividends are subject to declaration by our board of directors. See notes 12 and 19 to our consolidated financial statements.

We operate as a REIT for U.S. federal income tax purposes. To remain qualified and be taxed as a REIT, we will generally be required to annually distribute at least 90% of our REIT taxable income (determined without regard to the dividends paid deduction, excluding net capital gain and after the utilization of any available NOLs) to our stockholders. Our quarterly cash common stock dividend will delay the utilization of our NOLs and may cause certain of the NOLs to expire without utilization. See also *"Item 7. MD&A—General Overview—Common Stock Dividend"* and *"Item 1. Business—Company Developments, REIT Status and Industry Overview—REIT Status."*

As discussed in *"Item 1. MD&A—Business—Strategy,"* we seek to invest our available capital, including the net cash generated by our operating activities and external financing sources, in a manner that we believe will increase long-term stockholder value on a risk-adjusted basis. Our historical discretionary investments have included the following (in no particular order): construction of communications infrastructure; acquisitions of communications infrastructure; acquisitions of land interests (which primarily relate to land assets under towers); improvements and structural enhancements to our existing communications infrastructure; purchases of shares of our common stock from time to time; and purchases, repayments or redemptions of our debt. External financing, including debt, equity, and equity-related issuances to fund future discretionary investments either (1) may not be available to us or (2) may not be accessible by us at terms that would result in the investment of the net proceeds raised yielding incremental growth in our per share operating results. As a result, future dividend payments may hinder our ability to grow our per share results of operations or otherwise adversely affect our ability to execute our business plan.

***Remaining qualified to be taxed as a REIT involves highly technical and complex provisions of the Code. Failure to remain qualified as a REIT would result in our inability to deduct dividends to stockholders when computing our taxable income, which would reduce our available cash.***

As a REIT, we are generally entitled to a deduction for dividends that we pay and therefore are not subject to U.S. federal corporate income tax on our net taxable income that is currently distributed to our common stockholders.

While we intend to operate so that we remain qualified as a REIT, given the highly complex nature of the rules governing REITs, the importance of ongoing factual determinations, the possibility of future changes in our circumstances, and the potential impact of future changes to laws and regulations impacting REITs, no assurance can be given that we will qualify as a REIT for any particular year.

In addition, the present U.S. federal tax treatment of REITs is subject to change, possibly with retroactive effect, by legislative, judicial or administrative action at any time, and any such change might adversely affect our REIT status or benefits. We cannot predict the impact, if any, that such changes, if enacted, might have on our business. However, it is possible that such changes could adversely affect our business, including our REIT status.

If, in any taxable year, we fail to qualify for taxation as a REIT and are not entitled to relief under certain provisions of the Code, then:

- we will not be allowed a deduction for dividends paid to stockholders in computing our taxable income;
- we will be subject to federal and state income tax, including, for applicable years beginning before January 1, 2018, any applicable alternative minimum tax, on our taxable income at regular corporate rates; and
- we would be disqualified from re-electing REIT status for the four taxable years following the year during which we were so disqualified.

Although we may have federal NOLs available to reduce any taxable income, to the extent our federal NOLs have been utilized or are otherwise unavailable, any such corporate tax liability could be substantial, would reduce the amount of cash available for other purposes and might necessitate the borrowing of additional funds or the liquidation of some investments to pay any additional tax liability. Accordingly, funds available for investment would be reduced.

Under the Code, for taxable years beginning in or after 2018, no more than 20% of the value of the assets of a REIT may be represented by securities of one or more TRSs. These limitations may affect our ability to make additional investments in non-REIT qualifying operations or assets, or in any operations held through TRSs. The net income of our TRSs is not required to be distributed to us, and income that is not distributed to us generally will not be subject to the REIT income distribution requirement. However, there may be limitations on our ability to accumulate earnings in our TRSs and the accumulation or reinvestment of significant earnings in our TRSs could result in adverse tax treatment. In particular, if the accumulation of cash in our TRSs causes the fair market value of our securities in our TRSs to exceed current or future limitations of the fair market value of our assets at the end of any quarter, then we may fail to remain qualified as a REIT.

***If we fail to pay scheduled dividends on our 6.875% Convertible Preferred Stock (prior to the automatic conversion in August 2020), in cash, common stock, or any combination of cash and common stock, we will be prohibited from paying dividends on our common stock, which may jeopardize our status as a REIT.***

The terms of the 6.875% Convertible Preferred Stock provide that, unless accumulated dividends have been paid or set aside for payment on all outstanding 6.875% Convertible Preferred Stock for all past dividend periods, no dividends may be declared or paid on our common stock. If that were to occur, the inability to pay dividends on our common stock might jeopardize our status as a REIT for U.S. federal income tax purposes. See note 12 to our consolidated financial statements.

***Complying with REIT requirements, including the 90% distribution requirement, may limit our flexibility or cause us to forgo otherwise attractive opportunities, including certain discretionary investments and potential financing alternatives.***

To remain qualified and be taxed as a REIT, we are required to satisfy the 90% distribution requirement as described above. We commenced declaring regular quarterly dividends to our common stockholders beginning with the first quarter of 2014. See notes 12 and 19 to our consolidated financial statements. Any such dividends, however, are subject to the determination of and declaration by our board of directors based on then-current and anticipated future conditions, including our earnings, net cash generated by operating activities, capital requirements, financial condition, our relative market capitalization, our existing federal NOLs of approximately $1.5 billion or other factors deemed relevant by our board of directors.

To the extent that we satisfy the 90% distribution requirement, but distribute less than 100% of our REIT taxable income (determined without regard to the dividends paid deduction, excluding net capital gain and after the utilization of any available NOLs), we will be subject to federal corporate income tax on our undistributed taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we pay out to our stockholders for a calendar year is less than a minimum amount specified under the Code.

From time to time, we may generate REIT taxable income greater than our cash flow as a result of differences in timing between the recognition of taxable income and the actual receipt of cash or the effect of nondeductible capital expenditures, the creation of reserves or required debt or amortization payments. If we do not have other funds available in these situations, we could be required to borrow funds on unfavorable terms, sell assets at disadvantageous prices, or distribute amounts that would otherwise be invested in future acquisitions to make distributions sufficient to enable us to pay out enough of our taxable income to satisfy the REIT dividend requirement and to avoid corporate income tax and the 4% excise tax in a particular year. These alternatives could increase our costs or reduce our equity. Thus, compliance with the REIT requirements may hinder our ability to grow, which could adversely affect the value of our common stock. Furthermore, the REIT dividend requirements may increase the financing we need to fund capital expenditures, future growth, or expansion initiatives, which would increase our total leverage.

In addition to satisfying the 90% distribution requirement, to remain qualified as a REIT for tax purposes, we are required to continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets and the ownership of our capital stock. Compliance with these tests will require us to refrain from certain activities and may hinder our ability to make certain attractive investments, including the purchase of non-qualifying assets, the expansion of non-real estate activities, or investments in the businesses to be conducted by our TRSs, and to that extent, limit our opportunities and our flexibility to change our business strategy. Furthermore, acquisition opportunities in domestic or international markets may be adversely affected if we need or require the target company to comply with some REIT requirements prior to completing any such acquisition. In addition, our status as a REIT may result in investor pressures not to pursue growth opportunities that are not immediately accretive.

Moreover, if we fail to comply with certain asset ownership tests, at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. As a result, we may be required to liquidate assets in adverse market conditions or forgo otherwise attractive investments. These actions may reduce our income and amounts available for distribution to our stockholders.

***REIT related ownership limitations and transfer restrictions may prevent or restrict certain transfers of our capital stock.***

In order for us to continue to satisfy the requirements for REIT qualification, our capital stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the outstanding shares of our capital stock may be owned, directly or indirectly, by five or fewer "individuals" (as defined in the Code to include certain entities such as private foundations) during the last half of a taxable year. In order to facilitate compliance with the REIT rules, our Charter includes provisions regarding REIT-related ownership limitations and transfer restrictions that generally prohibit any "person" (as defined in our Charter) from beneficially or constructively owning, or being deemed to beneficially or constructively own by virtue of the attribution provisions of the Code, more than (1) 9.8%, by value or number of shares, whichever is more restrictive, of the outstanding shares of our common stock, or (2) 9.8% in aggregate value of the outstanding shares of all classes and series of our capital stock, including our common stock and any shares of our 6.875% Convertible Preferred Stock. In addition, our Charter provides for certain other ownership limitations and transfer restrictions. Under applicable constructive ownership rules, any shares of capital stock owned by certain affiliated owners generally would be added together for purposes of the ownership limitations. These ownership limitations and transfer restrictions could have the effect of delaying, deferring or preventing a transaction or a change in control of our company that might involve a premium price for our capital stock or otherwise might be in the best interest of our stockholders.

**Certifications**

We submitted the Chief Executive Officer certification required by Section 303A.12(a) of the New York Stock Exchange ("NYSE") Listed Company Manual, relating to compliance with the NYSE's corporate governance listing standards, to the NYSE on June 14, 2019 with no qualifications. We have included the certifications of our Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 and related rules as Exhibits 31.1 and 31.2 to this Annual Report on Form 10-K.

## Item 1B. *Unresolved Staff Comments*

None.

## Item 2. *Properties*

*Communications Infrastructure*

We own, lease or manage approximately 40,000 towers geographically dispersed throughout the U.S. Towers are vertical metal structures generally ranging in height from 50 to 300 feet. Our tenants' wireless equipment may be placed on towers, building rooftops and other structures. Our towers are located on tracts of land that support the towers, equipment shelters and, where applicable, guy-wires to stabilize the tower.

Additionally, we own or lease approximately 80,000 route miles of fiber primarily supporting our small cells and fiber solutions. The majority of our fiber assets are located in major metropolitan areas. Our small cells and fiber are typically located outdoors and are often attached to public right-of-way infrastructure, including utility poles or street lights.

See the following for further information regarding our communications infrastructure:

- *"Item 1. Business—Overview"* for information regarding our tower and fiber portfolios.
- *"Item 7. MD&A—Liquidity and Capital Resources—Contractual Cash Obligations"* for a tabular presentation of the remaining contractual obligations related to our business as of December 31, 2019, including our lease and access agreement obligations.
- *"Schedule III - Schedule of Real Estate and Accumulated Depreciation"* for further information on our productive properties.

Approximately 53% of our towers are leased or subleased or operated and managed under master leases, subleases, or other agreements with AT&T, Sprint and T-Mobile. We have the option to purchase these towers at the end of their respective lease terms. We have no obligation to exercise such purchase options. See note 1 to our consolidated financial statements and *"Item 1A. Risk Factors"* for a further discussion.

Substantially all of our communications infrastructure can accommodate additional tenancy, either as currently constructed or with appropriate modifications. Additionally, if so inclined as a result of a request for a tenant addition, we could generally replace an existing tower with another tower, replace a small cell network antenna with another antenna or overlay additional fiber in order to provide additional coverage or capacity, subject to certain restrictions.

*Offices*

Our principal corporate headquarters is owned and located in Houston, Texas. In addition, we have offices throughout the U.S. in locations convenient for the management and operation of our communications infrastructure, with significant consideration being given to the amount of our communications infrastructure located in a particular area. We believe that our facilities are suitable and adequate to meet our anticipated needs.

## Item 3. *Legal Proceedings*

We are periodically involved in legal proceedings that arise in the ordinary course of business. Most of these proceedings arising in the ordinary course of business involve disputes with landlords, vendors, collection matters involving bankrupt tenants, zoning or siting matters, construction, condemnation, tax, employment, or wrongful termination matters. While the outcome of these matters cannot be predicted with certainty, management does not expect any pending matters to have a material adverse effect on us.

See the disclosure in notes 11 and 14 to our consolidated financial statements set forth in Part II, Item 8 of this Annual Report on Form 10-K.

## Item 4. *Mine Safety Disclosures*

N/A

## PART II

**Item 5.** ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

### Market Information and Holders

Our common stock is listed and traded on the New York Stock Exchange ("NYSE") under the symbol "CCI."

As of March 6, 2020, there were approximately 340 holders of record of our common stock.

### Dividend Policy

We operate as a REIT for U.S. federal income tax purposes. To remain qualified and be taxed as a REIT, we will generally be required to annually distribute to our stockholders at least 90% of our REIT taxable income after the utilization of any available NOLs (determined without regard to the dividends paid deduction and excluding net capital gain). See also *"Item 1. Business—Company Developments, REIT Status and Industry Overview—REIT Status," "Item 1A. Risk Factors," "Item 7. MD&A—General Overview—Common Stock Dividend," "Item 7. MD&A—Liquidity and Capital Resources—Financing Activities—Common Stock"* and notes 11 and 12 to our consolidated financial statements.

Over time, we expect to increase our dividend per share generally commensurate with our realized growth in cash flows. The declaration amount and payment of any future dividends, however, are subject to the determination and approval of our board of directors based on then-current or anticipated future conditions, including our earnings, net cash generated by operating activities, capital requirements, financial condition, our relative market capitalization, our existing NOLs, or other factors deemed relevant by our board of directors. In addition, our ability to pay dividends is limited under certain circumstances by the terms of our debt instruments and our 6.875% Convertible Preferred Stock.

### Issuer Purchases of Equity Securities

The following table summarizes information with respect to purchases of our equity securities during the fourth quarter of 2019:

| Period | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs |
|---|---|---|---|---|
| | (In thousands) | | | |
| October 1 - October 31, 2019 | 1 | $ 137.16 | — | — |
| November 1 - November 30, 2019 | 4 | 131.27 | — | — |
| December 1 - December 31, 2019 | 1 | 135.45 | — | — |
| Total | 6 | $ 133.13 | — | — |

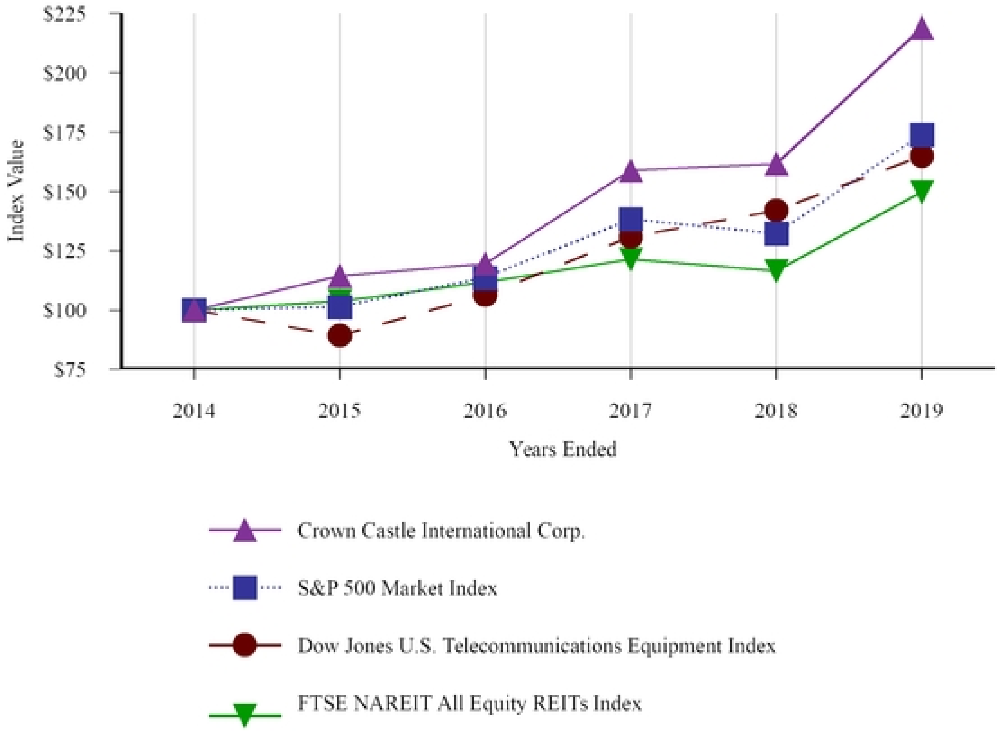
We paid approximately $1 million in cash to effect these purchases. The shares purchased relate to shares withheld in connection with the payment of withholding taxes upon vesting of restricted stock units.

### Equity Compensation Plans

Certain information with respect to our equity compensation plans is set forth in *"Item 12. Security Ownership of Certain Beneficial Owners and Management"* herein.

**Performance Graph**

The following performance graph is a comparison of the five-year cumulative total stockholder return on our common stock against the cumulative total return of the S&P 500 Market Index, the Dow Jones U.S. Telecommunications Equipment Index and the FTSE NAREIT All Equity REITs Index for the period commencing December 31, 2014 and ending December 31, 2019. The performance graph assumes an initial investment of $100.00 and the reinvestment of all dividends in our common stock and in each of the indices. The performance graph and related text are based on historical data and are not necessarily indicative of future performance.




| | Years Ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| Company/Index/Market | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| Crown Castle International Corp. | $ 100.00 | $ 114.33 | $ 119.50 | $ 158.85 | $ 161.60 | $ 218.91 |
| S&P 500 Market Index | 100.00 | 101.38 | 113.51 | 138.29 | 132.23 | 173.86 |
| DJ US Telecommunications Equipment Index | 100.00 | 89.19 | 106.27 | 130.77 | 141.92 | 164.97 |
| FTSE NAREIT All Equity REITs Index | 100.00 | 103.72 | 111.59 | 121.27 | 116.36 | 149.71 |

The performance graph above and related text are being furnished solely to accompany this Annual Report on Form 10-K pursuant to Item 201(e) of Regulation S-K, and are not being filed for purposes of Section 18 of the Exchange Act, and are not to be incorporated by reference into any filing of ours, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

## Item 6. *Selected Financial Data*

Our selected historical consolidated financial and other data set forth below have been derived from our consolidated financial statements. Financial information prior to 2019 has been restated to reflect the impact of the Historical Adjustments as discussed in the *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K. The information set forth below should be read in conjunction with the *"Explanatory Note," "Item 1. Business," "Item 7. MD&A"* and our consolidated financial statements, including note 2 to our consolidated financial statements. Our formerly 77.6% owned subsidiary that operated towers in Australia ("CCAL") was sold in 2015 and is presented on a discontinued operations basis for all periods presented.

| | Years Ended December 31, | | | | |
|---|---|---|---|---|---|
| *(In millions of dollars, except per share amounts)* | 2019 [a][e] | 2018 [a][e] | 2017 [a][e] | 2016 [a][e] | 2015 [a][e] |
| | | (As Restated)[g] | | | |
| **Statement of Operations Data:** | | | | | |
| Net revenues: | | | | | |
| Site rental | $ 5,093 | $ 4,796 | $ 3,734 | $ 3,284 | $ 3,058 |
| Services and other | 670 | 574 | 521 | 564 | 530 |
| Net revenues | 5,763 | 5,370 | 4,255 | 3,848 | 3,588 |
| Operating expenses: | | | | | |
| Costs of operations[b]: | | | | | |
| Site rental | 1,462 | 1,410 | 1,144 | 1,024 | 964 |
| Services and other | 524 | 434 | 399 | 395 | 352 |
| Total costs of operations | 1,986 | 1,844 | 1,543 | 1,419 | 1,316 |
| Selling, general and administrative | 614 | 563 | 426 | 371 | 310 |
| Asset write-down charges | 19 | 26 | 17 | 34 | 33 |
| Acquisition and integration costs | 13 | 27 | 61 | 17 | 16 |
| Depreciation, amortization and accretion | 1,572 | 1,527 | 1,241 | 1,109 | 1,036 |
| Operating income (loss) | 1,559 | 1,383 | 967 | 898 | 877 |
| Interest expense and amortization of deferred financing costs | (683) | (642) | (591) | (515) | (527) |
| Gains (losses) on retirement of long-term obligations | (2) | (106) | (4) | (52) | (4) |
| Interest income | 6 | 5 | 19 | 1 | 2 |
| Other income (expense) | 1 | 1 | 1 | (9) | 57 |
| Income (loss) from continuing operations before income taxes | 881 | 641 | 392 | 323 | 405 |
| Benefit (provision) for income taxes[c] | (21) | (19) | (26) | (17) | 51 |
| Income (loss) from continuing operations | 860 | 622 | 366 | 306 | 456 |
| Discontinued operations: | | | | | |
| Income (loss) from discontinued operations, net of tax | — | — | — | — | 20 |
| Net gain (loss) from disposal of discontinued operations, net of tax | — | — | — | — | 979 |
| Income (loss) from discontinued operations, net of tax | — | — | — | — | 999 |
| Net income (loss) | 860 | 622 | 366 | 306 | 1,455 |
| Less: Net income (loss) attributable to the noncontrolling interest | — | — | — | — | 3 |
| Net income (loss) attributable to CCIC stockholders | 860 | 622 | 366 | 306 | 1,452 |
| Dividends/distributions on preferred stock | (113) | (113) | (58) | (33) | (44) |
| Net income (loss) attributable to CCIC common stockholders | $ 747 | $ 509 | $ 308 | $ 273 | $ 1,408 |
| Income (loss) from continuing operations attributable to CCIC common stockholders, per common share - basic[d] | $ 1.80 | $ 1.23 | $ 0.80 | $ 0.80 | $ 1.24 |
| Income (loss) from continuing operations attributable to CCIC common stockholders, per common share - diluted[d] | $ 1.79 | $ 1.23 | $ 0.80 | $ 0.80 | $ 1.23 |
| Weighted-average common shares outstanding (in millions): | | | | | |
| Basic[d][f] | 416 | 413 | 382 | 340 | 333 |
| Diluted[d][f] | 418 | 415 | 383 | 341 | 334 |
| | | | | | |
| Dividends/distributions declared per share of common stock | $ 4.58 | $ 4.28 | $ 3.90 | $ 3.61 | $ 3.35 |

| (In millions of dollars) | Years Ended December 31, 2019 [a][e] | 2018 [a][e] | 2017 [a][e] | 2016 [a][e] | 2015 [a][e] |
|---|---|---|---|---|---|
| | | (As Restated)[g] | | | |
| **Other Data:** | | | | | |
| Summary cash flow information: | | | | | |
| Net cash provided by (used for) operating activities | $ 2,698 | $ 2,500 | $ 2,032 | $ 1,776 | $ 1,788 |
| Net cash provided by (used for) investing activities | (2,081) | (1,793) | (10,482) | (1,418) | (1,954) |
| Net cash provided by (used for) financing activities | (692) | (733) | 8,192 | (89) | (952) |
| **Balance Sheet Data (at period end):** | | | | | |
| Cash and cash equivalents | $ 196 | $ 277 | $ 314 | $ 568 | $ 179 |
| Property and equipment, net | 14,666 | 13,653 | 12,910 | 9,792 | 9,578 |
| Total assets | 38,457 | 32,762 | 32,206 | 22,672 | 21,935 |
| Total debt and other long-term obligations | 18,121 | 16,682 | 16,159 | 12,171 | 12,150 |
| Total CCIC stockholders' equity[f] | 10,489 | 11,571 | 11,925 | 7,222 | 6,805 |

(a) Inclusive of the impact of acquisitions. See note 4 to our consolidated financial statements for a discussion of our 2017 Acquisitions. In 2016, we acquired Tower Development Corporation, a portfolio of approximately 330 towers ("TDC Acquisition"). In 2015, we acquired rights to approximately 10,000 route miles of fiber through the Sunesys Acquisition.

(b) Exclusive of depreciation, amortization and accretion, which are shown separately.

(c) See note 11 to our consolidated financial statements regarding our income taxes, including our REIT status.

(d) Basic net income (loss) attributable to CCIC common stockholders, per common share, excludes dilution and is computed by dividing net income (loss) attributable to CCIC common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net income (loss) attributable to CCIC common stockholders, per common share, is computed by dividing net income (loss) attributable to CCIC common stockholders by the weighted-average number of common shares outstanding during the period plus any potential dilutive common share equivalents, including shares issuable (1) upon the vesting of restricted stock awards and restricted stock units as determined under the treasury stock method and (2) upon conversion of convertible preferred stock securities (including, as applicable, the currently outstanding 6.875% Convertible Preferred Stock, which was issued in 2017 and will automatically convert to shares of common stock in August 2020, and the previously outstanding 4.50% Mandatory Convertible Preferred Stock, Series A, par value $0.01 per share ("4.50% Convertible Preferred Stock") which was issued in 2013 and automatically converted to shares of common stock in 2016), as determined under the if-converted method. See note 3 to our consolidated financial statements.

(e) Amounts reflect the impact of all applicable adopted accounting pronouncements during the periods presented. See note 3 to our consolidated financial statements.

(f) See note 12 to our consolidated financial statements for a discussion of our equity offerings during 2018 and 2017. During 2016, we issued shares of our common stock in connection with (1) our then outstanding 2015 ATM Program (as defined below), the proceeds of which we utilized to partially fund our TDC Acquisition in April 2016, (2) the conversion of our then outstanding 4.50% Convertible Preferred Stock to common stock and (3) our November 2016 issuance of 11.4 million shares of common stock, which generated net proceeds of $1.0 billion ("November 2016 Common Stock Offering") to partially fund the FiberNet Acquisition.

(g) See *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K for further information regarding the restatement. See note 2 to our consolidated financial statements for the impacts of the Historical Adjustments on the years ended December 31, 2018 and 2017. For the year ended December 31, 2016, the impact of the Historical Adjustments was an increase to site rental revenues of $51 million and a decrease to services and other revenues of $124 million. For the year ended December 31, 2015, the impact of the Historical Adjustments was an increase to site rental revenues of $40 million and a decrease to services and other revenues of $115 million.

## Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

## General Overview

*Overview*

We own, operate and lease shared communications infrastructure. See *"Item 1. Business"* for a further discussion of our business, including our long-term strategy, our REIT status, certain key terms of our tenant contracts and growth trends in the demand for data. Site rental revenues represented 88% of our 2019 consolidated net revenues. The vast majority of our site rental revenues is of a recurring nature and has been contracted for in a prior year. See *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K and note 2 to our consolidated financial statements for further information on the restatement of previously issued financial statements.

*Business Fundamentals and Results*

The following are certain highlights of our business fundamentals and results:

- We operate as a REIT for U.S. federal income tax purposes (see *"Item 1. Business—Company Developments, REIT Status and Industry Overview—REIT Status"* and note 11 to our consolidated financial statements).
- Potential growth resulting from the increasing demand for data
    - We expect existing and potential new tenant demand for our communications infrastructure will result from (1) new technologies, (2) increased usage of mobile entertainment, mobile internet, and machine-to-machine applications, (3) adoption of other emerging and embedded wireless devices (including smartphones, laptops, tablets, wearables and other devices), (4) increasing smartphone penetration, (5) wireless carrier focus on expanding both network quality and capacity, including the use of both towers and small cells, (6) the adoption of other bandwidth-intensive applications (such as cloud services and video communications) and (7) the availability of additional spectrum.
    - We expect U.S. wireless carriers will continue to focus on improving network quality and expanding capacity (including through 5G initiatives) by utilizing a combination of towers and small cells. We believe our product offerings of towers and small cells provide a comprehensive solution to our wireless tenants' growing communications infrastructure needs.
    - We expect organizations will continue to increase the usage of high-bandwidth applications that will require the utilization of more fiber infrastructure and fiber solutions, such as those we provide.
    - Within our Fiber segment, we are able to generate growth and returns for our stockholders by deploying our fiber for both small cells and fiber solutions tenants.
    - Tenant additions on our existing communications infrastructure are achieved at a low incremental operating cost, delivering high incremental returns.
        - Substantially all of our communications infrastructure can accommodate additional tenancy, either as currently constructed or with appropriate modifications.
- Returning cash flows provided by operations to stockholders in the form of dividends (see also *"Item 1. Business—Strategy"*)
    - During 2019, we paid common stock dividends totaling approximately $1.9 billion. See *"Item 7. MD&A—General Overview—Common Stock Dividend"* for a discussion of the increase to our quarterly dividend in the fourth quarter of 2019.
    - Investing capital efficiently to grow long-term dividends per share
        - Discretionary capital expenditures of $1.9 billion, predominately resulting from the construction of new communications infrastructure and improvements to existing communications infrastructure in order to support additional tenants.
        - We expect to continue to construct and acquire new communications infrastructure based on our tenants' needs and generate attractive long-term returns by adding additional tenants over time.
- Site rental revenues under long-term tenant contracts
    - Initial terms of five to 15 years for site rental revenues derived from wireless tenants, with contractual escalations and multiple renewal periods of five to 10 years each, exercisable at the option of the tenant.
    - Initial terms that generally vary between three to 20 years for site rental revenues derived from our fiber solutions tenants (including from organizations with high-bandwidth and multi-location demands).
    - Weighted-average remaining term of approximately five years, exclusive of renewals exercisable at the tenants' option, currently representing approximately $24 billion of expected future cash inflows.
- Majority of our revenues from large wireless carriers
    - Approximately 75% of our site rental revenues were derived from T-Mobile, AT&T, Verizon Wireless and Sprint. See also *"Item 1A. Risk Factors"* and note 16 to our consolidated financial statements for a further discussion of our largest customers.

- Majority of land interests under our towers under long-term control
  - Approximately 90% of our Towers site rental gross margin and approximately 80% of our Towers site rental gross margin is derived from towers that reside on land that we own or control for greater than 10 and 20 years, respectively. The aforementioned percentages include towers that reside on land interests that are owned, including through fee interests and perpetual easements, which represent approximately 40% of our Towers site rental gross margin.
- Majority of our fiber assets are located in major metropolitan areas and are on public rights-of-way.
- Minimal sustaining capital expenditure requirements
  - Sustaining capital expenditures represented approximately 2% of net revenues.
- Debt portfolio with long-dated maturities extended over multiple years, with the vast majority of such debt having a fixed rate (see *"Item 7A. Quantitative and Qualitative Disclosures About Market Risk"* for a further discussion of our debt)
- During 2019, we completed several debt transactions to refinance and extend the maturities of certain of our debt. See *"Item 7. MD&A—Liquidity and Capital Resources—Financing Activities"* for further discussion of our debt transactions.
  - As of December 31, 2019, our outstanding debt has a weighted average interest rate of 3.8% and weighted average maturity of approximately six years (assuming anticipated repayment dates where applicable).
  - 83% of our debt has fixed rate coupons.
  - Our debt service coverage and leverage ratios are comfortably within their respective financial maintenance covenants. See *"Item 7. MD&A—Liquidity and Capital Resources—Debt Covenants"* for a further discussion of our debt covenants.
- Significant cash flows from operations
  - Net cash provided by operating activities was $2.7 billion.
  - In addition to the positive impact of contractual escalators, we expect to grow our core business of providing access to our communications infrastructure as a result of future anticipated additional demand for our communications infrastructure.

*Common Stock Dividend*

In the aggregate, we paid approximately $1.9 billion in common stock dividends in 2019. During each of the first three quarters of 2019, we paid a quarterly common stock dividend of $1.125 per share, totaling approximately $1.4 billion. In October 2019, our board of directors declared a quarterly common stock cash dividend of $1.20 per share, which represents an increase of approximately 7% from the quarterly common stock dividend declared during each of the first three quarters of 2019. We currently expect our common stock dividends over the next 12 months to be a cumulative amount of at least $4.80 per share, or an aggregate amount of approximately $2.0 billion. Over time, we expect to increase our dividend per share generally commensurate with our realized growth in cash flows. Any future common stock dividends are subject to declaration by our board of directors. See notes 12 and 19 to our consolidated financial statements.

*Outlook Highlights*

The following are certain highlights of our 2020 outlook that impact our business fundamentals described above.

- We expect that, when compared to full year 2019, our full year 2020 site rental revenue growth will be positively impacted by higher tenant additions, as large wireless carriers and fiber solutions tenants attempt to meet the increasing demand for data. See note 5 to our consolidated financial statements.
- We expect discretionary capital expenditures for 2020 to remain relatively consistent with 2019 levels as we continue to construct new small cells and fiber as a result of the anticipated returns on such discretionary investments. We also expect sustaining capital expenditures of approximately 2% of net revenues for full year 2020.

## Results of Operations

The following discussion of our results of operations should be read in conjunction with the *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K, *"Item 1. Business," "Item 7. MD&A—Liquidity and Capital Resources"* and our consolidated financial statements, including note 2 to our consolidated financial statements. Amounts for the years ended December 31, 2018 and 2017, and any discussion relating to those amounts, give effect to the impact of the Historical Adjustments as described in the *"Explanatory Note."*

The following discussion of our results of operations is based on our consolidated financial statements prepared in accordance with GAAP, which require us to make estimates and judgments that affect the reported amounts (see *"Item 7. MD&A—Accounting and Reporting Matters—Critical Accounting Policies and Estimates"* and note 3 to our consolidated financial statements).

Our operating segments consist of (1) Towers and (2) Fiber. See note 16 to our consolidated financial statements for further discussion of our operating segments.

See *"Item 7. MD&A—Accounting and Reporting Matters—Non-GAAP and Segment Financial Measures"* for a discussion of our use of (1) segment site rental gross margin, (2) segment services and other gross margin, (3) segment operating profit, including their respective definitions and (4) Adjusted EBITDA, including its definition and a reconciliation to net income.

Highlights of our results of operations for 2019, 2018 and 2017 are depicted below:

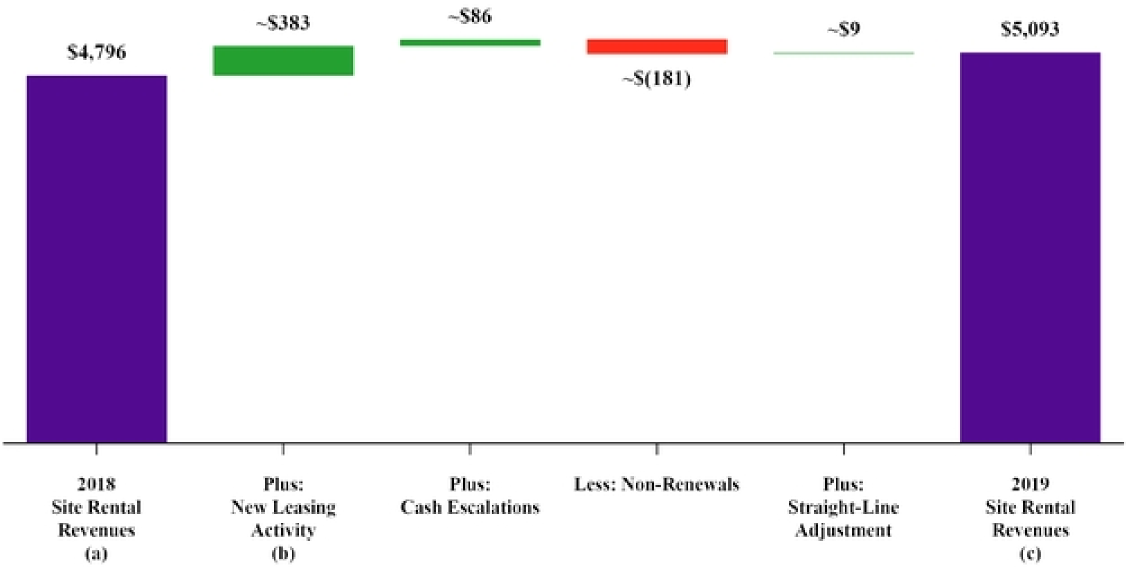
| | Years Ended December 31, | | | Percent Change | |
|---|---|---|---|---|---|
| *(In millions of dollars)* | 2019 | 2018 | 2017 | 2019 vs. 2018 | 2018 vs. 2017 |
| | | (As Restated)[c] | | | |
| Site rental revenues: | | | | | |
| Towers site rental revenues | $ 3,389 | $ 3,196 | $ 2,965 | 6% | 8 % |
| Fiber site rental revenues | 1,704 | 1,600 | 769 | 7% | 108 % |
| Total site rental revenues | 5,093 | 4,796 | 3,734 | 6% | 28 % |
| Site rental gross margin: | | | | | |
| Towers site rental gross margin[a] | 2,525 | 2,348 | 2,120 | 8% | 11 % |
| Fiber site rental gross margin[a] | 1,145 | 1,075 | 505 | 7% | 113 % |
| Services and other gross margin: | | | | | |
| Towers services and other gross margin[a] | 147 | 143 | 118 | 3% | 21 % |
| Fiber services and other gross margin[a] | 6 | 5 | 9 | 20% | (44)% |
| Segment operating profit: | | | | | |
| Towers operating profit[a] | 2,576 | 2,381 | 2,144 | 8% | 11 % |
| Fiber operating profit[a] | 956 | 901 | 425 | 6% | 112 % |
| Net income (loss) attributable to CCIC common stockholders | 747 | 509 | 308 | 47% | 65 % |
| Adjusted EBITDA[b] | 3,299 | 3,091 | 2,402 | 7% | 29 % |

(a) See note 16 to our consolidated financial statements for our definitions of segment site rental gross margin, segment services and other gross margin and segment operating profit.
(b) See reconciliation of this non-GAAP financial measure to net income (loss) and definition included in *"Item 7. MD&A—Accounting and Reporting Matters—Non-GAAP and Segment Financial Measures."*
(c) See *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K and note 2 to our consolidated financial statements for further information regarding the restatement.

*2019 and 2018*

Total site rental revenues for 2019 grew by $297 million, or 6%, from 2018. This increase was predominately comprised of the factors depicted in the chart below:

*(In millions of dollars)*




(a) As restated.
(b) Includes amortization of upfront payments received from long-term tenants and other deferred credits (commonly referred to as prepaid rent).
(c) The components in this chart may not sum to the total due to rounding.

Towers site rental revenues for 2019 were approximately $3.4 billion and increased by $193 million, or 6%, from approximately $3.2 billion during 2018. The increase in Towers site rental revenues was impacted by the following items, inclusive of straight-line accounting: tenant additions across our entire portfolio, renewals or extensions of tenant contracts, escalations and non-renewals of tenants contracts. Tenant additions were influenced by our tenants' ongoing efforts to improve network quality and capacity.

Fiber site rental revenues for 2019 were $1.7 billion and increased by $104 million, or 7%, from $1.6 billion from 2018. The increase in Fiber site rental revenues was predominately impacted by the increased demand for small cells and fiber solutions. Increased demand for small cells was driven by our tenants' network strategy in an effort to provide capacity and relieve network congestion, and increased demand for fiber solutions was driven by increasing demand for data.

The increase in Towers site rental gross margin from 2018 to 2019 was related to the previously-mentioned 6% increase in Towers site rental revenues and relatively fixed costs to operate our towers. The increase in Fiber site rental gross margins was predominately related to the previously-mentioned 7% increase in Fiber site rental revenues.

Selling, general and administrative expenses for 2019 were $614 million and increased by $51 million, or 9%, from $563 million during 2018. The increase in selling, general and administrative expenses was primarily related to the growth in our business.

Towers operating profit for 2019 increased by $195 million, or 8%, from 2018. The increase in Towers operating profit was primarily related to the growth in our Towers site rental revenues and relatively fixed costs to operate our towers.

Fiber operating profit for 2019 increased by $55 million, or 6%, from 2018. Fiber operating profit was positively impacted by increased demand for small cells and fiber solutions and was partially offset by an increase in Fiber-related selling, general and administrative expenses.

Depreciation, amortization and accretion was approximately $1.6 billion for 2019 and increased by $45 million, or 3%, from 2018. This increase predominately resulted from a corresponding increase in our gross property and equipment due to capital expenditures.

Interest expense and amortization of deferred financing costs were $683 million for 2019 and increased by $41 million, or 6%, from $642 million during 2018. The increase predominately resulted from a corresponding increase in our outstanding indebtedness due to the financing of our discretionary capital expenditures.

As a result of repaying certain of our indebtedness in conjunction with our refinancing activities, we incurred losses on retirement of long-term obligations of $2 million and $106 million for the years ended 2019 and 2018, respectively. See note 9 to our consolidated financial statements.

The provisions for income taxes for 2019 and 2018 were $21 million and $19 million, respectively. For both 2019 and 2018, the effective tax rate differs from the federal statutory rate predominately due to our REIT status, including the dividends paid deduction. See *"Item 1. Business——Company Developments, REIT Status and Industry Overview—REIT Status," "Item 7. MD&A—Accounting and Reporting Matters—Critical Accounting Policies and Estimates"* and note 11 to our consolidated financial statements.

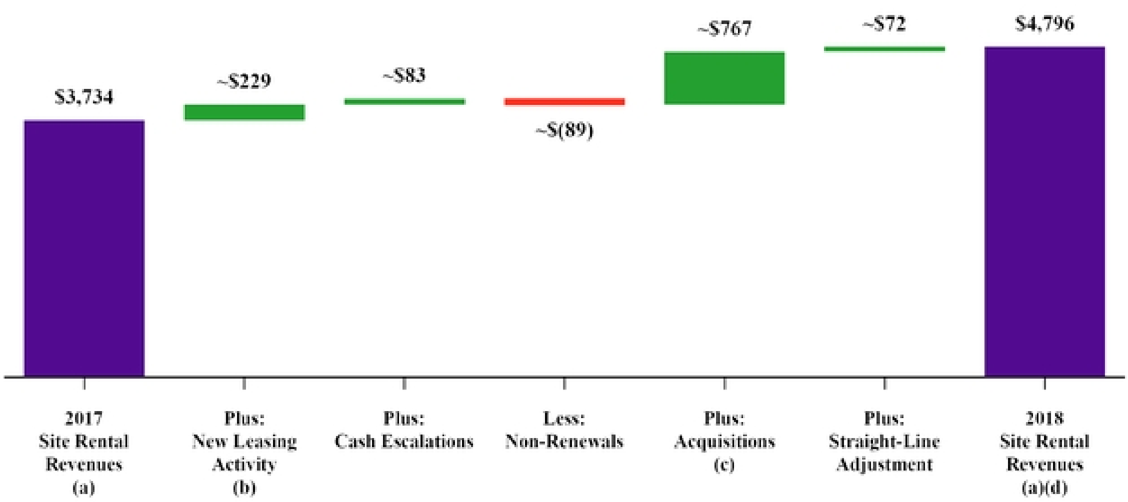
Net income (loss) attributable to CCIC common stockholders was income of $747 million during 2019 compared to income of $509 million during 2018. The increase was predominately related to net growth in both our Towers and Fiber segments and a decrease in losses on retirement of long-term obligations, partially offset by an increase in expenses, including (1) selling, general and administrative expenses, (2) depreciation, amortization and accretion and (3) interest expense and amortization of deferred financing costs.

Adjusted EBITDA increased $208 million, or 7%, from 2018 to 2019, reflecting the growth in our site rental activities in both Towers and Fiber segments.

*2018 and 2017*

Total site rental revenues for 2018 grew by $1.1 billion, or 28%, from 2017. This increase was predominately comprised of the factors depicted in the chart below:

*(In millions of dollars)*




(a) As restated.
(b) Includes amortization of upfront payments received from long-term tenants and other deferred credits (commonly referred to as prepaid rent).
(c) Represents the contribution from recent acquisitions until the one-year anniversary of the acquisition.
(d) The components in this chart may not sum to the total due to rounding.

Towers site rental revenues for 2018 were approximately $3.2 billion and increased by $231 million, or 8%, from approximately $3.0 billion during 2017. The increase in Towers site rental revenues was impacted by the following items, inclusive of straight-line accounting: tenant additions across our entire portfolio, renewals or extensions of tenant contracts, escalations and non-renewals of tenant contracts. Tenant additions were influenced by our tenants' ongoing efforts to improve network quality and capacity.

Fiber site rental revenues for 2018 were $1.6 billion and increased by $831 million, or 108%, from $769 million in 2017. The increase in Fiber site rental revenues was predominately impacted by the 2017 Acquisitions and the increased demand for small cells and fiber solutions. Increased demand for small cells was driven by our tenants' network strategy in an effort to provide capacity and relieve network congestion, and increased demand for fiber solutions was driven by increasing demand for data.

The increase in Towers site rental gross margin from 2017 to 2018 was related to the previously-mentioned 8% increase in Towers site rental revenues and relatively fixed costs to operate our towers. The increase in Fiber site rental gross margins was predominately related to the previously-mentioned 108% increase in Fiber site rental revenues.

Selling, general and administrative expenses for 2018 were $563 million and increased by $137 million, or 32%, from $426 million during 2017. The increase in selling, general and administrative expenses was primarily related to the growth in our Fiber business, including the Lightower Acquisition and Wilcon Acquisition.

Towers operating profit for 2018 increased by $237 million, or 11%, from 2017. The increase in Towers operating profit was primarily related to the growth in our Towers site rental revenues and relatively fixed costs to operate our towers.

Fiber operating profit for 2018 increased by $476 million, or 112%, from 2017 and was positively impacted by the previously-mentioned Lightower Acquisition and Wilcon Acquisition and the increased demand for small cells and fiber solutions described above.

Depreciation, amortization and accretion was approximately $1.5 billion for 2018 and increased by $286 million, or 23%, from approximately $1.2 billion during 2017. This increase predominately resulted from a corresponding increase in our gross property and equipment due to capital expenditures and acquisitions, including the Lightower Acquisition and Wilcon Acquisition discussed above.

Interest expense and amortization of deferred financing costs were $642 million for 2018 and increased by $51 million, or 9%, from $591 million during 2017. This increase predominately resulted from the full year impact of 2017 financing activities used to partially fund our 2017 Acquisitions and the financing of our discretionary capital expenditures. See notes 4 and 9 to our consolidated financial statements.

As a result of repaying certain of our indebtedness in conjunction with our refinancing activities, we incurred losses on retirement of long-term obligations of $106 million and $4 million for 2018 and 2017, respectively. For a further discussion of the debt refinancings, see note 9 to our consolidated financial statements, *"Item 7. MD&A—Liquidity and Capital Resources"* and *"Item 7A. Quantitative and Qualitative Disclosures About Market Risk."*

The provisions for income taxes for 2018 and 2017 were $19 million and $26 million, respectively. For both 2018 and 2017, the effective tax rate differs from the federal statutory rate predominately due to our REIT status, including the dividends paid deduction. In addition to our REIT status, in 2017 the effective rate differs from the federal statutory rate due to a non-cash tax provision of $15 million as a result of the enactment of the Tax Reform Act. See *"Item 1. Business——Company Developments, REIT Status and Industry Overview—REIT Status," "Item 7. MD&A—Accounting and Reporting Matters—Critical Accounting Policies and Estimates"* and note 11 to our consolidated financial statements.

Net income (loss) attributable to CCIC common stockholders for 2018 was income of $509 million compared to income of $308 million during 2017. The increase was predominately related to net growth in both our Towers and Fiber segments, partially offset by an increase in expenses, including (1) depreciation, amortization and accretion, (2) selling, general and administrative expenses, (3) losses on the retirement of long-term obligations, and (4) interest expense and amortization of deferred financing costs.

Adjusted EBITDA increased by $689 million, or 29%, from 2017 to 2018 reflecting the growth in our site rental activities in both Towers and Fiber, including the Lightower Acquisition and the Wilcon Acquisition discussed above.

## Liquidity and Capital Resources

*Overview*

*General.* Our core business generates revenues under long-term tenant contracts (see *"Item 1. Business—Overview"* and *"Item 7. MD&A—General Overview—Overview"*) from (1) the largest U.S. wireless carriers and (2) fiber solutions tenants. As a leading provider of shared communications infrastructure in the U.S., our strategy is to create long-term stockholder value via a combination of (1) growing cash flows generated from our portfolio of communications infrastructure, (2) returning a meaningful portion of our cash generated by operating activities to our stockholders in the form of dividends, and (3) investing capital efficiently to grow cash flows and long-term dividends per share. Our strategy is based, in part, on our belief that the U.S. is the most attractive market for shared communications infrastructure investment with the greatest long-term growth potential. We measure our efforts to create "long-term stockholder value" by the combined payment of dividends to stockholders and growth in our per share results. See *"Item 1. Business—Strategy"* for a further discussion of our strategy.

We have engaged, and expect to continue to engage, in discretionary investments that we believe will maximize long-term stockholder value. Our historical discretionary investments include (in no particular order): constructing communications infrastructure, acquiring communications infrastructure, acquiring land interests (which primarily relate to land assets under towers), improving and structurally enhancing our existing communications infrastructure, purchasing shares of our common stock, and purchasing, repaying, or redeeming our debt. We have recently spent, and expect to continue to spend, a significant percentage of our discretionary investments on the construction of small cells and fiber. We seek to fund our discretionary investments with both net cash generated by operating activities and cash available from financing capacity, such as the use of our undrawn availability from the 2016 Revolver, issuances under our CP Program, debt financings and issuances of equity or equity-related securities, including under our 2018 ATM Program.

We seek to maintain a capital structure that we believe drives long-term stockholder value and optimizes our weighted-average cost of capital. We target a leverage ratio of approximately five times Adjusted EBITDA and interest coverage of Adjusted EBITDA to interest expense of approximately three times, subject to various factors, such as the availability and cost of capital and the potential long-term return on our discretionary investments. We may choose to increase or decrease our leverage or coverage from these targets for various periods of time. We have no significant contractual debt maturities until 2021 (other than principal payments on certain outstanding debt).

We operate as a REIT for U.S. federal income tax purposes. We expect to continue to pay minimal cash income taxes as a result of our REIT status and our NOLs. See *"Item 1. Business—Company Developments, REIT Status and Industry Overview—REIT Status," "Item 7. MD&A—General Overview"* and note 11 to our consolidated financial statements.

*Liquidity Position.* The following is a summary of our capitalization and liquidity position as of December 31, 2019. See *"Item 7A. Quantitative and Qualitative Disclosures About Market Risk"* and note 9 to our consolidated financial statements for additional information regarding our debt as well as note 12 to our consolidated financial statements for additional information regarding our 2018 ATM Program.

| *(In millions of dollars)* | | |
|---|---|---|
| Cash, cash equivalents and restricted cash[(a)] | $ | 338 |
| Undrawn 2016 Revolver availability[(b)] | | 4,455 |
| Debt and other long-term obligations (current and non-current)[(c)] | | 18,121 |
| Total equity | | 10,489 |

(a) Inclusive of $5 million included within long-term prepaid rent and other assets, net on our consolidated balance sheet.
(b) Availability at any point in time is subject to certain restrictions based on the maintenance of financial covenants contained in the 2016 Credit Facility. At any point in time, we intend to maintain available commitments under our 2016 Revolver in an amount at least equal to the amount of Commercial Paper Notes outstanding. See *"Item 7. MD&A—Liquidity and Capital Resources—Financing Activities"* and *"Item 7. MD&A—Liquidity and Capital Resources—Debt Covenants."*
(c) See *"Item 7. MD&A—Liquidity and Capital Resources—Financing Activities"* and note 9 to our consolidated financial statements for further information regarding the CP Program.

Over the next 12 months:

- Our liquidity sources may include (1) cash on hand, (2) net cash generated by our operating activities, (3) undrawn availability under our 2016 Revolver, (4) issuances under our CP Program, and (5) issuances of equity pursuant to our 2018 ATM Program. Our liquidity uses over the next 12 months are expected to include (1) debt service obligations of $100 million (principal payments), (2) cumulative common stock dividend payments expected to be at least $4.80 per share, or an aggregate amount of approximately $2.0 billion (see *"Item 7. MD&A—General Overview—Common Stock Dividend"*), (3) prior to the automatic conversion of our 6.875% Convertible Preferred Stock in August 2020, dividend payments related to such preferred stock of approximately $57 million and (4) capital expenditures. Additionally, amounts available under the CP Program may be repaid and re-issued from time to time. During the next 12 months, while our liquidity uses are expected to exceed our net cash provided by operating activities, we expect that our liquidity sources described above should be sufficient to cover our expected uses. Historically, from time to time, we have accessed the capital markets to issue debt and equity.

- We have no scheduled contractual debt maturities other than principal payments on amortizing debt. See *"Item 7A. Quantitative and Qualitative Disclosures About Market Risk"* for a tabular presentation of our debt maturities and a discussion of anticipated repayment dates.

*Summary Cash Flows Information*

| *(In millions of dollars)* | Years Ended December 31, 2019 | 2018 (As Restated) | 2017 (As Restated) |
|---|---|---|---|
| Net increase (decrease) in cash, cash equivalents and restricted cash | | | |
| Operating activities | $ 2,698 | $ 2,500 | $ 2,032 |
| Investing activities | (2,081) | (1,793) | (10,482) |
| Financing activities | (692) | (733) | 8,192 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (75) | (26) | (258) |

*Operating Activities.* The increase in net cash provided by operating activities of $198 million for 2019 from 2018 was due primarily to growth in our core business offset by a net decrease from changes in working capital. The increase in net cash provided by operating activities of $468 million for 2018 from 2017 was due primarily to growth in our core business, including as a result of the Lightower Acquisition and Wilcon Acquisition, offset by a net decrease from changes in working capital. Changes in working capital contribute to variability in net cash provided by operating activities, largely due to the timing of advanced payments by us and advanced receipts from tenants. We expect to grow our net cash provided by operating activities in the future (exclusive of changes in working capital) if we realize expected growth in our core business.

*Investing Activities.* Net cash used for investing activities for 2019 increased $288 million from 2018 primarily as a result of increased discretionary capital expenditures due to the construction of small cells and fiber.

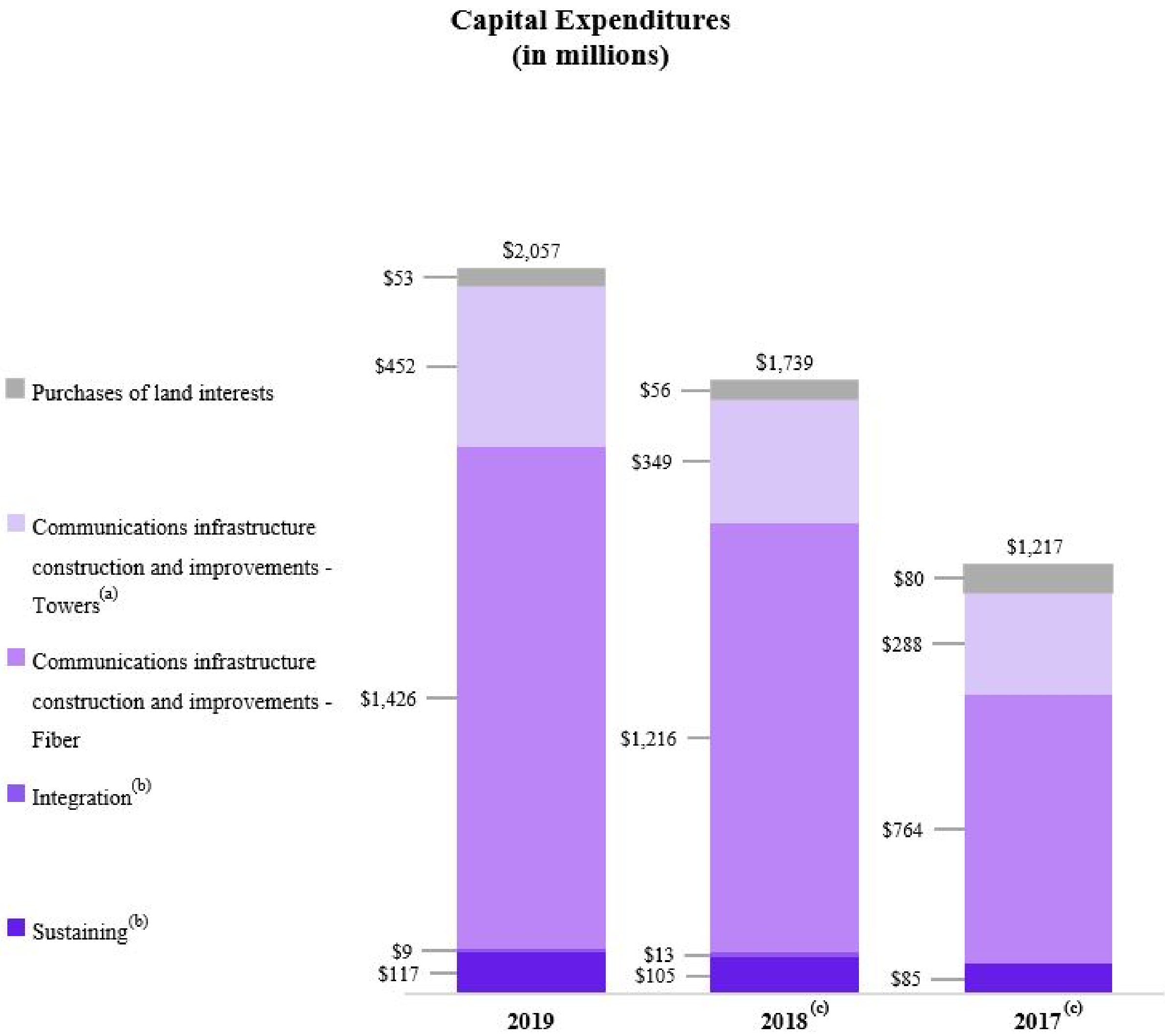
Our capital expenditures have been categorized as discretionary, sustaining or integration as described below.

- Discretionary capital expenditures are made with respect to activities which we believe exhibit sufficient potential to enhance long-term stockholder value. They primarily consist of expansion or development of communications infrastructure (including capital expenditures related to (1) enhancing communications infrastructure in order to add new tenants for the first time or support subsequent tenant equipment augmentations or (2) modifying the structure of a communications infrastructure asset to accommodate additional tenants) and construction of new communications infrastructure. Discretionary capital expenditures also include purchases of land interests (which primarily relates to land assets under towers as we seek to manage our interests in the land beneath our towers), certain technology-related investments necessary to support and scale future customer demand for our communications infrastructure, and other capital projects. The expansion or development of existing communications infrastructure to accommodate new leasing typically varies based on, among other factors: (1) the type of communications infrastructure, (2) the scope, volume, and mix of work performed on the communications infrastructure, (3) existing capacity prior to installation, or (4) changes in structural engineering regulations and standards. Currently, construction of new communications infrastructure is predominately comprised of the construction of small cells and fiber. Our decisions regarding discretionary capital expenditures are influenced by the availability and cost of capital and expected returns on alternative uses of cash, such as payments of dividends and investments.

- Integration capital expenditures consist of those capital expenditures made as a result of integrating acquired companies into our business.

- Sustaining capital expenditures consist of those capital expenditures not otherwise categorized as discretionary or integration capital expenditures, such as (1) maintenance capital expenditures on our communications infrastructure assets that enable our tenants' ongoing quiet enjoyment of the communications infrastructure and (2) ordinary corporate capital expenditures.

A summary of our capital expenditures for the last three years is as follows (in millions of dollars):




(a) Includes $208 million, $128 million, and $124 million of capital expenditures incurred during the years ended December 31, 2019, 2018, and 2017, respectively, in connection with customer installations and upgrades on our towers.
(b) Prior to January 1, 2018, integration capital expenditures were included within sustaining capital expenditures.
(c) As restated.

Capital expenditures increased from 2018 to 2019 and were primarily impacted by the construction of small cells and fiber (including certain construction projects that may take 18 to 36 months to complete) to address our tenants' growing demand for data. Our sustaining capital expenditures were approximately 2% of net revenues in 2019, consistent with historical annual levels. See *"Item 7. MD&A—General Overview—Outlook Highlights"* for a discussion of our expectations surrounding 2020 capital expenditures.

*Acquisitions.* See notes 4 and 7 to our consolidated financial statements for a discussion of our acquisitions during the year ended December 31, 2017.

*Financing Activities.* We seek to allocate cash generated by our operations in a manner that will enhance long-term stockholder value, which may include various financing activities such as (in no particular order) paying dividends on our common stock (currently expected to total at least $4.80 per share over the next 12 months, or an aggregate amount of approximately $2.0 billion), paying dividends on our 6.875% Convertible Preferred Stock (expected to total approximately $57 million, prior to the automatic conversion of such preferred stock in August 2020), purchasing our common stock, or purchasing, repaying, or redeeming our debt. See *"Item 7. MD&A—Liquidity and Capital Resources—Overview," "Item 7. MD&A—General Overview—Common Stock Dividend"* and notes 9 and 12 to our consolidated financial statements.

In 2019, our financing activities predominately related to the following:

- paying an aggregate of $1.9 billion in dividends on our common stock;
- paying an aggregate of $113 million in dividends on our 6.875% Convertible Preferred Stock;
- issuing $1.0 billion aggregate principal amount of senior unsecured notes in February 2019, the proceeds of which we used to repay a portion of the borrowings under the 2016 Revolver;
- establishing a CP Program in April 2019 pursuant to which we may issue short-term, unsecured commercial paper notes. Notes under the CP Program may be issued, repaid and re-issued from time to time, with an aggregate principal amount of Commercial Paper Notes outstanding under the CP Program at any time not to exceed $1.0 billion. The net proceeds of the Commercial Paper Notes are expected to be used for general corporate purposes;
- entering into an amendment to the 2016 Credit Facility in June 2019 to (1) increase our commitments under the 2016 Revolver by $750 million for total commitments of $5.0 billion and (2) extend the maturity of the 2016 Credit Facility from June 2023 to June 2024; and
- issuing $900 million aggregate principal amount of senior unsecured notes in August 2019, the proceeds of which we used to repay outstanding borrowings under the 2016 Revolver and CP Program.

In 2018, our financing activities predominately related to the following:

- paying an aggregate of $1.8 billion in dividends on our common stock;
- paying an aggregate of $113 million in dividends on our 6.875% Convertible Preferred Stock;
- issuing $1.75 billion aggregate principal amount of senior unsecured notes in January 2018, the proceeds of which we used to repay (1) in full the Senior Secured Tower Revenue Notes, Series 2010-3, Class C-2020 and pay related fees and expenses and (2) a portion of the outstanding borrowings under the 2016 Revolver;
- completing an offering of 8 million shares of our common stock ("March 2018 Equity Financing"), the proceeds of which we used for general corporate purposes as well as repayment of outstanding indebtedness;
- terminating the previously outstanding "at-the-market" stock offering program through which we had the right to issue and sell shares of our common stock having an aggregate gross sales price of up to $500 million to or through sales agents ("2015 ATM Program") in March 2018, and in April 2018, establishing the 2018 ATM Program through which we may issue and sell shares of our common stock having an aggregate gross sales price of up to $750 million;
- entering into an amendment to the 2016 Credit Facility in June 2018 to (1) increase our commitments under the 2016 Revolver by $750 million for total commitments of $4.25 billion and (2) extend the maturity of the 2016 Credit Facility from August 2022 to June 2023; and
- issuing $1.0 billion aggregate principal amount of senior secured tower revenue notes in July 2018, the proceeds of which we used, together with cash on hand, to repay, in full, the Senior Secured Tower Revenue Notes, Series 2010-6, Class C-2020 and pay related fees and expenses.

*Incurrences, Purchases and Repayments of Debt.* See note 9 to our consolidated financial statements, *"Item 7. MD&A—General Overview" and "Item 7. MD&A—Liquidity and Capital Resources—Overview—Liquidity Position"* for further discussion of our recent issuances, purchases and repayments of debt.

*Common Stock.* See notes 12 and 19 to our consolidated financial statements for further information regarding our common stock as well as dividends declared and paid.

*ATM Program.* See note 12 to our consolidated financial statements for further information regarding our 2018 ATM Program. As of March 6, 2020, we had approximately $750 million of gross sales of common stock availability remaining on our 2018 ATM Program.

*Mandatory Convertible Preferred Stock.* See note 12 to our consolidated financial statements for further information regarding our 6.875% Convertible Preferred Stock (including information related to the August 2020 mandatory conversion) as well as dividends declared and paid during 2019.

*Credit Facility.* See note 9 to our consolidated financial statements for further information regarding our 2016 Credit Facility. As of March 6, 2020, there was approximately $4.4 billion in availability under the 2016 Revolver.

*Commercial Paper Program.* See note 9 to our consolidated financial statements for further information regarding our CP Program. As of March 6, 2020, the CP Program had $360 million outstanding.

*Restricted Cash*. Pursuant to the indentures governing certain of our operating companies' debt securities, all rental cash receipts of the issuers of these debt instruments and their subsidiaries are restricted and held by an indenture trustee. The restricted cash in excess of required reserve balances is subsequently released to us in accordance with the terms of the indentures. See also note 3 to our consolidated financial statements.

*Contractual Cash Obligations*

The following table summarizes our contractual cash obligations as of December 31, 2019. These contractual cash obligations relate primarily to our outstanding borrowings or lease obligations for land interests under our towers. The debt maturities reflect contractual maturity dates and do not consider the impact of the principal payments that will commence following the anticipated repayment dates of certain debt (see footnote (b)).

| *(In millions of dollars)* | **Years Ending December 31,** | | | | | | |
|---|---|---|---|---|---|---|---|
| **Contractual Obligations**[(a)] | **2020** | **2021** | **2022** | **2023** | **2024** | **Thereafter** | **Totals** |
| Debt and other long-term obligations[(b)] | $ 253 | [(g)] $ 1,675 | $ 1,000 | $ 3,604 | $ 3,172 | $ 8,531 | $ 18,235 |
| Interest payments on debt and other long-term obligations[(c)(d)] | 682 | 660 | 614 | 539 | 417 | 6,187 | 9,099 |
| Lease obligations[(e)] | 534 | 528 | 524 | 520 | 517 | 6,357 | 8,980 |
| Access agreement obligations[(f)] | 42 | 34 | 30 | 24 | 19 | 154 | 303 |
| Total contractual obligations | $ 1,511 | $ 2,897 | $ 2,168 | $ 4,687 | $ 4,125 | $ 21,229 | $ 36,617 |

(a) The following items are in addition to the obligations disclosed in the above table:
- We have a legal obligation to perform certain asset retirement activities, including requirements upon lease and easement terminations to remove communications infrastructure or remediate the land upon which our communications infrastructure resides. The cash obligations disclosed in the above table, as of December 31, 2019, are exclusive of estimated undiscounted future cash outlays for asset retirement obligations of approximately $1.0 billion. As of December 31, 2019, the net present value of these asset retirement obligations was approximately $227 million. See note 8 to our consolidated financial statements.
- We are contractually obligated to pay or reimburse others for property taxes related to certain of our communications infrastructure.
- We have the option to purchase approximately 53% of our towers that are leased or subleased or operated and managed under master leases, subleases and other agreements with AT&T, Sprint and T-Mobile at the end of their respective lease terms. We have no obligation to exercise such purchase options. See note 1 to our consolidated financial statements.
- We have legal obligations for open purchase order commitments obtained in the ordinary course of business that have not yet been fulfilled.

(b) The impact of principal payments that will commence following the anticipated repayment dates of our Tower Revenue Notes is not considered. The Tower Revenue Notes have principal amounts of $300 million, $250 million, $700 million and $750 million, with anticipated repayment dates in 2022, 2023, 2025 and 2028, respectively. See note 9 to our consolidated financial statements for our definition of and additional information regarding the Tower Revenue Notes.

(c) If the Tower Revenue Notes are not repaid in full by the applicable anticipated repayment dates, the applicable interest rate increases by approximately 5% per annum and monthly principal payments commence using the Excess Cash Flow (as defined in the indenture governing the applicable Tower Revenue Notes) of the issuers of the Tower Revenue Notes. The Tower Revenue Notes are presented based on their contractual maturity dates ranging from 2042 to 2048 and include the impact of an assumed 5% increase in interest rate that would occur following the anticipated repayment dates but exclude the impact of monthly principal payments that would commence using Excess Cash Flow (as defined in the indenture governing the applicable Tower Revenue Notes) of the issuers of the Tower Revenue Notes. The full year 2019 Excess Cash Flow (as defined in the indenture governing the applicable Tower Revenue Notes) of the issuers of the Tower Revenue Notes was approximately $764 million. We currently expect to refinance these notes on or prior to the respective anticipated repayment dates.

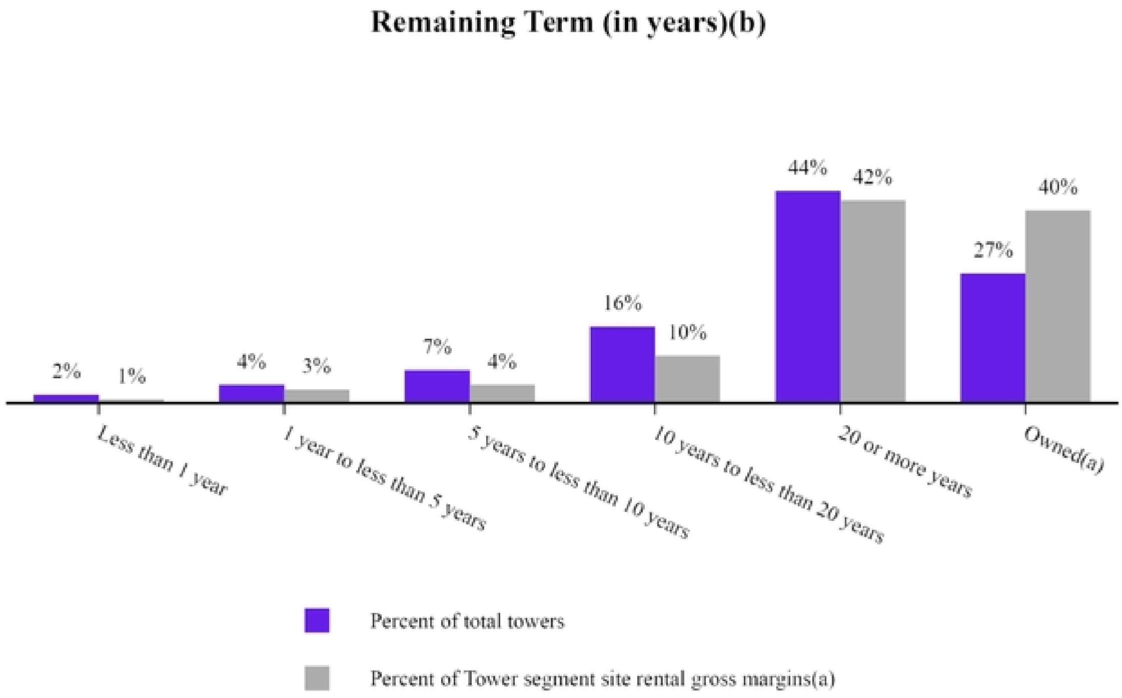
(d) Interest payments on the floating rate debt are based on estimated rates currently in effect.

(e) Amounts relate primarily to lease obligations for the land interests on which our towers reside and are based on the assumption that payments will be made for certain renewal periods exercisable at our option that are reasonably certain to be exercised and excludes our contingent payments for operating leases (such as payments based on revenues derived from the communications infrastructure located on the leased asset) as such arrangements are excluded from our operating lease liability. See note 15 to our consolidated financial statements for further discussion of our operating lease obligations. See also the table below summarizing remaining terms to expiration.

(f) Amounts relate primarily to access agreement obligations for rights-of-way, franchises, pole attachments and other agreements to operate our fiber assets and are based on the assumption that payments will be made for certain renewal periods exercisable at our option that are reasonably certain to be exercised and excludes our contingent payments for access agreements.

(g) Predominantly consists of outstanding indebtedness under our CP Program. Such amounts may be issued, repaid, or re-issued from time to time.

The following chart summarizes our rights to the land interests under our towers, including renewal terms exercisable at our option, as of December 31, 2019. As of December 31, 2019, the leases for land interests under our towers had an average remaining life of approximately 35 years, weighted based on Towers site rental gross margin. See *"Item 1A. Risk Factors"* for a discussion of retaining land interests under our towers.




(a) Inclusive of fee interests and perpetual easements.
(b) For the year ended December 31, 2019, without consideration of the term of the tenant contract.

*Debt Covenants*

Our Credit Agreement contains financial maintenance covenants. We are currently in compliance with these financial maintenance covenants and, based upon our current expectations, we believe we will continue to comply with our financial maintenance covenants. In addition, certain of our debt agreements also contain restrictive covenants that place restrictions on us and may limit our ability to, among other things, incur additional debt and liens, purchase our securities, make capital expenditures, dispose of assets, undertake transactions with affiliates, make other investments, pay dividends or distribute excess cash flow. See note 9 to our consolidated financial statements for further discussion of our debt covenants. See also *"Item 1A. Risk Factors"* for a discussion of compliance with our debt covenants. The following are ratios applicable to the financial maintenance covenants under the Credit Agreement as of December 31, 2019.

| Borrower / Issuer | Financial Maintenance Covenant(a)(b) | Covenant Level Requirement | As of December 31, 2019 |
|---|---|---|---|
| CCIC | Total Net Leverage Ratio | ≤ 6.50x | 5.4x |
| CCIC | Total Senior Secured Leverage Ratio | ≤ 3.50x | 0.9x |
| CCIC | Consolidated Interest Coverage Ratio(c) | N/A | N/A |

(a) Failure to comply with the financial maintenance covenants would, absent a waiver, result in an event of default under the Credit Agreement.
(b) As defined in the Credit Agreement.
(c) Applicable solely to the extent that the senior unsecured debt rating by any two of S&P, Moody's and Fitch is lower than BBB-, Baa3 or BBB-, respectively. If applicable, the consolidated interest coverage ratio must be greater than or equal to 2.50.

*Off-balance Sheet Arrangements*

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

**Accounting and Reporting Matters**

*Critical Accounting Policies and Estimates*

Our critical accounting policies and estimates are those that we believe (1) are most important to the portrayal of our financial condition and results of operations or (2) require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. In many cases, the accounting treatment of a particular transaction is specifically prescribed by GAAP. In other cases, management is required to exercise judgment in the application of accounting principles with respect to particular transactions. The critical accounting policies and estimates for 2019 are not intended to be a comprehensive list of our accounting policies and estimates. See note 3 to our consolidated financial statements for a summary of our significant accounting policies, including information related to our adoption of the new lease accounting guidance (commonly referred to as "ASC 842" or "new lease standard") on January 1, 2019.

*Lease Accounting — Lessee*. For our Towers segment, our lessee arrangements primarily consist of ground leases for land under our towers. Ground leases for land are specific to each site and are generally for an initial term of five to 10 years and are renewable (and cancelable after a notice period) at our option. We also enter into term easements and ground leases in which we prepay the entire term. For our Fiber segment, our lessee arrangements primarily include leases of fiber assets to facilitate our small cells and fiber solutions. The majority of our lease agreements have certain termination rights that provide for cancellation after a notice period and multiple renewal options exercisable at our option. We include certain renewal option periods in the lease term when we determine that the options are reasonably certain to be exercised.

For both our Towers and Fiber segments, operating lease expense is recognized on a ratable basis, regardless of whether the payment terms require us to make payments annually, quarterly, monthly, or for the entire term in advance. Certain of our ground lease and fiber lease agreements contain fixed escalation clauses (such as fixed dollar or fixed percentage increases) or inflation-based escalation clauses (such as those tied to the change in consumer price index ("CPI")). If the payment terms include fixed escalator provisions, the effect of such increases is recognized on a straight-line basis. We calculate the straight-line expense over the contract's estimated lease term, including any renewal option periods that we deem reasonably certain to be exercised.

In conjunction with the adoption of ASC 842, we recognized a right-of-use ("ROU") asset and lease liability for each of our operating leases. ROU assets represent our right to use an underlying asset for the estimated lease term, and lease liabilities represent the present value of our future lease payments. In assessing our leases and determining our lease liability at lease commencement or upon modification, we are not able to readily determine the rate implicit for our lessee arrangements and thus use our incremental borrowing rate on a collateralized basis to determine the present value of our lease payments. Our ROU assets are measured as the balance of the lease liability plus any prepaid or accrued lease payments and any unamortized initial direct costs.

We review the carrying value of our ROU assets for impairment, similar to our other long-lived assets, whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. We could record impairments in the future if there are changes in (1) long-term market conditions, (2) expected future operating results or (3) the utility of the assets that negatively impact the fair value of our ROU assets.

*Revenue Recognition.* 88% of our total revenue for 2019 consists of site rental revenues, which are recognized on a ratable basis over the fixed, non-cancelable term of the relevant tenant contract, generally ranging from five to 15 years for site rental revenues derived from wireless tenants and three to 20 years for site rental revenues derived from fiber solutions tenants, regardless of whether the payments from the tenant are received in equal monthly amounts during the life of a tenant contract. Certain of our tenant contracts contain (1) fixed escalation clauses (such as fixed-dollar or fixed-percentage increases) or inflation-based escalation clauses (such as those tied to the change in CPI), (2) multiple renewal periods exercisable at the tenant's option and (3) only limited termination rights at the applicable tenant's option through the current term. If the payment terms call for fixed escalations, upfront payments, or rent-free periods, the revenue is recognized on a straight-line basis over the fixed, non-cancelable term of the tenant contract. When calculating our straight-line rental revenues, we consider all fixed elements of tenant contractual escalation provisions, even if such escalation provisions contain a variable element (such as an escalator tied to an inflation-based index) in addition to a minimum. To the extent we acquire below-market tenant leases for contractual interests with tenants on the acquired communications infrastructure (for example with respect to small cells and fiber), we record the fair value as deferred credits and amortize such deferred credits to site rental revenues over their estimated lease term. Since we recognize revenue on a straight-line basis, a portion of the site rental revenues in a given period represents cash collected or contractually collectible in other periods. Our assets related to straight-line site rental revenues are included in "Other current assets" and "Deferred site rental receivables." Amounts billed or received prior to being earned are deferred and reflected in "Deferred revenues" and "Other long-term liabilities." Amounts to which we have an unconditional right to payment, which are related to both satisfied or partially satisfied performance obligations, are recorded within "Receivables, net" on the consolidated balance sheet.

As part of our effort to provide comprehensive communications infrastructure solutions, as an ancillary business, we also offer certain services primarily relating to our Towers segment, which represent 12% of our total revenues for 2019. Services and other revenue consists predominately of (1) site development services primarily relating to existing or new tenant equipment installations, including: site acquisition, architectural and engineering, or zoning and permitting (collectively, "site development services") and (2) tenant equipment installation or subsequent augmentations (collectively, "installation services"). Upon contract commencement, we assess our services to tenants and identify performance obligations for each promise to provide a distinct service.

We may have multiple performance obligations for site development services, which primarily include: structural analysis, zoning, permitting and construction drawings. For each of the above performance obligations, services revenues are recognized at completion of the applicable performance obligation, which represents the point at which we believe we have transferred goods or services to the tenant. The revenue recognized is based on an allocation of the transaction price among the performance obligations in a respective contract based on estimated standalone selling price.

The transaction price for tower installation services consists of amounts for (1) permanent improvements to our towers that represent a lease component and (2) the performance of the service. Amounts under our tower installation services agreements that represent a lease component are recognized as site rental revenues on a ratable basis over the length of the associated estimated lease term. For the performance of the tower installation service, we have one performance obligation, which is satisfied at the time of the applicable installation or augmentation and recognized as services and other revenues. See *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K and note 2 to our consolidated financial statements for further information regarding the impact of the Restatement Adjustments.

Since performance obligations are typically satisfied prior to receiving payment from tenants, the unconditional right to payment is recorded within "Receivables, net" on our consolidated balance sheet.

The vast majority of our services revenues relates to our Towers segment and generally have a duration of one year or less. See note 3 to our consolidated financial statements.

*Accounting for Acquisitions — General.* As described in *"Item 1. Business,"* the majority of our communications infrastructure has been acquired directly or indirectly from the four largest wireless carriers (or their predecessors) through transactions consummated since 1999. We evaluate each of our acquisitions to determine if it should be accounted for as a business combination or as an acquisition of assets. For our business combinations, we allocate the purchase price to the assets acquired and liabilities assumed based on their estimated fair value at the date of acquisition. Any purchase price in excess of the net fair value of the assets acquired and liabilities assumed is allocated to goodwill. See *"Item 7. MD&A—Accounting and Reporting Matters—Accounting for Acquisitions—Valuation"* below and note 3 to our consolidated financial statements.

The determination of the final purchase price allocation could extend over several quarters resulting in the use of preliminary estimates that are subject to adjustment until finalized. Such changes could have a significant impact on our consolidated financial statements.

*Accounting for Acquisitions — Leases.* With respect to business combinations that include towers that we lease and operate, such as the AT&T, T-Mobile and Sprint leased and subleased towers, we evaluate such agreements to determine treatment as finance or operating leases. The evaluation of such agreements for finance or operating lease treatment previously included consideration of each of the lease classification criteria under ASC 840-10-25, namely (1) the transfer of ownership provisions, (2) the existence of bargain purchase options, (3) the length of the remaining lease term, and (4) the present value of the minimum lease payments. With respect to the AT&T Acquisition, T-Mobile Acquisition, and the Sprint towers acquired in the Global Signal Acquisition, we determined that the tower leases were finance leases and the underlying land leases were operating leases based upon the lease term criterion, after considering the fragmentation criteria applicable under ASC 840-10-25 to leases involving both land and buildings (i.e., towers). We determined that the fragmentation criteria was met, and the tower leases could be accounted for as finance leases apart from the land leases, which are accounted for as operating leases, since (1) the fair value of the land in the aforementioned business combinations was greater than 25% of the total fair value of the leased property at inception and (2) the tower lease expirations occur beyond 75% of the estimated economic life of the tower assets.

Since the adoption of ASC 842 in 2019, the Company has not consummated any material acquisitions. See note 3 to our consolidated financial statements for further information.

*Accounting for Acquisitions — Valuation.* As of December 31, 2019, our largest asset was property and equipment, which primarily consists of communications infrastructure, followed by goodwill, operating lease ROU assets and intangible assets. Our identifiable intangible assets predominately relate to the site rental contracts and tenant relationships intangible assets. See note 3 to our consolidated financial statements for further information regarding the nature and composition of the site rental contracts and tenant relationships intangible assets.

The fair value of the vast majority of our assets and liabilities is determined by using either:

(1) discounted cash flow valuation methods (for estimating identifiable intangibles such as site rental contracts and tenant relationships or operating lease right-of-use assets and lease liabilities acquired); or
(2) estimates of replacement costs (for tangible fixed assets such as communications infrastructure).

The purchase price allocation requires subjective estimates that, if incorrectly estimated, could be material to our consolidated financial statements, including the amount of depreciation, amortization and accretion expense. The most important estimates for measurement of tangible fixed assets are (1) the cost to replace the asset with a new asset and (2) the economic useful life after giving effect to age, quality, and condition. The most important estimates for measurement of intangible assets are (1) discount rates and (2) timing and amount of cash flows including estimates regarding tenant renewals and cancellations. The most important estimates for measurement of operating lease ROU assets and lease liabilities acquired are (1) present value of our future lease payments, including whether renewals or extensions should be measured, and (2) favorability or unfavorability to the current market terms. With respect to business combinations that include towers that we lease and operate, such as the T-Mobile, Sprint and AT&T leased and subleased towers, we evaluate such agreements to determine treatment as finance or operating leases and identification of any bargain purchase options.

We record the fair value of obligations to perform certain asset retirement activities, including requirements, pursuant to our ground leases, easements, and leased facility agreements to remove communications infrastructure or remediate the space upon which certain of our communications infrastructure resides. In determining the fair value of these asset retirement obligations we must make several subjective and highly judgmental estimates such as those related to: (1) timing of cash flows; (2) future costs; (3) discount rates; and (4) the probability of enforcement to remove the towers or small cells or remediate the land. See note 3 to our consolidated financial statements.

*Accounting for Long-Lived Assets — Useful Lives.* We are required to make subjective assessments as to the useful lives of our tangible and intangible assets for purposes of determining depreciation, amortization and accretion expense that, if incorrectly estimated, could be material to our consolidated financial statements. Depreciation expense for our property and equipment is computed using the straight-line method over the estimated useful lives of our various classes of tangible assets. The substantial portion of our property and equipment represents the cost of our communications infrastructure, which is generally depreciated with an estimated useful life equal to the shorter of (1) 20 years or (2) the term of the lease (including optional renewals) for the land interests under the communications infrastructure.

The useful life of our intangible assets is estimated based on the period over which the intangible asset is expected to benefit us and gives consideration to the expected useful life of other assets to which the useful life may relate. We review the expected useful lives of our intangible assets on an ongoing basis and adjust if necessary. Amortization expense for intangible assets is computed using the straight-line method over the estimated useful life of each of the intangible assets. The useful life of the site rental contracts and tenant relationships intangible assets is limited by the maximum depreciable life of the communications infrastructure (20 years), as a result of the interdependency of the communications infrastructure and site rental contracts and tenant relationships. In contrast, the site rental contracts and tenant relationships are estimated to provide economic benefits for several decades because of the low rate of tenant cancellations and high rate of renewals experienced to date. Thus, while site rental contracts and tenant relationships are valued based upon the fair value of the site rental contracts and tenant relationships which includes assumptions regarding both (1) tenants' exercise of optional renewals contained in the acquired leases and (2) renewals of the acquired leases past the contractual term including exercisable options, the site rental contracts are amortized over a period not to exceed 20 years as a result of the useful life being limited by the depreciable life of the communications infrastructure.

*Accounting for Long-Lived Assets — Impairment Evaluation.* We review the carrying values of property and equipment, intangible assets, or other long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. We utilize the following dual grouping policy for purposes of determining the unit of account for testing impairment of the site rental contracts and tenant relationships:

(1) we pool site rental contracts and tenant relationships intangible assets and property and equipment into portfolio groups; and

(2) we separately pool site rental contracts and tenant relationships by significant tenant or by tenant grouping for individually insignificant tenants, as appropriate.

We first pool site rental contracts and tenant relationships intangible assets and property and equipment into portfolio groups for purposes of determining the unit of account for impairment testing, because we view communications infrastructure as portfolios and communications infrastructure in a given portfolio and its related tenant contracts are not largely independent of the other communications infrastructure in the portfolio. We re-evaluate the appropriateness of the pooled groups at least annually. This use of grouping is based in part on (1) our limitations regarding disposal of communications infrastructure, (2) the interdependencies of communications infrastructure portfolios, and (3) the manner in which communications infrastructure is traded in the marketplace. The vast majority of our site rental contracts and tenant relationships intangible assets and property and equipment are pooled into the U.S. owned communications infrastructure group. Secondly, and separately, we pool site rental contracts and tenant relationships by significant tenant or by tenant grouping for individually insignificant tenants, as appropriate, for purposes of determining the unit of account for impairment testing because we associate the value ascribed to site rental contracts and tenant relationships intangible assets to the underlying contracts and related tenant relationships acquired.

Our determination that an adverse event or change in circumstance has occurred that indicates that the carrying amounts may not be recoverable will generally involve (1) a deterioration in an asset's financial performance compared to historical results, (2) a shortfall in an asset's financial performance compared to forecasted results, or (3) changes affecting the utility and estimated future demands for the asset. When considering the utility of our assets, we consider events that would meaningfully impact (1) our communications infrastructure or (2) our tenant relationships. For example, consideration would be given to events that impact (1) the structural integrity and longevity of our communications infrastructure or (2) our ability to derive benefit from our existing tenant relationships, including events such as tenant's bankruptcy or insolvency or loss of a significant tenant. During 2019, there were no events or circumstances that caused us to review the carrying value of our intangible assets or property and equipment due in part to our assets performing consistently with or better than our expectations.

If the sum of the estimated future cash flows (undiscounted) from an asset, or portfolio group, significant tenant or tenant group (for individually insignificant tenants), as applicable, is less than its carrying amount, an impairment loss may be recognized. If the carrying value were to exceed the undiscounted cash flows, measurement of an impairment loss would be based on the fair value of the asset, which is based on an estimate of discounted future cash flows. The most important estimates for such calculations of undiscounted cash flows are (1) the expected additions of new tenants and equipment on our communications infrastructure and (2) estimates regarding tenant cancellations and renewals of tenant contracts. We could record impairments in the future if changes in long-term market conditions, expected future operating results or the utility of the assets results in changes for our impairment test calculations which negatively impact the fair value of our property and equipment and intangible assets, or if we changed our unit of account in the future.

Approximately 2% of our total towers currently have no tenants. We continue to pay operating expenses on these towers in anticipation of obtaining tenants on these towers in the future, primarily because of the demographics and continuing increase in demand for data in the areas around these individual towers. We estimate, based on current visibility, potential tenants on a majority of these towers. To the extent we do not believe there are long-term prospects of obtaining tenants on an individual asset and all other possible avenues for recovering the carrying value have been exhausted, including sale of the asset, we appropriately reduce the carrying value of such assets to fair value.

*Accounting for Goodwill — Impairment Evaluation.* We test goodwill for impairment on an annual basis, regardless of whether adverse events or changes in circumstances have occurred. The annual test begins with goodwill and all intangible assets being allocated to applicable reporting units. We then perform a qualitative assessment to determine whether it is "more likely than not" that the fair value of the reporting unit is less than its carrying amount. If we conclude that it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount, we would be required to perform the two-step goodwill impairment test. Otherwise, the two-step goodwill impairment test is not required. Our reporting units are the same as our operating segments (Towers and Fiber). See note 16 to our consolidated financial statements. We performed our most recent annual goodwill impairment test as of October 1, 2019, which resulted in no impairments.

*Deferred Income Taxes.* We operate as a REIT for U.S. federal income tax purposes. Our REIT taxable income is generally not subject to federal and state income taxes as a result of the deduction for dividends paid and any usage of our remaining NOLs. Accordingly, the only provision or benefit for federal income taxes for the year ended December 31, 2019 relates to TRSs. Furthermore, as a result of the deduction for dividends paid, some or all of our NOLs related to our REIT may expire without utilization. See *"Item 1. Business—Company Developments, REIT Status and Industry Overview—REIT Status"* for a discussion of the impact of our REIT status.

Our TRSs will continue to be subject, as applicable, to federal and state income taxes and foreign taxes in the jurisdictions in which such assets and operations are located. Our ability to utilize our NOLs is dependent, in part, upon us having sufficient future earnings to utilize our NOLs before they expire. If market conditions change materially and we determine that we will be unable to generate sufficient taxable income in the future to utilize our NOLs, we would be required to record an additional valuation allowance, which would reduce our earnings. Such adjustments could cause a material effect on our results of operations for the period of the adjustment. The change in our valuation allowance has no effect on our cash flows. For a further discussion of our benefit (provision) for income taxes, see *"Item 7. MD&A—Results of Operations"* and note 11 to our consolidated financial statements.

*Accounting Pronouncements*

*Recently Adopted Accounting Pronouncements.* See note 3 to our consolidated financial statements.

*Recent Accounting Pronouncements Not Yet Adopted.* See note 3 to our consolidated financial statements.

*Non-GAAP and Segment Financial Measures*

In addition to the non-GAAP financial measures used herein and as discussed in note 16 to our consolidated financial statements, we also provide (1) segment site rental gross margin, (2) segment services and other gross margin, and (3) segment operating profit, which are key measures used by management to evaluate the performance of our operating segments. These segment measures are provided pursuant to GAAP requirements related to segment reporting.

We define segment site rental gross margin as segment site rental revenues less segment site rental cost of operations, which excludes stock-based compensation expense and prepaid lease purchase price adjustments recorded in consolidated site rental cost of operations. We define segment services and other gross margin as segment services and other revenues less segment services and other cost of operations, which excludes stock-based compensation expense recorded in consolidated services and other cost of operations. We define segment operating profit as segment site rental gross margin plus segment services and other gross margin, less selling, general and administrative expenses attributable to the respective segment. All of these measurements of profit or loss are exclusive of depreciation, amortization and accretion, which are shown separately. Additionally, certain costs are shared across segments and are reflected in our segment measures through allocations that management believes to be reasonable.

We use earnings before interest, taxes, depreciation, amortization and accretion, as adjusted ("Adjusted EBITDA"), which is a non-GAAP financial measure, as an indicator of consolidated financial performance. Our measure of Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including companies in the communications infrastructure sector or other REITs, and is not a measure of performance calculated in accordance with GAAP. Adjusted EBITDA should not be considered in isolation or as a substitute for operating income (loss), net income (loss), net cash provided by (used for) operating, investing and financing activities or other income statement or cash flow statement data prepared in accordance with GAAP and should be considered only as a supplement to net income (loss) computed in accordance with GAAP as a measure of our performance. There are material limitations to using a measure such as Adjusted EBITDA, including the difficulty associated with comparing results among more than one company, including our competitors, and the inability to analyze certain significant items, including depreciation and interest expense, that directly affect our net income or loss. Management compensates for these limitations by considering the economic effect of the excluded expense items independently as well as in connection with their analysis of net income (loss).

We define Adjusted EBITDA as net income (loss) plus restructuring charges (credits), asset write-down charges, acquisition and integration costs, depreciation, amortization and accretion, amortization of prepaid lease purchase price adjustments, interest expense and amortization of deferred financing costs, (gains) losses on retirement of long-term obligations, net (gain) loss on interest rate swaps, (gains) losses on foreign currency swaps, impairment of available-for-sale securities, interest income, other (income) expense, (benefit) provision for income taxes, cumulative effect of a change in accounting principle, (income) loss from discontinued operations and stock-based compensation expense. The reconciliation of Adjusted EBITDA to our net income (loss) is set forth below. Amounts prior to 2019 have been restated to reflect the impact of the Historical Adjustments as discussed in the *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K.

| (In millions of dollars) | Years Ended December 31, 2019 | 2018 (As Restated)[c] | 2017 (As Restated)[c] |
|---|---|---|---|
| Net income (loss) | $ 860 | $ 622 | $ 366 |
| Adjustments to increase (decrease) net income (loss): | | | |
| Asset write-down charges | 19 | 26 | 17 |
| Acquisition and integration costs | 13 | 27 | 61 |
| Depreciation, amortization and accretion | 1,572 | 1,527 | 1,241 |
| Amortization of prepaid lease purchase price adjustments | 20 | 20 | 20 |
| Interest expense and amortization of deferred financing costs | 683 | 642 | 591 |
| (Gains) losses on retirement of long-term obligations | 2 | 106 | 4 |
| Interest income | (6) | (5) | (19) |
| Other (income) expense | (1) | (1) | (1) |
| (Benefit) provision for income taxes | 21 | 19 | 26 |
| Stock-based compensation expense | 116 | 108 | 96 |
| Adjusted EBITDA[(a)(b)] | $ 3,299 | $ 3,091 | $ 2,402 |

(a) The components in this table may not sum to the total due to rounding.
(b) The above reconciliation excludes the items included in our Adjusted EBITDA definition which are not applicable to the periods shown.
(c) See *"Explanatory Note"* immediately preceding Item 1 of this Annual Report on Form 10-K and note 2 to our consolidated financial statements for further information.

We believe Adjusted EBITDA is useful to investors or other interested parties in evaluating our financial performance because:

- it is the primary measure used by our management (1) to evaluate the economic productivity of our operations and (2) for purposes of making decisions about allocating resources to, and assessing the performance of our operations;
- although specific definitions may vary, it is widely used by investors or other interested parties in evaluation of the communications infrastructure sector and other REITs to measure financial performance without regard to items such as depreciation, amortization and accretion, which can vary depending upon accounting methods and the book value of assets;
- we believe it helps investors and other interested parties meaningfully evaluate and compare the results of our operations (1) from period to period and (2) to our competitors by removing the impact of our capital structure (primarily interest charges from our outstanding debt) and asset base (primarily depreciation, amortization and accretion) from our financial results; and
- it is similar to the measure of current financial performance generally used in our debt covenant calculations.

Our management uses Adjusted EBITDA:

- as a performance goal in employee annual incentive compensation;
- as a measurement of financial performance because it assists us in comparing our financial performance on a consistent basis as it removes the impact of our capital structure (primarily interest charges from our outstanding debt) and asset base (primarily depreciation, amortization and accretion) from our operating results;
- in presentations to our board of directors to enable it to have the same measurement of financial performance used by management;
- for planning purposes, including preparation of our annual operating budget;
- as a valuation measure in strategic analyses in connection with the purchase and sale of assets;
- in determining self-imposed limits on our debt levels, including the evaluation of our leverage ratio and interest coverage ratio; and
- with respect to compliance with our debt covenants, which require us to maintain certain financial ratios that incorporate concepts such as, or similar to, Adjusted EBITDA.

**Item 7A.** ***Quantitative and Qualitative Disclosures About Market Risk***

Our primary exposures to market risks are related to changes in interest rates, which may adversely affect our results of operations and financial position. We seek to manage exposure to changes in interest rates where economically prudent to do so by utilizing fixed rate debt.

Our interest rate risk relates primarily to the impact of interest rate movements on the following:

- the potential refinancing of our $18.1 billion in existing debt, compared to $16.7 billion in the prior year;
- our $3.0 billion of floating rate debt representing approximately 17% of total debt, compared to 21% in the prior year; and
- potential future borrowings of incremental debt, including borrowings under our 2016 Credit Facility and issuances under the CP Program.

*Potential Refinancing of Existing Debt*

We have no debt maturities (or anticipated repayment dates on our Tower Revenue Notes) over the next 12 months, other than principal payments on amortizing debt. As of December 31, 2019 and December 31, 2018, we had no interest rate swaps hedging any refinancings. See below for a tabular presentation of our scheduled contractual debt maturities as of December 31, 2019 and a discussion of anticipated repayment dates.

*Floating Rate Debt*

We manage our exposure to market interest rates on our existing debt by controlling the mix of fixed and floating rate debt. As of December 31, 2019, we had $3.0 billion of floating rate debt, none of which had LIBOR floors. As a result, a hypothetical unfavorable fluctuation in market interest rates on our existing debt of 1/8 of a percent point over a 12-month period would increase our interest expense by approximately $4 million. As of December 31, 2018, we had approximately $3.4 billion of floating rate debt, none of which had LIBOR floors. See also *"Item 1A. Risk Factors"* for a discussion of uncertainty related to the continued use of LIBOR.

*Potential Future Borrowings of Incremental Debt*

We typically do not hedge our exposure to interest rates on potential future borrowings of incremental debt for a substantial period prior to issuance. See *"Item 7. MD&A—Liquidity and Capital Resources"* regarding our liquidity strategy.

The following table provides information about our market risk related to changes in interest rates. The future principal payments and weighted-average interest rates are presented as of December 31, 2019. These debt maturities reflect contractual maturity dates, and do not consider the impact of the principal payments that will commence following the anticipated repayment dates of certain debt (see footnotes (b) and (d)). See note 9 to our consolidated financial statements for additional information regarding our debt.

| | Future Principal Payments and Interest Rates by the Debt Instruments' Contractual Year of Maturity | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *(In millions of dollars)* | **2020** | **2021** | **2022** | **2023** | **2024** | **Thereafter** | **Total** | **Fair Value[a]** |
| Fixed rate debt[b] | $ 40 | $ 1,587 | $ 883 | $ 3,428 | $ 774 | $ 8,531 | $ 15,243 | $ 16,178 |
| Average interest rate[b][c][d] | 4.4% | 2.9% | 5.2% | 4.2% | 3.3% | 5.2% | 4.6% | |
| Variable rate debt[e] | $ 213 [f] | $ 88 | $ 117 | $ 176 | $ 2,398 | $ — | $ 2,992 | $ 2,992 |
| Average interest rate[e] | 2.3% | 2.6% | 2.6% | 2.6% | 2.7% | —% | 2.7% | |

(a) The fair value of our debt is based on indicative quotes (that is, non-binding quotes) from brokers that require judgment to interpret market information, including implied credit spreads for similar borrowings on recent trades or bid/ask offers. These fair values are not necessarily indicative of the amount, which could be realized in a current market exchange.

(b) The impact of principal payments that will commence following the anticipated repayment dates is not considered. The Tower Revenue Notes have principal amounts of $300 million, $250 million, $700 million and $750 million, with anticipated repayment dates in 2022, 2023, 2025 and 2028, respectively.

(c) The average interest rate represents the weighted-average stated coupon rate (see also footnote (d)).

(d) If the Tower Revenue Notes are not repaid in full by the applicable anticipated repayment dates, the applicable interest rate increases by approximately 5% per annum and monthly principal payments commence using the Excess Cash Flow (as defined in the indenture governing the applicable Tower Revenue Notes) of the issuers of the Tower Revenue Notes. The Tower Revenue Notes are presented based on their contractual maturity dates ranging from 2042 to 2048 and include the impact of an assumed 5% increase in interest rate that would occur following the anticipated repayment dates but exclude the impact of monthly principal payments that would commence using Excess Cash Flow of the issuers of the Tower Revenue Notes The full year 2019 Excess Cash Flow of the issuers of the Tower Revenue Notes was approximately $764 million. We currently expect to refinance these notes on or prior to the respective anticipated repayment dates.

(e) Consists of (1) our senior unsecured term loan A facility ("2016 Term Loan A") and 2016 Revolver borrowings, each of which matures in 2024, and (2) our outstanding Commercial Paper Notes.

(f) Predominantly consists of outstanding indebtedness under our CP Program. Such amounts may be issued, repaid, or re-issued from time to time.

**Item 8.** ***Financial Statements and Supplementary Data***

**Crown Castle International Corp. and Subsidiaries**
**Index to Consolidated Financial Statements and Financial Statement Schedules**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## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Crown Castle International Corp.

***Opinions on the Financial Statements and Internal Control over Financial Reporting***

We have audited the accompanying consolidated balance sheets of Crown Castle International Corp. and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of operations and comprehensive income (loss), of equity and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes and financial statement schedules listed in the index appearing under Item 15(a)(2) for each of the three years in the period ended December 31, 2019 appearing after Item 16 (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company did not maintain, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO because a material weakness in internal control over financial reporting existed as of that date related to the accounting for tower installation services, as the Company did not have controls in place to identify lease components and account for the related deferred revenue within the Company's agreements for tower installation services or to verify the accuracy of capital expenditures made for permanent improvements associated with tower installation services.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis. The material weakness referred to above is described in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A. We considered this material weakness in determining the nature, timing, and extent of audit tests applied in our audit of the 2019 consolidated financial statements, and our opinion regarding the effectiveness of the Company's internal control over financial reporting does not affect our opinion on those consolidated financial statements.

*Restatement of Previously Issued Financial Statements*

As discussed in Note 2 to the consolidated financial statements, the Company has restated its 2018 and 2017 financial statements to correct errors.

*Change in Accounting Principle*

As discussed in Note 3 to the consolidated financial statements, the Company changed the manner in which it accounts for leases on January 1, 2019. The adoption of the new accounting standard for leases is also discussed below as a critical audit matter.

***Basis for Opinions***

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in management's report referred to above. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks.

Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

***Definition and Limitations of Internal Control over Financial Reporting***

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Critical Audit Matters***

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

*Adoption of New Accounting Standard for Leases*

As described above and in Notes 3 and 15 to the consolidated financial statements, the Company adopted the new accounting standard for leases (the "new lease standard") on January 1, 2019. The Company's consolidated operating lease right-of-use assets and operating lease liabilities (both current and noncurrent) balances were $6,133 million and $5,810 million, respectively, as of December 31, 2019. The Company adopted the new lease standard using a modified retrospective approach without adjusting the comparative periods. The package of practical expedients was elected upon adoption. In assessing its leases and determining its lease liability, management was not able to readily determine the rate implicit for its lessee arrangements, and thus has used its incremental borrowing rate ("IBR") on a collateralized basis to determine the present value of the lease payments. The Company included renewal option periods in its calculation of estimated lease term when it determined the options were reasonably certain to be exercised.

The principal considerations for our determination that performing procedures relating to the adoption of the new lease standard is a critical audit matter are there was significant auditor judgment, subjectivity, and effort in performing procedures relating to the new lease standard due to the significant judgments made by management in adopting the standard, including determining the lease term and the IBR. In addition, the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's adoption of the new lease standard, including the determination of the lease term and the IBR. These procedures also included, among others, evaluating (i) the appropriateness of accounting policies established by management in connection with the adoption of the new standard; and (ii) the reasonableness of management's determination of the lease term and the IBR. Evaluating the reasonableness of the lease term involved comparing management's assumption to relevant industry and company specific data. Evaluating the reasonableness of the IBR involved testing market-related data (including credit ratings and coupon rates of the Company's unsecured debt) used in management's method to determine IBR and using professionals with specialized skill and knowledge to assist in the evaluation of the reasonableness of the method.

*Revenue Recognition - Tower installation services*

As described in Notes 2 and 16 to the consolidated financial statements, the Company recognized $3,389 million in site rental revenues and $653 million in services and other revenues from its Towers segment for the year ended December 31, 2019. The Company has identified historical errors related to the timing of revenue recognition on its tower installation services. Specifically, the Company determined that its historical practice of recognizing the full transaction price as service revenues upon completion of an installation was not acceptable under GAAP. Instead, a portion of the transaction price for the Company's tower installation services, specifically the amounts associated with permanent improvements recorded as fixed assets, represent a lease component and should be recognized as site rental revenues on a ratable basis over the associated estimated lease term. As a result of the identified historical errors, the Company has restated its 2018 and 2017 financial statements. The restatement reduced net income for the years ended December 31, 2018 and 2017 by approximately $48 million and $59 million, respectively. The restatement also affects periods prior to 2017, the cumulative effect of which is reflected as an adjustment to opening "Dividends/distributions in excess of earnings" of $332 million as of January 1, 2017.

The principal considerations for our determination that performing procedures relating to revenue recognition of tower installation services is a critical audit matter are (i) there was significant judgment by management associated with accounting for tower installation services, which in turn led to significant audit effort in performing procedures and evaluating audit evidence related to permanent improvements recorded as fixed assets; (ii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in evaluating management’s judgments associated with the accounting for the tower installation services; and (iii) as described in the “Opinions on the Financial Statements and Internal Control over Financial Reporting” section, a material weakness was identified related to this matter.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, (i) evaluating the judgments made by management associated with accounting for tower installation services, using professionals with specialized skill and knowledge to assist in doing so; and (ii) evaluating the existence and accuracy of permanent improvements on a test basis.

/s/ PricewaterhouseCoopers LLP
Pittsburgh, Pennsylvania
March 10, 2020

We have served as the Company’s auditor since 2011.

**CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEET**
**(In millions of dollars, except par values)**

| | December 31, 2019 | December 31, 2018 (As Restated) |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 196 | $ 277 |
| Restricted cash | 137 | 131 |
| Receivables, net of allowance of $18 and $14, respectively | 596 | 501 |
| Prepaid expenses[a] | 107 | 172 |
| Other current assets | 168 | 148 |
| Total current assets | 1,204 | 1,229 |
| Deferred site rental receivables | 1,424 | 1,366 |
| Property and equipment, net | 14,666 | 13,653 |
| Operating lease right-of-use assets[a] | 6,133 | — |
| Goodwill | 10,078 | 10,078 |
| Site rental contracts and tenant relationships, net | 4,764 | 5,209 |
| Other intangible assets, net[a] | 72 | 307 |
| Long-term prepaid rent and other assets, net[a] | 116 | 920 |
| Total assets | $ 38,457 | $ 32,762 |
| **LIABILITIES AND EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | $ 334 | $ 313 |
| Accrued interest | 169 | 148 |
| Deferred revenues | 657 | 587 |
| Other accrued liabilities[a] | 361 | 351 |
| Current maturities of debt and other obligations | 100 | 107 |
| Current portion of operating lease liabilities[a] | 299 | — |
| Total current liabilities | 1,920 | 1,506 |
| Debt and other long-term obligations | 18,021 | 16,575 |
| Operating lease liabilities[a] | 5,511 | — |
| Other long-term liabilities[a] | 2,516 | 3,110 |
| Total liabilities | 27,968 | 21,191 |
| Commitments and contingencies (see note 14) | | |
| CCIC stockholders' equity: | | |
| Common stock, $0.01 par value; 600 shares authorized; shares issued and outstanding: December 31, 2019—416 and December 31, 2018—415 | 4 | 4 |
| 6.875% Mandatory Convertible Preferred Stock, Series A, $0.01 par value; 20 shares authorized; shares issued and outstanding: December 31, 2019—2 and December 31, 2018—2; aggregate liquidation value: December 31, 2019—$1,650 and December 31, 2018—$1,650 | — | — |
| Additional paid-in capital | 17,855 | 17,767 |
| Accumulated other comprehensive income (loss) | (5) | (5) |
| Dividends/distributions in excess of earnings | (7,365) | (6,195) |
| Total equity | 10,489 | 11,571 |
| Total liabilities and equity | $ 38,457 | $ 32,762 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 to the consolidated financial statements for a discussion of the recently adopted new lease standard.

See accompanying notes to consolidated financial statements.

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

| | Years Ended December 31, | | |
|---|---|---|---|
| | **2019** | **2018** | **2017** |
| | | **(As Restated)** | |
| Net revenues: | | | |
| Site rental | $ 5,093 | $ 4,796 | $ 3,734 |
| Services and other | 670 | 574 | 521 |
| Net revenues | 5,763 | 5,370 | 4,255 |
| Operating expenses: | | | |
| Costs of operations[a]: | | | |
| Site rental | 1,462 | 1,410 | 1,144 |
| Services and other | 524 | 434 | 399 |
| Selling, general and administrative | 614 | 563 | 426 |
| Asset write-down charges | 19 | 26 | 17 |
| Acquisition and integration costs | 13 | 27 | 61 |
| Depreciation, amortization and accretion | 1,572 | 1,527 | 1,241 |
| Total operating expenses | 4,204 | 3,987 | 3,288 |
| Operating income (loss) | 1,559 | 1,383 | 967 |
| Interest expense and amortization of deferred financing costs | (683) | (642) | (591) |
| Gains (losses) on retirement of long-term obligations | (2) | (106) | (4) |
| Interest income | 6 | 5 | 19 |
| Other income (expense) | 1 | 1 | 1 |
| Income (loss) before income taxes | 881 | 641 | 392 |
| Benefit (provision) for income taxes | (21) | (19) | (26) |
| Net income (loss) attributable to CCIC stockholders | 860 | 622 | 366 |
| Dividends/distributions on preferred stock | (113) | (113) | (58) |
| Net income (loss) attributable to CCIC common stockholders | $ 747 | $ 509 | $ 308 |
| Net income (loss) | $ 860 | $ 622 | $ 366 |
| Other comprehensive income (loss): | | | |
| Foreign currency translation adjustments | — | (1) | 2 |
| Total other comprehensive income (loss) | — | (1) | 2 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 860 | $ 621 | $ 368 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | |
| Net income (loss) attributable to CCIC common stockholders—basic | $ 1.80 | $ 1.23 | $ 0.80 |
| Net income (loss) attributable to CCIC common stockholders—diluted | $ 1.79 | $ 1.23 | $ 0.80 |
| Weighted-average common shares outstanding: | | | |
| Basic | 416 | 413 | 382 |
| Diluted | 418 | 415 | 383 |

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

See accompanying notes to consolidated financial statements.

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

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| | | (As Restated) | |
| **Cash flows from operating activities:** | | | |
| Net income (loss) | $ 860 | $ 622 | $ 366 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | |
| Depreciation, amortization and accretion | 1,572 | 1,527 | 1,241 |
| (Gains) losses on retirement of long-term obligations | 2 | 106 | 4 |
| Amortization of deferred financing costs and other non-cash interest | 1 | 7 | 9 |
| Stock-based compensation expense | 117 | 103 | 92 |
| Asset write-down charges | 19 | 26 | 17 |
| Deferred income tax (benefit) provision | 2 | 2 | 15 |
| Other non-cash adjustments, net | (2) | 2 | (2) |
| Changes in assets and liabilities, excluding the effects of acquisitions: | | | |
| Increase (decrease) in accrued interest | 21 | 16 | 35 |
| Increase (decrease) in accounts payable | 19 | 37 | (34) |
| Increase (decrease) in other liabilities | 254 | 271 | 234 |
| Decrease (increase) in receivables | (96) | (105) | 71 |
| Decrease (increase) in other assets | (71) | (114) | (16) |
| Net cash provided by (used for) operating activities | 2,698 | 2,500 | 2,032 |
| **Cash flows from investing activities:** | | | |
| Capital expenditures | (2,057) | (1,739) | (1,217) |
| Payments for acquisitions, net of cash acquired | (17) | (42) | (9,260) |
| Other investing activities, net | (7) | (12) | (5) |
| Net cash provided by (used for) investing activities | (2,081) | (1,793) | (10,482) |
| **Cash flows from financing activities:** | | | |
| Proceeds from issuance of long-term debt | 1,894 | 2,742 | 3,093 |
| Principal payments on debt and other long-term obligations | (86) | (105) | (119) |
| Purchases and redemptions of long-term debt | (12) | (2,346) | — |
| Borrowings under revolving credit facility | 2,110 | 1,820 | 2,820 |
| Payments under revolving credit facility | (2,660) | (1,725) | (1,840) |
| Net issuances (repayments) under commercial paper program | 155 | — | — |
| Payments for financing costs | (24) | (31) | (29) |
| Net proceeds from issuance of common stock | — | 841 | 4,221 |
| Net proceeds from issuance of preferred stock | — | — | 1,608 |
| Purchases of common stock | (44) | (34) | (23) |
| Dividends/distributions paid on common stock | (1,912) | (1,782) | (1,509) |
| Dividends/distributions paid on preferred stock | (113) | (113) | (30) |
| Net cash provided by (used for) financing activities | (692) | (733) | 8,192 |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (75) | (26) | (258) |
| **Effect of exchange rate changes on cash** | — | (1) | 1 |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 413 | 440 | 697 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 338 | $ 413 | $ 440 |

See accompanying notes to consolidated financial statements.

## CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
## CONSOLIDATED STATEMENT OF EQUITY
## (Amounts in millions)

| | Common Stock | | 6.875% Mandatory Convertible Preferred Stock | | | Accumulated Other Comprehensive Income (Loss) ("AOCI") | | |
|---|---|---|---|---|---|---|---|---|
| | Shares | ($0.01 Par) | Shares | ($0.01 Par) | Additional Paid-In Capital | Foreign Currency Translation Adjustments | Dividends/Distributions in Excess of Earnings | Total |
| Balance, December 31, 2016 (As Restated)[a] | 361 | $ 4 | — | — | $ 10,938 | $ (6) | $ (3,714) | $ 7,222 |
| Stock-based compensation related activity, net of forfeitures | 1 | — | — | — | 100 | — | — | 100 |
| Purchases and retirement of common stock | — | — | — | — | (23) | — | — | (23) |
| Net proceeds from issuance of common stock | 44 | — | — | — | 4,221 | — | — | 4,221 |
| Net proceeds from issuance of preferred stock | — | — | 2 | — | 1,608 | — | — | 1,608 |
| Other comprehensive income (loss)[b] | — | — | — | — | — | 2 | — | 2 |
| Common stock dividends/distributions | — | — | — | — | — | — | (1,513) | (1,513) |
| Preferred stock dividends/distributions | — | — | — | — | — | — | (58) | (58) |
| Net income (loss) (As Restated) | — | — | — | — | — | — | 366 | 366 |
| Balance, December 31, 2017 (As Restated) | 406 | $ 4 | 2 | $ — | $ 16,844 | $ (4) | $ (4,919) | $ 11,925 |

(a) See note 2 to the consolidated financial statements for the restatement impact to the opening balance as of December 31, 2016.
(b) See the consolidated statement of operations and comprehensive income (loss) for the components of "total other comprehensive income (loss)."

See accompanying notes to consolidated financial statements.

## CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
## CONSOLIDATED STATEMENT OF EQUITY
## (Amounts in millions)

| | Common Stock | | 6.875% Mandatory Convertible Preferred Stock | | | AOCI | | |
|---|---|---|---|---|---|---|---|---|
| | Shares | ($0.01 Par) | Shares | ($0.01 Par) | Additional Paid-In Capital | Foreign Currency Translation Adjustments | Dividends/Distributions in Excess of Earnings | Total |
| Balance, December 31, 2017 (As Restated) | 406 | $ 4 | 2 | — | $ 16,844 | $ (4) | $ (4,919) | $ 11,925 |
| Stock-based compensation related activity, net of forfeitures | 1 | — | — | — | 116 | — | — | 116 |
| Purchases and retirement of common stock | — | — | — | — | (34) | — | — | (34) |
| Net proceeds from issuance of common stock (see note 12) | 8 | — | — | — | 841 | — | — | 841 |
| Other comprehensive income (loss)[(a)] | — | — | — | — | — | (1) | — | (1) |
| Common stock dividends/distributions | — | — | — | — | — | — | (1,785) | (1,785) |
| Preferred stock dividends/distributions | — | — | — | — | — | — | (113) | (113) |
| Net income (loss) (As Restated) | — | — | — | — | — | — | 622 | 622 |
| Balance, December 31, 2018 (As Restated) | 415 | $ 4 | 2 | $ — | $ 17,767 | $ (5) | $ (6,195) | $ 11,571 |

(a) See the consolidated statement of operations and comprehensive income (loss) for the components of "total other comprehensive income (loss)."

See accompanying notes to consolidated financial statements.

# CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
## CONSOLIDATED STATEMENT OF EQUITY
### (Amounts in millions)

| | Common Stock | | 6.875% Mandatory Convertible Preferred Stock | | | AOCI | | |
|---|---|---|---|---|---|---|---|---|
| | Shares | ($0.01 Par) | Shares | ($0.01 Par) | Additional Paid-In Capital | Foreign Currency Translation Adjustments | Dividends/Distributions in Excess of Earnings | Total |
| Balance, December 31, 2018 (As Restated) | 415 | $ 4 | 2 | — | $ 17,767 | $ (5) | $ (6,195) | $ 11,571 |
| Stock-based compensation related activity, net of forfeitures | 1 | — | — | — | 132 | — | — | 132 |
| Purchases and retirement of common stock | — | — | — | — | (44) | — | — | (44) |
| Other comprehensive income (loss)[(a)] | — | — | — | — | — | — | — | — |
| Common stock dividends/distributions | — | — | — | — | — | — | (1,917) | (1,917) |
| Preferred stock dividends/distributions | — | — | — | — | — | — | (113) | (113) |
| Net income (loss) | — | — | — | — | — | — | 860 | 860 |
| Balance, December 31, 2019 | 416 | $ 4 | 2 | — | $ 17,855 | $ (5) | $ (7,365) | $ 10,489 |

(a) See the consolidated statement of operations and comprehensive income (loss) for the components of "total other comprehensive income (loss)."

See accompanying notes to consolidated financial statements.

## 1. Basis of Presentation

The consolidated financial statements include the accounts of Crown Castle International Corp. and its predecessor, as applicable (together, "CCIC"), and their subsidiaries, collectively referred to herein as the "Company." All significant intercompany balances and transactions have been eliminated in consolidation. As used herein, the term "including," and any variation thereof, means "including without limitation." The use of the word "or" herein is not exclusive. Unless the context suggests otherwise, references to "U.S." are to the United States of America and Puerto Rico, collectively.

The Company owns, operates and leases shared communications infrastructure that is geographically dispersed throughout the U.S., including (1) towers and other structures, such as rooftops (collectively, "towers"), and (2) fiber primarily supporting small cell networks ("small cells") and fiber solutions. The Company's towers, fiber and small cells assets are collectively referred to herein as "communications infrastructure," and the Company's customers on its communications infrastructure are referred to herein as "tenants."

The Company's core business is providing access, including space or capacity, to its shared communications infrastructure via long-term contracts in various forms, including lease, license, sublease and service agreements (collectively, "tenant contracts").

The Company's operating segments consist of (1) Towers and (2) Fiber. See note 16.

Approximately 53% of the Company's towers are leased or subleased or operated and managed under master leases, subleases, and other agreements with AT&T, Sprint and T-Mobile. The Company has the option to purchase these towers at the end of their respective lease terms. The Company has no obligation to exercise such purchase options. Additional information concerning these towers is as follows:

- 22% of the Company's towers are leased or subleased or operated and managed under a master prepaid lease or other related agreements with AT&T for a weighted-average initial term of approximately 28 years, weighted on Towers site rental gross margin. The Company has the option to purchase the leased and subleased towers from AT&T at the end of the respective lease or sublease terms for aggregate option payments of approximately $4.2 billion, which payments, if such option is exercised, would be due between 2032 and 2048.

- 16% of the Company's towers are leased or subleased or operated and managed for an initial period of 32 years (through May 2037) under master leases, subleases, or other agreements with Sprint. The Company has the option to purchase in 2037 all (but not less than all) of the leased and subleased Sprint towers from Sprint for approximately $2.3 billion.

- 15% of the Company's towers are leased or subleased or operated and managed under a master prepaid lease or other related agreements with T-Mobile for a weighted-average initial term of approximately 28 years, weighted on Towers site rental gross margin. The Company has the option to purchase the leased and subleased towers from T-Mobile at the end of the respective lease or sublease terms for aggregate option payments of approximately $2.0 billion, which payments, if such option is exercised, would be due between 2035 and 2049. In addition, through the acquisition of the rights to approximately 7,100 towers ("T-Mobile Acquisition"), there are another 1% of the Company's towers subject to a lease and sublease or other related arrangements with AT&T. The Company has the option to purchase these towers that it does not otherwise already own at the end of their respective lease terms for aggregate option payments of up to approximately $405 million, which payments, if such option is exercised, would be due prior to 2032 (less than $10 million would be due before 2025).

As part of the Company's effort to provide comprehensive communications infrastructure solutions, as an ancillary business, the Company also offers certain services primarily relating to its Towers segment, predominately consisting of (1) site development services primarily relating to existing or new tenant equipment installations, including: site acquisition, architectural and engineering, or zoning and permitting (collectively, "site development services") and (2) tenant equipment installation or subsequent augmentations (collectively, "installation services").

The Company operates as a REIT for U.S. federal income tax purposes. In addition, the Company has certain taxable REIT subsidiaries ("TRSs"). See note 11.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(Tabular dollars in millions, except per share amounts)

## 2. Restatement of Previously Issued Consolidated Financial Statements

Prior to the filing of this Form 10-K, the Company identified historical errors related to the timing of revenue recognition on its tower installation services. Specifically, the Company determined that its historical practice of recognizing the full transaction price as service revenues upon completion of an installation was not acceptable under GAAP. Instead, a portion of the transaction price for the Company's tower installation services, specifically the amounts associated with permanent improvements recorded as fixed assets, represent a lease component and should be recognized as site rental revenues on a ratable basis over the associated estimated lease term.

As a result of the identified historical errors, the Company has restated its financial statements for the years ended December 31, 2018 and 2017, including each of the unaudited condensed consolidated financial statements for the quarterly and year-to-date periods in the year ended December 31, 2018 and first three quarters for the year ended December 31, 2019. The restatement also affects periods prior to 2017, the cumulative effect of which is reflected as an adjustment to opening "Dividends/distributions in excess of earnings" as of January 1, 2017. The adjustments to correct the historical errors described above are referred to herein as the "Restatement Adjustments." In addition to the Restatement Adjustments, the Company has also made other adjustments to the financial statements referenced above to correct errors that were not material to its consolidated financial statements. Such immaterial adjustments are related to (1) an out-of-period adjustment to reduce 2017 site development service revenues which are now recorded in 2016; and (2) a revision in the presentation of certain tower installation activities from a gross basis to a net basis, including the associated removal of certain amounts historically categorized as capital expenditures. These immaterial adjustments relate exclusively to the Company's Towers segment. Collectively, the Restatement Adjustments and other immaterial adjustments are referred to herein as "Historical Adjustments."

The following tables summarize the effects of the Historical Adjustments on the Company’s restated consolidated balance sheet as of December 31, 2018 and its restated consolidated statement of operations and comprehensive income (loss), restated consolidated statement of cash flows and restated consolidated statement of equity for the years ended December 31, 2018 and 2017. In addition to the restatement of the financial statements, certain historical information within the notes to the consolidated financial statements have been restated to reflect the corrections of the Historical Adjustments.

The Restatement Adjustments in the tables below reflect the impact of deferring a portion of the transaction price for the Company's tower installation services, specifically the amounts associated with permanent improvements recorded as fixed assets, which have been deemed to represent a lease component. Such amounts were previously recognized as services and other revenues upon satisfaction of the related performance obligation, and are now recognized as site rental revenues on a ratable basis over the associated estimated lease term.

*Consolidated Balance Sheet*

| | December 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 13,676 | $ — | $ (23) | $ 13,653 |
| Total assets | 32,785 | — | (23) | 32,762 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 498 | 89 | — | 587 |
| Total current liabilities | 1,417 | 89 | — | 1,506 |
| Other long-term liabilities[(a)] | 2,759 | 351 | — | 3,110 |
| Total liabilities | 20,751 | 440 | — | 21,191 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (5,732) | (440) | (23) | (6,195) |
| Total equity | 12,034 | (440) | (23) | 11,571 |
| Total liabilities and equity | $ 32,785 | $ — | $ (23) | $ 32,762 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

*Consolidated Statement of Operations and Comprehensive Income (Loss)*

| | Year Ended December 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 4,716 | $ 80 | $ — | $ 4,796 |
| Services and other | 707 | (128) | (5) | 574 |
| Net revenues | 5,423 | (48) | (5) | 5,370 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 437 | — | (3) | 434 |
| Depreciation, amortization and accretion | 1,528 | — | (1) | 1,527 |
| Total operating expenses | 3,991 | — | (4) | 3,987 |
| Operating income (loss) | 1,432 | (48) | (1) | 1,383 |
| Income (loss) before income taxes | 690 | (48) | (1) | 641 |
| Net income (loss) attributable to CCIC stockholders | 671 | (48) | (1) | 622 |
| Net income (loss) attributable to CCIC common stockholders | $ 558 | $ (48) | $ (1) | $ 509 |
| Net income (loss) | $ 671 | $ (48) | $ (1) | $ 622 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 670 | $ (48) | $ (1) | $ 621 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 1.35 | $ (0.12) | $ — | $ 1.23 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 1.34 | $ (0.11) | $ — | $ 1.23 |

| | Year Ended December 31, 2017 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 3,669 | $ 65 | $ — | $ 3,734 |
| Services and other | 687 | (124) | (42) | 521 |
| Net revenues | 4,356 | (59) | (42) | 4,255 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 420 | — | (21) | 399 |
| Depreciation, amortization and accretion | 1,242 | — | (1) | 1,241 |
| Total operating expenses | 3,310 | — | (22) | 3,288 |
| Operating income (loss) | 1,046 | (59) | (20) | 967 |
| Income (loss) before income taxes | 471 | (59) | (20) | 392 |
| Net income (loss) attributable to CCIC stockholders | 445 | (59) | (20) | 366 |
| Net income (loss) attributable to CCIC common stockholders | $ 387 | $ (59) | $ (20) | $ 308 |
| Net income (loss) | $ 445 | $ (59) | $ (20) | $ 366 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 447 | $ (59) | $ (20) | $ 368 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 1.01 | $ (0.16) | $ (0.05) | $ 0.80 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 1.01 | $ (0.16) | $ (0.05) | $ 0.80 |

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

(Tabular dollars in millions, except per share amounts)

*Consolidated Statement of Cash Flows*

| | Year Ended December 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 671 | $ (48) | $ (1) | $ 622 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation, amortization and accretion | 1,528 | — | (1) | 1,527 |
| Increase (decrease) in other liabilities | 223 | 48 | — | 271 |
| Net cash provided by (used for) operating activities | 2,502 | — | (2) | 2,500 |
| **Cash flows from investing activities:** | | | | |
| Capital expenditures | (1,741) | — | 2 | (1,739) |
| Net cash provided by (used for) investing activities | (1,795) | — | 2 | (1,793) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (26) | — | — | (26) |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 440 | — | — | 440 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 413 | $ — | $ — | $ 413 |

| | Year Ended December 31, 2017 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 445 | $ (59) | $ (20) | $ 366 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation, amortization and accretion | 1,242 | — | (1) | 1,241 |
| Increase (decrease) in other liabilities | 175 | 59 | — | 234 |
| Decrease (increase) in receivables | 61 | — | 10 | 71 |
| Net cash provided by (used for) operating activities | 2,043 | — | (11) | 2,032 |
| **Cash flows from investing activities:** | | | | |
| Capital expenditures | (1,228) | — | 11 | (1,217) |
| Net cash provided by (used for) investing activities | (10,493) | — | 11 | (10,482) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (258) | — | — | (258) |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 697 | — | — | 697 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 440 | $ — | $ — | $ 440 |

(Tabular dollars in millions, except per share amounts)

*Consolidated Statement of Equity*

| | December 31, 2016 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Dividends/distributions in excess of earnings | $ (3,379) | $ (332) | $ (3) | $ (3,714) |
| Total stockholders' equity | $ 7,557 | $ (332) | $ (3) | $ 7,222 |

| | December 31, 2017 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Dividends/distributions in excess of earnings | $ (4,505) | $ (391) | $ (23) | $ (4,919) |
| Total stockholders' equity | $ 12,339 | $ (391) | $ (23) | $ 11,925 |

| | December 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Dividends/distributions in excess of earnings | $ (5,732) | $ (440) | $ (23) | $ (6,195) |
| Total stockholders' equity | $ 12,034 | $ (440) | $ (23) | $ 11,571 |

## 3. Summary of Significant Accounting Policies

The following is a discussion of the Company's significant accounting policies in effect for the year ended December 31, 2019.

*Restricted Cash*

Restricted cash represents (1) the cash held in reserve by the indenture trustees pursuant to the indenture governing certain of the Company's debt instruments, (2) cash securing performance obligations such as letters of credit, as well as (3) any other cash whose use is limited by contractual provisions. The restriction of rental cash receipts is a critical feature of certain of the Company's debt instruments, due to the applicable indenture trustee's ability to utilize the restricted cash for the payment of (1) debt service costs, (2) ground rents, (3) real estate or personal property taxes, (4) insurance premiums related to towers, (5) other assessments by governmental authorities and potential environmental remediation costs, or (6) a portion of advance rents from tenants. The restricted cash in excess of required reserve balances is subsequently released to the Company in accordance with the terms of the indentures. See note 17 for a reconciliation of cash, cash equivalents and restricted cash.

*Receivables Allowance*

An allowance for doubtful accounts is recorded as an offset to accounts receivable. The Company uses judgment in estimating this allowance and considers historical collections, current credit status, or contractual provisions. Additions to the allowance for doubtful accounts are charged either to "Site rental costs of operations" or to "Services and other costs of operations," as appropriate, and deductions from the allowance are recorded when specific accounts receivable are written off as uncollectible.

*Lease Accounting*

Effective January 1, 2019, the Company adopted new guidance on the recognition, measurement, presentation and disclosure of leases (commonly referred to as "ASC 842" or the "new lease standard").

The new lease standard requires lessees to recognize a right-of-use ("ROU") asset and a lease liability, initially measured at the present value of the lease payments for all leases with a term greater than 12 months. The accounting for lessors remained largely unchanged from previous guidance. See *"Recently Adopted Accounting Pronouncements"* for additional information regarding the adoption of the new lease standard.

*General.* The Company evaluates whether a contract meets the definition of a lease whenever a contract grants a party the right to control the use of an identified asset for a period of time in exchange for consideration. To the extent the identified asset is able to be shared among multiple parties, the Company has determined that one party does not have control of the identified asset and the contract is not considered a lease. The Company accounts for contracts that do not meet the definition of a lease under other relevant accounting guidance (such as ASC 606 for revenue from contracts with customers).

*Lessee.* For its Tower segment, the Company's lessee arrangements primarily consist of ground leases for land under towers. Ground leases for land are specific to each site, generally contain an initial term of five to 10 years and are renewable (and cancelable after a notice period) at the Company's option. The Company also enters into term easements and ground leases in which it prepays the entire term. For its Fiber segment, the Company's lessee arrangements primarily include leases of fiber assets to support the Company's small cells and fiber solutions.

The majority of the Company's lease agreements have certain termination rights that provide for cancellation after a notice period and multiple renewal options exercisable at the Company's option. The Company includes renewal option periods in its calculation of the estimated lease term when it determines the options are reasonably certain to be exercised. When such renewal options are deemed to be reasonably certain, the estimated lease term determined under ASC 842 will be greater than the non-cancelable term of the contractual arrangement. Although certain renewal periods are included in the estimated lease term, the Company would have the ability to terminate or elect to not renew a particular lease if business conditions warrant such a decision.

The Company classifies its lessee arrangements at inception as either operating leases or finance leases. A lease is classified as a finance lease if at least one of the following criteria is met: (1) the lease transfers ownership of the underlying asset to the lessee, (2) the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise, (3) the lease term is for a major part of the remaining economic life of the underlying asset, (4) the present value of the sum of the lease payments equals or exceeds substantially all of the fair value of the underlying asset, or (5) the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. A lease is classified as an operating lease if none of the five criteria described above for finance lease classification is met.

ROU assets associated with operating leases are included in "Operating lease right-of-use assets" on the Company's consolidated balance sheet. Current and long-term portions of lease liabilities related to operating leases are included in "Current portion of operating lease liabilities" and "Operating lease liabilities" on the Company's consolidated balance sheet, respectively. ROU assets represent the Company's right to use an underlying asset for the estimated lease term and lease liabilities represent the Company's present value of its future lease payments. In assessing its leases and determining its lease liability at lease commencement or upon modification, the Company was not able to readily determine the rate implicit for its lessee arrangements, and thus has used its incremental borrowing rate on a collateralized basis to determine the present value of the lease payments. The Company's ROU assets are measured as the balance of the lease liability plus any prepaid or accrued lease payments and any unamortized initial direct costs. For both the Towers and Fiber segments, operating lease expenses are recognized on a ratable basis, regardless of whether the payment terms require the Company to make payments annually, quarterly, monthly, or for the entire term in advance. Certain of the Company's ground lease and fiber lease agreements contain fixed escalation clauses (such as fixed dollar or fixed percentage increases) or inflation-based escalation clauses (such as those tied to the change in consumer price index ("CPI")). If the payment terms include fixed escalator provisions, the effect of such increases is recognized on a straight-line basis. The Company calculates the straight-line expense over the tenant contract's estimated lease term, including any renewal option periods that the Company deems reasonably certain to be exercised.

Lease agreements may also contain provisions for a contingent payment based on (1) the revenues derived from the communications infrastructure located on the leased asset, (2) the change in CPI or (3) the usage of the leased asset. The Company's contingent payments are considered variable lease payments and are (1) not included in the initial measurement of the ROU asset or lease liability due to the uncertainty of the payment amount and (2) recorded as expense in the period such contingencies are resolved.

ROU assets associated with finance leases are included in "Property and equipment, net" on the Company's consolidated balance sheet. Lease liabilities associated with finance leases are included in "Current maturities of debt and other obligations" and "Debt and other long-term obligations" on the Company's consolidated balance sheet. For both its Towers and Fiber segments, the Company measures the lease liability for finance leases using the effective interest method. The initial lease liability is increased to reflect interest on the liability and decreased to reflect payments made during the period. Interest on the lease liability is determined each period during the lease term as the amount that results in a constant periodic discount rate on the remaining balance of the liability. The Company measures ROU assets for finance leases on a ratable basis over the applicable lease term.

The Company reviews the carrying value of its ROU assets for impairment, similar to its other long-lived assets, whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The Company could record impairments in the future if there are changes in (1) long-term market conditions, (2) expected future operating results or (3) the utility of the assets that negatively impact the fair value of its ROU assets.

*Lessor*. The Company's lessor arrangements primarily include tenant contracts for dedicated space (including dedicated fiber) on its shared communications infrastructure. The Company classifies its leases at inception as operating, direct financing or sales-type leases. A lease is classified as a sales-type lease if at least one of the following criteria is met: (1) the lease transfers ownership of the underlying asset to the lessee, (2) the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise, (3) the lease term is for a major part of the remaining economic life of the underlying asset, (4) the present value of the sum of the lease payments equals or exceeds substantially all of the fair value of the underlying assets or (5) the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. Furthermore, when none of the above criteria is met, a lease is classified as a direct financing lease if both of the following criteria are met: (1) the present value of the of the sum of the lease payments and any residual value guaranteed by the lessee, that is not already reflected in the lease payments, equals or exceeds the fair value of the underlying asset and (2) it is probable that the lessor will collect the lease payments plus any amount necessary to satisfy a residual value guarantee. A lease is classified as an operating lease if it does not qualify as a sales-type or direct financing lease. Currently, the Company classifies all of its lessor arrangements as operating leases.

Site rental revenues from the Company’s lessor arrangements are recognized on a straight-line, ratable basis over the fixed, non-cancelable term of the relevant tenant contract, regardless of whether the payments from the tenant are received in equal monthly amounts during the life of a tenant contract. Certain of the Company's tenant contracts contain fixed escalation clauses (such as fixed-dollar or fixed-percentage increases) or inflation-based escalation clauses (such as those tied to the change in CPI). If the payment terms call for fixed escalations, upfront payments, or rent-free periods, the rental revenue is recognized on a straight-line basis over the fixed, non-cancelable term of the agreement. When calculating straight-line site rental revenues, the Company considers all fixed elements of tenant contractual escalation provisions.

Certain of the Company's arrangements with tenants in its Fiber segment contain both lease and non-lease components. In such circumstances, the Company has determined (1) the timing and pattern of transfer for the lease and non-lease component are the same and (2) the stand-alone lease component would be classified as an operating lease. As such, the Company has aggregated certain non-lease components with lease components and has determined that the lease components (generally dedicated fiber) represent the predominant component of the arrangement.

*Property and Equipment*

Property and equipment is stated at cost, net of accumulated depreciation. Property and equipment includes land owned in fee and perpetual easements for land, which have no definite life. When the Company purchases fee ownership or perpetual easements for the land previously subject to ground lease, the Company reduces the value recorded as land by the amount of any associated deferred ground lease payable or unamortized above-market leases. Depreciation is computed utilizing the straight-line method at rates based upon the estimated useful lives of the various classes of assets. Depreciation of communications infrastructure is generally computed with a useful life equal to the shorter of 20 years or the term of the underlying ground lease (including optional renewal periods). Additions and permanent improvements to the Company's communications infrastructure are capitalized, while maintenance and repairs are expensed.

Labor and interest costs incurred directly related to the construction of certain property and equipment are capitalized during the construction phase of projects. For the years ended December 31, 2019, 2018 and 2017, the Company had $246 million, $212 million and $92 million in capitalized labor costs, respectively. The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Abandonments and write-offs of property and equipment are recorded to "Asset write-down charges" on the Company's consolidated statement of operations and comprehensive income (loss) and were $17 million, $22 million and $14 million for the years ended December 31, 2019, 2018 and 2017, respectively.

*Asset Retirement Obligations*

Pursuant to its ground lease, easement and leased facility agreements, the Company records obligations to perform asset retirement activities, including requirements to remove communications infrastructure or remediate the space upon which certain of its communications infrastructure resides. Asset retirement obligations are included in "Other long-term liabilities" on the Company's consolidated balance sheet. The liability accretes as a result of the passage of time and the related accretion expense is included in "Depreciation, amortization and accretion" on the Company's consolidated statement of operations and comprehensive income (loss). The associated asset retirement costs are capitalized as an additional carrying amount of the related long-lived asset and depreciated over the useful life of such asset.

*Goodwill*

Goodwill represents the excess of the purchase price for an acquired business over the allocated value of the related net assets. The Company tests goodwill for impairment on an annual basis, regardless of whether adverse events or changes in circumstances have occurred. The annual test begins with goodwill and all intangible assets being allocated to applicable reporting units. The Company's reporting units are the same as its operating segments (Towers and Fiber). The Company then performs a qualitative assessment to determine whether it is "more likely than not" that the fair value of the reporting units is less than its carrying amount. If it is concluded that it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount, it is necessary to perform the two-step goodwill impairment test. The two-step goodwill impairment test begins with a comparison of the estimated fair value of the reporting unit and the carrying value of the reporting unit. The first step, commonly referred to as a "step-one impairment test," is a screen for potential impairment while the second step measures the amount of impairment if there is an indication from the first step that one exists. The Company's measurement of the fair value for goodwill is based on an estimate of discounted expected future cash flows of the reporting unit. The Company performed its most recent annual goodwill impairment test as of October 1, 2019, which resulted in no impairments.

*Intangible Assets*

Intangible assets are included in "Site rental contracts and tenant relationships, net" and "Other intangible assets, net" on the Company's consolidated balance sheet and predominately consist of the estimated fair value of site rental contracts and tenant relationships or other contractual rights, such as trademarks, that are recorded in conjunction with acquisitions. The site rental contracts and tenant relationships intangible assets are comprised of (1) the current term of the existing leases, (2) the high rate of tenant retention, and (3) any associated relationships that are expected to generate value following the expiration of all renewal periods under existing leases.

The useful lives of intangible assets are estimated based on the period over which the intangible asset is expected to benefit the Company and gives consideration to the expected useful life of other assets to which the useful life may relate. Amortization expense for intangible assets is computed using the straight-line method over the estimated useful life of each of the intangible assets. The useful life of the site rental contracts and tenant relationships intangible asset is limited by the maximum depreciable life of the communications infrastructure (20 years), as a result of the interdependency of the communications infrastructure and site rental leases. In contrast, the site rental contracts and tenant relationships are estimated to provide economic benefits for several decades because of the low rate of tenant cancellations and high rate of tenant retention experienced to date. Thus, while site rental contracts and tenant relationships are valued based upon the fair value, which includes assumptions regarding both (1) tenants' exercise of optional renewals contained in the acquired leases and (2) renewals of the acquired leases past the contractual term including exercisable options, the site rental contracts and tenant relationships are amortized over a period not to exceed 20 years.

The carrying value of other intangible assets with finite useful lives will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. The Company has a dual grouping policy for purposes of determining the unit of account for testing impairment of the site rental contracts and tenant relationships intangible assets. First, the Company pools the site rental contracts and tenant relationships with the related communications infrastructure assets into portfolio groups for purposes of determining the unit of account for impairment testing. Second and separately, the Company evaluates the site rental contracts and tenant relationships by significant tenant or by tenant grouping for individually insignificant tenants, as appropriate. If the sum of the estimated future cash flows (undiscounted) expected to result from the use or eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset.

See *"Recently Adopted Accounting Pronouncements"* for additional information regarding the adoption of the new lease standard.

*Deferred Credits*

Deferred credits are included in "Deferred revenues" and "Other long-term liabilities" on the Company's consolidated balance sheet and consist of the estimated fair value of below-market tenant leases for contractual interests with tenants on acquired communications infrastructure, which are amortized to site rental revenues.

Fair value for these deferred credits represents the difference between (1) the stated contractual payments to be made pursuant to the in-place lease and (2) management's estimate of fair market lease rates for each corresponding lease. Deferred credits are measured over a period equal to the estimated remaining economic lease term considering renewal provisions or economics associated with those renewal provisions, to the extent applicable. Deferred credits are amortized over their respected estimated lease terms at the time of acquisition.

See *"Recently Adopted Accounting Pronouncements"* for additional information regarding the adoption of the new lease standard.

*Deferred Financing Costs*

Third-party costs incurred to obtain financing, with the exception of costs incurred related to revolving lines of credit, are deferred and are included as a direct deduction from the carrying amount of the related debt liability in "Debt and other long-term obligations" on the Company's consolidated balance sheet. Third party costs incurred to obtain financing through a revolving line of credit are deferred and are included in "Long-term prepaid rent and other assets, net" on the Company's consolidated balance sheet.

*Revenue Recognition*

The Company generates site rental revenues from its core business by providing tenants with access, including space or capacity, to its shared communications infrastructure via long-term tenant contracts in various forms, including lease, license, sublease and service agreements. Providing such access over the length of the tenant contract term represents the Company’s sole performance obligation under its tenant contracts.

*Site rental revenues.* Site rental revenues from the Company's tenant contracts are recognized on a straight-line, ratable basis over the fixed, non-cancelable term of the relevant tenant contract, which generally ranges from five to 15 years for wireless tenants and three to 20 years related to the Company's fiber solutions tenants (including from organizations with high-bandwidth and multi-location demands), regardless of whether the payments from the tenant are received in equal monthly amounts during the life of the tenant contract. Certain of the Company's tenant contracts contain (1) fixed escalation clauses (such as fixed dollar or fixed percentage increases) or inflation-based escalation clauses (such as those tied to the CPI), (2) multiple renewal periods exercisable at the tenant's option and (3) only limited termination rights at the applicable tenant's option through the current term. If the payment terms call for fixed escalations, upfront payments, or rent-free periods, the revenue is recognized on a straight-line basis over the fixed, non-cancelable term of the agreement. When calculating straight-line rental revenues, the Company considers all fixed elements of tenant contractual escalation provisions, even if such escalation provisions contain a variable element in addition to a minimum. The Company's assets related to straight-line site rental revenues include current amounts of $114 million and $92 million included in "Other current assets" and non-current amounts of $1.4 billion and $1.4 billion included in "Deferred site rental receivables" for the years ended December 31, 2019 and 2018, respectively. Amounts billed or received prior to being earned are deferred and reflected in "Deferred revenues" and "Other long-term liabilities." Amounts to which the Company has an unconditional right to payment, which are related to both satisfied or partially satisfied performance obligations, are recorded within "Receivables, net" on the Company's consolidated balance sheet.

*Services and other revenues.* As part of the Company’s effort to provide comprehensive communications infrastructure solutions, as an ancillary business, the Company offers certain services relating to its Towers segment, predominately consisting of (1) site development services and (2) installation services. Upon contract commencement, the Company assesses its services to tenants and identifies performance obligations for each promise to provide a distinct service.

The Company may have multiple performance obligations for site development services, which primarily include: structural analysis, zoning, permitting and construction drawings. For each of the above performance obligations, services revenues are recognized at completion of the applicable performance obligation, which represents the point at which the Company believes it has transferred goods or services to the tenant. The revenue recognized is based on an allocation of the transaction price among the performance obligations in a respective contract based on estimated standalone selling price. The volume and mix of site development services may vary among contracts and may include a combination of some or all of the above performance obligations. Payments generally are due within 45 to 60 days and generally do not contain variable-consideration provisions. The transaction price for the Company's tower installation services consists of amounts for (1) permanent improvements to the Company's towers that represent a lease component and (2) the performance of the service. Amounts under the Company's tower installation service agreements that represent a lease component are recognized as site rental revenues on a straight-line basis over the length of the associated estimated lease term. For the performance of the installation service, the Company has one performance obligation, which is satisfied at the time of the applicable installation or augmentation and recognized as services and other revenues. Since performance obligations are typically satisfied prior to receiving payment from tenants, the unconditional right to payment is recorded within "Receivables, net" on the Company’s consolidated balance sheet. The vast majority of the Company’s services relates to the Company’s Towers segment, and generally have a duration of one year or less.

*Additional information on revenues.* The following additional information on revenues reflect the impact of the Historical Adjustments, where applicable, as discussed in note 2. As of January 1, 2019 and December 31, 2019, a total of $2.7 billion and $2.9 billion of unrecognized revenue, respectively, was reported in "Deferred revenues" and "Other non-current liabilities" on the Company's consolidated balance sheet. During the year ended December 31, 2019, approximately $510 million of the January 1, 2019 unrecognized revenue balance was recognized as revenue. As of January 1, 2018, a total of $2.5 billion of unrecognized revenue was reported in "Deferred revenues" and "Other non-current liabilities" on the Company's consolidated balance sheet. During the year ended December 31, 2018, approximately $470 million of the January 1, 2018 unrecognized revenue balance was recognized as revenue.

See note 5 for further discussion regarding the Company’s revenues.

*Costs of Operations*

Approximately half of the Company's site rental costs of operations expenses consist of Towers ground lease expenses, and the remainder includes fiber access expenses, property taxes, repairs and maintenance expenses, employee compensation or related benefit costs, or utilities. Generally, the ground leases for land are specific to each site and are for an initial term of five years and are renewable for pre-determined periods. The Company also enters into term easements and ground leases in which it prepays the entire term in advance. Fiber access expenses primarily consist of leases of fiber assets and other access agreements to facilitate the Company's communications infrastructure.

Ground lease and fiber access expenses are recognized on a ratable basis, regardless of whether the payment terms require the Company to make payments annually, quarterly, monthly, or for the entire term in advance. Certain of the Company's ground lease and fiber access agreements contain fixed escalation clauses (such as fixed dollar or fixed percentage increases) or inflation-based escalation clauses (such as those tied to the change in CPI). If the payment terms include fixed escalator provisions, the effect of such increases is recognized on a straight-line basis. Further, when a tenant has exercisable renewal options that would compel the Company to exercise existing renewal options, the Company has straight-lined the expense over a sufficient portion of such renewals to coincide with the final termination of the tenant's renewal options. The Company's liability related to straight-line expense is included in "Operating lease right-of-use assets" on the Company's consolidated balance sheet. The Company's assets related to prepaid agreements is included in "Prepaid expenses" and "Operating lease right-of-use assets" on the Company's consolidated balance sheet. See also *"Lease Accounting—Lessee"* and *"Recently Adopted Accounting Pronouncements"* for additional information regarding the adoption of the new lease standard.

Services and other costs of operations predominately consist of third-party service providers such as contractors and professional services firms and, to a lesser extent, internal labor costs.

*Acquisition and Integration Costs*

Direct or incremental costs related to a potential or completed business combination transaction are expensed as incurred. Such costs are predominately comprised of severance, retention bonuses payable to employees of an acquired enterprise, temporary employees to assist with the integration of the acquired operations, fees paid for services (such as consulting, accounting, legal, or engineering reviews), and any other costs directly associated with the transaction. These business combination costs are included in "Acquisition and integration costs" on the Company's consolidated statement of operations and comprehensive income (loss). For those transactions accounted for as asset acquisitions, these costs are capitalized as part of the purchase price. See note 4 for a discussion of the Company's recent acquisitions.

*Stock-Based Compensation*

*Restricted Stock Units.* The Company records stock-based compensation expense only for those unvested restricted stock units ("RSUs") for which the requisite service is expected to be rendered. The cumulative effect of a change in the estimated number of RSUs for which the requisite service is expected to be or has been rendered is recognized in the period of the change in the estimate. To the extent that the requisite service is rendered, compensation cost for accounting purposes is not reversed; rather, it is recognized regardless of whether or not the awards vest. A discussion of the Company's valuation techniques and related assumptions and estimates used to measure the Company's stock-based compensation is as follows:

*Valuation.* The fair value of RSUs without market conditions is determined based on the number of shares relating to such RSUs and the quoted price of the Company's common stock at the date of grant. The Company estimates the fair value of RSUs with market conditions granted using a Monte Carlo simulation. The Company's determination of the fair value of RSUs with market conditions on the date of grant is affected by its common stock price as well as assumptions regarding a number of highly complex or subjective variables. The determination of fair value using a Monte Carlo simulation requires the input of subjective assumptions, and other reasonable assumptions could provide differing results.

*Amortization Method.* The Company amortizes the fair value of all RSUs on a straight-line basis for each separately vesting tranche of the award (graded vesting schedule) over the requisite service periods.

*Expected Volatility.* The Company estimates the volatility of its common stock at the date of grant based on the historical volatility of its common stock.

*Expected Dividend Rate.* The expected dividend rate at the date of grant is based on the then-current dividend yield.

*Risk-Free Rate.* The Company bases the risk-free rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term equal to the expected life of the award.

*Forfeitures.* The Company uses historical data and management's judgment about the future employee turnover rates to estimate the number of shares for which the requisite service period will not be rendered.

(Tabular dollars in millions, except per share amounts)

*Interest Expense and Amortization of Deferred Financing Costs*

The components of interest expense and amortization of deferred financing costs are as follows:

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| Interest expense on debt obligations | $ 682 | $ 635 | $ 582 |
| Amortization of deferred financing costs and adjustments on long-term debt, net | 21 | 21 | 19 |
| Capitalized interest | (20) | (15) | (12) |
| Other | — | 1 | 2 |
| Total | $ 683 | $ 642 | $ 591 |

The Company amortizes deferred financing costs, discounts and premiums over the estimated term of the related borrowing using the effective interest yield method. Deferred financing costs and discounts are generally presented as a direct reduction to the related debt obligation on the Company's consolidated balance sheet.

*Income Taxes*

The Company operates as a REIT for U.S. federal income tax purposes. As a REIT, the Company is generally entitled to a deduction for dividends that it pays and therefore is not subject to U.S. federal corporate income tax on its net taxable income that is currently distributed to its stockholders. The Company also may be subject to certain federal, state, local and foreign taxes on its income and assets, including (1) taxes on any undistributed income, (2) taxes related to the TRSs, (3) franchise taxes, (4) property taxes, and (5) transfer taxes. In addition, the Company could in certain circumstances be required to pay an excise or penalty tax, which could be significant in amount, in order to utilize one or more relief provisions under the Internal Revenue Code of 1986, as amended ("Code"), to maintain qualification for taxation as a REIT.

Additionally, the Company has included in TRSs certain other assets and operations. Those TRS assets and operations will continue to be subject, as applicable, to federal and state corporate income taxes or to foreign taxes in the jurisdictions in which such assets and operations are located. The Company's foreign assets and operations (including its tower operations in Puerto Rico) are subject to foreign income taxes in the jurisdictions in which such assets and operations are located, regardless of whether they are included in a TRS or not. For its REIT conversion and certain subsequent acquisitions into the REIT, the Company will be subject to a federal corporate level tax rate (currently 21%) on any gain recognized from the sale of assets occurring within a specified period (generally 5 years) after the transfer date up to the amount of the built in gain that existed on the transfer date, which is based upon the fair market value of those assets in excess of the Company's tax basis on the transfer date. This gain can be offset by any remaining federal net operating loss carryforwards ("NOLs").

For the Company's TRSs, the Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Deferred income tax assets and liabilities are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates. A valuation allowance is provided on deferred tax assets if it is determined that it is "more likely than not" that the asset will not be realized. The Company records a valuation allowance against deferred tax assets when it is "more likely than not" that some portion or all of the deferred tax asset will not be realized. The Company reviews the recoverability of deferred tax assets each quarter and based upon projections of future taxable income, reversing deferred tax liabilities or other known events that are expected to affect future taxable income, records a valuation allowance for assets that do not meet the "more likely than not" realization threshold. Valuation allowances may be reversed if related deferred tax assets are deemed realizable based upon changes in facts and circumstances that impact the recoverability of the asset.

The Company recognizes a tax position if it is "more likely than not" that it will be sustained upon examination. The tax position is measured at the largest amount that is greater than 50 percent likely of being realized upon ultimate settlement. The Company reports penalties and tax-related interest expense as a component of the benefit (provision) for income taxes. As of December 31, 2019 and 2018, the Company has not recorded any material penalties related to its income tax positions.

See note 11.

*Per Share Information*

Basic net income (loss) attributable to CCIC common stockholders, per common share, excludes dilution and is computed by dividing net income (loss) attributable to CCIC common stockholders by the weighted-average number of common shares outstanding during the period. For the years ended December 31, 2019, 2018 and 2017, diluted net income (loss) attributable to CCIC common stockholders, per common share, is computed by dividing net income (loss) attributable to CCIC common stockholders by the weighted-average number of common shares outstanding during the period, plus any potential dilutive common share equivalents, including shares issuable upon (1) the vesting of restricted stock units as determined under the treasury stock method and (2) conversion of the Company's 6.875% Mandatory Convertible Preferred Stock, Series A, par value $0.01 per share ("6.875% Convertible Preferred Stock"), as determined under the if-converted method.

A reconciliation of the numerators and denominators of the basic and diluted per share computations is shown in the table below. The table below also gives effect to the Historical Adjustments as discussed in note 2.

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| | | (As Restated) | |
| Net income (loss) attributable to CCIC stockholders | $ 860 | $ 622 | $ 366 |
| Dividends/distributions on preferred stock | (113) | (113) | (58) |
| Net income (loss) attributable to CCIC common stockholders for basic and diluted computations | $ 747 | $ 509 | $ 308 |
| | | | |
| Weighted-average number of common shares outstanding (in millions): | | | |
| Basic weighted-average number of common stock outstanding | 416 | 413 | 382 |
| Effect of assumed dilution from potential issuance of common shares relating to RSUs | 2 | 2 | 1 |
| Diluted weighted-average number of common shares outstanding | 418 | 415 | 383 |
| | | | |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | |
| Basic | $ 1.80 | $ 1.23 | $ 0.80 |
| Diluted | $ 1.79 | $ 1.23 | $ 0.80 |
| | | | |
| Dividends/distributions declared per share of common stock | $ 4.58 | $ 4.28 | $ 3.90 |

For the years ended December 31, 2019 and 2018, 14 million and 15 million, respectively, common share equivalents related to the 6.875% Convertible Preferred Stock were excluded from the dilutive common shares because the impact of the conversion of such preferred stock would be anti-dilutive based on the Company's common stock price at the end of each respective year. See notes 12 and 13 for further discussion of our 6.875% Convertible Preferred Stock.

*Fair Values*

The Company's assets and liabilities recorded at fair value are categorized based upon a fair value hierarchy that ranks the quality and reliability of the information used to determine fair value. The three levels of the fair value hierarchy are (1) Level 1 — quoted prices (unadjusted) in active and accessible markets, (2) Level 2 — observable prices that are based on inputs not quoted in active markets but corroborated by market data, and (3) Level 3 — unobservable inputs and are not corroborated by market data. The Company evaluates fair value hierarchy level classifications quarterly, and transfers between levels are effective at the end of the quarterly period.

The fair value of cash and cash equivalents and restricted cash approximate the carrying value. The Company determines the fair value of its debt securities based on indicative, non-binding quotes from brokers. Quotes from brokers require judgment and are based on the brokers' interpretation of market information, including implied credit spreads for similar borrowings on recent trades or bid/ask prices or quotes from active markets if available. Foreign currency swaps are valued at settlement amounts using observable exchange rates and, if material, reflect an adjustment for the Company's and contract counterparty's credit risk. There were no changes since December 31, 2018 in the Company's valuation techniques used to measure fair values. See note 10 for a further discussion of fair values.

*Recently Adopted Accounting Pronouncements*

*Lease Accounting*

In February 2016, the FASB issued new guidance on the recognition, measurement, presentation and disclosure of leases. The new guidance requires lessees to recognize a ROU asset and a lease liability, initially measured at the present value of the lease payments for all leases with a term greater than 12 months. The accounting for lessors remains largely unchanged from existing guidance.

The Company adopted the new lease standard using a modified retrospective approach as of the effective date (i.e., January 1, 2019), without adjusting the comparative periods. The Company's adoption of the new lease standard did not result in a cumulative-effect adjustment being recognized to the opening balance of retained earnings. The new lease standard provides a package of practical expedients, whereby companies can elect not to reassess (if applicable), (1) whether existing contracts contain leases under the new definition of a lease, (2) lease classification for expired or existing leases and (3) whether previously capitalized initial direct costs would qualify for capitalization under ASC 842. The Company elected the package of practical expedients upon adoption.

The new lease standard requires lessees to recognize a lease liability, initially measured at the present value of the lease payments for all leases, and a corresponding ROU asset. The accounting for lessors remained largely unchanged from previous guidance.

Due to the recognition of the lease liability and a corresponding ROU asset, the new lease standard had a material impact on the Company's consolidated balance sheet. Additionally, certain amounts related to its lessee arrangements that were previously reported separately have been de-recognized and reclassified into "Operating lease right-of-use assets" on the Company's consolidated balance sheet. These amounts include (1) the Company's liability related to straight-line expense, formerly referred to as "Deferred ground lease payable" and previously included in "Other accrued liabilities" and "Other long-term liabilities," (2) prepaid rent expense previously included in "Prepaid expenses" and "Long-term prepaid rent and other assets, net," (3) below-market leases previously included in "Other intangible assets, net," and (4) above-market leases previously included in "Other long-term liabilities."

Notwithstanding the material impact to the Company's consolidated balance sheet, the Company's adoption of the new lease standard did not have a material impact on the Company's consolidated statement of operations or statement of cash flows. Additionally, the adoption of this guidance had no impact on the Company's operating practices, cash flows, contractual arrangements, or debt agreements (including compliance with any applicable covenants).

See *"Lease Accounting"* for further discussion of the Company's updated accounting policies for leases.

*Recent Accounting Pronouncements Not Yet Adopted*

No new accounting pronouncements issued but not yet adopted are expected to have a material impact on the Company's consolidated financial statements.

## 4. Acquisitions

*2017 FiberNet Acquisition*

On November 1, 2016, the Company announced that it had entered into a definitive agreement to acquire FPL FiberNet Holdings, LLC and certain other subsidiaries of NextEra Energy, Inc. (collectively, "FiberNet") for approximately $1.5 billion in cash, subject to certain limited adjustments ("FiberNet Acquisition"). FiberNet is a fiber services provider in Florida and Texas that, as of the agreement date, owned or had rights to approximately 11,500 route miles of fiber installed or under construction, inclusive of approximately 6,000 route miles in top metro markets. On January 17, 2017, the Company closed the FiberNet Acquisition, which was financed using proceeds from its November 2016 issuance of 11.4 million shares of common stock, which generated net proceeds of $1.0 billion and borrowings under the 2016 Revolver (see note 9).

(Tabular dollars in millions, except per share amounts)

The final purchase price allocation for the FiberNet Acquisition is shown below.

| **Final Purchase Price Allocation** | | |
|---|---|---|
| Current assets | $ | 52 |
| Property and equipment | | 438 |
| Goodwill[(a)] | | 778 |
| Other intangible assets, net[(b)] | | 327 |
| Other non-current assets | | 2 |
| Current liabilities | | (41) |
| Other non-current liabilities | | (35) |
| Net assets acquired[(c)] | $ | 1,521 |

(a) The final purchase price allocation for the FiberNet Acquisition resulted in the recognition of goodwill based on:
- the Company's expectation to leverage the FiberNet fiber footprint to support new small cells and fiber solutions,
- the complementary nature of the FiberNet fiber to the Company's existing fiber assets and its location in top metro markets where the Company expects to see wireless carrier network investments,
- the Company's belief that the acquired fiber assets are well-positioned to benefit from the continued growth trends in the demand for data, and
- other intangibles not qualified for separate recognition, including the assembled workforce.

(b) Predominantly comprised of site rental contracts and tenant relationships.
(c) The vast majority of the assets have been included in the Company's REIT. As such, no deferred taxes were recorded in connection with the FiberNet Acquisition.

*2017 Wilcon Acquisition*

On April 17, 2017, the Company announced that it had entered into a definitive agreement to acquire Wilcon Holdings LLC ("Wilcon") from Pamlico Holdings and other unit holders of Wilcon for approximately $600 million in cash, subject to certain limited adjustments ("Wilcon Acquisition"). Wilcon is a fiber services provider that owns approximately 1,900 route miles of fiber, primarily in Los Angeles and San Diego. On June 26, 2017, the Company closed the Wilcon Acquisition, which was financed using proceeds from the May 2017 Common Stock Offering (as defined in note 12) and the 4.750% Senior Notes (as defined in note 9) offering.

The final purchase price of approximately $600 million was primarily comprised of other intangible assets (predominantly comprised of site rental contracts and tenant relationships) of approximately $140 million, property and equipment of approximately $150 million, goodwill of approximately $360 million, offset by deferred revenues of approximately $40 million.

The final purchase price allocation for the Wilcon Acquisition resulted in the recognition of goodwill based on (1) the Company's expectation to leverage the Wilcon fiber footprint to support new small cells and fiber solutions, (2) the complementary nature of the Wilcon fiber to the Company's existing fiber assets and its location primarily in Los Angeles and San Diego, where the Company expects to see wireless carrier network investments, (3) the Company's belief that the acquired fiber assets are well positioned to benefit from the continued growth trends in the demand for data, and (4) other intangibles not qualified for separate recognition, including the assembled workforce.

*2017 Lightower Acquisition*

On July 18, 2017, the Company announced that it had entered into a definitive agreement to acquire LTS Group Holdings LLC ("Lightower") from Berkshire Partners, Pamlico Capital and other investors for approximately $7.1 billion in cash, subject to certain limited adjustments ("Lightower Acquisition"). Lightower owns or has rights to approximately 32,000 route miles of fiber located primarily in top metro markets in the Northeast, including Boston, New York and Philadelphia. On November 1, 2017, the Company closed the Lightower Acquisition, which was financed using (1) cash on hand, including proceeds from the July 2017 Equity Offerings (as defined in note 12) and the August 2017 Senior Notes (as defined in note 9) offering, and (2) borrowings under the 2016 Revolver.

(Tabular dollars in millions, except per share amounts)

The final purchase price allocation for the Lightower Acquisition is shown below.

| **Final Purchase Price Allocation** | | |
|---|---|---|
| Current assets | $ | 99 |
| Property and equipment | | 2,194 |
| Goodwill[(a)] | | 3,171 |
| Other intangible assets, net[(b)] | | 2,177 |
| Other non-current assets | | 27 |
| Current liabilities | | (176) |
| Other non-current liabilities | | (342) |
| Net assets acquired[(c)] | $ | 7,150 |

(a) The final purchase price allocation for the Lightower Acquisition resulted in the recognition of goodwill based on:
- the Company's expectation to leverage the Lightower fiber footprint to support new small cells and fiber solutions,
- the complementary nature of the Lightower fiber to the Company's existing fiber assets and its location where the Company expects to see wireless carrier network investments,
- the Company's belief that the acquired fiber assets are well-positioned to benefit from the continued growth trends in the demand for data, and
- other intangibles not qualified for separate recognition, including the assembled workforce.

(b) Predominantly comprised of site rental contracts and tenant relationships.
(c) The vast majority of the assets have been included in the Company's REIT. As such, no deferred taxes were recorded in connection with the Lightower Acquisition.

*Actual and Pro Forma Financial Information*

Net revenues and net income (loss) attributable to acquisitions completed during the year ended December 31, 2017 are included in the Company's consolidated statements of operations and comprehensive income (loss), since the respective date each acquisition was completed. For the year ended December 31, 2017, the FiberNet Acquisition, Wilcon Acquisition and Lightower Acquisition (collectively, "2017 Acquisitions") resulted in an increase to consolidated net revenues of $314 million.

The unaudited pro forma financial results for the year ended December 31, 2017 combine the historical results of the Company, along with the historical results of the 2017 Acquisitions. The following table presents the unaudited pro forma consolidated results of operations of the Company as if each acquisition was completed as of January 1, 2016. The unaudited pro forma amounts are presented for illustrative purposes only and are not necessarily indicative of future consolidated results of operations. The table below also gives effect to the Historical Adjustments as discussed in note 2.

| | **Twelve Months Ended December 31, 2017** | | |
|---|---|---|---|
| | **(As Restated)** | | |
| Net revenues | $ | 4,949 | |
| Income (loss) before income taxes | $ | 462 | (b)(c) |
| Benefit (provision) for income taxes | $ | (29) | (a) |
| Net income (loss) | $ | 433 | (b)(c) |
| Basic net income (loss) attributable to CCIC common stockholders, per common share | $ | 0.68 | (c)(d) |
| Diluted net income (loss) attributable to CCIC common stockholders, per common share | $ | 0.67 | (c)(d) |

(a) For the year ended December 31, 2017, amounts are inclusive of pro forma adjustments to the benefit (provision) for income tax as a result of the Company's REIT status. The vast majority of the assets and related income from the FiberNet Acquisition, the Wilcon Acquisition, and the Lightower Acquisition are included in the Company's REIT. The remaining assets are included in the Company's TRS. For purposes of the unaudited pro forma financial results, an adjustment has been made to reflect the additional tax impact of the income related to the TRS assets.
(b) For the year ended December 31, 2017, amounts are inclusive of pro forma adjustments to depreciation and amortization of $247 million, related to property and equipment and intangibles recorded as a result of the 2017 Acquisitions.
(c) Pro forma amounts include the impact of the interest expense and common stock share issuances associated with the related debt and equity financings for the 2017 Acquisitions (see above and notes 9 and 12).
(d) Pro forma amounts include the impact of the preferred stock dividends related to the Mandatory Convertible Preferred Stock Offering (as defined in note 12) for the Lightower Acquisition (see above and note 12).

**(Tabular dollars in millions, except per share amounts)**

## 5. Revenues

The following table is a summary of the contracted amounts owed to the Company by tenants pursuant to tenant contracts in effect as of December 31, 2019. As of December 31, 2019, the weighted-average remaining term of tenant contracts is approximately five years, exclusive of renewals exercisable at the tenant's option.

| | Years Ending December 31, | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2024 | Thereafter | Total |
| Contracted amounts[(a)] | $ 4,177 | $ 3,986 | $ 3,758 | $ 3,141 | $ 2,405 | $ 6,908 | $ 24,375 |

(a) Based on the nature of the contract, tenant contracts are accounted for pursuant to relevant lease accounting (ASC 842) or revenue accounting (ASC 606) guidance. Excludes amounts related to services, as those contracts generally have a duration of one year or less.

See notes 3 and 15 for further discussion regarding the Company's lessor arrangements and note 16 for further information regarding the Company's operating segments.

## 6. Property and Equipment

The major classes of property and equipment are summarized in the table below. The information below also gives effect to the Historical Adjustments as discussed in note 2.

| | | As of December 31, | |
|---|---|---|---|
| | Estimated Useful Lives | 2019 | 2018 |
| | | | (As Restated) |
| Land[(a)] | — | $ 2,080 | $ 1,981 |
| Buildings | 40 years | 147 | 134 |
| Communications infrastructure assets | 1-20 years | 20,521 | 18,683 |
| Information technology assets and other | 2-7 years | 506 | 443 |
| Construction in process | — | 1,080 | 975 |
| Total gross property and equipment | | 24,334 | 22,216 |
| Less: accumulated depreciation | | (9,668) | (8,563) |
| Total property and equipment, net | | $ 14,666 | $ 13,653 |

(a) Includes land owned through fee interests and perpetual easements.

Depreciation expense for the years ended December 31, 2019, 2018 and 2017 was $1.1 billion, $1.1 billion and $914 million, respectively. See note 15 for a discussion of finance leases recorded as "Property and equipment, net" on the Company's consolidated balance sheet.

## 7. Goodwill and Intangible Assets

*Goodwill*

The change in the carrying value of goodwill for the year ended December 31, 2018 is as follows:

| | |
|---|---|
| **Balance as of December 31, 2017** | $ 10,021 |
| Adjustments due to other acquisitions, purchase price allocations and other, net | 57 |
| **Balance as of December 31, 2018** | $ 10,078 |

There were no changes in the carrying value of goodwill during the year ended December 31, 2019.

(Tabular dollars in millions, except per share amounts)

*Intangibles*

The following is a summary of the Company's intangible assets. See note 4 for further discussion of the Company's acquisitions.

| | As of December 31, 2019 | | | As of December 31, 2018 | | |
|---|---|---|---|---|---|---|
| | Gross Carrying Value | Accumulated Amortization | Net Book Value | Gross Carrying Value | Accumulated Amortization | Net Book Value |
| Site rental contracts and tenant relationships | $ 7,761 | $ (2,997) | $ 4,764 | $ 7,787 | $ (2,578) | $ 5,209 |
| Other intangible assets[(a)] | 143 | (71) | 72 | 494 | (187) | 307 |
| Total | $ 7,904 | $ (3,068) | $ 4,836 | $ 8,281 | $ (2,765) | $ 5,516 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard, including with respect to below-market leases previously classified as intangible assets.

Amortization expense related to intangible assets is classified as follows on the Company's consolidated statement of operations and comprehensive income (loss):

| | For Years Ended December 31, | | |
|---|---|---|---|
| **Classification** | **2019** | **2018** | **2017** |
| Depreciation, amortization and accretion | $ 428 | $ 428 | $ 314 |
| Site rental costs of operations[(a)] | — | 17 | 18 |
| Total amortization expense | $ 428 | $ 445 | $ 332 |

(a) Amortization expense of intangible assets classified as "Site rental costs of operations" on the Company's consolidated statement of operations and comprehensive income (loss) for the years ended December 31, 2018 and 2017 represented amortization of below-market leases. Effective January 1, 2019, these below-market leases were de-recognized and reclassified from "Other intangible assets, net" to the "Operating lease right-of-use assets" on the Company's consolidated balance sheet. See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

The estimated annual amortization expense related to intangible assets for the years ending December 31, 2020 to 2024 is as follows:

| | Years Ending December 31, | | | | |
|---|---|---|---|---|---|
| | **2020** | **2021** | **2022** | **2023** | **2024** |
| Estimated annual amortization | $ 427 | $ 427 | $ 427 | $ 427 | $ 384 |

**(Tabular dollars in millions, except per share amounts)**

## 8. Other Liabilities

*Other long-term liabilities*

The following is a summary of the components of "Other long-term liabilities" as presented on the Company's consolidated balance sheet. The table below also gives effect to the Historical Adjustments, as discussed in note 2. See also note 3.

| | December 31, | |
|---|---|---|
| | 2019 | 2018 |
| | | (As Restated) |
| Deferred rental revenues | $ 1,814 | $ 1,618 |
| Deferred ground lease payable[(a)] | — | 603 |
| Above-market leases for land interests, net[(a)] | — | 181 |
| Deferred credits, net | 434 | 499 |
| Asset retirement obligation | 227 | 192 |
| Deferred income tax liabilities | 8 | 7 |
| Other long-term liabilities | 33 | 10 |
| Total | $ 2,516 | $ 3,110 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard, including with respect to deferred ground lease payable and above-market leases previously classified as other long-term liabilities.

Pursuant to its ground lease, easement and leased facility agreements, the Company has the obligation to perform certain asset retirement activities, including requirements upon contract termination to remove communications infrastructure or remediate the space upon which its communications infrastructure resides. Accretion expense related to liabilities for retirement obligations amounted to $15 million, $14 million and $13 million for the years ended December 31, 2019, 2018 and 2017, respectively. As of December 31, 2019, the estimated undiscounted future cash outlay for asset retirement obligations was approximately $1.0 billion. See note 3.

For the years ended December 31, 2018 and 2017, the Company recorded $18 million and $19 million, respectively, as a decrease to "Site rental costs of operations" for the amortization of above-market leases for land interests under the Company's towers. Effective January 1, 2019, these above-market leases were de-recognized and reclassified from "Other long-term liabilities" into the "Operating lease right-of-use assets" on the Company's consolidated balance sheet. See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

For the years ended December 31, 2019, 2018 and 2017, the Company recognized $65 million, $69 million and $37 million, respectively, in "Site rental revenues" related to the amortization of below-market tenant leases. The following table summarizes the estimated annual amounts related to below-market tenant leases expected to be amortized into site rental revenues for the years ending December 31, 2020 to 2024 are as follows:

| | Years Ending December 31, | | | | |
|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2024 |
| Below-market tenant leases | $ 57 | $ 53 | $ 49 | $ 45 | $ 41 |

*Other accrued liabilities*

Other accrued liabilities included accrued payroll and other accrued compensation of $174 million and $157 million, respectively, as of December 31, 2019 and 2018.

(Tabular dollars in millions, except per share amounts)

## 9. Debt and Other Obligations

The table below sets forth the Company's debt and other obligations as of December 31, 2019.

| | Original Issue Date | Contractual Maturity Date | Outstanding Balance as of December 31, 2019 | Outstanding Balance as of December 31, 2018 | Stated Interest Rate as of December 31, 2019 [a] |
|---|---|---|---|---|---|
| Secured Notes, Series 2009-1, Class A-1 | July 2009 | Aug. 2019 [d] | $ — | $ 12 | N/A |
| 3.849% Secured Notes | Dec. 2012 | Apr. 2023 | 995 | 994 | 3.9% |
| Secured Notes, Series 2009-1, Class A-2 | July 2009 | Aug. 2029 [d] | 67 | 70 | 9.0% |
| Tower Revenue Notes, Series 2015-1 | May 2015 | May 2042 [b][c] | 298 | 298 | 3.2% |
| Tower Revenue Notes, Series 2018-1 | July 2018 | July 2043 [b][c] | 248 | 247 | 3.7% |
| Tower Revenue Notes, Series 2015-2 | May 2015 | May 2045 [b][c] | 694 | 693 | 3.7% |
| Tower Revenue Notes, Series 2018-2 | July 2018 | July 2048 [b][c] | 742 | 742 | 4.2% |
| Finance leases and other obligations | Various | Various [e] | 227 | 227 | Various |
| Total secured debt | | | 3,271 | 3,283 | |
| 2016 Revolver | Jan. 2016 | June 2024 | 525 [f] | 1,075 | 2.8% [g] |
| 2016 Term Loan A | Jan. 2016 | June 2024 | 2,310 | 2,354 | 2.9% [g] |
| Commercial Paper Notes | Various [h] | Various [h] | 155 | — | Various [i] |
| 3.400% Senior Notes | Feb./May 2016 | Feb. 2021 | 850 | 850 | 3.4% |
| 2.250% Senior Notes | Sept. 2016 | Sept. 2021 | 698 | 697 | 2.3% |
| 4.875% Senior Notes | Apr. 2014 | Apr. 2022 | 846 | 844 | 4.9% |
| 5.250% Senior Notes | Oct. 2012 | Jan. 2023 | 1,644 | 1,641 | 5.3% |
| 3.150% Senior Notes | Jan. 2018 | July 2023 | 744 | 742 | 3.2% |
| 3.200% Senior Notes | Aug. 2017 | Sept. 2024 | 744 | 743 | 3.2% |
| 4.450% Senior Notes | Feb. 2016 | Feb. 2026 | 893 | 892 | 4.5% |
| 3.700% Senior Notes | May 2016 | June 2026 | 744 | 744 | 3.7% |
| 4.000% Senior Notes | Feb. 2017 | Mar. 2027 | 495 | 494 | 4.0% |
| 3.650% Senior Notes | Aug. 2017 | Sept. 2027 | 993 | 992 | 3.7% |
| 3.800% Senior Notes | Jan. 2018 | Feb. 2028 | 990 | 988 | 3.8% |
| 4.300% Senior Notes | Feb. 2019 | Feb. 2029 | 592 | — | 4.3% |
| 3.100% Senior Notes | Aug. 2019 | Nov. 2029 | 543 | — | 3.1% |
| 4.750% Senior Notes | May 2017 | May 2047 | 344 | 343 | 4.8% |
| 5.200% Senior Notes | Feb. 2019 | Feb. 2049 | 395 | — | 5.2% |
| 4.000% Senior Notes | Aug. 2019 | Nov. 2049 | 345 | — | 4.0% |
| Total unsecured debt | | | $ 14,850 | $ 13,399 | |
| Total debt and other obligations | | | $ 18,121 | $ 16,682 | |
| Less: current maturities and short-term debt and other current obligations | | | $ 100 | $ 107 | |
| Non-current portion of long-term debt and other long-term obligations | | | $ 18,021 | $ 16,575 | |

(a) Represents the weighted-average stated interest rate.
(b) The Tower Revenue Notes, Series 2015-1 and 2015-2 ("May 2015 Tower Revenue Notes") and Tower Revenue Notes, Series 2018-1 and 2018-2 ("July 2018 Tower Revenue Notes") are collectively referred to herein as "Tower Revenue Notes."
(c) If the respective series of Tower Revenue Notes are not paid in full on or prior to an applicable anticipated repayment date, then Excess Cash Flow (as defined in the indenture governing the terms of such notes) of the issuers of such notes will be used to repay principal of the applicable series and class of the Tower Revenue Notes, and additional interest (of an additional approximately 5% per annum) will accrue on the respective Tower Revenue Notes. As of December 31, 2019, the Tower Revenue Notes have principal amounts of $300 million, $250 million, $700 million and $750 million, with anticipated repayment dates in 2022, 2023, 2025 and 2028, respectively.
(d) The Secured Notes, Series 2009-1, Class A-1 and Secured Notes, Series 2009-1, Class A-2 are collectively referred to herein as "2009 Securitized Notes."
(e) The Company's finance leases and other obligations relate to land, fiber, vehicles, and other assets and bear interest rates ranging up to 10% and mature in periods ranging from less than one year to approximately 30 years.
(f) As of December 31, 2019, the undrawn availability under the 2016 Revolver was $4.5 billion.
(g) Both the 2016 Revolver and senior unsecured term loan A facility ("2016 Term Loan A") bear interest at a rate per annum equal to LIBOR plus a credit spread ranging from 1.000% to 1.750%, based on the Company's senior unsecured debt rating. The Company pays a commitment fee ranging from 0.125% to 0.350%, based on the Company's senior unsecured debt rating, per annum on the undrawn available amount under the 2016 Revolver.
(h) The maturities of the Commercial Paper Notes, as defined below, when outstanding, may vary but may not exceed 397 days from the date of issue.
(i) The weighted-average interest rate for the outstanding commercial paper under the CP Program, as defined below, was 2.1%.

The credit agreement governing the Company's 2016 Credit Facility contains financial maintenance covenants. The Company is currently in compliance with these financial maintenance covenants, and based upon current expectations, the Company believes it will continue to comply with its financial maintenance covenants. In addition, certain of the Company's debt agreements also contain restrictive covenants that place restrictions on CCIC or its subsidiaries and may limit the Company's ability to, among other things, incur additional debt and liens, purchase the Company's securities, make capital expenditures, dispose of assets, undertake transactions with affiliates, make other investments, pay dividends or distribute excess cash flow.

*Bank Debt*

In January 2016, the Company established the 2016 Credit Facility, which was originally comprised of (1) a $2.5 billion 2016 Revolver maturing in January 2021, (2) a $2.0 billion 2016 Term Loan A maturing in January 2021 and (3) a $1.0 billion senior unsecured 364-day revolving credit facility ("364-Day Facility") maturing in January 2017.  The Company used the net proceeds from the 2016 Credit Facility (1) to repay the then outstanding 2012 Credit Facility and (2) for general corporate purposes. In February 2016, the Company used a portion of the net proceeds from the February 2016 Senior Notes (as defined below) offering to repay in full all outstanding borrowings under the then outstanding 364-Day Facility.

In February 2017, the Company entered into an amendment to the 2016 Credit Facility to (1) incur additional term loans in an aggregate principal amount of $500 million and (2) extend the maturity of both the 2016 Term Loan A and the 2016 Revolver to January 2022.

In August 2017, the Company entered into an amendment to the 2016 Credit Facility to (1) increase commitments on the 2016 Revolver by $1.0 billion, for total 2016 Revolver commitments of $3.5 billion, and (2) extend the maturity of the Credit Facility to August 2022.

In June 2018, the Company entered into an amendment to the 2016 Credit Facility to (1) increase commitments on the 2016 Revolver by $750 million, for total 2016 Revolver commitments of $4.25 billion, and (2) extend the maturity of the Credit Facility from August 2022 to June 2023.

In April 2019, the Company established a commercial paper program ("CP Program"), pursuant to which the Company may issue short-term, unsecured commercial paper notes ("Commercial Paper Notes"). Commercial Paper Notes may be issued, repaid and re-issued from time to time, with an aggregate principal amount of Commercial Paper Notes outstanding under the CP Program at any time not to exceed $1.0 billion. The net proceeds of the Commercial Paper Notes are expected to be used for general corporate purposes. The Commercial Paper Notes are issued under customary terms in the commercial paper market and are issued at a discount from par or, alternatively, can be issued at par and bear varying interest rates on a fixed or floating basis. For the year ended December 31, 2019, the Company had net issuances of $155 million under the CP Program. At any point in time, the Company intends to maintain available commitments under its 2016 Revolver in an amount at least equal to the amount of Commercial Paper Notes outstanding. While any outstanding commercial paper issuances generally have short-term maturities, the Company classifies the outstanding issuances as long-term based on its ability and intent to refinance the outstanding issuances on a long-term basis.

In June 2019, the Company entered into an amendment to the 2016 Credit Facility to (1) increase commitments on the 2016 Revolver by $750 million, for total 2016 Revolver commitments of $5.0 billion, and (2) extend the maturity of the Credit Facility from June 2023 to June 2024.

*Securitized Debt*

The Tower Revenue Notes and the 2009 Securitized Notes (collectively, "Securitized Debt") are obligations of special purpose entities and their direct and indirect subsidiaries (each an "issuer"), all of which are wholly-owned, indirect subsidiaries of CCIC. The Tower Revenue Notes and 2009 Securitized Notes are governed by separate indentures. The May 2015 Tower Revenue Notes and July 2018 Tower Revenue Notes are governed by one indenture and consist of multiple series of notes, each with its own anticipated repayment date.

The net proceeds of the May 2015 Tower Revenue Notes, together with proceeds received from the Company's sale of CCAL, were primarily used to (1) repay $250 million aggregate principal amount of August 2010 Tower Revenue Notes which had an anticipated repayment date of August 2015, (2) repay all of the then outstanding WCP Secured Wireless Site Contracts Revenue Notes, Series 2010-1 ("WCP Securitized Notes"), (3) repay portions of outstanding borrowings under the 2012 Credit Facility and (4) pay related fees and expenses.

In July 2018, the Company issued $1.0 billion aggregate principal amount of Senior Secured Tower Revenue Notes ("July 2018 Tower Revenue Notes"), which were issued pursuant to the existing indenture and have similar terms and security as the Company's existing Tower Revenue Notes. The July 2018 Tower Revenue Notes consist of (1) $250 million aggregate principal amount of 3.720% senior secured tower revenue notes ("3.72% Notes") with an anticipated repayment date of July 2023 and a final maturity of July 2043 and (2) $750 million aggregate principal amount of 4.241% senior secured tower revenue notes ("4.241% Notes") with an anticipated repayment date of July 2028 and a final maturity of July 2048. The Company used the net proceeds of the July 2018 Tower Revenue Notes, together with cash on hand, to repay all of the previously outstanding Tower Revenue Notes, Series 2010-6 and to pay related fees and expenses. In addition to the July 2018 Tower Revenue Notes described above, in connection with Exchange Act risk retention requirements ("Risk Retention Rules"), an indirect subsidiary of the Company issued and a majority-owned affiliate of the Company purchased approximately $53 million of the Senior Secured Tower Revenue Notes, Series 2018-1, Class R-2028 to retain an eligible horizontal residual interest (as defined in the Risk Retention Rules) in an amount equal to at least 5% of the fair value of the July 2018 Tower Revenue Notes.

The Securitized Debt is paid solely from the cash flows generated by the operation of the towers held directly and indirectly by the issuers of the respective Securitized Debt. The Securitized Debt is secured by, among other things, (1) a security interest in substantially all of the applicable issuers' assignable personal property, (2) a pledge of the equity interests in each applicable issuer and (3) a security interest in the applicable issuers' leases with tenants to lease tower space (space licenses). The governing instruments of two indirect subsidiaries ("Crown Atlantic" and "Crown GT") of the issuers of the Tower Revenue Notes generally prevent them from issuing debt and granting liens on their assets without the approval of a subsidiary of Verizon Communications. Consequently, while distributions paid by Crown Atlantic and Crown GT will service the Tower Revenue Notes, the Tower Revenue Notes are not obligations of, nor are the Tower Revenue Notes secured by the cash flows or any other assets of, Crown Atlantic and Crown GT. As of December 31, 2019, the Securitized Debt was collateralized with personal property and equipment with an aggregate net book value of approximately $1.0 billion, exclusive of Crown Atlantic and Crown GT personal property and equipment.

The excess cash flows from the issuers of the Securitized Debt, after the payment of principal, interest, reserves, expenses and management fees, are distributed to the Company in accordance with the terms of the indentures. If the Debt Service Coverage Ratio ("DSCR") (as defined in the applicable governing loan agreement) as of the end of any calendar quarter falls to a certain level, then all excess cash flow of the issuers of the applicable debt instrument will be deposited into a reserve account instead of being released to the Company. The funds in the reserve account will not be released to the Company until the DSCR exceeds a certain level for two consecutive calendar quarters. If the DSCR falls below a certain level as of the end of any calendar quarter, then all cash on deposit in the reserve account along with future excess cash flows of the issuers will be applied to prepay the debt with applicable prepayment consideration.

The Company may repay the May 2015 Tower Revenue Notes or the 2009 Securitized Notes in whole or in part at any time after the second anniversary of the applicable issuance date and the July 2018 Tower Revenue Notes from the date of issuance, provided in each case that such prepayment is accompanied by any applicable prepayment consideration. The Securitized Debt has covenants and restrictions customary for rated securitizations, including provisions prohibiting the issuers from incurring additional indebtedness or further encumbering their assets.

*Bonds—Senior Notes*

In August 2019, the Company issued $900 million aggregate principal amount of senior unsecured notes ("August 2019 Senior Notes"), which consisted of (1) $550 million aggregate principal amount of 3.100% senior unsecured notes due November 2029 and (2) $350 million aggregate principal amount of 4.000% senior unsecured notes due November 2049. The Company used the net proceeds of the August 2019 Senior Notes offering to repay outstanding borrowings under the 2016 Revolver and CP Program.

In February 2019, the Company issued $1.0 billion aggregate principal amount of senior unsecured notes ("February 2019 Senior Notes"), which consisted of (1) $600 million aggregate principal amount of 4.300% senior unsecured notes due February 2029 and (2) $400 million aggregate principal amount of 5.200% senior unsecured notes due February 2049. The Company used the net proceeds of the February 2019 Senior Notes offering to repay a portion of the outstanding borrowings under the 2016 Revolver.

In January 2018, the Company issued $750 million aggregate principal amount of 3.150% senior unsecured notes due July 2023 and $1.0 billion aggregate principal amount of 3.800% senior unsecured notes due February 2028 (collectively, "January 2018 Senior Notes"). The Company used the net proceeds of the January 2018 Senior Notes offering to repay (1) in full the January 2010 Tower Revenue Notes and (2) a portion of the outstanding borrowings under the 2016 Revolver.

In February 2017, the Company issued $500 million aggregate principal amount of 4.000% senior unsecured notes due March 2027 ("4.000% Senior Notes"). The Company used the net proceeds from the 4.000% Senior Notes offering to repay a portion of the outstanding borrowings under the 2016 Revolver.

In May 2017, the Company issued $350 million aggregate principal amount of 4.750% senior unsecured notes due May 2047 ("4.750% Senior Notes"). The Company used the net proceeds from the 4.750% Senior Notes offering to partially fund the Wilcon Acquisition and to repay a portion of the outstanding borrowings under the 2016 Revolver.

In August 2017, the Company issued $1.75 billion aggregate principal amount of senior unsecured notes ("August 2017 Senior Notes"), which consisted of (1) $750 million aggregate principal amount of 3.200% senior unsecured notes due September 2024 ("3.200% Senior Notes") and (2) $1.0 billion aggregate principal amount of 3.650% senior unsecured notes due September 2027 ("3.650% Senior Notes"). The Company used the net proceeds from the August 2017 Senior Notes offering to partially fund the Lightower Acquisition and pay related fees and expenses.

In February 2016, the Company issued $1.5 billion aggregate principal amount of senior unsecured notes ("February 2016 Senior Notes"), which consisted of (1) $600 million aggregate principal amount of 3.400% senior notes due February 2021 ("3.400% Senior Notes") and (2) $900 million aggregate principal amount of 4.450% senior unsecured notes due February 2026 ("4.450% Senior Notes"). The Company used the net proceeds from the February 2016 Senior Notes offering, together with cash on hand, to (1) repay in full all outstanding borrowings under the then outstanding 364-Day Facility and (2) repay $500 million of outstanding borrowings under the 2016 Revolver.

In May 2016, the Company issued $1.0 billion aggregate principal amount of senior unsecured notes ("May 2016 Senior Notes"), which consisted of (1) $250 million aggregate principal amount of additional 3.400% Senior Notes pursuant to the same indenture as the 3.400% Senior Notes issued in the February 2016 Senior Notes offering and (2) $750 million aggregate principal amount of 3.700% senior unsecured notes due June 2026 ("3.700% Senior Notes"). The Company used the net proceeds from the May 2016 Senior Notes offering to repay in full the Tower Revenue Notes, Series 2010-2 and Series 2010-5, each issued by certain of its subsidiaries, and to repay a portion of the outstanding borrowings under the 2016 Revolver.

In September 2016, the Company issued $700 million aggregate principal amount of 2.250% senior unsecured notes ("2.250% Senior Notes") due September 2021. The Company used the net proceeds from the 2.250% Senior Notes offering to (1) repay $500 million aggregate principal amount of 2.381% secured notes due 2017 ("2.381% Secured Notes") issued by certain of its subsidiaries and (2) repay a portion of the outstanding borrowings under the 2016 Revolver.

In April 2014, the Company issued $850 million aggregate principal amount of 4.875% senior unsecured notes due April 2022 ("4.875% Senior Notes"). The net proceeds from the offering were approximately $839 million, after the deduction of associated fees. The Company utilized the net proceeds from the 4.875% Senior Notes offering (1) to repay $300 million of the January 2010 Tower Revenue Notes with an anticipated repayment date of January 2015 and (2) to redeem all of the then outstanding 7.125% senior unsecured notes due 2019.

In October 2012, the Company issued $1.65 billion aggregate principal amount of 5.250% senior unsecured notes due 2023 ("5.250% Senior Notes"). The Company used the net proceeds from the 5.250% Senior Notes offering to partially fund the T-Mobile Acquisition.

Each of the 5.250% Senior Notes, 4.875% Senior Notes, February 2016 Senior Notes, May 2016 Senior Notes, 2.250% Senior Notes, 4.000% Senior Notes, 4.750% Senior Notes, August 2017 Senior Notes, January 2018 Senior Notes, February 2019 Senior Notes and August 2019 Senior Notes (collectively, "Senior Notes") are senior unsecured obligations of the Company and rank equally with all of the Company's existing and future senior unsecured indebtedness, including obligations under the 2016 Credit Facility, and senior to all of the Company's future subordinated indebtedness. The Senior Notes are structurally subordinated to all existing and future liabilities and obligations of the Company's subsidiaries. The Company's subsidiaries are not guarantors of the Senior Notes.

CCIC may redeem any of the Senior Notes in whole or in part at any time at a price equal to 100% of the principal amount to be redeemed, plus a make whole premium, if applicable, and accrued and unpaid interest, if any, to the date of redemption.

*Bonds—Secured Notes*

In December 2012, the Company issued $1.0 billion aggregate principal amount of 3.849% secured notes due 2023 ("3.849% Secured Notes"). The 3.849% Secured Notes were issued and are guaranteed by the same subsidiaries of CCIC that had previously issued and guaranteed the 7.750% senior unsecured notes due 2017 ("7.750% Secured Notes"). The 3.849% Secured Notes are secured by a pledge of the equity interests of such subsidiaries. The 3.849% Secured Notes are not guaranteed by and are not obligations of CCIC or any of its subsidiaries other than the issuers and guarantors of the 3.849% Secured Notes. The 3.849% Secured Notes will be paid solely from the cash flows generated from operations of the towers held directly and indirectly by the issuers and the guarantors of such notes. The Company used the net proceeds from the issuance of the 3.849% Secured Notes to repurchase and redeem the then outstanding 7.750% Secured Notes and a portion of the then outstanding 9.000% senior notes due 2011. The 3.849% Secured Notes may be redeemed at any time at a price equal to 100% of the principal amount, plus a make whole premium, and accrued and unpaid interest, if any to the redemption date.

(Tabular dollars in millions, except per share amounts)

*Previously Outstanding Indebtedness*

See above for a discussion of the Company's recent redemptions and repayments of debt.

*Contractual Maturities*

The following are the scheduled contractual maturities of the total debt and other long-term obligations of the Company outstanding at December 31, 2019. These maturities reflect contractual maturity dates and do not consider the principal payments that will commence following the anticipated repayment dates on the Tower Revenue Notes. If the Tower Revenue Notes are not paid in full on or prior to their respective anticipated repayment dates, as applicable, then the Excess Cash Flow (as defined in the indenture) of the issuers of such notes will be used to repay principal of the applicable series and class of the Tower Revenue Notes and additional interest (of an additional approximately 5% per annum) will accrue on the Tower Revenue Notes.

| | Years Ending December 31, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2024 | Thereafter | Total Cash Obligations | Unamortized Adjustments, Net | Total Debt and Other Obligations Outstanding |
| Scheduled contractual maturities | $ 253 | $ 1,675 | $ 1,000 | $ 3,604 | $ 3,172 | $ 8,531 | $ 18,235 | $ (114) | $ 18,121 |

*Debt Purchases and Redemptions*

The following is a summary of the purchases and redemptions of debt during the years ended December 31, 2019, 2018 and 2017.

| | Year Ended December 31, 2019 | | |
|---|---|---|---|
| | Principal Amount | Cash Paid[(a)] | Gains (losses)[(b)] |
| Secured Notes, Series 2009-1, Class A-1 | $ 12 | $ 12 | $ (1) |
| 2016 Term Loan A | — | — | (1) |
| Total | $ 12 | $ 12 | $ (2) |

(a) Exclusive of accrued interest.
(b) Inclusive of the write-off of the respective deferred financing costs.

| | Year Ended December 31, 2018 | | |
|---|---|---|---|
| | Principal Amount | Cash Paid[(a)] | Gains (losses)[(b)] |
| Tower Revenue Notes, Series 2010-3 | $ 1,250 | $ 1,318 | $ (71) |
| 2016 Term Loan A | — | — | (3) |
| Tower Revenues Notes, Series 2010-6 | 1,000 | 1,028 | (32) |
| Total | $ 2,250 | $ 2,346 | $ (106) |

(a) Exclusive of accrued interest.
(b) Inclusive of the write-off of the respective deferred financing costs.

| | Year Ended December 31, 2017 | | |
|---|---|---|---|
| | Principal Amount | Cash Paid | Gains (losses)[(a)] |
| 2016 Term Loan A | $ — | $ — | $ (4) |
| Total | $ — | $ — | $ (4) |

(a) The losses represent write-off of deferred financing costs.

(Tabular dollars in millions, except per share amounts)

## 10. Fair Value Disclosures

The following table shows the estimated fair values of the Company's financial instruments, along with the carrying amounts of the related assets (liabilities). See also note 3.

| | Level in Fair Value Hierarchy | December 31, 2019 | | December 31, 2018 | |
|---|---|---|---|---|---|
| | | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Assets: | | | | | |
| Cash and cash equivalents | 1 | $ 196 | $ 196 | $ 277 | $ 277 |
| Restricted cash, current and non-current | 1 | 142 | 142 | 136 | 136 |
| Liabilities: | | | | | |
| Total debt and other obligations | 2 | $ 18,121 | $ 19,170 | $ 16,682 | $ 16,562 |

## 11. Income Taxes

Income (loss) from continuing operations before income taxes by geographic area is summarized in the table below. The table below also gives effect to the Historical Adjustments, as discussed in note 2.

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| | | (As Restated) | |
| Domestic | $ 850 | $ 618 | $ 372 |
| Foreign[(a)] | 31 | 23 | 20 |
| Total | $ 881 | $ 641 | $ 392 |

(a) Inclusive of income (loss) before income taxes from Puerto Rico.

The benefit (provision) for income taxes consists of the following:

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| Current: | | | |
| Federal | $ (6) | $ (5) | $ (3) |
| Foreign | (8) | (7) | (6) |
| State | (5) | (5) | (2) |
| Total current | (19) | (17) | (11) |
| Deferred: | | | |
| Federal | — | — | (18) |
| Foreign | (2) | (2) | 3 |
| Total deferred | (2) | (2) | (15) |
| Total tax benefit (provision) | $ (21) | $ (19) | $ (26) |

(Tabular dollars in millions, except per share amounts)

A reconciliation between the benefit (provision) for income taxes and the amount computed by applying the federal statutory income tax rate to the income (loss) before income taxes is as follows:

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| | | (As Restated) | |
| Benefit (provision) for income taxes at statutory rate | $ (185) | $ (135) | $ (137) |
| Tax effect of foreign income (losses) | 1 | 1 | — |
| Tax adjustment related to REIT operations | 178 | 128 | 131 |
| State tax (provision) benefit, net of federal | (5) | (4) | (2) |
| Foreign tax | (10) | (9) | (3) |
| Effects of tax law change[(a)] | — | — | (15) |
| Total | $ (21) | $ (19) | $ (26) |

(a) Pursuant to the Tax Cuts and Jobs Act, which was signed into law in December 2017, the Company was required to write down its net federal deferred tax asset in the amount of $17 million as a result of the reduction in the federal corporate tax rate offset by a benefit of $2 million related to the refund of the Company's alternative minimum tax credit carryforward.

The components of the net deferred income tax assets and liabilities are as follows:

| | December 31, | |
|---|---|---|
| | 2019 | 2018 |
| Deferred income tax liabilities: | | |
| Property and equipment | $ 6 | $ 5 |
| Deferred site rental receivable | 7 | 7 |
| Total deferred income tax liabilities | 13 | 12 |
| Deferred income tax assets: | | |
| Intangible assets | 3 | 4 |
| Net operating loss carryforwards[(a)] | 18 | 18 |
| Straight-line rent expense liability[(b)] | 3 | 2 |
| Accrued liabilities | 5 | 5 |
| Other | 2 | 3 |
| Valuation allowances | — | (1) |
| Total deferred income tax assets, net | 31 | 31 |
| Net deferred income tax asset (liabilities) | $ 18 | $ 19 |

(a) Balance results from the Company's foreign NOLs. Due to the Company's REIT status, no federal or state NOLs result in the Company recording a deferred income tax asset. See further discussion surrounding the Company's NOL balances below.
(b) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

The Company operates as a REIT for U.S. federal income tax purposes.

The components of the net deferred income tax assets (liabilities) are as follows:

| | December 31, 2019 | | | December 31, 2018 | | |
|---|---|---|---|---|---|---|
| Classification | Gross | Valuation Allowance | Net | Gross | Valuation Allowance | Net |
| Federal | $ 25 | $ — | $ 25 | $ 25 | $ — | $ 25 |
| State | 1 | — | 1 | 1 | — | 1 |
| Foreign | (8) | — | (8) | (6) | (1) | (7) |
| Total | $ 18 | $ — | $ 18 | $ 20 | $ (1) | $ 19 |

At December 31, 2019, the Company had U.S. federal and state NOLs of approximately $1.5 billion and $0.6 billion, respectively, which are available to offset future taxable income. These amounts include approximately $237 million of losses related to stock-based compensation. The Company also has foreign NOLs of $48 million. If not utilized, the Company's U.S. federal NOLs expire starting in 2025 and ending in 2036, the state NOLs expire starting in 2020 and ending in 2036, and the foreign NOLs expire starting in 2022 and ending in 2037. The utilization of the NOLs is subject to certain limitations. The Company's U.S. federal and state income tax returns generally remain open to examination by taxing authorities until three years after the applicable NOLs have been used or expired. The remaining valuation allowance relates to certain foreign net deferred tax assets (primarily NOLs).

As of December 31, 2019, there were no unrecognized tax benefits that would impact the effective tax rate, if recognized.

From time to time, the Company is subject to examinations by various tax authorities in jurisdictions in which the Company has business operations. At this time, the Company is not subject to an Internal Revenue Service examination. The Australian Taxation Office is conducting an audit of the tax consequences for Australian tax purposes of the Company's sale of CCAL. The primary focus of the audit relates to the Company's asset valuation methodology and whether the Company should be subject to Australian capital gains tax on its sale of CCAL. The Company believes its valuation methodology is appropriate, that it is not subject to such tax, and that the ultimate resolution of the audit will not be material to the Company’s financial position.

In addition, the Company regularly assesses the likelihood of additional assessments in each of the tax jurisdictions in which it has business operations. The Company has no uncertain tax positions as of December 31, 2019. Additionally, the Company does not believe any such additional assessments arising from other examinations or audits will have a material effect on the Company's financial statements.

As of December 31, 2019, the Company's deferred tax assets are included in "Long-term prepaid rent and other assets, net" and the Company's deferred tax liabilities are included in "Other long-term liabilities" on the Company's consolidated balance sheet.

## 12. Equity

*2018 "At-The-Market" Stock Offering Program*

In April 2018, the Company established an "at-the-market" stock offering program through which it may issue and sell shares of its common stock having an aggregate gross sales price of up to $750 million ("2018 ATM Program"). Sales under the 2018 ATM Program may be made by means of ordinary brokers' transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or, subject to our specific instructions, at negotiated prices. The Company intends to use the net proceeds from any sales under the 2018 ATM Program for general corporate purposes, which may include (1) the funding of future acquisitions or investments or (2) the repayment or repurchase of any outstanding indebtedness. The Company has not sold any shares of common stock under the 2018 ATM Program. As of December 31, 2019, the Company had $750 million of gross sales of common stock availability remaining under the 2018 ATM Program.

*May 2017 Common Stock Offering*

On May 1, 2017, the Company completed an offering of 4.75 million shares of its common stock, which generated net proceeds of approximately $442 million ("May 2017 Common Stock Offering"). The Company used the net proceeds of the May 2017 Common Stock Offering to partially fund the Wilcon Acquisition.

*July 2017 Equity Offerings*

On July 26, 2017, the Company completed an offering of 40.15 million shares of common stock, including certain additional shares sold pursuant to the underwriters' option, which generated net proceeds of approximately $3.8 billion ("July 2017 Common Stock Offering"). The Company used the net proceeds of the July 2017 Common Stock Offering to partially fund the Lightower Acquisition and pay related fees and expenses.

On July 26, 2017, the Company completed an offering of 1.65 million shares of the Company's 6.875% Convertible Preferred Stock, at $1,000 per share, including certain additional shares sold pursuant to the underwriters' option, which generated net proceeds of approximately $1.6 billion ("Mandatory Convertible Preferred Stock Offering"). The Company used the net proceeds from the Mandatory Convertible Preferred Stock Offering to partially fund the Lightower Acquisition and pay related fees and expenses.

The holders of the 6.875% Convertible Preferred Stock are entitled to receive cumulative dividends, when and if declared by the Company's board of directors, at the rate of 6.875% on the liquidation preference of $1,000 per share. The dividends may be paid in cash or, subject to certain limitations, in shares of the Company's common stock or any combination of cash and shares of common stock on February 1, May 1, August 1 and November 1 of each year, commencing on November 1, 2017 and to, and including, August 1, 2020. The terms of the 6.875% Convertible Preferred Stock provide that, unless accumulated dividends have been paid or set aside for payment on all outstanding shares of 6.875% Convertible Preferred Stock for all past dividend periods, no dividends may be declared or paid on common stock.

Unless converted earlier, each outstanding share of the 6.875% Convertible Preferred Stock will automatically convert into shares of the Company's common stock on August 1, 2020 into between 8.7772 and 10.5326 shares of the Company's common stock, depending on the applicable market value of the common stock and subject to certain anti-dilution adjustments. At any time prior to August 1, 2020, holders of the 6.875% Convertible Preferred Stock may elect to convert all or a portion of their shares into common stock at the minimum conversion rate of 8.7772, subject to certain anti-dilution adjustments.

The July 2017 Common Stock Offering and Mandatory Convertible Preferred Stock Offering are collectively referred to herein as "July 2017 Equity Offerings."

*March 2018 Common Stock Offering*

In March 2018, the Company completed an offering of 8 million shares of its common stock, which generated net proceeds of $841 million ("March 2018 Equity Financing"). The Company used the net proceeds from the March 2018 Equity Financing for general corporate purposes, including repayment of outstanding indebtedness.

*Declaration and Payment of Dividends*

During the year ended December 31, 2019, the following dividends were declared or paid:

| Equity Type | Declaration Date | Record Date | Payment Date | Dividends Per Share | Aggregate Payment Amount (In millions) |
|---|---|---|---|---|---|
| Common Stock | February 21, 2019 | March 15, 2019 | March 29, 2019 | $ 1.125 | $ 471 [(a)] |
| Common Stock | May 16, 2019 | June 14, 2019 | June 28, 2019 | $ 1.125 | $ 471 [(a)] |
| Common Stock | August 8, 2019 | September 13, 2019 | September 30, 2019 | $ 1.125 | $ 472 [(a)] |
| Common Stock | October 14, 2019 | December 13, 2019 | December 31, 2019 | $ 1.20 | $ 502 [(a)] |
| 6.875% Convertible Preferred Stock | December 11, 2018 | January 15, 2019 | February 1, 2019 | $ 17.1875 | $ 28 |
| 6.875% Convertible Preferred Stock | March 19, 2019 | April 15, 2019 | May 1, 2019 | $ 17.1875 | $ 28 |
| 6.875% Convertible Preferred Stock | June 17, 2019 | July 15, 2019 | August 1, 2019 | $ 17.1875 | $ 28 |
| 6.875% Convertible Preferred Stock | September 18, 2019 | October 15, 2019 | November 1, 2019 | $ 17.1875 | $ 28 |
| 6.875% Convertible Preferred Stock | December 9, 2019 | January 15, 2020 | February 3, 2020 | $ 17.1875 | $ 28 |

(a) Inclusive of dividends accrued for holders of unvested RSUs, which will be paid when and if the RSUs vest.

See note 19 for further discussion of common stock dividends.

*Tax Treatment of Dividends*

The following table summarizes, for income tax purposes, the nature of dividends paid during 2019 on the Company's common stock and 6.875% Convertible Preferred Stock.

| Equity Type | Payment Date | Cash Distribution (per share) | Ordinary Taxable Dividend (per share) | Qualified Taxable Dividend (per share)[(a)] | Section 199A Dividend (per share) | Non-Taxable Distribution (per share) |
|---|---|---|---|---|---|---|
| Common Stock | March 29, 2019 | $ 1.125 | $ 0.824 | $ 0.007 | $ 0.817 | $ 0.301 |
| Common Stock | June 28, 2019 | $ 1.125 | $ 0.824 | $ 0.007 | $ 0.817 | $ 0.301 |
| Common Stock | September 30, 2019 | $ 1.125 | $ 0.824 | $ 0.007 | $ 0.817 | $ 0.301 |
| Common Stock | December 31, 2019 | $ 1.20 | $ 0.879 | $ 0.008 | $ 0.871 | $ 0.321 |
| 6.875% Convertible Preferred Stock | February 1, 2019 | $ 17.1875 | $ 17.1875 | $ 0.1490 | $ 17.0385 | $ — |
| 6.875% Convertible Preferred Stock | May 1, 2019 | $ 17.1875 | $ 17.1875 | $ 0.1490 | $ 17.0385 | $ — |
| 6.875% Convertible Preferred Stock | August 1, 2019 | $ 17.1875 | $ 17.1875 | $ 0.1490 | $ 17.0385 | $ — |
| 6.875% Convertible Preferred Stock | November 1, 2019 | $ 17.1875 | $ 17.1875 | $ 0.1490 | $ 17.0385 | $ — |

(a) Qualified taxable dividend and section 199A dividend amounts are included in ordinary taxable dividend amounts.

*Purchases of the Company's Common Stock*

During the years ended December 31, 2019, 2018 and 2017, the Company purchased 0.4 million, 0.3 million and 0.3 million shares of common stock, respectively, utilizing $44 million, $34 million and $23 million in cash, respectively.

## 13. Stock-based Compensation

*Stock Compensation Plans*

Pursuant to a stockholder approved plan, the Company has and is permitted to grant stock-based awards to certain employees, consultants or non-employee directors of the Company and its subsidiaries or affiliates. As of December 31, 2019, the Company has 9 million shares available for future issuance pursuant to its 2013 Long-Term Incentive Plan ("LTI Plan"). Of these shares remaining available for future issuance, approximately 3 million shares may be issued pursuant to outstanding RSUs granted under the LTI Plan.

*Restricted Stock Units*

The Company issues RSUs to certain executives and employees. Each RSU represents a contingent right to receive one share of common stock subject to satisfaction of the applicable vesting terms. The RSUs granted to certain executives and employees include (1) annual performance awards that often include provisions for forfeiture by the employee if certain market performance of the Company's common stock is not achieved, (2) new hire or promotional awards that generally contain only service conditions, or (3) other awards related to specific business initiatives or compensation objectives including retention and merger integration. Generally, such awards vest over periods of approximately 3 years.

The following is a summary of the RSU activity during the year ended December 31, 2019.

| | RSUs (In millions) |
|---|---|
| Outstanding at the beginning of year | 3 |
| Granted | 1 |
| Vested | (1) |
| Forfeited | — |
| Outstanding at end of year | 3 |

The Company granted approximately 1 million RSUs to the Company's executives and certain other employees for each of the years ended December 31, 2019, 2018 and 2017. The weighted-average grant-date fair value per share of the grants for the years ended December 31, 2019, 2018 and 2017 was $106.55, $91.52 and $73.52 per share, respectively. The weighted-average requisite service period for the RSUs granted during 2019 was approximately 2.4 years.

The approximately 1 million RSUs granted during the year ended December 31, 2019, were comprised of (1) approximately 0.8 million RSUs that time vest over a three-year period and (2) approximately 0.5 million RSUs to the Company's executives and certain other employees which may vest on the third anniversary of the grant date based upon (1) the Company's total shareholder returns (defined as share price appreciation plus the value of dividends paid during the performance period) and (2) the Company's total shareholder return compared to that of the companies in the Standard & Poor's 500 Index. Certain RSU agreements contain provisions that result in forfeiture by the employee of any unvested shares in the event that the Company's common stock does not achieve certain performance targets. To the extent that the requisite service is rendered, compensation cost for accounting purposes is not reversed; rather, it is recognized regardless of whether or not the market performance target is achieved.

The following table summarizes the assumptions used in the Monte Carlo simulation to determine the grant-date fair value for the awards granted during the years ended December 31, 2019, 2018 and 2017, respectively, with market conditions.

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| Risk-free rate | 2.5% | 2.4% | 1.5% |
| Expected volatility | 18% | 18% | 18% |
| Expected dividend rate | 4.0% | 3.8% | 4.4% |

The Company recognized aggregate stock-based compensation expense related to RSUs of $96 million, $90 million and $89 million for the years ended December 31, 2019, 2018 and 2017, respectively. The aggregate unrecognized compensation (net of estimated forfeitures) related to RSUs at December 31, 2019 is $89 million and is estimated to be recognized over a weighted-average period of less than one year.

The following table is a summary of the awards vested during the years ended December 31, 2019, 2018 and 2017.

| Years Ended December 31, | Total Shares Vested | Fair Value on Vesting Date |
|---|---|---|
| | (In millions of shares) | |
| 2019 | 1 | $ 135 |
| 2018 | 1 | 107 |
| 2017 | 1 | 67 |

*Stock-based Compensation*

The following table discloses the components of stock-based compensation expense.

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| Stock-based compensation expense: | | | |
| Site rental costs of operations | $ 19 | $ 17 | $ 15 |
| Services and other costs of operations | 7 | 8 | 5 |
| Selling, general and administrative expenses | 90 | 83 | 76 |
| Total stock-based compensation | $ 116 | $ 108 | $ 96 |

(Tabular dollars in millions, except per share amounts)

## 14. Commitments and Contingencies

The Company is involved in various claims, lawsuits or 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 or losses that may be incurred, if any, 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. Additionally, the Company and certain of its subsidiaries are contingently liable for commitments or performance guarantees arising in the ordinary course of business, including certain letters of credit or surety bonds. See note 15 for a discussion of the operating lease commitments. In addition, see note 1 for a discussion of the Company's option to purchase approximately 53% of its towers at the end of their respective lease terms. The Company has no obligation to exercise such purchase options.

*SEC Investigation*

In September 2019, the Company received a subpoena from the SEC requesting certain documents from 2015 through the present, primarily related to the Company's long-standing capitalization and expense policies for tenant upgrades and installations in its services business. Prior to receiving this subpoena, the Company previously provided information to the SEC related to certain services-related transactions. The Company is cooperating fully with the SEC's investigation and cannot predict the ultimate timing, scope or outcome of this matter.

*Shareholder Litigation*

Putative securities class action suits have been filed against the Company on behalf of investors that purchased or otherwise acquired stock of the Company between February 26, 2018 and February 26, 2020. The allegations relate to allegedly false or misleading statements or other failures to disclose information about the Company’s business, operations and prospects. The complaints seek money damages and the award of plaintiffs’ costs and expenses incurred in the respective class action. The Company is currently unable to determine the likelihood of an outcome or estimate a range of reasonably possible losses, if any. The Company believes these class action suits are without merit and intends to defend itself vigorously.

## 15. Leases

The following information is presented with respect to the Company's tenant contracts that are subject to the new lease accounting standard and excludes those contracts outside the scope of that standard.

*Lessor Tenant Leases*

See note 5 for further information regarding the contractual amounts owed to the Company pursuant to tenant contracts in effect as of December 31, 2019 and other information.

*Lessee Operating Leases*

The components of the Company's operating lease expense are as follows:

| | Year Ended December 31, 2019 |
|---|---|
| Lease cost: | |
| Operating lease expense[(a)] | $ 648 |
| Variable lease expense[(b)] | 133 |
| Total lease expense[(c)] | $ 781 |

(a) Represents the Company's operating lease expense related to its ROU assets for the twelve months ended December 31, 2019.
(b) Represents the Company's expense related to contingent payments for operating leases (such as payments based on revenues derived from the communications infrastructure located on the leased asset) for the twelve months ended December 31, 2019. Such contingencies are recognized as expense in the period they are resolved.
(c) Excludes those direct operating expenses accounted for pursuant to accounting guidance outside the scope of ASC 842.

*Lessee Finance Leases*

The vast majority of the Company's finance leases are related to the towers subject to prepaid master lease agreements with AT&T, Sprint and T-Mobile and are recorded as "Property and equipment, net" on the consolidated balance sheet. See note 1 for further discussion of the Company's prepaid master lease agreements and note 3 for further information regarding the Company's adoption method of the new lease standard. Finance leases and associated leasehold improvements related to gross property and equipment and accumulated depreciation were $4.4 billion and $2.1 billion, respectively, as of December 31, 2019. For the twelve months ended December 31, 2019, the Company recorded $216 million to "Depreciation, amortization and accretion" related to finance leases.

(Tabular dollars in millions, except per share amounts)

*Other Lessee Information*

As of December 31, 2019, the Company's weighted-average remaining lease term and weighted-average discount rate for operating leases were 17 years and 4.3%, respectively.

The following table is a summary of the Company's maturities of operating lease liabilities as of December 31, 2019:

| | Years Ending December 31, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 | 2024 | Thereafter | Total undiscounted lease payments | Less: Imputed interest | Total operating lease liabilities |
| Operating leases[a] | $ 534 | $ 528 | $ 524 | $ 520 | $ 517 | $ 6,357 | $ 8,980 | $ (3,170) | $ 5,810 |

(a) Excludes the Company's contingent payments for operating leases (such as payments based on revenues derived from the communications infrastructure located on the leased asset) as such arrangements are excluded from the Company's operating lease liability. Such contingencies are recognized as expense in the period they are resolved.

*Comparative Information from 2018 Form 10-K*

The Company adopted ASC 842 using a modified retrospective approach as of the effective date, without adjusting the comparative periods and therefore, as required by ASC 842, has included the following comparative information from note 14 to the consolidated financial statements in its 2018 Form 10-K.

The operating lease payments included in the table below include payments for certain renewal periods exercisable at the Company's option that are deemed reasonably assured to be exercised and an estimate of contingent payments based on revenues and gross margins derived from existing tenant leases.

| | Years Ending December 31, | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2019 | 2020 | 2021 | 2022 | 2023 | Thereafter | Total |
| Operating leases | $ 640 | $ 631 | $ 628 | $ 623 | $ 619 | $ 8,054 | $ 11,195 |

## 16. Operating Segments and Concentrations of Credit Risk

*Operating Segments*

The Company's operating segments consist of (1) Towers and (2) Fiber. The Towers segment provides access, including space or capacity, to the Company's approximately 40,000 towers geographically dispersed throughout the U.S. The Towers segment also reflects certain ancillary services relating to the Company's towers, predominately consisting of site development services and installation services. The Fiber segment provides access, including space or capacity, to the Company's approximately 80,000 route miles of fiber primarily supporting small cell networks and fiber solutions geographically dispersed throughout the U.S.

The measurements of profit or loss used by the Company's chief operating decision maker ("CODM") to evaluate the performance of its operating segments are (1) segment site rental gross margin, (2) segment services and other gross margin and (3) segment operating profit. The Company defines segment site rental gross margin as segment site rental revenues less segment site rental cost of operations, which excludes stock-based compensation expense and prepaid lease purchase price adjustments recorded in consolidated cost of operations. The Company defines segment services and other gross margin as segment services and other revenues less segment services and other cost of operations, which excludes stock-based compensation expense recorded in consolidated cost of operations. The Company defines segment operating profit as segment site rental gross margin plus segment services and other gross margin, less selling, general and administrative expenses attributable to the respective segment. All of these measurements of profit or loss are exclusive of depreciation, amortization and accretion, which are shown separately.

Costs that are directly attributable to Towers and Fiber are assigned to those respective segments. Additionally, certain costs are shared across segments and are reflected in the Company's segment measures through allocations that management believes to be reasonable. The "Other" column (1) represents amounts excluded from specific segments, such as asset write-down charges, acquisition and integration costs, depreciation, amortization and accretion, amortization of prepaid lease purchase price adjustments, interest expense and amortization of deferred financing costs, gains (losses) on retirement of long-term obligations, net gain (loss) on interest rate swaps, gains (losses) on foreign currency swaps, interest income, other income (expense), income (loss) from discontinued operations, and stock-based compensation expense, and (2) reconciles segment operating profit to income (loss) before income taxes, as the amounts are not utilized in assessing each segment's performance. The "Other" total assets balance includes corporate assets such as cash and cash equivalents which have not been allocated to specific segments. There are no significant revenues resulting from transactions between the Company's operating segments.

(Tabular dollars in millions, except per share amounts)

The tables below for the years ended December 31, 2018 and 2017 also give effect to the Historical Adjustments as discussed in note 2. Each of the Historical Adjustments for the years ended December 31, 2018 and 2017 are attributable only to the Towers segment.

| | Year Ended December 31, 2019 | | | |
|---|---|---|---|---|
| | Towers | Fiber | Other | Consolidated Total |
| Segment site rental revenues | $ 3,389 | $ 1,704 | | $ 5,093 |
| Segment services and other revenues | 653 | 17 | | 670 |
| Segment revenues | 4,042 | 1,721 | | 5,763 |
| Segment site rental cost of operations | 864 | 559 | | 1,423 |
| Segment services and other cost of operations | 506 | 11 | | 517 |
| Segment cost of operations[(a)(b)] | 1,370 | 570 | | 1,940 |
| Segment site rental gross margin | 2,525 | 1,145 | | 3,670 |
| Segment services and other gross margin | 147 | 6 | | 153 |
| Segment selling, general and administrative expenses[(b)] | 96 | 195 | | 291 |
| Segment operating profit (loss) | 2,576 | 956 | | 3,532 |
| Other selling, general and administrative expenses[(b)] | | | $ 233 | 233 |
| Stock-based compensation expense | | | 116 | 116 |
| Depreciation, amortization and accretion | | | 1,572 | 1,572 |
| Interest expense and amortization of deferred financing costs | | | 683 | 683 |
| Other (income) expenses to reconcile to income (loss) before income taxes[(c)] | | | 47 | 47 |
| Income (loss) before income taxes | | | | $ 881 |
| Capital expenditures | $ 543 | $ 1,473 | $ 41 | $ 2,057 |
| Total assets (at year end) | $ 22,357 | $ 15,389 | $ 711 | $ 38,457 |
| Total goodwill (at year end) | $ 5,127 | $ 4,951 | $ — | $ 10,078 |

(a) Exclusive of depreciation, amortization and accretion shown separately
(b) Segment cost of operations for the year ended December 31, 2019 excludes (1) stock-based compensation expense of $26 million and (2) prepaid lease purchase price adjustments of $20 million. For the year ended December 31, 2019, segment selling, general and administrative expenses exclude stock-based compensation expense of $90 million.
(c) See consolidated statement of operations for further information.

(Tabular dollars in millions, except per share amounts)

| | Year Ended December 31, 2018 (As Restated) | | | |
|---|---|---|---|---|
| | Towers | Fiber | Other | Consolidated Total |
| Segment site rental revenues | $ 3,196 | $ 1,600 | | $ 4,796 |
| Segment services and other revenues | 558 | 16 | | 574 |
| Segment revenues | 3,754 | 1,616 | | 5,370 |
| Segment site rental cost of operations | 848 | 525 | | 1,373 |
| Segment services and other cost of operations | 415 | 11 | | 426 |
| Segment cost of operations[(a)(b)] | 1,263 | 536 | | 1,799 |
| Segment site rental gross margin | 2,348 | 1,075 | | 3,423 |
| Segment services and other gross margin | 143 | 5 | | 148 |
| Segment selling, general and administrative expenses[(b)] | 110 | 179 | | 289 |
| Segment operating profit (loss) | 2,381 | 901 | | 3,282 |
| Other selling, general and administrative expenses[(b)] | | | $ 191 | 191 |
| Stock-based compensation expense | | | 108 | 108 |
| Depreciation, amortization and accretion | | | 1,527 | 1,527 |
| Interest expense and amortization of deferred financing costs | | | 642 | 642 |
| Other (income) expenses to reconcile to income (loss) before income taxes[(c)] | | | 173 | 173 |
| Income (loss) before income taxes | | | | $ 641 |
| Capital expenditures | $ 440 | $ 1,264 | $ 35 | $ 1,739 |
| Total assets (at year end) | $ 17,644 | $ 14,512 | $ 606 | $ 32,762 |
| Total goodwill (at year end) | $ 5,127 | $ 4,951 | $ — | $ 10,078 |

(a) Exclusive of depreciation, amortization and accretion shown separately
(b) Segment cost of operations for the year ended December 31, 2018 excludes (1) stock-based compensation expense of $25 million and (2) prepaid lease purchase price adjustments of $20 million. For the year ended December 31, 2018, segment selling, general and administrative expenses exclude stock-based compensation expense of $83 million.
(c) See consolidated statement of operations for further information.

| | Year Ended December 31, 2017 (As Restated) | | | |
|---|---|---|---|---|
| | Towers | Fiber | Other | Consolidated Total |
| Segment site rental revenues | $ 2,965 | $ 769 | | $ 3,734 |
| Segment services and other revenues | 471 | 50 | | 521 |
| Segment revenues | 3,436 | 819 | | 4,255 |
| Segment site rental cost of operations | 845 | 264 | | 1,109 |
| Segment services and other cost of operations | 353 | 41 | | 394 |
| Segment cost of operations[(a)(b)] | 1,198 | 305 | | 1,503 |
| Segment site rental gross margin | 2,120 | 505 | | 2,625 |
| Segment services and other gross margin | 118 | 9 | | 127 |
| Segment selling, general and administrative expenses[(b)] | 94 | 89 | | 183 |
| Segment operating profit (loss) | 2,144 | 425 | | 2,569 |
| Other selling, general and administrative expenses[(b)] | | | $ 167 | 167 |
| Stock-based compensation expense | | | 96 | 96 |
| Depreciation, amortization and accretion | | | 1,241 | 1,241 |
| Interest expense and amortization of deferred financing costs | | | 591 | 591 |
| Other (income) expenses to reconcile to income (loss) before income taxes[(c)] | | | 82 | 82 |
| Income (loss) before income taxes | | | | $ 392 |
| Capital expenditures | $ 407 | $ 782 | $ 28 | $ 1,217 |
| Total assets (at year end) | $ 17,918 | $ 13,669 | $ 619 | $ 32,206 |
| Total goodwill (at year end) | $ 5,127 | $ 4,894 | $ — | $ 10,021 |

(a) Exclusive of depreciation, amortization and accretion shown separately
(b) Segment cost of operations for the year ended December 31, 2017 excludes (1) stock-based compensation expense of $20 million and (2) prepaid lease purchase price adjustments of $20 million. For the year ended December 31, 2017, segment selling, general and administrative expenses exclude stock-based compensation expense of $76 million.
(c) See consolidated statement of operations for further information.

(Tabular dollars in millions, except per share amounts)

*Major Tenants*

The following table summarizes the percentage of the consolidated revenues for those tenants accounting for more than 10% of the consolidated revenues. The table below also gives effect to the Historical Adjustments, as discussed in note 2.

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| | | (As Restated) | |
| T-Mobile | 22% | 19% | 22% |
| AT&T | 21% | 20% | 25% |
| Verizon Wireless | 19% | 20% | 16% |
| Sprint | 14% | 15% | 23% |
| Total | 76% | 74% | 86% |

*Concentrations of Credit Risk*

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents, restricted cash and trade receivables. The Company mitigates its risk with respect to cash and cash equivalents by maintaining such deposits at high credit quality financial institutions and monitoring the credit ratings of those institutions. The Company's restricted cash is predominately held and directed by a trustee (see note 3).

The Company derives the largest portion of its revenues from tenants in the wireless industry. The Company also has a concentration in its volume of business with T-Mobile, AT&T, Verizon Wireless and Sprint or their agents that accounts for a significant portion of the Company's revenues, receivables and deferred site rental receivables. The Company mitigates its concentrations of credit risk with respect to trade receivables by actively monitoring the creditworthiness of its tenants, the use of tenant leases with contractually determinable payment terms or proactive management of past due balances.

## 17. Supplemental Cash Flow Information

The following table is a summary of the supplemental cash flow information during the years ended December 31, 2019, 2018 and 2017.

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| Supplemental disclosure of cash flow information: | | | |
| Cash payments related to operating lease liabilities[(a)(b)] | $ 541 | $ — | $ — |
| Interest paid | 661 | 619 | 547 |
| Income taxes paid | 16 | 17 | 16 |
| Supplemental disclosure of non-cash investing and financing activities: | | | |
| New ROU assets obtained in exchange for operating lease liabilities[(b)] | 431 | — | — |
| Increase in accounts payable for purchases of property and equipment | 2 | 29 | 2 |
| Purchase of property and equipment under finance leases and installment land purchases | 33 | 40 | 32 |
| Increase in preferred stock dividends accrued but not paid (see note 12) | — | — | 28 |

(a) Excludes the Company's contingent payments pursuant to operating leases, which are recorded as expense in the period such contingencies are resolved.
(b) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

The reconciliation of cash, cash equivalents, and restricted cash reported within various lines on the consolidated balance sheet to amounts reported in the consolidated statement of cash flows is shown below.

| | As of December 31, | | |
|---|---|---|---|
| | 2019 | 2018 | 2017 |
| Cash and cash equivalents | $ 196 | $ 277 | $ 314 |
| Restricted cash, current | 137 | 131 | 121 |
| Restricted cash reported within long-term prepaid rent and other assets, net | 5 | 5 | 5 |
| Cash, cash equivalents and restricted cash | $ 338 | $ 413 | $ 440 |

## 18. Quarterly Financial Information (Unaudited)

Quarterly financial information for the years ended December 31, 2019 and 2018 is summarized in the table below. The tables below gives effect to the Historical Adjustments, where applicable, as discussed in note 2.

| | Three Months Ended[(a)] | | | |
|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 |
| | | (As Restated) | | |
| 2019: | | | | |
| Net revenues | $ 1,426 | $ 1,482 | $ 1,447 | $ 1,408 |
| Operating income (loss) | 379 | 423 | 389 | 367 |
| Gains (losses) on retirement of long-term obligations | — | — | (1) | (1) |
| Benefit (provision) for income taxes | (6) | (5) | (4) | (6) |
| Net income (loss) attributable to CCIC stockholders | 208 | 242 | 216 | 193 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Basic | $ 0.43 | $ 0.51 | $ 0.45 | $ 0.40 |
| Diluted | $ 0.43 | $ 0.51 | $ 0.45 | $ 0.40 |

| | Three Months Ended[(a)] | | | |
|---|---|---|---|---|
| | December 31 | September 30 | June 30 | March 31 |
| | (As Restated) | | | |
| 2018: | | | | |
| Net revenues | $ 1,406 | $ 1,361 | $ 1,319 | $ 1,284 |
| Operating income (loss) | 367 | 346 | 335 | 335 |
| Gains (losses) on retirement of long-term obligations | — | (32) | (3) | (71) |
| Benefit (provision) for income taxes | (5) | (5) | (5) | (4) |
| Net income (loss) attributable to CCIC stockholders | 201 | 151 | 170 | 100 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Basic | $ 0.42 | $ 0.30 | $ 0.34 | $ 0.18 |
| Diluted | $ 0.42 | $ 0.30 | $ 0.34 | $ 0.18 |

(a) The sum of quarterly information may not agree to year-to-date information due to rounding.

*Restatement of Previously Issued Quarterly Unaudited Financial Information*

The following tables represent the Company's restatement of previously issued unaudited quarterly financial information for each of the applicable interim periods during the nine months ended September 30, 2019 and twelve months ended December 31, 2018. The amounts previously issued were derived from the Company's respective Quarterly Reports on Form 10-Q, and, for the fourth quarter of 2018, from its 2018 Annual Report on Form 10-K. As discussed in note 2, the following tables reflect the impact of the Historical Adjustments, where applicable, on each interim period below. The sum of quarterly information may not agree to year-to-date information due to rounding.

(Tabular dollars in millions, except per share amounts)

| | September 30, 2019 | June 30, 2019 | March 31, 2019 |
|---|---|---|---|
| | | (As Restated) | |
| **ASSETS** | | | |
| Current assets: | | | |
| Cash and cash equivalents | $ 182 | $ 288 | $ 245 |
| Restricted cash | 138 | 136 | 158 |
| Receivables, net | 667 | 591 | 545 |
| Prepaid expenses[(a)] | 99 | 111 | 85 |
| Other current assets | 167 | 168 | 160 |
| Total current assets | 1,253 | 1,294 | 1,193 |
| Deferred site rental receivables | 1,413 | 1,391 | 1,373 |
| Property and equipment, net | 14,393 | 14,128 | 13,860 |
| Operating lease right-of-use assets[(a)] | 6,112 | 6,053 | 5,969 |
| Goodwill | 10,078 | 10,078 | 10,078 |
| Other intangible assets, net[(a)] | 4,968 | 5,074 | 5,178 |
| Long-term prepaid rent and other assets, net[(a)] | 104 | 106 | 104 |
| Total assets | $ 38,321 | $ 38,124 | $ 37,755 |
| **LIABILITIES AND EQUITY** | | | |
| Current liabilities: | | | |
| Accounts payable | $ 368 | $ 337 | $ 311 |
| Accrued interest | 110 | 166 | 107 |
| Deferred revenues | 638 | 607 | 598 |
| Other accrued liabilities[(a)] | 335 | 305 | 262 |
| Current maturities of debt and other obligations | 100 | 98 | 96 |
| Current portion of operating lease liabilities[(a)] | 296 | 289 | 287 |
| Total current liabilities | 1,847 | 1,802 | 1,661 |
| Debt and other long-term obligations | 17,750 | 17,471 | 17,120 |
| Operating lease liabilities[(a)] | 5,480 | 5,427 | 5,338 |
| Other long-term liabilities[(a)] | 2,458 | 2,411 | 2,369 |
| Total liabilities | 27,535 | 27,111 | 26,488 |
| Commitments and contingencies (see note 14) | | | |
| CCIC stockholders' equity: | | | |
| Common stock, $0.01 par value | 4 | 4 | 4 |
| 6.875% Mandatory Convertible Preferred Stock, Series A, $0.01 par value | — | — | — |
| Additional paid-in capital | 17,829 | 17,801 | 17,769 |
| Accumulated other comprehensive income (loss) | (5) | (5) | (5) |
| Dividends/distributions in excess of earnings | (7,042) | (6,787) | (6,501) |
| Total equity | 10,786 | 11,013 | 11,267 |
| Total liabilities and equity | $ 38,321 | $ 38,124 | $ 37,755 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

| | September 30, 2018 | June 30, 2018 | March 31, 2018 |
|---|---|---|---|
| | | (As Restated) | |
| **ASSETS** | | | |
| Current assets: | | | |
| Cash and cash equivalents | $ 323 | $ 206 | $ 220 |
| Restricted cash | 125 | 125 | 120 |
| Receivables, net | 471 | 455 | 402 |
| Prepaid expenses[a] | 182 | 197 | 175 |
| Other current assets | 148 | 181 | 157 |
| Total current assets | 1,249 | 1,164 | 1,074 |
| Deferred site rental receivables | 1,357 | 1,303 | 1,304 |
| Property and equipment, net | 13,410 | 13,195 | 13,028 |
| Goodwill | 10,074 | 10,075 | 10,075 |
| Other intangible assets, net[a] | 5,620 | 5,729 | 5,854 |
| Long-term prepaid rent and other assets, net[a] | 911 | 885 | 892 |
| Total assets | $ 32,621 | $ 32,351 | $ 32,227 |
| **LIABILITIES AND EQUITY** | | | |
| Current liabilities: | | | |
| Accounts payable | $ 302 | $ 272 | $ 248 |
| Accrued interest | 101 | 154 | 104 |
| Deferred revenues | 568 | 554 | 539 |
| Other accrued liabilities[a] | 306 | 272 | 240 |
| Current maturities of debt and other obligations | 111 | 112 | 130 |
| Total current liabilities | 1,388 | 1,364 | 1,261 |
| Debt and other long-term obligations | 16,313 | 15,844 | 15,616 |
| Other long-term liabilities[a] | 3,074 | 3,014 | 2,946 |
| Total liabilities | 20,775 | 20,222 | 19,823 |
| Commitments and contingencies (see note 14) | | | |
| CCIC stockholders' equity: | | | |
| Common stock, $0.01 par value | 4 | 4 | 4 |
| 6.875% Mandatory Convertible Preferred Stock, Series A, $0.01 par value | — | — | — |
| Additional paid-in capital | 17,743 | 17,711 | 17,690 |
| Accumulated other comprehensive income (loss) | (5) | (5) | (4) |
| Dividends/distributions in excess of earnings | (5,896) | (5,581) | (5,286) |
| Total equity | 11,846 | 12,129 | 12,404 |
| Total liabilities and equity | $ 32,621 | $ 32,351 | $ 32,227 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

The following tables illustrate the Historical Adjustments, where applicable, on the Company's condensed consolidated balance sheet for each period presented. Only line items impacted by the Historical Adjustments are presented, and as such, components will not sum to totals.

| | September 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 14,416 | $ — | $ (23) | $ 14,393 |
| Total assets | 38,344 | — | (23) | 38,321 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 525 | 113 | — | 638 |
| Total current liabilities | 1,734 | 113 | — | 1,847 |
| Other long-term liabilities[a] | 2,055 | 403 | — | 2,458 |
| Total liabilities | 27,019 | 516 | — | 27,535 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (6,503) | (516) | (23) | (7,042) |
| Total equity | 11,325 | (516) | (23) | 10,786 |
| Total liabilities and equity | $ 38,344 | $ — | $ (23) | $ 38,321 |

| | June 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 14,151 | $ — | $ (23) | $ 14,128 |
| Total assets | 38,147 | — | (23) | 38,124 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 503 | 104 | — | 607 |
| Total current liabilities | 1,698 | 104 | — | 1,802 |
| Other long-term liabilities[a] | 2,028 | 383 | — | 2,411 |
| Total liabilities | 26,624 | 487 | — | 27,111 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (6,277) | (487) | (23) | (6,787) |
| Total equity | 11,523 | (487) | (23) | 11,013 |
| Total liabilities and equity | $ 38,147 | $ — | $ (23) | $ 38,124 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

| | March 31, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 13,883 | $ — | $ (23) | $ 13,860 |
| Total assets | 37,778 | — | (23) | 37,755 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 502 | 96 | — | 598 |
| Total current liabilities | 1,565 | 96 | — | 1,661 |
| Other long-term liabilities[(a)] | 2,009 | 360 | — | 2,369 |
| Total liabilities | 26,032 | 456 | — | 26,488 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (6,022) | (456) | (23) | (6,501) |
| Total equity | 11,746 | (456) | (23) | 11,267 |
| Total liabilities and equity | $ 37,778 | $ — | $ (23) | $ 37,755 |

| | September 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 13,433 | $ — | $ (23) | $ 13,410 |
| Total assets | 32,644 | — | (23) | 32,621 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 484 | 84 | — | 568 |
| Total current liabilities | 1,304 | 84 | — | 1,388 |
| Other long-term liabilities[(a)] | 2,732 | 342 | — | 3,074 |
| Total liabilities | 20,349 | 426 | — | 20,775 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (5,447) | (426) | (23) | (5,896) |
| Total equity | 12,295 | (426) | (23) | 11,846 |
| Total liabilities and equity | $ 32,644 | $ — | $ (23) | $ 32,621 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

| | June 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 13,218 | $ — | $ (23) | $ 13,195 |
| Total assets | 32,374 | — | (23) | 32,351 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 476 | 78 | — | 554 |
| Total current liabilities | 1,286 | 78 | — | 1,364 |
| Other long-term liabilities[a] | 2,678 | 336 | — | 3,014 |
| Total liabilities | 19,808 | 414 | — | 20,222 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (5,144) | (414) | (23) | (5,581) |
| Total equity | 12,566 | (414) | (23) | 12,129 |
| Total liabilities and equity | $ 32,374 | $ — | $ (23) | $ 32,351 |

| | March 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **ASSETS** | | | | |
| Property and equipment, net | $ 13,051 | $ — | $ (23) | $ 13,028 |
| Total assets | 32,250 | — | (23) | 32,227 |
| **LIABILITIES AND EQUITY** | | | | |
| Current liabilities: | | | | |
| Deferred revenues | 465 | 74 | — | 539 |
| Total current liabilities | 1,187 | 74 | — | 1,261 |
| Other long-term liabilities[a] | 2,615 | 331 | — | 2,946 |
| Total liabilities | 19,418 | 405 | — | 19,823 |
| CCIC stockholders' equity: | | | | |
| Dividends/distributions in excess of earnings | (4,858) | (405) | (23) | (5,286) |
| Total equity | 12,832 | (405) | (23) | 12,404 |
| Total liabilities and equity | $ 32,250 | $ — | $ (23) | $ 32,227 |

(a) See *"Recently Adopted Accounting Pronouncements"* in note 3 for a discussion of the recently adopted new lease standard.

(Tabular dollars in millions, except per share amounts)

*Condensed consolidated statement of operations and comprehensive income (loss)*

| | September 30, 2019 | | June 30, 2019 | | March 31, 2019 |
|---|---|---|---|---|---|
| | Three Months Ended | Nine Months Ended | Three Months Ended | Six Months Ended | Three Months Ended |
| | | | (As Restated) | | |
| Net revenues: | | | | | |
| Site rental | $ 1,287 | $ 3,793 | $ 1,263 | $ 2,505 | $ 1,242 |
| Services and other | 195 | 544 | 184 | 350 | 166 |
| Net revenues | 1,482 | 4,337 | 1,447 | 2,855 | 1,408 |
| Operating expenses: | | | | | |
| Costs of operations[a]: | | | | | |
| Site rental | 369 | 1,095 | 365 | 726 | 361 |
| Services and other | 146 | 407 | 137 | 261 | 124 |
| Selling, general and administrative | 150 | 457 | 155 | 307 | 152 |
| Asset write-down charges | 2 | 13 | 6 | 12 | 6 |
| Acquisition and integration costs | 4 | 10 | 2 | 6 | 4 |
| Depreciation, amortization and accretion | 388 | 1,175 | 393 | 787 | 394 |
| Total operating expenses | 1,059 | 3,157 | 1,058 | 2,099 | 1,041 |
| Operating income (loss) | 423 | 1,180 | 389 | 756 | 367 |
| Interest expense and amortization of deferred financing costs | (173) | (510) | (169) | (337) | (168) |
| Gains (losses) on retirement of long-term obligations | — | (2) | (1) | (2) | (1) |
| Interest income | 2 | 5 | 1 | 3 | 2 |
| Other income (expense) | (5) | (6) | — | (1) | (1) |
| Income (loss) before income taxes | 247 | 667 | 220 | 419 | 199 |
| Benefit (provision) for income taxes | (5) | (15) | (4) | (10) | (6) |
| Net income (loss) attributable to CCIC stockholders | 242 | 652 | 216 | 409 | 193 |
| Dividends/distributions on preferred stock | (28) | (85) | (28) | (57) | (28) |
| Net income (loss) attributable to CCIC common stockholders | 214 | 567 | 188 | 352 | 165 |
| Net income (loss) | 242 | 652 | 216 | 409 | 193 |
| Other comprehensive income (loss): | | | | | |
| Foreign currency translation adjustments | — | — | — | — | — |
| Total other comprehensive income (loss) | — | — | — | — | — |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 242 | $ 652 | $ 216 | $ 409 | $ 193 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.51 | $ 1.36 | $ 0.45 | $ 0.85 | $ 0.40 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.51 | $ 1.36 | $ 0.45 | $ 0.84 | $ 0.40 |
| Weighted-average common shares outstanding: | | | | | |
| Basic | 416 | 416 | 416 | 415 | 415 |
| Diluted | 418 | 418 | 418 | 417 | 417 |

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

(Tabular dollars in millions, except per share amounts)

| | December 31, 2018 | September 30, 2018 | | June 30, 2018 | | March 31, 2018 |
|---|---|---|---|---|---|---|
| | Three Months Ended | Three Months Ended | Nine Months Ended | Three Months Ended | Six Months Ended | Three Months Ended |
| | (As Restated) | | | | | |
| Net revenues: | | | | | | |
| Site rental | $ 1,231 | $ 1,205 | $ 3,565 | $ 1,188 | $ 2,360 | $ 1,171 |
| Services and other | 175 | 156 | 399 | 131 | 244 | 113 |
| Net revenues | 1,406 | 1,361 | 3,964 | 1,319 | 2,604 | 1,284 |
| Operating expenses: | | | | | | |
| Costs of operations[(a)]: | | | | | | |
| Site rental | 353 | 355 | 1,057 | 355 | 702 | 347 |
| Services and other | 135 | 118 | 301 | 98 | 183 | 85 |
| Selling, general and administrative | 145 | 145 | 418 | 138 | 273 | 134 |
| Asset write-down charges | 8 | 8 | 18 | 6 | 9 | 3 |
| Acquisition and integration costs | 9 | 4 | 18 | 8 | 14 | 6 |
| Depreciation, amortization and accretion | 389 | 385 | 1,138 | 379 | 753 | 374 |
| Total operating expenses | 1,039 | 1,015 | 2,950 | 984 | 1,934 | 949 |
| Operating income (loss) | 367 | 346 | 1,014 | 335 | 670 | 335 |
| Interest expense and amortization of deferred financing costs | (164) | (160) | (478) | (158) | (318) | (160) |
| Gains (losses) on retirement of long-term obligations | — | (32) | (106) | (3) | (74) | (71) |
| Interest income | 2 | 1 | 4 | 1 | 2 | 1 |
| Other income (expense) | 1 | 1 | — | — | (1) | (1) |
| Income (loss) before income taxes | 206 | 156 | 434 | 175 | 279 | 104 |
| Benefit (provision) for income taxes | (5) | (5) | (13) | (5) | (9) | (4) |
| Net income (loss) attributable to CCIC stockholders | 201 | 151 | 421 | 170 | 270 | 100 |
| Dividends/distributions on preferred stock | (28) | (28) | (85) | (28) | (57) | (28) |
| Net income (loss) attributable to CCIC common stockholders | 173 | 123 | 336 | 142 | 213 | 72 |
| Net income (loss) | 201 | 151 | 421 | 170 | 270 | 100 |
| Other comprehensive income (loss): | | | | | | |
| Foreign currency translation adjustments | — | — | (1) | (1) | (1) | — |
| Total other comprehensive income (loss) | — | — | (1) | (1) | (1) | — |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 201 | $ 151 | $ 420 | $ 169 | $ 269 | $ 100 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.42 | $ 0.30 | $ 0.81 | $ 0.34 | $ 0.52 | $ 0.18 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.42 | $ 0.30 | $ 0.81 | $ 0.34 | $ 0.52 | $ 0.18 |
| Weighted-average common shares outstanding: | | | | | | |
| Basic | 415 | 415 | 413 | 415 | 412 | 409 |
| Diluted | 417 | 416 | 414 | 416 | 413 | 410 |

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

(Tabular dollars in millions, except per share amounts)

The following tables illustrate the Historical Adjustments, where applicable, on the Company's condensed consolidated statement of operations and comprehensive income (loss) for each period presented. Only line items impacted by the Historical Adjustments are presented, and as such, components will not sum to totals. The sum of quarterly information may not agree to year-to-date information due to rounding.

| | Nine Months Ended September 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 3,718 | $ 75 | $ — | $ 3,793 |
| Services and other | 700 | (152) | (4) | 544 |
| Net revenues | 4,418 | (77) | (4) | 4,337 |
| Operating expenses: | | | | |
| Costs of operations[a]: | | | | |
| Services and other | 410 | — | (3) | 407 |
| Depreciation, amortization and accretion | 1,176 | — | (1) | 1,175 |
| Total operating expenses | 3,161 | — | (4) | 3,157 |
| Operating income (loss) | 1,257 | (77) | — | 1,180 |
| Income (loss) before income taxes | 744 | (77) | — | 667 |
| Net income (loss) attributable to CCIC stockholders | 729 | (77) | — | 652 |
| Net income (loss) attributable to CCIC common stockholders | $ 644 | $ (77) | $ — | $ 567 |
| Net income (loss) | $ 729 | $ (77) | $ — | $ 652 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 729 | $ (77) | $ — | $ 652 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 1.55 | $ (0.19) | $ — | $ 1.36 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 1.54 | $ (0.18) | $ — | $ 1.36 |

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

(Tabular dollars in millions, except per share amounts)

| | Three Months Ended September 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,260 | $ 27 | $ — | $ 1,287 |
| Services and other | 254 | (57) | (2) | 195 |
| Net revenues | 1,514 | (30) | (2) | 1,482 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 147 | — | (1) | 146 |
| Depreciation, amortization and accretion | 389 | — | (1) | 388 |
| Total operating expenses | 1,061 | — | (2) | 1,059 |
| Operating income (loss) | 453 | (30) | — | 423 |
| Income (loss) before income taxes | 277 | (30) | — | 247 |
| Net income (loss) attributable to CCIC stockholders | 272 | (30) | — | 242 |
| Net income (loss) attributable to CCIC common stockholders | $ 244 | $ (30) | $ — | $ 214 |
| Net income (loss) | $ 272 | $ (30) | $ — | $ 242 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 272 | $ (30) | $ — | $ 242 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.59 | $ (0.08) | $ — | $ 0.51 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.58 | $ (0.07) | $ — | $ 0.51 |

| | Six Months Ended June 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 2,457 | $ 48 | $ — | $ 2,505 |
| Services and other | 447 | (95) | (2) | 350 |
| Net revenues | 2,904 | (47) | (2) | 2,855 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 263 | — | (2) | 261 |
| Total operating expenses | 2,101 | — | (2) | 2,099 |
| Operating income (loss) | 803 | (47) | — | 756 |
| Income (loss) before income taxes | 466 | (47) | — | 419 |
| Net income (loss) attributable to CCIC stockholders | 456 | (47) | — | 409 |
| Net income (loss) attributable to CCIC common stockholders | $ 399 | $ (47) | $ — | $ 352 |
| Net income (loss) | $ 456 | $ (47) | $ — | $ 409 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 456 | $ (47) | $ — | $ 409 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.96 | $ (0.11) | $ — | $ 0.85 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.95 | $ (0.11) | $ — | $ 0.84 |

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

(Tabular dollars in millions, except per share amounts)

| | Three Months Ended June 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,238 | $ 25 | $ — | $ 1,263 |
| Services and other | 240 | (55) | (1) | 184 |
| Net revenues | 1,478 | (30) | (1) | 1,447 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 138 | — | (1) | 137 |
| Total operating expenses | 1,059 | — | (1) | 1,058 |
| Operating income (loss) | 419 | (30) | — | 389 |
| Income (loss) before income taxes | 250 | (30) | — | 220 |
| Net income (loss) attributable to CCIC stockholders | 246 | (30) | — | 216 |
| Net income (loss) attributable to CCIC common stockholders | $ 218 | $ (30) | $ — | $ 188 |
| Net income (loss) | $ 246 | $ (30) | $ — | $ 216 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 246 | $ (30) | $ — | $ 216 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.52 | $ (0.07) | $ — | $ 0.45 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.52 | $ (0.07) | $ — | $ 0.45 |

| | Three Months Ended March 31, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,219 | $ 23 | $ — | $ 1,242 |
| Services and other | 207 | (40) | (1) | 166 |
| Net revenues | 1,426 | (17) | (1) | 1,408 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 125 | — | (1) | 124 |
| Total operating expenses | 1,042 | — | (1) | 1,041 |
| Operating income (loss) | 384 | (17) | — | 367 |
| Income (loss) before income taxes | 216 | (17) | — | 199 |
| Net income (loss) attributable to CCIC stockholders | 210 | (17) | — | 193 |
| Net income (loss) attributable to CCIC common stockholders | $ 182 | $ (17) | $ — | $ 165 |
| Net income (loss) | $ 210 | $ (17) | $ — | $ 193 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 210 | $ (17) | $ — | $ 193 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.44 | $ (0.04) | $ — | $ 0.40 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.44 | $ (0.04) | $ — | $ 0.40 |

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

(Tabular dollars in millions, except per share amounts)

| | Three Months Ended December 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,209 | $ 22 | $ — | $ 1,231 |
| Services and other | 210 | (35) | — | 175 |
| Net revenues | 1,419 | (13) | — | 1,406 |
| Operating expenses: | | | | |
| Depreciation, amortization and accretion | 390 | — | (1) | 389 |
| Total operating expenses | 1,040 | — | (1) | 1,039 |
| Operating income (loss) | 379 | (13) | 1 | 367 |
| Income (loss) before income taxes | 218 | (13) | 1 | 206 |
| Net income (loss) attributable to CCIC stockholders | 213 | (13) | 1 | 201 |
| Net income (loss) attributable to CCIC common stockholders | $ 185 | $ (13) | $ 1 | $ 173 |
| Net income (loss) | $ 213 | $ (13) | $ 1 | $ 201 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 213 | $ (13) | $ 1 | $ 201 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.45 | $ (0.03) | $ — | $ 0.42 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.44 | $ (0.02) | $ — | $ 0.42 |

| | Nine Months Ended September 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 3,507 | $ 58 | $ — | $ 3,565 |
| Services and other | 497 | (93) | (5) | 399 |
| Net revenues | 4,004 | (35) | (5) | 3,964 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 304 | — | (3) | 301 |
| Total operating expenses | 2,953 | — | (3) | 2,950 |
| Operating income (loss) | 1,051 | (35) | (2) | 1,014 |
| Income (loss) before income taxes | 471 | (35) | (2) | 434 |
| Net income (loss) attributable to CCIC stockholders | 458 | (35) | (2) | 421 |
| Net income (loss) attributable to CCIC common stockholders | $ 373 | $ (35) | $ (2) | $ 336 |
| Net income (loss) | $ 458 | $ (35) | $ (2) | $ 421 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 457 | $ (35) | $ (2) | $ 420 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.90 | $ (0.09) | $ — | $ 0.81 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.90 | $ (0.09) | $ — | $ 0.81 |

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

(Tabular dollars in millions, except per share amounts)

| | Three Months Ended September 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,184 | $ 21 | $ — | $ 1,205 |
| Services and other | 191 | (33) | (2) | 156 |
| Net revenues | 1,375 | (12) | (2) | 1,361 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 119 | — | (1) | 118 |
| Total operating expenses | 1,016 | — | (1) | 1,015 |
| Operating income (loss) | 359 | (12) | (1) | 346 |
| Income (loss) before income taxes | 169 | (12) | (1) | 156 |
| Net income (loss) attributable to CCIC stockholders | 164 | (12) | (1) | 151 |
| Net income (loss) attributable to CCIC common stockholders | $ 136 | $ (12) | $ (1) | $ 123 |
| Net income (loss) | $ 164 | $ (12) | $ (1) | $ 151 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 164 | $ (12) | $ (1) | $ 151 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.33 | $ (0.03) | $ — | $ 0.30 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.33 | $ (0.03) | $ — | $ 0.30 |

| | Six Months Ended June 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 2,323 | $ 37 | $ — | $ 2,360 |
| Services and other | 307 | (60) | (3) | 244 |
| Net revenues | 2,630 | (23) | (3) | 2,604 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 185 | — | (2) | 183 |
| Total operating expenses | 1,936 | — | (2) | 1,934 |
| Operating income (loss) | 694 | (23) | (1) | 670 |
| Income (loss) before income taxes | 303 | (23) | (1) | 279 |
| Net income (loss) attributable to CCIC stockholders | 294 | (23) | (1) | 270 |
| Net income (loss) attributable to CCIC common stockholders | $ 237 | $ (23) | $ (1) | $ 213 |
| Net income (loss) | $ 294 | $ (23) | $ (1) | $ 270 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 293 | $ (23) | $ (1) | $ 269 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.58 | $ (0.06) | $ — | $ 0.52 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.57 | $ (0.05) | $ — | $ 0.52 |

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

(Tabular dollars in millions, except per share amounts)

| | Three Months Ended June 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,169 | $ 19 | $ — | $ 1,188 |
| Services and other | 161 | (28) | (2) | 131 |
| Net revenues | 1,330 | (9) | (2) | 1,319 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 99 | — | (1) | 98 |
| Total operating expenses | 985 | — | (1) | 984 |
| Operating income (loss) | 345 | (9) | (1) | 335 |
| Income (loss) before income taxes | 185 | (9) | (1) | 175 |
| Net income (loss) attributable to CCIC stockholders | 180 | (9) | (1) | 170 |
| Net income (loss) attributable to CCIC common stockholders | $ 152 | $ (9) | $ (1) | $ 142 |
| Net income (loss) | $ 180 | $ (9) | $ (1) | $ 170 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 179 | $ (9) | $ (1) | $ 169 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.37 | $ (0.03) | $ — | $ 0.34 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.36 | $ (0.02) | $ — | $ 0.34 |

| | Three Months Ended March 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| Net revenues: | | | | |
| Site rental | $ 1,153 | $ 18 | $ — | $ 1,171 |
| Services and other | 146 | (32) | (1) | 113 |
| Net revenues | 1,299 | (14) | (1) | 1,284 |
| Operating expenses: | | | | |
| Costs of operations[(a)]: | | | | |
| Services and other | 86 | — | (1) | 85 |
| Total operating expenses | 950 | — | (1) | 949 |
| Operating income (loss) | 349 | (14) | — | 335 |
| Income (loss) before income taxes | 118 | (14) | — | 104 |
| Net income (loss) attributable to CCIC stockholders | 114 | (14) | — | 100 |
| Net income (loss) attributable to CCIC common stockholders | $ 86 | $ (14) | $ — | $ 72 |
| Net income (loss) | $ 114 | $ (14) | $ — | $ 100 |
| Comprehensive income (loss) attributable to CCIC stockholders | $ 114 | $ (14) | $ — | $ 100 |
| Net income (loss) attributable to CCIC common stockholders, per common share: | | | | |
| Net income (loss) attributable to CCIC common stockholders - basic | $ 0.21 | $ (0.03) | $ — | $ 0.18 |
| Net income (loss) attributable to CCIC common stockholders - diluted | $ 0.21 | $ (0.03) | $ — | $ 0.18 |

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

(Tabular dollars in millions, except per share amounts)

*Consolidated Statement of Cash Flows*

| | September 30, 2019 | June 30, 2019 | March 31, 2019 |
|---|---|---|---|
| | Nine Months Ended | Six Months Ended | Three Months Ended |
| | | (As Restated) | |
| **Cash flows from operating activities:** | | | |
| Net income (loss) | $ 652 | $ 409 | $ 193 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | |
| Depreciation, amortization and accretion | 1,175 | 787 | 394 |
| (Gains) losses on retirement of long-term obligations | 2 | 2 | 1 |
| Amortization of deferred financing costs and other non-cash interest | 1 | 1 | 1 |
| Stock-based compensation expense | 91 | 62 | 29 |
| Asset write-down charges | 13 | 12 | 6 |
| Deferred income tax (benefit) provision | 2 | 1 | 1 |
| Other non-cash adjustments, net | 4 | 3 | 2 |
| Changes in assets and liabilities, excluding the effects of acquisitions: | | | |
| Increase (decrease) in accrued interest | (38) | 18 | (41) |
| Increase (decrease) in accounts payable | 37 | 6 | (5) |
| Increase (decrease) in other liabilities | 179 | 77 | (7) |
| Decrease (increase) in receivables | (166) | (89) | (43) |
| Decrease (increase) in other assets | (62) | (62) | (19) |
| Net cash provided by (used for) operating activities | 1,890 | 1,227 | 512 |
| **Cash flows from investing activities:** | | | |
| Capital expenditures | (1,537) | (998) | (480) |
| Payments for acquisitions, net of cash acquired | (15) | (13) | (10) |
| Other investing activities, net | 3 | 1 | 1 |
| Net cash provided by (used for) investing activities | (1,549) | (1,010) | (489) |
| **Cash flows from financing activities:** | | | |
| Proceeds from issuance of long-term debt | 1,895 | 995 | 996 |
| Principal payments on debt and other long-term obligations | (59) | (36) | (25) |
| Purchases and redemptions of long-term debt | (12) | (12) | (12) |
| Borrowings under revolving credit facility | 1,585 | 1,195 | 710 |
| Payments under revolving credit facility | (2,270) | (1,785) | (1,140) |
| Net issuances (repayments) under commercial paper program | — | 500 | — |
| Payments for financing costs | (24) | (14) | (10) |
| Purchases of common stock | (44) | (43) | (42) |
| Dividends/distributions paid on common stock | (1,415) | (944) | (477) |
| Dividends/distributions paid on preferred stock | (85) | (57) | (28) |
| Net cash provided by (used for) financing activities | (429) | (201) | (28) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (88) | 16 | (5) |
| **Effect of exchange rate changes on cash** | — | — | — |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 413 | 413 | 413 |
| **Cash, cash equivalents, and restricted cash at end of period** | 325 | 429 | 408 |

(Tabular dollars in millions, except per share amounts)

| | September 30, 2018 | June 30, 2018 | March 31, 2018 |
|---|---|---|---|
| | Nine Months Ended | Six Months Ended | Three Months Ended |
| | | (As Restated) | |
| **Cash flows from operating activities:** | | | |
| Net income (loss) | $ 421 | $ 270 | $ 100 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | |
| Depreciation, amortization and accretion | 1,138 | 753 | 374 |
| (Gains) losses on retirement of long-term obligations | 106 | 74 | 71 |
| Amortization of deferred financing costs and other non-cash interest | 5 | 4 | 2 |
| Stock-based compensation expense | 79 | 47 | 23 |
| Asset write-down charges | 18 | 9 | 3 |
| Deferred income tax (benefit) provision | 2 | 1 | 1 |
| Other non-cash adjustments, net | 2 | 1 | 2 |
| Changes in assets and liabilities, excluding the effects of acquisitions: | | | |
| Increase (decrease) in accrued interest | (31) | 22 | (28) |
| Increase (decrease) in accounts payable | 31 | 3 | (5) |
| Increase (decrease) in other liabilities | 179 | 76 | (43) |
| Decrease (increase) in receivables | (74) | (59) | (5) |
| Decrease (increase) in other assets | (103) | (91) | (43) |
| Net cash provided by (used for) operating activities | 1,773 | 1,110 | 452 |
| **Cash flows from investing activities:** | | | |
| Capital expenditures | (1,239) | (762) | (370) |
| Payments for acquisitions, net of cash acquired | (26) | (18) | (14) |
| Other investing activities, net | (14) | 3 | — |
| Net cash provided by (used for) investing activities | (1,279) | (777) | (384) |
| **Cash flows from financing activities:** | | | |
| Proceeds from issuance of long-term debt | 2,743 | 1,743 | 1,743 |
| Principal payments on debt and other long-term obligations | (76) | (47) | (32) |
| Purchases and redemptions of long-term debt | (2,346) | (1,318) | (1,318) |
| Borrowings under revolving credit facility | 1,290 | 485 | 170 |
| Payments under revolving credit facility | (1,465) | (1,150) | (1,050) |
| Payments for financing costs | (33) | (20) | (15) |
| Net proceeds from issuance of common stock | 841 | 841 | 843 |
| Purchases of common stock | (34) | (34) | (33) |
| Dividends/distributions paid on common stock | (1,315) | (879) | (443) |
| Dividends/distributions paid on preferred stock | (85) | (57) | (28) |
| Net cash provided by (used for) financing activities | (480) | (436) | (163) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | 14 | (103) | (95) |
| **Effect of exchange rate changes on cash** | (1) | (1) | — |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 440 | 440 | 440 |
| **Cash, cash equivalents, and restricted cash at end of period** | 453 | 336 | 345 |

(Tabular dollars in millions, except per share amounts)

The following tables illustrate the Historical Adjustments, where applicable, on the Company's condensed consolidated statement of cash flows for each period. Only line items impacted by the Historical Adjustments are presented, and as such, components will not sum to totals.

| | Nine Months Ended September 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 729 | $ (77) | $ — | $ 652 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation, amortization and accretion | 1,176 | — | (1) | 1,175 |
| Increase (decrease) in other liabilities | 102 | 77 | — | 179 |
| Net cash provided by (used for) operating activities | 1,891 | — | (1) | 1,890 |
| **Cash flows from investing activities:** | | | | |
| Capital expenditures | (1,538) | — | 1 | (1,537) |
| Net cash provided by (used for) investing activities | (1,550) | — | 1 | (1,549) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (88) | — | — | (88) |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 413 | — | — | 413 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 325 | $ — | $ — | $ 325 |

| | Six Months Ended June 30, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 456 | $ (47) | $ — | $ 409 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Increase (decrease) in other liabilities | 30 | 47 | — | 77 |
| Net cash provided by (used for) operating activities | 1,227 | — | — | 1,227 |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | 16 | — | — | 16 |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 413 | — | — | 413 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 429 | $ — | $ — | $ 429 |

| | Three Months Ended March 31, 2019 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 210 | $ (17) | $ — | $ 193 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Increase (decrease) in other liabilities | (24) | 17 | — | (7) |
| Net cash provided by (used for) operating activities | 512 | — | — | 512 |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (5) | — | — | (5) |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 413 | — | — | 413 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 408 | $ — | $ — | $ 408 |

(Tabular dollars in millions, except per share amounts)

| | Nine Months Ended September 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 458 | $ (35) | $ (2) | $ 421 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Increase (decrease) in other liabilities | 144 | 35 | — | 179 |
| Net cash provided by (used for) operating activities | 1,775 | — | (2) | 1,773 |
| **Cash flows from investing activities:** | | | | |
| Capital expenditures | (1,241) | — | 2 | (1,239) |
| Net cash provided by (used for) investing activities | (1,281) | — | 2 | (1,279) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | 14 | — | — | 14 |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 440 | — | — | 440 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 453 | $ — | $ — | $ 453 |

| | Six Months Ended June 30, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 294 | $ (23) | $ (1) | $ 270 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Increase (decrease) in other liabilities | 53 | 23 | — | 76 |
| Net cash provided by (used for) operating activities | 1,111 | — | (1) | 1,110 |
| **Cash flows from investing activities:** | | | | |
| Capital expenditures | (763) | — | 1 | (762) |
| Net cash provided by (used for) investing activities | (778) | — | 1 | (777) |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (103) | — | — | (103) |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 440 | — | — | 440 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 336 | $ — | $ — | $ 336 |

| | Three Months Ended March 31, 2018 | | | |
|---|---|---|---|---|
| | As Reported | Restatement Adjustments | Other Adjustments | As Restated |
| **Cash flows from operating activities:** | | | | |
| Net income (loss) | $ 114 | $ (14) | $ — | $ 100 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Increase (decrease) in other liabilities | (57) | 14 | — | (43) |
| Net cash provided by (used for) operating activities | 452 | — | — | 452 |
| **Net increase (decrease) in cash, cash equivalents, and restricted cash** | (95) | — | — | (95) |
| **Cash, cash equivalents, and restricted cash at beginning of period** | 440 | — | — | 440 |
| **Cash, cash equivalents, and restricted cash at end of period** | $ 345 | $ — | $ — | $ 345 |

## 19. Subsequent Events

*Common Stock Dividend*

On February 20, 2020, the Company's board of directors declared a quarterly cash dividend of $1.20 per common share. The quarterly dividend will be payable on March 31, 2020, to common stockholders of record as of March 13, 2020.

**Item 9.** ***Changes in and Disagreements With Accountants on Accounting and Financial Disclosure***

None.

**Item 9A.** ***Controls and Procedures***

**(a) Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures**

In connection with the preparation of this Annual Report on Form 10-K, as of December 31, 2019, the Company's management conducted an evaluation, under the supervision and with the participation of the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")). Based upon their evaluation, the CEO and CFO concluded that as of December 31, 2019, due to the existence of the material weakness in the Company's internal control over financial reporting described below, the Company's disclosure controls and procedures were not effective to provide reasonable assurance that information required to be disclosed by the Company in the reports filed or submitted by it under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and to provide reasonable assurance that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

**(b) Management's Report on Internal Control Over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) for the Company. Under the supervision and with the participation of the Company's CEO and CFO, management assessed the effectiveness of the Company's internal control over financial reporting based on the framework described in *"Internal Control – Integrated Framework (2013),"* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the Company's assets that could have a material effect on the financial statements.

Management has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2019. Based on the Company's assessment, management has concluded that the Company's internal control over financial reporting was not effective as of December 31, 2019 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles due to the material weakness described below. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management has concluded that a material weakness existed in the Company’s internal control over financial reporting as of December 31, 2019, as it did not effectively design and maintain controls related to the accounting for tower installation services. Specifically, the Company did not have controls in place to identify lease components and account for the related deferred revenue within the Company’s agreements for tower installation services. In addition, the Company did not design and maintain effective controls to verify the accuracy of capital expenditures made for permanent improvements associated with tower installation services.

These control deficiencies resulted in the restatement of the Company's consolidated financial statements for the years ended December 31, 2018 and 2017 and each of the interim and annual periods in the year ended December 31, 2018 and first three quarters for the year ended December 31, 2019, and immaterial adjustments to property and equipment and operating expenses in the fourth quarter ended December 31, 2019. Additionally, these control deficiencies could result in misstatements of the annual or interim consolidated financial statements that would result in a material misstatement that would not be prevented or detected.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2019 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

**(c) Remediation of Material Weakness**

Management has created a plan of remediation to strengthen its internal control over financial reporting. The remediation efforts include 1) revising its accounting policies for its tower installation services to identify and account for lease components and the related calculation of deferred revenue, and 2) making improvements to existing processes and controls related to the determination of the accuracy of capital expenditures made for permanent improvements associated with tower installation services. Management is implementing training with respect to the new processes and evaluating the need for additional resources.

Management believes that the measures described above will remediate the identified material weakness and strengthen the Company’s internal control over financial reporting. Management has begun to take these actions to remediate the material weakness and may take additional measures to strengthen its internal control environment.

**(d) Changes in Internal Control Over Financial Reporting**

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the most recent fiscal quarter that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

**(e) Limitations on the Effectiveness of Controls**

Because of its inherent limitations, the Company's internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

## Item 9B. *Other Information*

None.

# PART III

## Item 10. *Directors and Executive Officers of the Registrant*

The information required to be furnished pursuant to this item will be set forth in the 2020 Proxy Statement and is incorporated herein by reference.

## Item 11. *Executive Compensation*

The information required to be furnished pursuant to this item will be set forth in the 2020 Proxy Statement and is incorporated herein by reference.

**Item 12.** ***Security Ownership of Certain Beneficial Owners and Management***

The information required to be furnished pursuant to this item will be set forth in the 2020 Proxy Statement and is incorporated herein by reference.

The following table summarizes information with respect to equity compensation plans under which equity securities of the registrant are authorized for issuance as of December 31, 2019:

| Plan category[a] | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance |
|---|---|---|---|
| | (In millions of shares) | (In dollars per share) | (In millions of shares) |
| Equity compensation plans approved by security holders | — | $ — | 9 [b] |
| Equity compensation plans not approved by security holders | — | — | — |
| Total | — | $ — | 9 |

(a) See note 13 to the consolidated financial statements for more detailed information regarding the registrant's equity compensation plan.
(b) Of these shares remaining available for future issuance, 3 million shares may be issued pursuant to outstanding RSUs granted under the LTI Plan.

**Item 13.** ***Certain Relationships and Related Transactions***

The information required to be furnished pursuant to this item will be set forth in the 2020 Proxy Statement and is incorporated herein by reference.

**Item 14.** ***Principal Accounting Fees and Services***

The information required to be furnished pursuant to this item will be set forth in the 2020 Proxy Statement and is incorporated herein by reference.

## PART IV

**Item 15.** ***Exhibits, Financial Statement Schedules***

**(a)(1) Financial Statements:**

The list of financial statements filed as part of this report is submitted as a separate section, the index to which is located on page 47.

**(a)(2) Financial Statement Schedules:**

Schedule II—Valuation and Qualifying Accounts.

Schedule III—Schedule of Real Estate and Accumulated Depreciation.

All other schedules are omitted because they are not applicable or because the required information is contained in the financial statements or notes thereto included in this 2019 Form 10-K.

**(a)(3) Exhibits:**

### Exhibit Index

| | | Incorporated by Reference | | | |
|---|---|---|---|---|---|
| **Exhibit Number** | **Exhibit Description** | **Form** | **File Number** | **Date of Filing** | **Exhibit Number** |
| 1.1 | Form of Sales Agreement, dated April 6, 2018, between Crown Castle International Corp. and each of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Capital Inc., Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc., Fifth Third Securities, Inc., Jefferies LLC, J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC, MUFG Securities Americas Inc., RBC Capital Markets, LLC, SG Americas Securities, LLC, SMBC Nikko Securities America, Inc., SunTrust Robinson Humphrey, Inc., TD Securities (USA) LLC and Wells Fargo Securities, LLC | 8-K | 001-16441 | April 6, 2018 | 1.1 |
| 2.1 | Agreement and Plan of Merger by and between Crown Castle International Corp. and Crown Castle REIT Inc., dated September 19, 2014 | 8-K | 001-16441 | September 23, 2014 | 2.1 |
| 2.2 | Stock Purchase Agreement, dated as of April 29, 2015, by and among Quanta Services, Inc., Crown Castle International Corp. and CC SCN Fiber LLC | 10-Q | 001-16441 | May 8, 2015 | 10.5 |
| 2.3 | Agreement for the Sale and Purchase of the Shares of Crown Castle Australia Holdings Pty Ltd, dated May 14, 2015, by and among Crown Castle International Corp., Crown Castle Operating LLC, The Trust Company (Nominees) Limited, Todd International Investments Limited, Oceania Capital Limited, Birdsong Capital Limited, Baytown Investments Limited, Heritage PTC LLC, David Lloyd CCA Limited, Turri Finance Pty Ltd and Turri Bidco Pty Ltd | 10-Q | 001-16441 | August 7, 2015 | 10.2 |
| 2.4 | Agreement and Plan of Merger, dated as of July 18, 2017, by and among Crown Castle International Corp., LTS Group Holdings, LLC, Berkshire Fund VII-A (LTS) Acquisition Partners, Berkshire Fund VIII-A (LTS) Acquisition Partners, LTS Berkshire Fund VII-A Blocker Corporation, LTS Berkshire Fund VIII-A Blocker Corporation, LTS Co-Invest Blocker LLC, LTS Co-Invest Blocker II LLC, LTS Rollover Blocker LLC, LTS BF VII-A Blocker Merger Sub, Inc., LTS BF VIII-A Blocker Merger Sub, Inc., LTS Co-Invest Blocker Merger Sub, Inc., LTS Co-Invest Blocker II Merger Sub, Inc., LTS Rollover Blocker Merger Sub, Inc., LTS Group Holdings Merger Sub, Inc. and BSR LLC, as equityholders' representative | 8-K | 001-16441 | July 19, 2017 | 2.1 |

| Exhibit Number | Exhibit Description | Incorporated by Reference Form | File Number | Date of Filing | Exhibit Number |
|---|---|---|---|---|---|
| 3.1 | Restated Certificate of Incorporation of Crown Castle International Corp., dated July 20, 2017 | 8-K | 001-16441 | July 26, 2017 | 3.1 |
| 3.2 | Certificate of Designations of 6.875% Mandatory Convertible Preferred Stock, Series A, of Crown Castle International Corp., filed with the Secretary of State of the State of Delaware and effective July 26, 2017 | 8-K | 001-16441 | July 26, 2017 | 3.2 |
| 3.3 | Amended and Restated By-Laws of Crown Castle International Corp. dated February 21, 2019 | 10-K | 001-16441 | February 25, 2019 | 3.3 |
| 4.1 | Specimen of Common Stock Certificate | 8-K | 001-16441 | December 16, 2014 | 4.2 |
| 4.2 | Specimen Certificate of 6.875% Mandatory Convertible Preferred Stock, Series A (included as Exhibit A to Exhibit 3.2) | 8-K | 001-16441 | July 26, 2017 | 3.2 |
| 4.3 | Indenture, dated as of June 1, 2005, by and among JPMorgan Chase Bank, N.A., as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communications Inc., Crown Castle PT Inc., Crown Communication New York, Inc. and Crown Castle International Corp. de Puerto Rico, collectively as Issuers, relating to the Senior Secured Tower Revenue Notes | 8-K | 001-16441 | June 9, 2005 | 4.1 |
| 4.4 | Indenture Supplement, dated as of June 30, 2014, by and among The Bank of New York Mellon (as successor to The Bank of New York as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication LLC, Crown Castle PT Inc., Crown Communication New York, Inc., Crown Castle International Corp. de Puerto Rico, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC and Crown Castle MUPA LLC, relating to the Senior Secured Tower Revenue Notes | 8-K | 001-16441 | July 1, 2014 | 4.1 |
| 4.5 | Indenture Supplement, dated as of May 15, 2015, by and among The Bank of New York Mellon (as successor to The Bank of New York as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication LLC, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC and Crown Castle MUPA LLC, collectively as Issuers, relating to the Senior Secured Tower Revenue Notes, Series 2015-1 | 8-K | 001-16441 | May 21, 2015 | 4.1 |
| 4.6 | Indenture Supplement, dated as of May 15, 2015, by and among The Bank of New York Mellon (as successor to The Bank of New York as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication LLC, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC and Crown Castle MUPA LLC, collectively as Issuers, relating to the Senior Secured Tower Revenue Notes, Series 2015-2 | 8-K | 001-16441 | May 21, 2015 | 4.2 |
| 4.7 | Indenture Supplement, dated as of July 11, 2018, by and among The Bank of New York Mellon (as successor to The Bank of New York as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication LLC, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC and Crown Castle MUPA LLC, collectively as Issuers, relating to the Senior Secured Tower Revenue Notes, Series 2018-1, Class C-2023 | 8-K | 001-16441 | July 16, 2018 | 4.1 |

| Exhibit Number | Exhibit Description | Incorporated by Reference Form | File Number | Date of Filing | Exhibit Number |
|---|---|---|---|---|---|
| 4.8 | Indenture Supplement, dated as of July 11, 2018, by and among The Bank of New York Mellon (as successor to The Bank of New York as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication LLC, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC and Crown Castle MUPA LLC, collectively as Issuers, relating to the Senior Secured Tower Revenue Notes, Series 2018-2, Class C-2028 | 8-K | 001-16441 | July 16, 2018 | 4.2 |
| 4.9 | Indenture Supplement, dated as of July 11, 2018, by and among The Bank of New York Mellon (as successor to The Bank of New York as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication LLC, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC and Crown Castle MUPA LLC, collectively as Issuers, relating to the Senior Secured Tower Revenue Notes, Series 2018-1, Class R-2028 | 8-K | 001-16441 | July 16, 2018 | 4.3 |
| 4.10 | Indenture dated July 31, 2009, between Pinnacle Towers Acquisition Holdings LLC, GS Savings Inc., GoldenState Towers, LLC, Pinnacle Towers Acquisition LLC, Tower Ventures III, LLC and TVHT, LLC, as Issuers, Global Signal Holdings III, LLC, as Guarantor, and The Bank of New York Mellon Trust Company, N.A., as Indenture Trustee, relating to Senior Secured Notes | 8-K | 001-16441 | August 4, 2009 | 4.1 |
| 4.11 | Indenture Supplement dated July 31, 2009, between Pinnacle Towers Acquisition Holdings LLC, GS Savings Inc., GoldenState Towers, LLC, Pinnacle Towers Acquisition LLC, Tower Ventures III, LLC and TVHT, LLC, as Issuers, Global Signal Holdings III, LLC, as Guarantor, and The Bank of New York Mellon Trust Company, N.A., as Indenture Trustee, relating to Senior Secured Notes, Series 2009-1, Class A-2 | 8-K | 001-16441 | August 4, 2009 | 4.2 |
| 4.12 | Indenture dated as of October 15, 2012, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as Trustee, relating to 5.25% Senior Notes due 2023 | 8-K | 001-16441 | October 16, 2012 | 4.1 |
| 4.13 | First Supplemental Indenture dated as of December 15, 2014, among Crown Castle REIT Inc., Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as Trustee, relating to 5.25% Senior Notes due 2023 | 8-K | 001-16441 | December 16, 2014 | 4.4 |
| 4.14 | Indenture dated as of December 24, 2012, by and among CC Holdings GS V LLC, Crown Castle GS III Corp., each of the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as Trustee, relating to 3.849% Senior Secured Notes due 2023 | 8-K | 001-16441 | December 28, 2012 | 4.1 |
| 4.15 | Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee | 8-K | 001-16441 | April 15, 2014 | 4.1 |
| 4.16 | First Supplemental Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 4.875% Senior Notes due 2022 | 8-K | 001-16441 | April 15, 2014 | 4.2 |
| 4.17 | Second Supplemental Indenture dated December 15, 2014, between Crown Castle REIT Inc., Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee | 8-K | 001-16441 | December 16, 2014 | 4.5 |
| 4.18 | Third Supplemental Indenture dated December 15, 2014, between Crown Castle REIT Inc., Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee | 8-K | 001-16441 | December 16, 2014 | 4.6 |

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | |
|---|---|---|---|---|---|
| | | Form | File Number | Date of Filing | Exhibit Number |
| 4.19 | Fourth Supplemental Indenture dated February 8, 2016 between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 3.400% Senior Notes due 2021 and 4.450% Senior Notes due 2026 | 8-K | 001-16441 | February 8, 2016 | 4.1 |
| 4.20 | Fifth Supplemental Indenture dated May 6, 2016, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 3.400% Senior Notes due 2021 and 3.700% Senior Notes due 2026 | 8-K | 001-16441 | May 6, 2016 | 4.1 |
| 4.21 | Sixth Supplemental Indenture dated September 1, 2016, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 2.250% Senior Notes due 2021 | 8-K | 001-16441 | September 1, 2016 | 4.1 |
| 4.22 | Seventh Supplemental Indenture dated February 2, 2017, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 4.000% Senior Notes due 2027 | 8-K | 001-16441 | February 2, 2017 | 4.1 |
| 4.23 | Eighth Supplemental Indenture dated May 1, 2017, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 4.750% Senior Notes due 2047 | 8-K | 001-16441 | May 1, 2017 | 4.1 |
| 4.24 | Ninth Supplemental Indenture dated August 1, 2017, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 3.200% Senior Notes due 2024 and 3.650% Senior Notes due 2027 | 8-K | 001-16441 | August 1, 2017 | 4.1 |
| 4.25 | Tenth Supplemental Indenture dated January 16, 2018, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated April 15, 2014, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 3.150% Senior Notes due 2023 and 3.800% Senior Notes due 2028 | 8-K | 001-16441 | January 17, 2018 | 4.1 |
| 4.26 | Indenture dated February 11, 2019, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee | 8-K | 001-16441 | February 11, 2019 | 4.1 |
| 4.27 | First Supplemental Indenture dated February 11, 2019, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated February 11, 2019, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 4.300% Senior Notes due 2029 and 5.200% Senior Notes due 2049 | 8-K | 001-16441 | February 11, 2019 | 4.2 |

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | |
|---|---|---|---|---|---|
| | | Form | File Number | Date of Filing | Exhibit Number |
| 4.28 | Second Supplemental Indenture dated August 15, 2019, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture dated February 11, 2019, between Crown Castle International Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee, relating to 3.100% Senior Notes due 2029 and 4.000% Senior Notes due 2049 | 8-K | 001-16441 | August 15, 2019 | 4.1 |
| 4.29* | Description of the Company's Common Stock | — | — | — | — |
| 4.30* | Description of the Company's 6.875% Mandatory Convertible Preferred Stock | — | — | — | — |
| 10.1† | Amended and Restated Severance Agreement between Crown Castle International Corp. and Jay A. Brown, effective as of June 1, 2016 | 8-K | 001-16441 | February 24, 2016 | 10.3 |
| 10.2† | Form of Severance Agreement between Crown Castle International Corp. and Philip M. Kelley | 8-K | 001-16441 | July 15, 2008 | 10.1 |
| 10.3† | Form of Severance Agreement between Crown Castle International Corp. and James D. Young | 8-K | 001-16441 | March 2, 2005 | 10.4 |
| 10.4† | Form of First Amendment to Severance Agreement between Crown Castle International Corp. and certain senior officers, including James D. Young | 8-K | 001-16441 | December 7, 2007 | 10.2 |
| 10.5† | Form of Amendment to Severance Agreement between Crown Castle International Corp. and certain senior officers, including James D. Young and Philip M. Kelley, effective April 6, 2009 | 8-K | 001-16441 | April 8, 2009 | 10.2 |
| 10.6† | Form of Amendment to Severance Agreement between Crown Castle International Corp. and certain executive officers, including James D. Young and Philip M. Kelley | 8-K | 001-16441 | February 24, 2016 | 10.5 |
| 10.7† | Form of Severance Agreement between Crown Castle International Corp. and each of Kenneth J. Simon, Daniel K. Schlanger, Michael J. Kavanagh and Robert C. Ackerman | 10-K | 001-16441 | February 22, 2016 | 10.47 |
| 10.8† | Crown Castle International Corp. 2013 Long-Term Incentive Plan | DEF 14A | 001-16441 | April 8, 2013 | App. A |
| 10.9† | First Amendment to Crown Castle International Corp. 2013 Long-Term Incentive Plan, as amended | 10-Q | 001-16441 | August 4, 2016 | 10.1 |
| 10.10† | Form of 2013 Long-Term Incentive Plan Restricted Stock Units Agreement (effective as of February 18, 2016) | 8-K | 001-16441 | February 24, 2016 | 10.2 |
| 10.11† | Form of 2013 Long-Term Incentive Plan Restricted Stock Units Agreement (effective as of August 3, 2017) | 10-Q | 001-16441 | August 7, 2017 | 10.1 |
| 10.12† | Form of 2013 Long-Term Incentive Plan Restricted Stock Units Agreement (effective as of February 21, 2018) | 8-K | 001-16441 | February 27, 2018 | 10.2 |
| 10.13† | Amended and Restated Crown Castle International Corp. Extended Service Separation Program | 10-Q | 001-16441 | August 6, 2018 | 10.2 |
| 10.14† | Crown Castle International Corp. 2019 Executive Management Team Annual Incentive Plan | 8-K | 001-16441 | February 27, 2019 | 10.1 |
| 10.15† | Crown Castle International Corp. 2020 Executive Management Team Annual Incentive Plan | 8-K | 001-16441 | February 21, 2020 | 10.1 |
| 10.16 | Global Lease Agreement dated March 31, 1999 between Crown Atlantic Company, LLC and Cellco Partnership | 8-K | 000-24737 | April 12, 1999 | 99.6 |
| 10.17 | Agreement to Sublease dated June 1, 1999 by and among BellSouth Mobility Inc., BellSouth Telecommunications Inc., the Transferring Entities (as defined therein), Crown Castle International Corp. and Crown Castle South Inc. | 8-K | 000-24737 | June 9, 1999 | 99.1 |
| 10.18 | Sublease dated June 1, 1999 by and among BellSouth Mobility Inc., Certain BMI Affiliates, Crown Castle International Corp. and Crown Castle South Inc. | 8-K | 000-24737 | June 9, 1999 | 99.3 |

| Exhibit Number | Exhibit Description | Incorporated by Reference Form | File Number | Date of Filing | Exhibit Number |
|---|---|---|---|---|---|
| 10.19 | Agreement to Sublease dated August 1, 1999 by and among BellSouth Personal Communications, Inc., BellSouth Carolinas PCS, L.P., Crown Castle International Corp. and Crown Castle South Inc. | 10-K | 000-24737 | March 30, 2000 | 2.7 |
| 10.20 | Sublease dated August 1, 1999 by and among BellSouth Personal Communications, Inc., BellSouth Carolinas PCS, L.P., Crown Castle International Corp. and Crown Castle South Inc. | 10-K | 000-24737 | March 30, 2000 | 2.8 |
| 10.21 | Management Agreement, dated as of June 8, 2005, by and among Crown Castle USA Inc., as Manager, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication Inc., Crown Castle PT Inc., Crown Communication New York, Inc., Crown Castle International Corp. de Puerto Rico, Crown Castle GT Holding Sub LLC and Crown Castle Atlantic LLC, collectively as Owners | 8-K | 001-16441 | June 9, 2005 | 10.1 |
| 10.22 | Series 2005-1 Management Agreement Amendment, dated September 26, 2006, by and among Crown Castle USA Inc., as Manager, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication Inc., Crown Castle PT Inc., Crown Communication New York, Inc., Crown Castle International Corp. de Puerto Rico, Crown Castle GT Holding Sub LLC and Crown Castle Atlantic LLC, collectively, as Owners | 8-K | 001-16441 | September 29, 2006 | 10.2 |
| 10.23 | Joinder and Amendment to Management Agreement, dated as of November 29, 2006, by and among Crown Castle USA Inc., as Manager, and Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication Inc., Crown Castle PT Inc., Crown Communication New York, Inc., Crown Castle International Corp. de Puerto Rico, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC, Crown Castle MUPA LLC, Crown Castle GT Holding Sub LLC and Crown Castle Atlantic LLC, collectively as Owners | 8-K | 001-16441 | December 5, 2006 | 10.1 |
| 10.24 | Cash Management Agreement, dated as of June 8, 2005, by and among Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication Inc., Crown Castle PT Inc., Crown Communication New York, Inc. and Crown Castle International Corp. de Puerto Rico, as Issuers, JPMorgan Chase Bank, N.A., as Indenture Trustee, Crown Castle USA Inc., as Manager, Crown Castle GT Holding Sub LLC, as Member of Crown Castle GT Company LLC, and Crown Castle Atlantic LLC, as Member of Crown Atlantic Company LLC | 8-K | 001-16441 | June 9, 2005 | 10.2 |
| 10.25 | Joinder to Cash Management Agreement, dated as of November 29, 2006, by and among Crown Castle Towers LLC, Crown Castle South LLC, Crown Communication Inc., Crown Castle PT Inc., Crown Communication New York, Inc. and Crown Castle International Corp. de Puerto Rico, Crown Castle Towers 05 LLC, Crown Castle PR LLC, Crown Castle MU LLC, Crown Castle MUPA LLC, as Issuers, The Bank of New York (as successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee, Crown Castle USA Inc., as Manager, Crown Castle GT Holding Sub LLC, as Member of Crown Castle GT Company LLC, and Crown Castle Atlantic LLC, as Member of Crown Atlantic Company LLC | 8-K | 001-16441 | December 5, 2006 | 10.2 |
| 10.26 | Servicing Agreement, dated as of June 8, 2005, by and among Midland Loan Services, Inc., as Servicer, and JPMorgan Chase Bank, N.A., as Indenture Trustee | 8-K | 001-16441 | June 9, 2005 | 10.3 |
| 10.27 | Master Lease and Sublease, dated as of May 26, 2005, by and among STC One LLC, as lessor, Sprint Telephony PCS L.P., as Sprint Collocator, Global Signal Acquisitions II LLC, as lessee, and Global Signal Inc. | 8-K | 001-32168 | May 27, 2005 | 10.1 |

| Exhibit Number | Exhibit Description | Incorporated by Reference Form | File Number | Date of Filing | Exhibit Number |
|---|---|---|---|---|---|
| 10.28 | Master Lease and Sublease, dated as of May 26, 2005, by and among STC Two LLC, as lessor, SprintCom, Inc., as Sprint Collocator, Global Signal Acquisitions II LLC, as lessee, and Global Signal Inc. | 8-K | 001-32168 | May 27, 2005 | 10.2 |
| 10.29 | Master Lease and Sublease, dated as of May 26, 2005, by and among STC Three LLC, as lessor, American PCS Communications, LLC, as Sprint Collocator, Global Signal Acquisitions II LLC, as lessee, and Global Signal Inc. | 8-K | 001-32168 | May 27, 2005 | 10.3 |
| 10.30 | Master Lease and Sublease, dated as of May 26, 2005, by and among STC Four LLC, as lessor, PhillieCo, L.P., as Sprint Collocator, Global Signal Acquisitions II LLC, as lessee, and Global Signal Inc. | 8-K | 001-32168 | May 27, 2005 | 10.4 |
| 10.31 | Master Lease and Sublease, dated as of May 26, 2005, by and among STC Five LLC, as lessor, Sprint Spectrum L.P., as Sprint Collocator, Global Signal Acquisitions II LLC, as lessee, and Global Signal Inc. | 8-K | 001-32168 | May 27, 2005 | 10.5 |
| 10.32 | Master Lease and Sublease, dated as of May 26, 2005, by and among STC Six Company, Sprint Spectrum L.P., as Sprint Collocator, Global Signal Acquisitions II LLC, as lessee, and Global Signal Inc. | 8-K | 001-32168 | May 27, 2005 | 10.6 |
| 10.33 | Management Agreement, dated as of July 31, 2009, by and among Crown Castle USA Inc., as Manager, and Pinnacle Towers Acquisition Holdings LLC, and the direct and indirect subsidiaries of Pinnacle Towers Acquisition Holdings LLC, collectively, as Owners | 8-K | 001-16441 | August 4, 2009 | 10.1 |
| 10.34 | Cash Management Agreement, dated as of July 31, 2009, by and among Pinnacle Towers Acquisition Holdings LLC, Pinnacle Towers Acquisition LLC, GS Savings Inc., GoldenState Towers, LLC, Tower Ventures III, LLC and TVHT, LLC, as Issuers, The Bank of New York Mellon Trust Company, N.A., as Indenture Trustee, and Crown Castle USA Inc., as Manager | 8-K | 001-16441 | August 4, 2009 | 10.2 |
| 10.35 | Servicing Agreement, dated as of July 31, 2009, by and among Midland Loan Services, Inc., as Servicer, and The Bank of New York Mellon Trust Company, N.A., as Indenture Trustee | 8-K | 001-16441 | August 4, 2009 | 10.3 |
| 10.36 | Management Agreement, dated as of December 24, 2012, by and among Crown Castle USA Inc., as Manager, and CC Holdings GS V LLC, Global Signal Acquisitions LLC, Global Signal Acquisitions II LLC, Pinnacle Towers LLC and the direct and indirect subsidiaries of Pinnacle Towers LLC, collectively, as Owners | 8-K | 001-16441 | December 28, 2012 | 10.1 |
| 10.37 | Master Prepaid Lease, dated as of November 30, 2012, by and among T-Mobile USA Tower LLC, T-Mobile West Tower LLC, T-Mobile USA, Inc. and CCTMO LLC | 10-K | 001-16441 | February 12, 2013 | 10.40 |
| 10.38 | MPL Site Master Lease Agreement, dated as of November 30, 2012, by and among T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., VoiceStream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, SunCom Wireless Operating Company, L.L.C., T-Mobile USA, Inc. and CCTMO LLC | 10-K | 001-16441 | February 12, 2013 | 10.41 |
| 10.39 | Sale Site Master Lease Agreement, dated as of November 30, 2012, by and among T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., VoiceStream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, SunCom Wireless Operating Company, L.L.C., T-Mobile USA, Inc., T3 Tower 1 LLC and T3 Tower 2 LLC | 10-K | 001-16441 | February 12, 2013 | 10.42 |

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | |
|---|---|---|---|---|---|
| | | Form | File Number | Date of Filing | Exhibit Number |
| 10.40 | Management Agreement, dated as of November 30, 2012, by and among SunCom Wireless Operating Company, L.L.C., Cook Inlet/VS GSM IV PCS Holdings, LLC, T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., VoiceStream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, SunCom Wireless Property Company, L.L.C., T-Mobile USA Tower LLC, T-Mobile West Tower LLC, CCTMO LLC, T3 Tower 1 LLC and T3 Tower 2 LLC | 10-K | 001-16441 | February 12, 2013 | 10.43 |
| 10.41 | Master Agreement dated as of October 18, 2013, among AT&T Inc. and Crown Castle International Corp. | 8-K | 001-16441 | October 21, 2013 | 10.1 |
| 10.42 | Master Prepaid Lease, dated as of December 16, 2013, by and among CCATT LLC, AT&T Mobility LLC and the AT&T Lessors party thereto | 10-K | 001-16441 | February 24, 2014 | 10.49 |
| 10.43 | MPL Site Master Lease Agreement, dated as of December 16, 2013, by and among CCATT LLC, AT&T Mobility LLC and the AT&T Collocators party thereto | 10-K | 001-16441 | February 24, 2014 | 10.50 |
| 10.44 | Sale Site Master Lease Agreement, dated as of December 16, 2013, by and among AT&T Mobility LLC, the AT&T Collocators party thereto and the Tower Operators party thereto | 10-K | 001-16441 | February 24, 2014 | 10.51 |
| 10.45 | Management Agreement, dated as of December 16, 2013, by and among CCATT LLC, the Sale Site Subsidiaries party thereto, the AT&T Newcos party thereto and the AT&T Contributors party thereto | 10-K | 001-16441 | February 24, 2014 | 10.52 |
| 10.46 | Credit Agreement dated as of January 21, 2016, among Crown Castle International Corp., the lenders and issuing banks party thereto and JPMorgan Chase Bank, N.A., as administrative agent | 8-K | 001-16441 | January 22, 2016 | 10.1 |
| 10.47 | Amendment No. 1 dated as of February 13, 2017, among Crown Castle International Corp., the lenders and issuing banks party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, to the Credit Agreement dated as of January 21, 2016, by and among Crown Castle International Corp., the lenders and issuing banks from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent. | 8-K | 001-16441 | February 13, 2017 | 10.1 |
| 10.48 | Amendment No. 2 dated as of August 29, 2017, among Crown Castle International Corp., the lenders and issuing banks party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, to the Credit Agreement dated as of January 21, 2016, by and among Crown Castle International Corp., the lenders and issuing banks from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent | 8-K | 001-16441 | August 29, 2017 | 10.1 |
| 10.49 | Amendment No. 3 dated as of June 14, 2018, among Crown Castle International Corp., the lenders and issuing banks party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, to the Credit Agreement dated as of January 21, 2016, by and among Crown Castle International Corp., the lenders and issuing banks from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent | 8-K | 001-16441 | June 14, 2018 | 10.1 |
| 10.50 | Amendment No. 4 dated as of March 20, 2019, among Crown Castle International Corp., the lenders and issuing banks party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, to the Credit Agreement dated as of January 21, 2016, by and among Crown Castle International Corp., the lenders and issuing banks from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent | 8-K | 001-16441 | March 20, 2019 | 10.1 |

| Exhibit Number | Exhibit Description | Incorporated by Reference Form | File Number | Date of Filing | Exhibit Number |
|---|---|---|---|---|---|
| 10.51 | Amendment No. 5 dated as of June 21, 2019, among Crown Castle International Corp., the lenders and issuing banks party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, to the Credit Agreement dated as of January 21, 2016, by and among Crown Castle International Corp., the lenders and issuing banks from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent | 8-K | 001-16441 | June 21, 2019 | 10.1 |
| 10.52 | Form of Dealer Agreement among Crown Castle International Corp. and the Dealer party thereto | 8-K | 001-16441 | April 8, 2019 | 10.1 |
| 21* | Schedule of Subsidiaries of Crown Castle International Corp. | — | — | — | — |
| 23* | Consent of PricewaterhouseCoopers LLP | — | — | — | — |
| 24* | Power of Attorney (included on signature page of this annual report) | — | — | — | — |
| 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 | — | — | — | — |
| 101* | The following financial statements from Crown Castle International Corp.'s Annual Report on Form 10-K for the year ended December 31, 2019, formatted in Inline XBRL: (i) Consolidated Balance Sheet, (ii) Consolidated Statement of Operations and Comprehensive Income (Loss), (iii) Consolidated Statement of Cash Flows, (iv) Consolidated Statement of Equity, and (v) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags | — | — | — | — |
| 104* | The cover page from Crown Castle International Corp.'s Annual Report on Form 10-K for the year ended December 31, 2019, formatted in Inline XBRL | — | — | — | — |

* Filed herewith.
** Furnished herewith.
† Indicates management contract or compensatory plan or arrangement.

**Item 16.** ***Form 10-K Summary***

N/A

## CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

## SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

## YEARS ENDED DECEMBER 31, 2019, 2018 AND 2017
## (In millions of dollars)

| | | Additions | Deductions | | | | |
|---|---|---|---|---|---|---|---|
| | Balance at Beginning of Year | Charged to Operations | Credited to Operations | Written Off | Effect of Exchange Rate Changes | Other Adjustments | Balance at End of Year |
| Allowance for Doubtful Accounts Receivable: | | | | | | | |
| 2019 | $ 14 | $ 7 | $ — | $ (3) | $ — | $ — | $ 18 |
| 2018 | $ 14 | $ 4 | $ — | $ (4) | $ — | $ — | $ 14 |
| 2017 | $ 11 | $ 4 | $ — | $ (5) | $ — | $ 4 [(a)] | $ 14 |

(a) Represents the allowance for doubtful accounts reflected in the final purchase price allocations for the 2017 Acquisitions. See note 4.

| | | Additions | | Deductions | | | |
|---|---|---|---|---|---|---|---|
| | Balance at Beginning of Year | Charged to Operations | Charged to Additional Paid-in Capital and Other Comprehensive Income | Credited to Operations | Credited to Additional Paid-in Capital and Other Comprehensive Income | Other Adjustments[(a)] | Balance at End of Year |
| Deferred Tax Valuation Allowance: | | | | | | | |
| 2019 | $ 1 | $ — | $ — | $ (1) | $ — | $ — | $ — |
| 2018 | $ 1 | $ — | $ — | $ — | $ — | $ — | $ 1 |
| 2017 | $ 7 | $ — | $ — | $ (6) | $ — | $ — | $ 1 |

(a) Inclusive of the effects of acquisitions.

## CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

## SCHEDULE III—SCHEDULE OF REAL ESTATE AND ACCUMULATED DEPRECIATION

## YEARS ENDED DECEMBER 31, 2019 AND 2018
## (In millions of dollars)

| Description | Encumbrances | Initial Cost to Company | Cost Capitalized Subsequent to Acquisition | Gross Amount Carried at Close of Current Period | Accumulated Depreciation at Close of Current Period | Date of Construction | Date Acquired | Life on Which Depreciation in Latest Income Statement is Computed |
|---|---|---|---|---|---|---|---|---|
| Communications infrastructure[(a)] | $ 3,293 [(b)] | [(c)] | [(c)] | $ 23,854 | $ (9,382) | Various | Various | Up to 20 years |

(a) Includes approximately 40,000 towers and 80,000 route miles of fiber. No single asset exceeds 5% of the aggregate gross amounts at which the assets were carried at the close of the period set forth in the table above.
(b) Encumbrances are reported at face value, without contemplating the effect of deferred financing costs, discounts or premiums. Certain of the Company's debt is secured by (1) a security interest in substantially all of the applicable issuers' assignable personal property, (2) a pledge of the equity interests in each applicable issuer and (3) a security interest in the applicable issuers' leases with tenants to lease tower space (space licenses).
(c) The Company has omitted this information, as it would be impracticable to compile such information on an asset-by-asset basis.

| | 2019 | 2018 (As Restated)[(a)] |
|---|---|---|
| Gross amount at beginning | $ 21,840 | $ 20,086 |
| Additions during period: | | |
| Acquisitions through foreclosure | — | — |
| Other acquisitions[(b)] | 4 | 5 |
| Communications infrastructure construction and improvements | 1,878 | 1,565 |
| Purchase of land interests | 53 | 56 |
| Sustaining capital expenditures | 84 | 85 |
| Other[(c)] | 101 | 64 |
| Total additions | 2,120 | 1,775 |
| Deductions during period: | | |
| Cost of real estate sold or disposed | (45) | (21) |
| Other | (61) | — |
| Total deductions | (106) | (21) |
| Balance at end | $ 23,854 | $ 21,840 |

(a) See note 2 to the Company's consolidated financial statements for further information regarding the restatement.
(b) Includes acquisitions of communications infrastructure.
(c) Predominately relates to the purchase of property and equipment under finance leases and installment land purchases.

| | 2019 | 2018 (As Restated)[(a)] |
|---|---|---|
| Gross amount of accumulated depreciation at beginning | $ (8,338) | $ (7,301) |
| Additions during period: | | |
| Depreciation | (1,087) | (1,056) |
| Total additions | (1,087) | (1,056) |
| Deductions during period: | | |
| Amount for assets sold or disposed | 24 | 18 |
| Other | 19 | 1 |
| Total deductions | 43 | 19 |
| Balance at end | $ (9,382) | $ (8,338) |

(a) See note 2 to the Company's consolidated financial statements for further information regarding the restatement.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, on this 10th day of March, 2020.

CROWN CASTLE INTERNATIONAL CORP.

By: /s/ DANIEL K. SCHLANGER

**Daniel K. Schlanger**
**Senior Vice President and Chief Financial Officer**

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jay A. Brown and Kenneth J. Simon and each of them, as his or her true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all documents relating to the Annual Report on Form 10-K, including any and all amendments and supplements thereto, for the year ended December 31, 2019 and to file the same with all exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully as to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the Registrant and in the capacities indicated below on this 10th day of March, 2020.

| Name | Title |
|---|---|
| /s/ JAY A. BROWN<br>**Jay A. Brown** | President, Chief Executive Officer and Director<br>(Principal Executive Officer) |
| /s/ DANIEL K. SCHLANGER<br>**Daniel K. Schlanger** | Senior Vice President and Chief Financial Officer<br>(Principal Financial Officer) |
| /s/ ROBERT S. COLLINS<br>**Robert S. Collins** | Vice President and Controller<br>(Principal Accounting Officer) |
| /s/ J. LANDIS MARTIN<br>**J. Landis Martin** | Chairman of the Board of Directors |
| /s/ P. ROBERT BARTOLO<br>**P. Robert Bartolo** | Director |
| /s/ CINDY CHRISTY<br>**Cindy Christy** | Director |
| /s/ ARI Q. FITZGERALD<br>**Ari Q. Fitzgerald** | Director |
| /s/ ROBERT E. GARRISON II<br>**Robert E. Garrison II** | Director |
| /s/ ANDREA J. GOLDSMITH<br>**Andrea J. Goldsmith** | Director |
| /s/ LEE W. HOGAN<br>**Lee W. Hogan** | Director |
| /s/ EDWARD C. HUTCHESON, JR.<br>**Edward C. Hutcheson, Jr.** | Director |
| /s/ ROBERT F. MCKENZIE<br>**Robert F. McKenzie** | Director |
| /s/ ANTHONY J. MELONE<br>**Anthony J. Melone** | Director |
| /s/ W. BENJAMIN MORELAND<br>**W. Benjamin Moreland** | Director |

# DESCRIPTION OF COMMON STOCK

The following descriptions set forth certain general terms of our common. While we believe that the following description covers the material terms of our common stock, the descriptions may not contain all of the information that is important to you. The descriptions set forth below are not complete and are subject to, and qualified in their entirety by, our Restated Certificate of Incorporation (“Charter”), our amended and restated by-laws (“By-laws”) and the General Corporation Law of the State of Delaware (“DGCL”). Copies of our Charter and By-laws are filed as exhibits to the Annual Report on Form 10-K. You are urged to read the Charter and the By-laws in their entirety.

As used in this Description of Common Stock, unless otherwise expressly stated or the context otherwise requires, the terms “Company,” “Crown Castle,” “we,” “our” and “us” refer to Crown Castle International Corp. and not to any of its subsidiaries.

## Authorized Capital

We are authorized to issue up to 600,000,000 shares of common stock, par value $0.01 per share, Shares of our common stock are listed for trading on the NYSE under the trading symbol “CCI.”

## Common Stock

### *Voting Rights*

Each share of our common stock is entitled to one vote. Holders of our common stock vote together as a single class on all matters presented for a vote of the stockholders, except as provided under the DGCL. See also “-Charter and By-laws-Election and Removal of Directors” below.

### *Dividends and Liquidation Rights*

Each share of our common stock is entitled to receive dividends if, as and when declared by our board of directors out of funds legally available for that purpose, subject to certain rights of holders of preferred stock. In the event of our voluntary or involuntary liquidation, dissolution or winding up, after satisfaction of amounts payable to our creditors and distribution of any preferential amounts to the holders of outstanding preferred stock, holders of our common stock are entitled to share ratably in the assets available for distribution to the stockholders.

### *Other Provisions*

The holders of our common stock have no preemptive, subscription or redemption rights and are not entitled to the benefit of any sinking fund. All outstanding shares of common stock are validly issued, fully paid and nonassessable. Under the DGCL, stockholders generally are not personally liable for a corporation’s acts or debts.

## Charter and By-laws

Stockholders’ rights and related matters are governed by the DGCL, our Charter and our By-laws. Certain provisions of our Charter and By-laws, descriptions of which are summarized or otherwise incorporated within this Description of Common Stock, may have the effect, either alone or in combination with each other, of discouraging or making more difficult a tender offer or takeover attempt that is opposed by our board of directors but that a stockholder might consider to be in its best interest. Such provisions may also adversely affect prevailing market prices for our common stock. We believe that such provisions are necessary to enable us to develop our business in a manner that will foster our long-term growth without disruption caused by the threat of a takeover not deemed by our board of directors to be in our best interests and those of our stockholders.

*Election and Removal of Directors*

The Charter provides for the annual election of directors on our board of directors.

The Charter also provides that any director, except for directors who may be elected by the holders of any series of preferred stock, may be removed from office at any time, with or without cause, only by the affirmative vote of the holders of at least 80% of the voting power of the then outstanding Voting Stock, voting together as a single class. "Voting Stock" is defined in the Charter as the outstanding shares of our capital stock entitled to vote in a general vote of our stockholders as a single class with shares of our common stock.

*No Stockholder Action by Written Consent; Special Meeting*

The Charter prohibits stockholders from taking action by written consent in lieu of an annual or special meeting, and, thus, stockholders may only take action at an annual or special meeting called in accordance with the By-laws. The By-laws provide that special meetings of stockholders may only be called by (a) our secretary, chief executive officer or president at the direction of our board of directors pursuant to a resolution adopted by the board or (b) the chief executive officer.

These provisions could have the effect of delaying consideration of a stockholder proposal until the next annual meeting. These provisions would also prevent the holders of a majority of the voting power of our capital stock entitled to vote from unilaterally using the written consent procedure to take stockholder action.

*Advance Notice Requirements for Stockholder Proposals and Director Nominations; Proxy Access*

The By-laws establish advance notice procedures for stockholder proposals and the nomination, other than by or at the direction of the board of directors, of candidates for election as directors. These procedures provide that the notice of stockholder proposals and stockholder nominations for the election of directors at an annual meeting must be in writing and received by our secretary at least 90 days but not more than 120 days prior to the first anniversary of our preceding year's annual meeting. However, if the date of our annual meeting is more than 30 days earlier than, or more than 90 days later than, the anniversary date of our preceding year's annual meeting, notice by a stockholder will be considered timely if it is delivered not earlier than the 120th day prior to such annual meeting and not later than the later of the 90th day prior to such annual meeting or the 10th day following the day on which public disclosure of the date of the annual meeting was made. The notice of nominations for the election of directors must set forth certain information concerning the stockholder giving the notice and each nominee.

By requiring advance notice of nominations by stockholders, these procedures afford our board of directors an opportunity to consider the qualifications of the proposed nominees and, to the extent deemed necessary or desirable by the board of directors, to inform stockholders about these qualifications. By requiring advance notice of other proposed business, these procedures provide our board of directors with an opportunity to inform stockholders of any business proposed to be conducted at a meeting, together with any recommendations as to the board of directors' position on action to be taken on such business. This should allow stockholders to better decide whether to attend a meeting or to grant a proxy for the disposition of any such business.

Our By-laws also contain a proxy access right provision to permit a stockholder, or group of up to 20 stockholders, who owns (and continues to own) 3% or more of our common stock and has continuously owned our common stock for at least three years to nominate and include in our proxy materials candidates for election as directors of the Company. Such stockholders or groups of stockholders may nominate up to the greater of two individuals or 20% of the board of directors, provided that the stockholders and the nominees satisfy the notice requirements specified in the By-laws and comply with the other procedural requirements.

*Dilution*

The Charter provides that our board of directors is authorized to create and issue, whether or not in connection with the issuance and sale of any of its stock or other securities or property, rights entitling the holders to purchase from us shares of stock or other securities of us or of any other corporation. Our board of directors is authorized to issue these rights even though the creation and issuance of these rights could have the effect of discouraging third parties from seeking, or impairing their right to seek, to:

- acquire a significant portion of our outstanding securities;
- engage in any transaction which might result in a change of control of the corporation; or
- enter into any agreement, arrangement or understanding with another party to accomplish these transactions or for the purpose of acquiring, holding, voting or disposing of any of our securities.

***Amendments***

The Charter and the By-laws provide that we may amend, alter, change or repeal any provision contained in the Charter or a preferred stock designation. However, the affirmative vote of the holders of at least 80% of the voting power of the then outstanding voting stock, voting together as a single class, is required to amend, repeal or adopt any provision inconsistent with certain provisions of the Charter, including the provisions discussed above relating to the issuance of stockholder rights, prohibiting stockholder action by written consent and prohibiting the calling of special meetings by stockholders.

The By-laws may be amended by either the holders of 80% of the voting power of the voting stock or by the majority of the board, but the board may alter, amend or repeal or adopt new by-laws in conflict with certain of the By-law provisions only by a two-thirds vote of the entire board.

***Section 203 of the Delaware General Corporation Law***

We are subject to the provisions of Section 203 of the DGCL which generally prohibit certain transactions between a Delaware corporation and an interested stockholder for a period of three years after the date such interested stockholder acquired its stock, unless:

- the business combination is approved by the corporation’s board of directors prior to the date the interested stockholder acquired shares;
- the interested stockholder acquired at least 85% of the voting stock of the corporation in the transaction in which it became an interested stockholder; or
- the business combination is approved by a majority of the board of directors and by the affirmative vote of two-thirds of the outstanding voting stock owned by disinterested stockholders at an annual or special meeting.

A business combination is defined broadly to include mergers, consolidations, sales or other dispositions of assets having an aggregate value of 10% or more of the consolidated assets of the corporation, and certain transactions that would increase the interested stockholder’s proportionate share ownership in the corporation. In general, Section 203 defines an interested stockholder as an entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person.

***Exclusive Forum***

The By-laws provide that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of us, (b) any action asserting a claim of breach of a fiduciary duty owed by any of our current or past directors, officers or other employees to us or any of our stockholders (including any beneficial owner of our stock), (c) any action asserting a claim arising pursuant to any provision of the DGCL, the Charter or the By-Laws and (d) any action asserting a claim governed by the internal affairs doctrine, will, to the fullest extent permitted by law, be the Court of Chancery of the State of Delaware or, if such court lacks jurisdiction, any state or federal court in the state of Delaware that has jurisdiction. The By-laws also provide that any person (including any entity) purchasing or otherwise acquiring or holding any interest in shares of our capital stock will be deemed to have notice of and consented to the exclusive forum provisions in the By-laws.

### *Limitations of Directors' Liability*

The Charter provides that none of our directors will be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability:

- for any breach of the director's duty of loyalty to us or our stockholders;
- for acts of omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- under Section 174 of the DGCL; or
- for any transaction from which the director derived an improper personal benefit.

The effect of these provisions is to eliminate our rights and the rights of our stockholders (through stockholders' derivatives suits on behalf of us) to recover monetary damages against a director for breach of fiduciary duty as a director (including breaches resulting from grossly negligent behavior), except in the situations described above. These provisions do not limit the liability of directors under federal securities laws and do not affect the availability of equitable remedies such as an injunction or rescission based upon a director's breach of his duty of care.

### *Ownership Limitations and Transfer Restrictions*

To facilitate our continued qualification as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended ("Code"), the Charter contains ownership limitations and transfer restrictions on our capital stock. These ownership limitations and transfer restrictions could have the effect of delaying, deferring or preventing a transaction or a change in control of us that might involve a premium price for our capital stock or otherwise be in the best interest of our stockholders. All certificates representing shares of capital stock bear a legend describing such ownership limitations and transfer restrictions.

In order for us to continue to satisfy the requirements for REIT qualification, our capital stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the outstanding shares of our capital stock may be owned, directly or indirectly, by five or fewer "individuals" (as defined in the Code to include certain entities such as private foundations) during the last half of a taxable year. To satisfy these ownership requirements and other requirements for continued qualification as a REIT and to otherwise protect us from the consequences of a concentration of ownership among our stockholders, the Charter contains provisions limiting the ownership and restricting the transfer of shares of our capital stock.

The relevant section of the Charter provides that, among other things and subject to certain exceptions described below, no "Person" (as defined in the Charter) may beneficially or constructively own, or be deemed to beneficially or constructively own by virtue of the attribution provisions of the Code, more than 9.8%, by value or number of shares, whichever is more restrictive, of the outstanding shares of our common stock (which restriction we refer to as the "common stock ownership limit"), or 9.8% in aggregate value of the outstanding shares of all classes and series of our capital stock (which restriction we refer to as the "aggregate stock ownership limit").

The applicable constructive ownership rules under the Code are complex and may cause capital stock owned actually or constructively by a group of related individuals or entities to be treated as owned by one individual or entity. As a result, the acquisition of less than 9.8% in value of our outstanding capital stock or less than 9.8% in value or number of our outstanding shares of common stock (including through the acquisition of an interest in an entity that owns, actually or constructively, our common stock) by an individual or entity could nevertheless cause that individual or entity, or another individual or entity, to own, constructively or beneficially, in excess of 9.8% in value of our outstanding capital stock or 9.8% in value or number of our outstanding shares of common stock. The number and value of our outstanding shares of capital stock (or any class or series thereof) beneficially or constructively owned by any individual or entity shall be determined by our board of directors, whose determination shall be binding and conclusive.

Our board of directors, in its sole discretion, may (prospectively or retroactively) exempt a person from the aggregate stock ownership limit and common stock ownership limit described above and may establish different limits on ownership for any such person (which we refer to as an “excepted holder limit”) and may (prospectively or retroactively) increase any excepted holder limit with respect to any person. However, our board of directors may not exempt any person or increase an excepted holder limit for any person whose ownership of outstanding capital stock would violate the other provisions on transferability and ownership set forth in the Charter and described below. In order to be considered by our board of directors for an exemption from the aggregate stock ownership limit and common stock ownership limit or for an increase in an excepted holder limit, a person must make such representations and undertakings as our board of directors determines are reasonably necessary to determine that no person’s beneficial or constructive ownership of our capital stock will violate the other provisions on transferability and ownership set forth in the Charter and described below, and that such person does not and will not own, actually or constructively, an interest in a tenant of ours that would cause us to own, actually or constructively, more than a 9.9% interest in such tenant. As a condition to such exemption or such increase in an excepted holder limit, our board of directors may require an opinion of counsel or Internal Revenue Service ruling satisfactory to our board of directors and may impose such other conditions or restrictions as it deems necessary, appropriate or desirable in connection with granting such exemption or such increase in an excepted holder limit.

Our board of directors, in its sole discretion, may also increase or decrease the aggregate stock ownership limit and common stock ownership limit for all stockholders, provided that the new ownership limits would not allow five or fewer persons to beneficially own more than 49.9% of the value of our outstanding capital stock. A reduced aggregate stock ownership limit and common stock ownership limit will not apply to any person whose percentage ownership of our capital stock or our common stock, as applicable, is in excess of such decreased ownership limit, until such time as such person’s percentage ownership of our capital stock or our common stock, as applicable, equals or falls below such decreased ownership limit. However, until such time as such person’s percentage ownership of our capital stock or our common stock, as applicable, falls below such decreased ownership limit any further acquisition of our capital stock or our common stock, as applicable, will be in violation of the decreased ownership limit.

The Charter further prohibits:

- any person from beneficially owning shares of our capital stock to the extent that such beneficial ownership would result in our being “closely held” within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year);
- any person from beneficially or constructively owning shares of our capital stock to the extent that such beneficial or constructive ownership would otherwise result in our failing to qualify as a REIT (including, but not limited to, beneficial ownership or constructive ownership that would result in our actually owning or constructively owning an interest in a tenant that is described in Section 856(d)(2)(B) of the Code if the income derived by us from such tenant would cause us to fail to satisfy any of the gross income requirements of Section 856(c) of the Code);
- any person from beneficially or constructively owning shares of our capital stock to the extent such beneficial or constructive ownership could result in our failing to qualify as a “domestically controlled qualified investment entity” within the meaning of Section 897(h)(4)(B) of the Code; and
- any person from transferring shares of our capital stock if such transfer would result in shares of our capital stock being beneficially owned by fewer than 100 persons (determined under the principles of Section 856(a)(5) of the Code).

The foregoing provisions on transferability and ownership, including the aggregate stock ownership limit and common stock ownership limit, will not apply if our board of directors determines that it is no longer in our best interests to continue to qualify as a REIT.

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our capital stock that will or may violate the aggregate stock ownership limit and common stock ownership limit or any of the other foregoing restrictions on transferability and ownership will be required to give written notice to us immediately (or, in the case of a proposed or attempted transaction, written notice at least 15 days prior to such transaction) and provide us with such other information as we may request in order to determine the effect, if any, of such transfer on our status as a REIT and to ensure compliance with the aggregate stock ownership limit and common stock ownership limit.

Pursuant to the Charter, if there is any purported transfer of our capital stock or other event or change of circumstances that, if effective, would violate any of the restrictions described above, then the number of shares causing the violation (rounded up to the nearest whole share) will be automatically transferred to a trust for the exclusive benefit of a designated charitable beneficiary, except that any transfer that results in the violation of the restriction relating to our capital stock being beneficially owned by fewer than 100 persons will be automatically void and of no force or effect. The automatic transfer will be effective as of the close of business on the business day prior to the date of the purported transfer or other event or change of circumstances that requires the transfer to the trust. We refer below to the person that would have owned the shares if they had not been transferred to the trust as the “purported transferee.” No purported transferee shall acquire any rights in such shares and any dividend or other distribution paid to the purported transferee, prior to our discovery that the shares had been automatically transferred to a trust as described above, must be repaid to the trustee upon demand. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable restriction contained in the Charter, then the transfer of the excess shares will be automatically void and of no force or effect.

Shares of our capital stock transferred to the trustee are deemed to be offered for sale to us or our designee at a price per share equal to the lesser of (i) the price per share paid by the purported transferee for the shares or, if the purported transferee did not give value for the shares in connection with the event causing the shares to be held in trust (e.g., in the case of a gift, devise or other such transaction), the market price on the day of such event and (ii) the market price of the shares on the date we accept, or our designee accepts, such offer. We have the right to accept such offer until the trustee has sold the shares of our capital stock held in the trust pursuant to the clauses discussed below. We may reduce the amount payable to the purported transferee by the amount of dividends or other distributions that we paid to the purported transferee prior to our discovery that the shares had been transferred to the trust and that is owed by the purported transferee to the trustee as described above. We shall pay the amount of such reduction to the trustee for the benefit of the charitable beneficiary. Upon a sale to us, the interest of the charitable beneficiary in the shares sold terminates and the trustee must distribute the net proceeds of the sale to the purported transferee and any dividends or other distributions held by the trustee shall be paid to the charitable beneficiary.

If we do not buy the shares, the trustee must, within 20 days after receiving notice from us of the transfer of shares to the trust, sell the shares to a person or entity who could own the shares without violating the restrictions described above. Upon such a sale, the trustee must distribute to the purported transferee an amount equal to the lesser of (i) the price paid by the purported transferee for the shares or, if the purported transferee did not give value for the shares in connection with the event causing the shares to be held in trust (e.g., in the case of a gift, devise or other such transaction), the market price of the shares on the day of the event causing the shares to be held in the trust and (ii) the sales proceeds (net of commissions and other expenses of sale) received by the trustee for the shares. The trustee may reduce the amount payable to the purported transferee by the amount of any dividends or other distributions that we paid to the purported transferee before our discovery that the shares had been transferred to the trust and that is owed by the purported transferee to the trustee as described above. Any net sales proceeds in excess of the amount payable to the purported transferee will be immediately paid to the charitable beneficiary, together with any dividends or other distributions held by the trustee with respect to such capital stock. In addition, if prior to discovery by us that shares of our capital stock have been transferred to a trust, such shares of capital stock are sold by a purported transferee, then such shares will be deemed to have been sold on behalf of the trust and, to the extent that the purported transferee received an amount for or in respect of such shares that exceeds the amount that such purported transferee was entitled to receive as described above, such excess amount shall be paid to the trustee upon demand and immediately paid to the charitable beneficiary. The purported transferee will have no rights in the shares held by the trustee.

The trustee will be designated by us and must be unaffiliated with us and with any purported transferee. Prior to the sale of any shares by the trust, the trustee will receive, in trust for the beneficiary, all dividends and other distributions paid by us with respect to the shares, and may also exercise all voting rights with respect to the shares.

Subject to the DGCL, effective as of the date that the shares have been transferred to the trust, the trustee will have the authority, at the trustee's sole discretion:

- to rescind as void any vote cast by a purported transferee prior to our discovery that the shares have been transferred to the trust; and
- to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary of the trust.

However, if we have already taken irreversible corporate action, then the trustee may not rescind and recast the vote.

In addition, if our board of directors determines that a proposed or purported transfer would violate the restrictions on ownership and transfer of our capital stock set forth in the Charter, our board of directors may take such action as it deems necessary, appropriate or desirable to refuse to give effect to or to prevent such violation, including causing us to redeem shares of our capital stock, refusing to give effect to the transfer on our books or instituting proceedings to enjoin the transfer.

Within 30 days after the end of each taxable year, every owner of more than 5% (or such lower percentage as required by the Code or the Treasury regulations thereunder) of the outstanding shares of our capital stock must provide us written notice of the person's name and address, the number of shares of each class and series of our capital stock that such person beneficially or constructively owns and a description of the manner in which the shares are held. Each such owner must also provide us with such additional information as we may request in order to determine the effect, if any, of such owner's beneficial or constructive ownership on our qualification as a REIT and to ensure compliance with the aggregate stock ownership limit and common stock ownership limit. In addition, each beneficial or constructive owner of our capital stock, and any person (including the stockholder of record) who is holding shares of our capital stock for a beneficial or constructive owner will, upon demand, be required to provide us with such information as we may request in order to determine our qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance and to ensure compliance with the aggregate stock ownership limit and common stock ownership limit.

**Transfer Agent and Registrar**

Computershare Inc. is the transfer agent and registrar for the Company's common stock.

# DESCRIPTION OF 6.875% MANDATORY CONVERTIBLE PREFERRED STOCK

The following is a summary of certain provisions of our 6.875% Mandatory Convertible Preferred Stock, Series A, par value of $0.01 per share (“Mandatory Convertible Preferred Stock”). A copy of the certificate of designations setting forth the terms of the Mandatory Convertible Preferred Stock (“Certificate of Designations”), as well as our Restated Certificate of Incorporation (“Charter”), are each filed as an exhibit to the Annual Report on Form 10-K. This description of the terms of the Mandatory Convertible Preferred Stock is not complete and is subject to, and qualified in its entirety by reference to, the provisions of our Charter and the Certificate of Designations.

As used in this Description of 6.875% Mandatory Convertible Preferred Stock, unless otherwise expressly stated or the context otherwise requires, the terms “Crown Castle International Corp.”, “the Company”, “us”, “we” or “our” refer to Crown Castle International Corp. and not any of its subsidiaries. As set forth in this Description of 6.875% Mandatory Convertible Preferred Stock, the conversion rates and related calculations reflect adjustments made up to and including December 31, 2019 and may be subject to further adjustment as provided herein.

## General

Under our Charter, our board of directors is authorized, without further stockholder action, to issue up to 20,000,000 shares of preferred stock, par value $0.01 per share, in one or more series by filing a certificate of designations with the Secretary of State of the State of Delaware. Such certificate of designations may set forth the designations, powers, preferences and rights of the shares of each such series of preferred stock and the qualifications, limitations and restrictions thereof, including the dividend rate, the redemption provisions, if any, the amount payable in the event of our voluntary or involuntary liquidation, winding-up or dissolution, the terms and conditions, if any, of conversion and the voting rights.

The Mandatory Convertible Preferred Stock is, and any common stock issued upon the conversion of the Mandatory Convertible Preferred Stock will be, fully paid and nonassessable. The holders of the Mandatory Convertible Preferred Stock have no preemptive or preferential rights to purchase or subscribe for stock, obligations, warrants or other securities of ours of any class. Computershare Inc. serves as transfer agent, registrar and conversion and dividend disbursing agent for the Mandatory Convertible Preferred Stock. Shares of the Mandatory Convertible Preferred Stock are listed for trading on the New York Stock Exchange (“NYSE”) under the trading symbol “CCI.PRA.”

## Ranking

The Mandatory Convertible Preferred Stock, with respect to dividend rights and distribution rights upon our liquidation, winding-up or dissolution, ranks:

- senior to (i) our common stock and (ii) each other class or series of our capital stock established after the first original issue date of shares of the Mandatory Convertible Preferred Stock (“initial issue date”), the terms of which do not expressly provide that such class or series ranks senior to or on parity with the Mandatory Convertible Preferred Stock as to dividend rights and distribution rights upon our liquidation, winding-up or dissolution (“junior stock”);
- on parity with each class or series of our capital stock established after the initial issue date, the terms of which expressly provide that such class or series will rank on parity with the Mandatory Convertible Preferred Stock as to dividend rights and distribution rights upon our liquidation, winding-up or dissolution (“parity stock”);
- junior to each class or series of our capital stock established after the initial issue date, the terms of which expressly provide that such class or series will rank senior to the Mandatory Convertible Preferred Stock as to dividend rights and distribution rights upon our liquidation, winding-up or dissolution (“senior stock”); and
- junior to our existing and future indebtedness.

**Dividends**

Subject to the rights of holders of any class or series of our capital stock ranking senior to the Mandatory Convertible Preferred Stock with respect to dividends, holders of the Mandatory Convertible Preferred Stock are entitled to receive, when, as and if declared by our board of directors, or an authorized committee thereof, out of funds legally available for payment, cumulative dividends at the rate per annum of 6.875% on the liquidation preference of $1,000.00 per share of the Mandatory Convertible Preferred Stock (equivalent to $68.75 per annum per share), payable in cash, by delivery of shares of our common stock or by delivery of any combination of cash and shares of our common stock, as determined by us in our sole discretion (subject to the limitations described below). See "-Method of Payment of Dividends" below. Declared dividends on the Mandatory Convertible Preferred Stock are payable quarterly on February 1, May 1, August 1 and November 1 of each year, commencing on November 1, 2017, to and including the mandatory conversion date (as defined below) (each, a "dividend payment date"), at such annual rate, and dividends shall accumulate from the most recent date as to which dividends shall have been paid or, if no dividends have been paid, from the initial issue date of the Mandatory Convertible Preferred Stock, whether or not in any dividend period or periods there have been funds legally available for the payment of such dividends. Declared dividends are payable on the relevant dividend payment date to holders of record of the Mandatory Convertible Preferred Stock as they appear on our stock register at 5:00 p.m., New York City time, on the immediately preceding January 15, April 15, July 15 and October 15 (each, a "record date"), whether or not such holders convert their shares, or such shares are automatically converted, after a record date and on or prior to the immediately succeeding dividend payment date. These record dates apply regardless of whether a particular record date is a business day. A "business day" means any day other than a Saturday or Sunday or any other day on which commercial banks in New York City are authorized or required by law or executive order to close. If a dividend payment date is not a business day, payment will be made on the next succeeding business day, without any interest or other payment in lieu of interest accruing with respect to this delay.

A dividend period is the period from, and including, a dividend payment date to, but excluding, the next dividend payment date, except that the initial dividend period commenced on, and included, the initial issue date of the Mandatory Convertible Preferred Stock and ended on, and excluded, the November 1, 2017 dividend payment date. The amount of dividends payable on each share of the Mandatory Convertible Preferred Stock for each full dividend period (after the initial dividend period) is computed by dividing the annual dividend rate by four. Dividends payable on the Mandatory Convertible Preferred Stock for any period other than a full dividend period is computed based upon the actual number of days elapsed during such period over a 360-day year (consisting of 12 30-day months). Accordingly, the dividend on the Mandatory Convertible Preferred Stock for the first dividend period was $18.1424 per share (based on the annual dividend rate of 6.875% and a liquidation preference of $1,000.00 per share) and was paid on November 1, 2017 to the holders of record thereof on October 15, 2017. The dividend on the Mandatory Convertible Preferred Stock for each subsequent dividend period, when, as and if declared, is $17.1875 per share (based on the annual dividend rate of 6.875% and a liquidation preference of $1,000.00 per share). Accumulations of dividends on shares of the Mandatory Convertible Preferred Stock do not bear interest.

No dividend will be declared or paid upon, or any sum of cash or number of shares of our common stock set apart for the payment of dividends upon, any outstanding shares of Mandatory Convertible Preferred Stock with respect to any dividend period unless all dividends for all preceding dividend periods have been declared and paid upon, or a sufficient sum of cash or number of shares of our common stock has been set apart for the payment of such dividends upon, all outstanding shares of Mandatory Convertible Preferred Stock.

Except as described above, dividends on shares of Mandatory Convertible Preferred Stock converted to common stock will cease to accumulate on the mandatory conversion date, the fundamental change conversion date or the early conversion date (each, as defined below), as applicable.

Our ability to declare and pay cash dividends and to make other distributions with respect to our capital stock, including the Mandatory Convertible Preferred Stock, may be limited by the terms of our and our subsidiaries' existing and any future indebtedness. In addition, our ability to declare and pay dividends may be limited by applicable Delaware law.

So long as any share of Mandatory Convertible Preferred Stock remains outstanding, no dividend or distribution shall be declared or paid on our common stock or any other class or series of junior stock, and no common stock or any other junior stock shall be purchased, redeemed or otherwise acquired for consideration by us or any of our subsidiaries unless all accumulated and unpaid dividends for all preceding dividend periods have been declared and paid upon, or a sufficient sum of cash or number of shares of our common stock has been set apart for the payment of such dividends upon, all outstanding shares of Mandatory Convertible Preferred Stock. The foregoing limitation shall not apply to: (i) any dividend or distribution payable in shares of common stock or other junior stock, (ii) purchases, redemptions or other acquisitions of common stock or other junior stock in connection with the administration of any benefit or other incentive plan, including any employment contract, in the ordinary course of business (including purchases to offset the share dilution amount pursuant to a publicly announced repurchase plan); provided that any purchases to offset the share dilution amount shall in no event exceed the share dilution amount; (iii) any dividends or distributions of rights in connection with a stockholders' rights plan or any redemption or repurchase of rights pursuant to any stockholders' rights plan; (iv) purchases of common stock or other junior stock pursuant to a contractually binding requirement to buy common stock or other junior stock existing prior to the preceding dividend period, including under a contractually binding stock repurchase plan; or (v) the deemed purchase or acquisition of fractional interests in shares of our common stock or other junior stock pursuant to the conversion or exchange provisions of such shares or the security being converted or exchanged. The phrase "share dilution amount" means the increase in the number of diluted shares outstanding (determined in accordance with U.S. GAAP, and as measured from the initial issue date) resulting from the grant, vesting or exercise of equity-based compensation to directors, employees and agents and equitably adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

When dividends on shares of the Mandatory Convertible Preferred Stock (i) have not been declared and paid in full on any dividend payment date, or (ii) have been declared but a sum of cash or number of shares of our common stock sufficient for payment thereof has not been set aside for the benefit of the holders thereof on the applicable record date, no dividends may be declared or paid on any parity stock unless dividends are declared on the shares of Mandatory Convertible Preferred Stock such that the respective amounts of such dividends declared on the shares of Mandatory Convertible Preferred Stock and such parity stock shall bear the same ratio to each other as all accumulated dividends and all declared and unpaid dividends per share on the shares of Mandatory Convertible Preferred Stock and such parity stock bear to each other; provided that any unpaid dividends will continue to accumulate.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by our board of directors, or an authorized committee thereof, may be declared and paid on any securities, including our common stock, from time to time out of any funds legally available for such payment, and holders of the Mandatory Convertible Preferred Stock shall not be entitled to participate in any such dividends.

**Method of Payment of Dividends**

Subject to the limitations described below, we may pay any declared dividend (or any portion of any declared dividend) on the shares of Mandatory Convertible Preferred Stock (whether for a current dividend period or any prior dividend period, including in connection with the payment of declared and unpaid dividends pursuant to the provisions described in "-Mandatory Conversion" and "-Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount"), determined in our sole discretion:

- in cash;
- by delivery of shares of our common stock; or
- by delivery of any combination of cash and shares of our common stock.

We will make each payment of a declared dividend on the shares of Mandatory Convertible Preferred Stock in cash, except to the extent we elect to make all or any portion of such payment in shares of our common stock. We will give the holders of the Mandatory Convertible Preferred Stock notice of any such election and the portions of such payment that will be made in cash and in shares of our common stock no later than 10 scheduled trading days (as defined below) prior to the dividend payment date for such dividend; provided that if we do not provide timely notice of this election, we will be deemed to have elected to pay the relevant dividend in cash.

If we elect to make any such payment of a declared dividend, or any portion thereof, in shares of our common stock, such shares will be valued for such purpose, in the case of any dividend payment or portion thereof, at 97% of the average VWAP per share of our common stock (as defined below) over the five consecutive trading day (as defined below) period beginning on and including the seventh scheduled trading day (as defined below) prior to the applicable dividend payment date ("average price").

No fractional shares of our common stock will be delivered to the holders of the Mandatory Convertible Preferred Stock in payment or partial payment of a dividend. We will instead pay a cash adjustment to each holder that would otherwise be entitled to receive a fraction of a share of our common stock based on the average price with respect to such dividend.

To the extent a shelf registration statement is required in our reasonable judgment in connection with the issuance of, or for resales of, shares of our common stock issued as payment of a dividend on the shares of Mandatory Convertible Preferred Stock, including dividends paid in connection with a conversion, we will, to the extent such a shelf registration statement is not currently filed and effective, use our commercially reasonable efforts to file and maintain the effectiveness of such a shelf registration statement until the earlier of such time as all such shares of common stock have been resold thereunder and such time as all such shares would be freely tradable without registration by holders thereof that are not "affiliates" of ours for purposes of the Securities Act of 1933, as amended, and the rules and regulations thereunder. To the extent applicable, we will also use our commercially reasonable efforts to have the shares of our common stock qualified or registered under applicable U.S. state securities laws, if required, and approved for listing on the NYSE (or if our common stock is not listed on the NYSE, on the principal other U.S. national or regional securities exchange on which our common stock is then listed).

Notwithstanding the foregoing, in no event will the number of shares of our common stock to be delivered in connection with any declared dividend, including any declared dividend payable in connection with a conversion, exceed a number equal to the total dividend payment divided by $33.23, which amount represents 35% of the initial price (as defined below), subject to adjustment in a manner inversely proportional to any anti-dilution adjustment to each fixed conversion rate as set forth below in "-Anti-dilution Adjustments" (such dollar amount, as adjusted, the "floor price"). To the extent that the amount of any declared dividend exceeds the product of (x) the number of shares of our common stock delivered in connection with such declared dividend and (y) 97% of the average price, we will, if we are legally able to do so, pay such excess amount in cash.

**Liquidation Preference**

In the event of our voluntary or involuntary liquidation, winding-up or dissolution, each holder of the Mandatory Convertible Preferred Stock will be entitled to receive a liquidation preference in the amount of $1,000.00 per share of the Mandatory Convertible Preferred Stock ("liquidation preference"), plus an amount ("liquidation dividend amount") equal to accumulated and unpaid dividends on such shares to, but excluding, the date fixed for liquidation, winding-up or dissolution to be paid out of our assets legally available for distribution to our stockholders, after satisfaction of liabilities owed to our creditors and holders of shares of any senior stock and before any payment or distribution is made to holders of junior stock (including our common stock). If, upon our voluntary or involuntary liquidation, winding-up or dissolution, the amounts payable with respect to (1) the liquidation preference plus the liquidation dividend amount on the shares of Mandatory Convertible Preferred Stock and (2) the liquidation preference of, and the amount of accumulated and unpaid dividends (to, but excluding, the date fixed for liquidation, winding up or dissolution) on, all parity stock are not paid in full, the holders of the Mandatory Convertible Preferred Stock and all holders of any other such parity stock will share equally and ratably in any distribution of our assets in proportion to their liquidation preference and amounts equal to accumulated and unpaid dividends to which they are entitled. After payment to any holder of Mandatory Convertible Preferred Stock of the full amount of the liquidation preference and the liquidation dividend amount for such holder's shares of Mandatory Convertible Preferred Stock, such holder of the Mandatory Convertible Preferred Stock will have no right or claim to any of our remaining assets. See “-General.”

Neither the sale of all or substantially all of our assets, nor our merger or consolidation into or with any other person, will be deemed to be our voluntary or involuntary liquidation, winding-up or dissolution.

Our Charter, including the Certificate of Designations for the Mandatory Convertible Preferred Stock, does not contain any provision requiring funds to be set aside to protect the liquidation preference of the Mandatory Convertible Preferred Stock even though it is substantially in excess of the par value thereof.

**Voting Rights**

The holders of the Mandatory Convertible Preferred Stock do not have any voting rights, except as described below and as specifically required by Delaware law from time to time.

Whenever dividends on any shares of the Mandatory Convertible Preferred Stock (i) have not been declared and paid, or (ii) have been declared but a sum of cash or number of shares of our common stock sufficient for payment thereof has not been set aside for the benefit of the holders thereof on the applicable record date, for the equivalent of six or more dividend periods, whether or not for consecutive dividend periods (a “nonpayment”), the authorized number of directors on our board of directors will, at the next annual meeting of stockholders or at a special meeting of stockholders as provided below, automatically be increased by two and the holders of the Mandatory Convertible Preferred Stock, voting together as a single class with holders of any and all other series of voting preferred stock (as defined below) then outstanding, will be entitled, at our next annual meeting or at a special meeting of stockholders, to fill such newly created directorships by electing two additional directors (“preferred stock directors”); provided that the election of any such directors will not cause us to violate the corporate governance requirements of the NYSE (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors; and provided further that our board of directors shall, at no time, include more than two preferred stock directors. In the event of a nonpayment, the holders of record of at least 25% of the shares of the Mandatory Convertible Preferred Stock and any other series of voting preferred stock may request that a special meeting of stockholders be called to elect such preferred stock directors (provided, however, that if our next annual or a special meeting of stockholders is scheduled to be held within 90 days of the receipt of such request, the election of such preferred stock directors, to the extent otherwise permitted by our bylaws, will be included in the agenda for and will be held at such scheduled annual or special meeting of stockholders). The preferred stock directors will stand for reelection annually, and at each subsequent annual meeting of the stockholders, so long as the holders of the Mandatory Convertible Preferred Stock continue to have such voting rights.

At any meeting at which the holders of the Mandatory Convertible Preferred Stock are entitled to elect preferred stock directors, the holders of record of a majority of the then outstanding shares of the Mandatory Convertible Preferred Stock and all other series of voting preferred stock, present in person or represented by proxy, will constitute a quorum and the vote of the holders of a majority of such shares of the Mandatory Convertible Preferred Stock and other voting preferred stock so present or represented by proxy at any such meeting at which there shall be a quorum shall be sufficient to elect the preferred stock directors.

As used in this Description of 6.875% Mandatory Convertible Preferred Stock, “voting preferred stock” means any series of our preferred stock, in addition to the Mandatory Convertible Preferred Stock, ranking equally with the Mandatory Convertible Preferred Stock either as to dividends or to the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights for the election of directors have been conferred and are exercisable. Whether a plurality, majority or other portion in voting power of the Mandatory Convertible Preferred Stock and any other voting preferred stock have been voted in favor of any matter shall be determined by reference to the respective liquidation preference amounts of the Mandatory Convertible Preferred Stock and such other voting preferred stock voted.

If and when all accumulated and unpaid dividends on the Mandatory Convertible Preferred Stock have been paid in full (a “nonpayment remedy”), the holders of the Mandatory Convertible Preferred Stock shall immediately and, without any further action by us, be divested of the foregoing voting rights, subject to the revesting of such rights in the event of each subsequent nonpayment. If such voting rights for the holders of the Mandatory Convertible Preferred Stock and all other holders of voting preferred stock have terminated, the term of office of each preferred stock director so elected will terminate at such time and the authorized number of directors on our board of directors shall automatically decrease by two.

Any preferred stock director may be removed at any time, with cause as provided by law or without cause by the holders of record of a majority in voting power of the outstanding shares of the Mandatory Convertible Preferred Stock and any other series of voting preferred stock then outstanding (voting together as a single class) when they have the voting rights described above. In the event that a nonpayment shall have occurred and there shall not have been a nonpayment remedy, any vacancy in the office of a preferred stock director (other than prior to the initial election of preferred stock directors after a nonpayment) may be filled by the written consent of the preferred stock director remaining in office or, if none remains in office, by a vote of the holders of record of a majority in voting power of the outstanding shares of the Mandatory Convertible Preferred Stock and any other series of voting preferred stock then outstanding (voting together as a single class) when they have the voting rights described above; provided that the filling of each vacancy will not cause us to violate the corporate governance requirements of the NYSE (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors. The preferred stock directors will each be entitled to one vote per director on any matter that comes before our board of directors for a vote.

So long as any shares of the Mandatory Convertible Preferred Stock are outstanding, we will not, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of the Mandatory Convertible Preferred Stock and all other series of voting preferred stock at the time outstanding and entitled to vote thereon, voting together as a single class, given in person or by proxy, either in writing or by vote at an annual or special meeting of such stockholders:

(1) amend or alter the provisions of our Charter or the Certificate of Designations for the Mandatory Convertible Preferred Stock so as to authorize or create, or increase the authorized amount of, any class or series of senior stock; or

(2) amend, alter or repeal any provision of our Charter or the Certificate of Designations for the Mandatory Convertible Preferred Stock so as to adversely affect the special rights, preferences, privileges or voting powers of the Mandatory Convertible Preferred Stock; or

(3) consummate a binding share exchange or reclassification involving the shares of the Mandatory Convertible Preferred Stock, or a merger or consolidation of us with another entity, unless in each case: (i) the shares of the Mandatory Convertible Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity (or the Mandatory Convertible Preferred Stock is otherwise exchanged or reclassified), are converted or reclassified into or exchanged for preferred stock of the surviving or resulting entity or its ultimate parent; and (ii) such shares of the Mandatory Convertible Preferred Stock that remain outstanding or such shares of preferred stock, as the case may be, have rights, preferences, privileges and voting powers that, taken as a whole, are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, taken as a whole, of the Mandatory Convertible Preferred Stock immediately prior to the consummation of such transaction (any such preferred stock being referred to herein as “qualifying preferred stock”),

provided, however, that (1) any increase in the amount of our authorized but unissued shares of our preferred stock, (2) any increase in the amount of our authorized Mandatory Convertible Preferred Stock or the issuance of any additional shares of the Mandatory Convertible Preferred Stock or (3) the authorization or creation of any class or series of parity or junior stock, any increase in the amount of authorized but unissued shares of such class or series of parity or junior stock or the issuance of additional shares of such class or series of parity or junior stock will be deemed not to adversely affect (or to otherwise cause to be materially less favorable) the rights, preferences, privileges or voting powers of the Mandatory Convertible Preferred Stock and shall not require the affirmative vote of holders of the Mandatory Convertible Preferred Stock.

If any amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would adversely affect one or more but not all series of voting preferred stock, then only the series of voting preferred stock adversely affected and entitled to vote shall vote as a class in lieu of all other series of voting preferred stock.

Without the consent of the holders of the Mandatory Convertible Preferred Stock, so long as such action does not adversely affect the special rights, preferences, privileges or voting powers of the Mandatory Convertible Preferred Stock, and limitations and restrictions thereof, we may amend, alter, supplement, or repeal any terms of the Mandatory Convertible Preferred Stock for the following purposes:

- to cure any ambiguity or mistake, or to correct or supplement any provision contained in the Certificate of Designations establishing the terms of the Mandatory Convertible Preferred Stock that may be defective or inconsistent with any other provision contained in such Certificate of Designations;
- to make any provision with respect to matters or questions relating to the Mandatory Convertible Preferred Stock that is not inconsistent with the provisions of our Charter or the Certificate of Designations establishing the terms of the Mandatory Convertible Preferred Stock; or
- to waive any of our rights with respect thereto;

provided that any such amendment, alteration, supplement or repeal of any terms of the Mandatory Convertible Preferred Stock effected in order to conform the terms thereof to the description of the terms of the Mandatory Convertible Preferred Stock set forth in this Description of 6.875% Mandatory Convertible Preferred Stock shall be deemed not to adversely affect the special rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of the Mandatory Convertible Preferred Stock.

**Ownership Limitations**

To facilitate our continued qualification as a REIT under the Internal Revenue Code of 1986, as amended (“Code”), our Charter contains ownership limitations and transfer restrictions on our capital stock. Our Charter provides that, among other things and subject to certain exceptions, no person (as defined in our Charter) may beneficially or constructively own, or be deemed to beneficially or constructively own by virtue of the attribution provisions of the Code, more than 9.8%, by value or number of shares, whichever is more restrictive, of the outstanding shares of our common stock (which restriction we refer to as the “common stock ownership limit”), or 9.8% in aggregate value of the outstanding shares of all classes and series of our capital stock, including our common stock and the Mandatory Convertible Preferred Stock (which restriction we refer to as the “aggregate stock ownership limit”).

Pursuant to our Charter, if there is any purported transfer of our capital stock or other event or change of circumstances that, if effective, would violate any of the ownership limitations and transfer restrictions on our capital stock, then the number of shares causing the violation (rounded up to the nearest whole share) will be automatically transferred to a trust for the exclusive benefit of a designated charitable beneficiary, except that any transfer that results in the violation of the restriction relating to our capital stock being beneficially owned by fewer than 100 persons will be automatically void and of no force or effect. The automatic transfer will be effective as of the close of business on the business day prior to the date of the purported transfer or other event or change of circumstances that requires the transfer to the trust. We refer below to the person that would have owned the shares if they had not been transferred to the trust as the “purported transferee.” No purported transferee will acquire any rights in such shares and any dividend or other distribution paid to the purported transferee, prior to our discovery that the shares had been automatically transferred to a trust as described above, must be repaid to the trustee upon demand. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable restriction contained in our Charter, then the transfer of the excess shares will be automatically void and of no force or effect.

Shares of our capital stock transferred to the trustee are deemed to be offered for sale to us or our designee at a price per share equal to the lesser of (i) the price per share paid by the purported transferee for the shares or, if the purported transferee did not give value for the shares in connection with the event causing the shares to be held in trust (e.g., in the case of a gift, devise or other such transaction), the market price on the day of such event and (ii) the market price of the shares on the date we accept, or our designee accepts, such offer. We have the right to accept such offer until the trustee has sold the shares of our capital stock held in the trust pursuant to the clauses discussed below. We may reduce the amount payable to the purported transferee by the amount of dividends or other distributions that we paid to the purported transferee prior to our discovery that the shares had been transferred to the trust and that is owed by the purported transferee to the trustee as described above. We will pay the amount of such reduction to the trustee for the benefit of the charitable beneficiary. Upon a sale to us, the interest of the charitable beneficiary in the shares sold terminates and the trustee must distribute the net proceeds of the sale to the purported transferee and any dividends or other distributions held by the trustee will be paid to the charitable beneficiary.

If we do not buy the shares, the trustee must, within 20 days after receiving notice from us of the transfer of shares to the trust, sell the shares to a person or entity who could own the shares without violating the restrictions described above. Upon such a sale, the trustee must distribute to the purported transferee an amount equal to the lesser of (i) the price paid by the purported transferee for the shares or, if the purported transferee did not give value for the shares in connection with the event causing the shares to be held in trust (e.g., in the case of a gift, devise or other such transaction), the market price of the shares on the day of the event causing the shares to be held in the trust and (ii) the sales proceeds (net of commissions and other expenses of sale) received by the trustee for the shares. The trustee may reduce the amount payable to the purported transferee by the amount of any dividends or other distributions that we paid to the purported transferee before our discovery that the shares had been transferred to the trust and that is owed by the purported transferee to the trustee as described above. Any net sales proceeds in excess of the amount payable to the purported transferee will be immediately paid to the charitable beneficiary, together with any dividends or other distributions held by the trustee with respect to such capital stock. In addition, if prior to discovery by us that shares of our capital stock have been transferred to a trust, such shares of capital stock are sold by a purported transferee, then such shares will be deemed to have been sold on behalf of the trust and, to the extent that the purported transferee received an amount for or in respect of such shares that exceeds the amount that such purported transferee was entitled to receive as described above, such excess amount will be paid to the trustee upon demand and immediately paid to the charitable beneficiary. The purported transferee will have no rights in the shares held by the trustee.

The REIT-related ownership provisions of our Charter could have the effect of delaying, deferring or preventing a takeover or other transaction in which stockholders might receive a premium for their shares over the then prevailing market price or which stockholders might believe to be otherwise in their best interest.

Our board of directors, in its sole discretion, may (prospectively or retroactively) exempt a person from the aggregate stock ownership limit and common stock ownership limit described above and may establish different limits on ownership for any such person (which we refer to as an “excepted holder limit”) and (prospectively or retroactively) increase any excepted holder limit with respect to any person, subject to such terms, conditions, representations and undertakings as our board of directors deems appropriate.

**Mandatory Conversion**

Each share of the Mandatory Convertible Preferred Stock, unless previously converted, will automatically convert on August 1, 2020 (“mandatory conversion date”), into a number of shares of our common stock equal to the conversion rate described below. If we declare a dividend for the dividend period ending on the mandatory conversion date, we will pay such dividend to the holders of record as of the immediately preceding record date, as described above under “-Dividends.” If on or prior to the mandatory conversion date we have not declared all or any portion of the accumulated dividends on the Mandatory Convertible Preferred Stock, the conversion rate will be adjusted so that holders receive an additional number of shares of our common stock equal to the amount of such undeclared, accumulated and unpaid dividends (“additional conversion amount”) divided by the greater of the floor price and 97% of the average price. To the extent that the additional conversion amount exceeds the product of the number of additional shares and 97% of the average price, we will, if we are legally able to do so, declare and pay such excess amount in cash pro rata to the holders of the Mandatory Convertible Preferred Stock.

The conversion rate, which is the number of shares of our common stock issuable upon conversion of each share of the Mandatory Convertible Preferred Stock on the mandatory conversion date, subject to any further adjustment as described above for any additional conversion amount or as described in "-Anti-dilution Adjustments" below, was as follows:

- if the applicable market value of our common stock is greater than $113.93 ("threshold appreciation price"), then the conversion rate will be 8.7772 shares of our common stock per share of the Mandatory Convertible Preferred Stock ("minimum conversion rate"), which is approximately equal to $1,000.00 divided by the threshold appreciation price;
- if the applicable market value of our common stock is less than or equal to the threshold appreciation price but greater than or equal to $94.94 ("initial price"), then the conversion rate will be equal to $1,000.00 divided by the applicable market value of our common stock, which will be between 8.7772 and 10.5326 shares of our common stock per share of the Mandatory Convertible Preferred Stock; or
- if the applicable market value of our common stock is less than the initial price, then the conversion rate will be 10.5326 shares of our common stock per share of the Mandatory Convertible Preferred Stock ("maximum conversion rate"), which is approximately equal to $1,000.00 divided by the initial price.

We refer to the minimum conversion rate and the maximum conversion rate collectively as the "fixed conversion rates." The fixed conversion rates, the initial price, the threshold appreciation price and the applicable market value are each subject to any further adjustment as described above for any additional conversion amount or as described in "-Anti-dilution Adjustments" below.

***Hypothetical Conversion Values Upon Mandatory Conversion***

For illustrative purposes only, the following table shows the number of shares of our common stock that a holder of the Mandatory Convertible Preferred Stock would receive upon mandatory conversion of one share of the Mandatory Convertible Preferred Stock at various applicable market values for our common stock. The table assumes that there will be no further conversion adjustments as described above for any additional conversion amount or as described below in "-Anti-dilution Adjustments" and that dividends on the Mandatory Convertible Preferred Stock will be paid in cash and not in additional shares of our common stock. The actual applicable market value of our common stock may differ from those set forth in the table below. Given an initial price of $94.94 and a threshold appreciation price of $113.93, a holder of the Mandatory Convertible Preferred Stock would receive on the mandatory conversion date the number of shares of our common stock per share of the Mandatory Convertible Preferred Stock set forth below:

| Applicable market value of our common stock | Number of shares of our common stock to be received upon mandatory conversion | Conversion value (applicable market value multiplied by the number of shares of our common stock to be received upon mandatory conversion) |
|---|---|---|
| $ 70.00 | 10.5326 | $ 737.28 |
| $ 80.00 | 10. 5326 | $ 842.61 |
| $ 90.00 | 10. 5326 | $ 947.93 |
| $ 94.94 | 10. 5326 | $ 999.97 |
| $100.00 | 10.1112 | $1,011.12 |
| $105.00 | 10.1112 | $1,061.68 |
| $110.00 | 9.1920 | $1,011.12 |
| $113.93 | 8.7772 | $ 999.99 |
| $120.00 | 8.7772 | $1,053.26 |
| $140.00 | 8.7772 | $1,228.81 |
| $160.00 | 8.7772 | $1,404.35 |

Accordingly, if the applicable market value of our common stock is greater than the threshold appreciation price, the aggregate market value of our common stock delivered upon conversion of each share of the Mandatory Convertible Preferred Stock will be greater than the $1,000.00 liquidation preference of a share of the Mandatory Convertible Preferred Stock, assuming that the market price of our common stock on the mandatory conversion date is the same as the applicable market value of our common stock. If the applicable market value for our common stock is equal to or greater than the initial price and equal to or less than the threshold appreciation price, the aggregate market value of our common stock delivered upon conversion of each share of the Mandatory Convertible Preferred Stock will be equal to the $1,000.00 liquidation preference of a share of the Mandatory Convertible Preferred Stock, assuming that the market price of our common stock on the mandatory conversion date is the same as the applicable market value of our common stock. If the applicable market value of our common stock is less than the initial price, the aggregate market value of our common stock delivered upon conversion of each share of the Mandatory Convertible Preferred Stock will be less than the $1,000.00 liquidation preference of a share of the Mandatory Convertible Preferred Stock, assuming that the market price of our common stock on the mandatory conversion date is the same as the applicable market value of our common stock.

**Definitions**

"Applicable market value" means the average VWAP per share of our common stock over the 20 consecutive trading day period ("settlement period") beginning on and including the 22nd scheduled trading day immediately preceding the mandatory conversion date.

The "threshold appreciation price" represents a 20% appreciation over the initial price.

A "trading day" is a day on which our common stock:

- is not suspended from trading, and on which trading in our common stock is not limited, on any national or regional securities exchange or association or over-the-counter market during any period or periods aggregating one half-hour or longer; and
- has traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of our common stock;

provided that if our common stock is not traded on any such exchange, association or market, "trading day" means any business day.

A "scheduled trading day" is any day that is scheduled to be a trading day.

“VWAP” per share of our common stock on any trading day means the per share volume-weighted average price as displayed on Bloomberg page “CCI <EQUITY>AQR” (or its equivalent successor if such page is not available) in respect of the period from 9:30 a.m. to 4:00 p.m., New York City time, on such trading day; or, if such price is not available, “VWAP” means the market value per share of our common stock on such trading day as determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained by us for this purpose. The “average VWAP” means the average of the VWAPs for each trading day in the relevant period.

**Conversion at the Option of the Holder**

Other than during a fundamental change conversion period (as defined below in “-Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount”), holders of the Mandatory Convertible Preferred Stock will have the right to convert their Mandatory Convertible Preferred Stock, in whole or in part (but in no event less than one share of the Mandatory Convertible Preferred Stock), at any time prior to the mandatory conversion date, into shares of our common stock at the minimum conversion rate of 8.7772 shares of our common stock per share of the Mandatory Convertible Preferred Stock, subject to adjustment as described in “-Anti-dilution Adjustments” below.

If, as of the effective date of any early conversion (“early conversion date”), we have not declared all or any portion of the accumulated dividends for all dividend periods ending on a dividend payment date prior to such early conversion date, the conversion rate for such early conversion will be adjusted so that holders converting their Mandatory Convertible Preferred Stock at such time receive an additional number of shares of our common stock equal to the amount of undeclared, accumulated and unpaid dividends for such prior dividend periods, divided by the greater of the floor price and the average VWAP per share of our common stock over the 20 consecutive trading day period (“early conversion settlement period”) commencing on and including the 22nd scheduled trading day immediately preceding the early conversion date (“early conversion average price”). Notwithstanding the last sentence under “-Method of Payment of Dividends” above, to the extent that the cash amount of the undeclared, accumulated and unpaid dividends for all dividend periods ending on a dividend payment date prior to the relevant early conversion date exceeds the value of the product of the number of additional shares added to the conversion rate and the early conversion average price, we will not have any obligation to pay the shortfall in cash.

Except as described above, upon any optional conversion of any Mandatory Convertible Preferred Stock, we will make no payment or allowance for unpaid dividends on such shares of the Mandatory Convertible Preferred Stock, unless such early conversion date occurs after the record date for a declared dividend and on or prior to the immediately succeeding dividend payment date, in which case such dividend will be paid on such dividend payment date to the holder of record of the converted shares of the Mandatory Convertible Preferred Stock as of such record date, as described in the section above entitled “-Dividends.”

**Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount**

***General***

If a “fundamental change” (as defined below) occurs on or prior to the mandatory conversion date, holders of the Mandatory Convertible Preferred Stock will have the right to:

(i) convert their shares of Mandatory Convertible Preferred Stock, in whole or in part (but in no event less than one share of the Mandatory Convertible Preferred Stock), into a number of shares of common stock equal to the fundamental change conversion rate per share of Mandatory Convertible Preferred Stock described below;

(ii) with respect to such converted shares, receive a fundamental change dividend make-whole amount (as defined below) payable in cash or shares of our common stock; and

(iii) with respect to such converted shares, receive the accumulated dividend amount (as defined below) payable in cash or shares of our common stock,

subject in the case of clauses (ii) and (iii) to certain limitations with respect to the number of shares of our common stock that we will be required to deliver, all as described below. Notwithstanding clauses (ii) and (iii) above, if the effective date of a fundamental change falls during a dividend period for which we have declared a dividend, we will pay such dividend on the relevant dividend payment date to the holders of record on the immediately preceding record date, as described in “-Dividends”, and the accumulated dividend amount will not include the amount of such dividend, and the fundamental change dividend make-whole amount will not include the present value of such dividend.

To exercise this right, holders must submit their Mandatory Convertible Preferred Stock for conversion at any time during the period (“fundamental change conversion period”) beginning on the effective date of such fundamental change (as defined below) and ending at 5:00 p.m., New York City time, on the date that is 20 calendar days after the effective date (or, if earlier, the mandatory conversion date) at the conversion rate specified in the table below (“fundamental change conversion rate”). Holders of the Mandatory Convertible Preferred Stock who do not submit their shares for conversion during the fundamental change conversion period will not be entitled to convert their Mandatory Convertible Preferred Stock at the relevant fundamental change conversion rate or to receive the relevant fundamental change dividend make-whole amount or the relevant accumulated dividend amount.

We will notify holders of the anticipated effective date of a fundamental change at least 20 calendar days prior to such anticipated effective date or, if such prior notice is not practicable, notify holders of the effective date of a fundamental change no later than the second business day immediately following the actual effective date. If we notify holders of a fundamental change later than the 20th calendar day prior to the effective date of a fundamental change, the fundamental change conversion period will be extended by a number of days equal to the number of days from, and including, the 20th calendar day prior to the effective date of the fundamental change to, but excluding, the date of the notice; provided that the fundamental change conversion period will not be extended beyond the mandatory conversion date.

A “fundamental change” will be deemed to have occurred, at such time after the initial issue date of the Mandatory Convertible Preferred Stock, upon: (i) the consummation of any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, recapitalization or otherwise) in connection with which 90% or more of our common stock is exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration 10% or more of which (excluding cash payments for fractional shares or pursuant to appraisal rights) is not common stock that is listed on, or immediately after the transaction or event will be listed on, any of the NYSE, the NASDAQ Global Select Market or the NASDAQ Global Market; (ii) any “person” or “group” (as such terms are used for purposes of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (“Exchange Act”), whether or not applicable), other than us, any of our majority-owned subsidiaries or any of our or our majority-owned subsidiaries’ employee benefit plans, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power in the aggregate of all classes of capital stock then outstanding entitled to vote generally in elections of our directors or we otherwise become aware of such beneficial ownership; or (iii) our common stock (or, following a reorganization event, any common stock, depositary receipts or other securities representing common equity interests into which the Mandatory Convertible Preferred Stock becomes convertible in connection with such reorganization event) ceases to be listed for trading on the NYSE, the NASDAQ Global Select Market or the NASDAQ Global Market (or any of their respective successors) or another United States national securities exchange (each, a “qualifying market”). For the purposes of this definition of “fundamental change,” any transaction or event that constitutes a fundamental change under both clause (i) and clause (ii) above will be deemed to constitute a fundamental change solely under clause (i) of this definition of “fundamental change.”

*Fundamental Change Conversion Rate*

The fundamental change conversion rate will be determined by reference to the table below and is based on the effective date of the fundamental change ("effective date") and the price ("share price") paid or deemed paid per share of our common stock therein. If the holders of our common stock receive only cash in the fundamental change, the share price shall be the cash amount paid per share. Otherwise, the share price shall be the average VWAP per share of our common stock over the 10 consecutive trading day period ending on the trading day preceding the effective date.

The share prices set forth in the first row of the table (i.e., the column headers) are subject to adjustment as of any date on which the fixed conversion rates of the Mandatory Convertible Preferred Stock are adjusted. Any adjusted share price will equal the share prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the minimum conversion rate immediately prior to the adjustment giving rise to the share price adjustment and the denominator of which is the minimum conversion rate as so adjusted. Each of the fundamental change conversion rates in the table will be subject to adjustment in the same manner as each fixed conversion rate as set forth in "-Anti-dilution Adjustments."

The following table sets forth the fundamental change conversion rate per share of the Mandatory Convertible Preferred Stock for each share price and effective date set forth below.

| | Share price on effective date | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Effective date** | **$19.78** | **$39.56** | **$64.28** | **$94.94** | **$98.90** | **$108.79** | **$113.93** | **$123.62** | **$143.40** | **$173.07** | **$222.52** | **$296.70** | **$395.60** |
| August 1, 2020 | 10.5326 | 10.5326 | 10.5326 | 10.5326 | 10.1112 | 9.1920 | 8.7772 | 8.7772 | 8.7772 | 8.7772 | 8.7772 | 8.7772 | 8.7772 |

The exact share price and effective date may not be set forth in the table, in which case:

- if the share price is between two share price amounts on the table or the effective date is between two effective dates on the table, the fundamental change conversion rate will be determined by straight-line interpolation between the fundamental change conversion rates set forth for the higher and lower share price amounts and the earlier and later effective dates, as applicable, based on a 365-day year;
- if the share price is in excess of $395.60 per share (subject to further adjustment as described above), then the fundamental change conversion rate will be the minimum conversion rate, subject to adjustment; and
- if the share price is less than $19.78 per share (subject to further adjustment as described above), then the fundamental change conversion rate will be the maximum conversion rate, subject to adjustment.

***Fundamental Change Dividend Make-Whole Amount and Accumulated Dividend Amount***

For any shares of the Mandatory Convertible Preferred Stock that are converted during the fundamental change conversion period, in addition to the common stock issued upon conversion at the fundamental change conversion rate, we will at our option:

(a) pay the holder in cash, to the extent we are legally permitted to do so, an amount equal to the present value, calculated using a discount rate of 3.25% per annum, of all dividend payments on the Mandatory Convertible Preferred Stock for all the remaining dividend periods (excluding any accumulated dividend amount) for all remaining dividend periods (including any partial dividend period) from and including such effective date to but excluding the mandatory conversion date ("fundamental change dividend make-whole amount"),

(b) increase the number of shares of our common stock to be issued on conversion by a number equal to (x) the fundamental change dividend make-whole amount divided by (y) the greater of the floor price and 97% of the share price, or

(c) pay the fundamental change dividend make whole-amount through any combination of cash and shares of our common stock in accordance with the provisions of clauses (a) and (b) above.

In addition, to the extent that the accumulated dividend amount exists as of the effective date of the fundamental change, holders who convert their Mandatory Convertible Preferred Stock within the fundamental change conversion period will be entitled to receive such accumulated dividend amount upon conversion. As used herein, the term “accumulated dividend amount” means, with respect to any fundamental change, the aggregate amount of undeclared, accumulated and unpaid dividends, if any, for dividend periods prior to the effective date for the relevant fundamental change, including for the partial dividend period, if any, from, and including, the dividend payment date immediately preceding such effective date to, but excluding, such effective date. The accumulated dividend amount will be payable at our option:

- in cash, to the extent we are legally permitted to do so,
- in an additional number of shares of our common stock equal to (x) the accumulated dividend amount divided by (y) the greater of the floor price and 97% of the share price, or
- in a combination of cash and shares of our common stock in accordance with the provisions of the preceding two bullets.

We will pay the fundamental change dividend make-whole amount and the accumulated dividend amount in cash, except to the extent we elect on or prior to the second business day following the effective date of a fundamental change to make all or any portion of such payments in our common stock. In addition, if we elect to deliver common stock in respect of all or any portion of the fundamental change dividend make-whole amount or the accumulated dividend amount, to the extent that the fundamental change dividend make-whole amount or the accumulated dividend amount or the dollar amount of any portion thereof paid in common stock exceeds the product of the number of additional shares we deliver in respect thereof and 97% of the share price, we will, if we are legally able to do so, pay such excess amount in cash. Any such payment in cash may not be permitted by our then existing debt instruments, including any restricted payments covenants.

No fractional shares of our common stock will be delivered to converting holders of the Mandatory Convertible Preferred Stock in respect of the fundamental change dividend make-whole amount or the accumulated dividend amount. We will instead pay a cash adjustment to each converting holder that would otherwise be entitled to receive a fraction of a share of our common stock based on the average VWAP per share of our common stock over the five consecutive trading day period ending on, and including, the seventh scheduled trading day immediately preceding the conversion date.

Not later than the second business day following the effective date of a fundamental change (or, if we provide notice to holders of the fundamental change prior to the anticipated effective date of a fundamental change as described above, on the date we give holders notice of the anticipated effective date of a fundamental change), we will notify holders of:

- the fundamental change conversion rate;
- the fundamental change dividend make-whole amount and whether we will pay such amount in cash, shares of our common stock or a combination thereof, specifying the combination, if applicable; and
- the accumulated dividend amount as of the effective date of the fundamental change and whether we will pay such amount in cash, shares of our common stock or a combination thereof, specifying the combination, if applicable.

Our obligation to adjust the conversion rate in connection with a fundamental change and pay the fundamental change dividend make-whole amount (whether in cash, our common stock or any combination thereof) could possibly be considered a penalty under state law, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

**Conversion Procedures**

***Upon Mandatory Conversion***

Any outstanding shares of Mandatory Convertible Preferred Stock will automatically convert into shares of common stock on the mandatory conversion date. The person or persons entitled to receive the shares of our common stock issuable upon mandatory conversion of the Mandatory Convertible Preferred Stock will be treated as the record holder(s) of such shares as of 5:00 p.m., New York City time, on the mandatory conversion date. Except as provided in "-Anti-dilution Adjustments", prior to 5:00 p.m., New York City time, on the mandatory conversion date, the common stock issuable upon conversion of the Mandatory Convertible Preferred Stock will not be outstanding for any purpose and you will have no rights with respect to such common stock, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on the common stock, by virtue of holding the Mandatory Convertible Preferred Stock. A certificate representing the shares of common stock issuable upon conversion will be issued and delivered to the converting holder or, if the shares of the Mandatory Convertible Preferred Stock being converted are in global form, the shares of common stock issuable upon conversion will be delivered to the converting holder through the facilities of DTC, in each case together with delivery by the Company to the converting holder of any cash to which the converting holder is entitled, on the later of (i) the third business day immediately succeeding the Mandatory Conversion Date and (ii) the third business day immediately succeeding the last day of the settlement period.

***Upon Early Conversion***

If the holder elects to convert the Mandatory Convertible Preferred Stock prior to the mandatory conversion date, in the manner described in "-Conversion at the Option of the Holder" or "-Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount", the holder must observe the following conversion procedures:

If shares of the Mandatory Convertible Preferred Stock are in global form, to convert the Mandatory Convertible Preferred Stock the holder must deliver to DTC the appropriate instruction form for conversion pursuant to DTC's conversion program. If shares of the Mandatory Convertible Preferred Stock are held in certificated form, the holder must comply with certain procedures set forth in the Certificate of Designations for the Mandatory Convertible Preferred Stock. In either case, if required, the holder must pay all transfer or similar taxes or duties, if any.

The conversion date will be the date on which the holder has satisfied the foregoing requirements. The holder will not be required to pay any transfer or similar taxes or duties relating to the issuance or delivery of our common stock if the holder exercises his or her conversion rights, but the holder will be required to pay any tax or duty that may be payable relating to any transfer involved in the issuance or delivery of the common stock in a name other than that holder's own. Common stock will be issued and delivered to the converting holder, or, if the Mandatory Convertible Preferred Stock being converted is in global form, the shares of common stock issuable upon conversion shall be delivered through the facilities of DTC, in each case together with delivery by us to the converting holder of any cash to which the converting holder is entitled, only after all applicable taxes and duties, if any, payable by the holder have been paid in full and will be issued or delivered on the latest of (i) the third business day immediately succeeding the conversion date, (ii) the third business day immediately succeeding the last day of the early conversion settlement period and (iii) the business day after the holder has paid in full all applicable taxes and duties, if any.

The person or persons entitled to receive the shares of common stock issuable upon conversion of the Mandatory Convertible Preferred Stock will be treated as the record holder(s) of such shares as of 5:00 p.m., New York City time, on the applicable conversion date. Prior to 5:00 p.m., New York City time, on the applicable conversion date, the shares of common stock issuable upon conversion of any shares of the Mandatory Convertible Preferred Stock will not be deemed to be outstanding for any purpose, and the holder will have no rights with respect to such common stock, including voting rights, rights to respond to tender offers for the common stock and rights to receive any dividends or other distributions on the common stock, by virtue of holding the Mandatory Convertible Preferred Stock.

***Fractional Shares***

No fractional shares of our common stock will be issued to holders of the Mandatory Convertible Preferred Stock upon conversion. In lieu of any fractional shares of our common stock otherwise issuable in respect of the aggregate number of shares of the Mandatory Convertible Preferred Stock of any holder that are converted, that holder will be entitled to receive an amount in cash (computed to the nearest cent) equal to the product of: (i) that same fraction; and (ii) the average VWAP of our common stock over the five consecutive trading day period beginning on, and including, the seventh scheduled trading day immediately preceding the applicable conversion date. If the conversion date occurs on or prior to the last trading day of such five consecutive trading day period, payment of the cash payable in lieu of delivery of fractional shares of our common stock shall be deferred until the business day immediately following the last trading day of such five consecutive trading day period.

If more than one share of the Mandatory Convertible Preferred Stock is surrendered for conversion at one time by or for the same holder, the number of full shares of our common stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of the Mandatory Convertible Preferred Stock so surrendered.

**Anti-dilution Adjustments**

Each fixed conversion rate will be adjusted if:

(1) We issue shares of common stock to all holders of our common stock as a dividend or other distribution, in which event, each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for determination of the holders of our common stock entitled to receive such dividend or other distribution will be divided by a fraction:

- the numerator of which is the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination; and
- the denominator of which is the sum of the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination and the total number of shares of our common stock constituting such dividend or other distribution.

Any adjustment made pursuant to this clause (1) will become effective immediately after 5:00 p.m., New York City time, on the date fixed for such determination. If any dividend or distribution described in this clause (1) is declared but not so paid or made, each fixed conversion rate shall be readjusted, effective as of the date our board of directors, or an authorized committee thereof, publicly announces its decision not to pay or make such dividend or distribution, to such fixed conversion rate that would be in effect if such dividend or distribution had not been declared. For the purposes of this clause (1), the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination shall not include shares that we hold in treasury but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of our common stock. We will not pay any dividend or make any distribution on shares of our common stock that we hold in treasury.

(2) We issue to all holders of shares of our common stock rights or warrants (other than rights or warrants issued pursuant to a dividend reinvestment plan or share purchase plan or other similar plans) entitling them, for a period of up to 45 calendar days from the date of issuance of such rights or warrants, to subscribe for or purchase shares of our common stock at a price per share less than the “current market price” (as defined below) of our common stock, in which case each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for determination of

the holders of our common stock entitled to receive such rights or warrants will be increased by multiplying such fixed conversion rate by a fraction:

- the numerator of which is the sum of the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination and the number of shares of our common stock issuable pursuant to such rights or warrants; and
- the denominator of which is the sum of the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination and the number of shares of our common stock equal to the quotient of the aggregate offering price payable to exercise such rights or warrants divided by the current market price of our common stock.

Any adjustment made pursuant to this clause (2) will become effective immediately after 5:00 p.m., New York City time, on the date fixed for such determination. In the event that such rights or warrants described in this clause (2) are not so issued, each fixed conversion rate shall be readjusted, effective as of the date our board of directors, or an authorized committee thereof, publicly announces its decision not to issue such rights or warrants, to such fixed conversion rate that would then be in effect if such issuance had not been declared. To the extent that such rights or warrants are not exercised prior to their expiration or our common stock is otherwise not delivered pursuant to such rights or warrants upon the exercise of such rights or warrants, each fixed conversion rate shall be readjusted to such fixed conversion rate that would then be in effect had the adjustment made upon the issuance of such rights or warrants been made on the basis of the delivery of only the number of shares of our common stock actually delivered. In determining whether any rights or warrants entitle the holders thereof to subscribe for or purchase common stock at less than the current market price, and in determining the aggregate offering price payable to exercise such rights or warrants, there shall be taken into account any consideration received for such rights or warrants and the value of such consideration (if other than cash, to be determined in good faith by our board of directors, or an authorized committee thereof, which determination shall be final). For the purposes of this clause (2), the number of shares of our common stock at the time outstanding shall not include shares that we hold in treasury but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of our common stock. We will not issue any such rights or warrants in respect of shares of our common stock that we hold in treasury.

(3) We subdivide or combine our common stock, in which event each fixed conversion rate in effect at 5:00 p.m., New York City time, on the effective date of such subdivision or combination shall be multiplied by a fraction:

- the numerator of which is the number of shares of our common stock that would be outstanding immediately after, and solely as a result of, such subdivision or combination; and
- the denominator of which is the number of shares of our common stock outstanding immediately prior to such subdivision or combination.

Any adjustment made pursuant to this clause (3) shall become effective immediately after 5:00 p.m., New York City time, on the effective date of such subdivision or combination.

(4) We distribute to all holders of our common stock evidences of our indebtedness, shares of our capital stock, securities, rights to acquire shares of our capital stock, cash or other assets, excluding:

- any dividend or distribution covered by clause (1) above;
- any rights or warrants covered by clause (2) above;
- any dividend or distribution covered by clause (5) below; and
- any spin-off to which the provisions set forth below in this clause (4) shall apply,

in which event each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for the determination of holders of our common stock entitled to receive such distribution will be multiplied by a fraction:

- the numerator of which is the current market price of our common stock; and
- the denominator of which is the current market price of our common stock minus the fair market value, as determined by our board of directors, or an authorized committee thereof, in good faith (which determination shall be final), on such date fixed for determination of the portion of the evidences of indebtedness, shares of our capital stock, securities, rights to acquire shares of our capital stock, cash or other assets so distributed applicable to one share of our common stock.

In the event that we make a distribution to all holders of our common stock consisting of capital stock of, or similar equity interests in, or relating to a subsidiary or other business unit of ours (herein referred to as a "spin-off"), each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for the determination of holders of our common stock entitled to receive such distribution will be multiplied by a fraction:

- the numerator of which is the sum of the current market price of our common stock and the fair market value, as determined by our board of directors, or an authorized committee thereof, in good faith (which determination shall be final), of the portion of those shares of capital stock or similar equity interests so distributed applicable to one share of our common stock as of the 15th trading day after the effective date for such distribution (or, if such shares of capital stock or equity interests are listed on a U.S. national or regional securities exchange, the current market price of such securities); and
- the denominator of which is the current market price of our common stock.

Any adjustment made pursuant to this clause (4) shall become effective immediately after 5:00 p.m., New York City time, on the date fixed for the determination of the holders of our common stock entitled to receive such distribution. In the event that such distribution described in this clause (4) is not so made, each fixed conversion rate shall be readjusted, effective as of the date our board of directors, or an authorized committee thereof, publicly announces its decision not to make such distribution, to such fixed conversion rate that would then be in effect if such distribution had not been declared. If an adjustment to each fixed conversion rate is required under this clause (4) during any settlement period or any early conversion settlement period in respect of shares of the Mandatory Convertible Preferred Stock that have been tendered for conversion, delivery of the common stock issuable upon conversion will be delayed to the extent necessary in order to complete the calculations provided for in this clause (4).

(5) We pay or make a dividend or other distribution consisting exclusively of cash to all holders of our common stock other than a regular, quarterly cash dividend that does not exceed $0.95 per share of our common stock ("initial dividend threshold"), excluding:

- any cash that is distributed in a reorganization event (as described below);
- any dividend or other distribution in connection with our voluntary or involuntary liquidation, dissolution or winding up; and
- any consideration payable as part of a tender or exchange offer;

in which event, each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for determination of the holders of our common stock entitled to receive such dividend or other distribution will be multiplied by a fraction:

- the numerator of which is the current market price of our common stock minus the initial dividend threshold (provided that if the distribution is not a regular quarterly cash dividend, the initial dividend threshold will be deemed to be zero); and
- the denominator of which is the current market price of our common stock minus the amount per share of such dividend or other distribution.

The initial dividend threshold is subject to adjustment in a manner inversely proportional to adjustments to the fixed conversion rates; provided that no adjustment will be made to the initial dividend threshold for any adjustment to the fixed conversion rates under this clause (5).

Any adjustment made pursuant to this clause (5) shall become effective immediately after 5:00 p.m., New York City time, on the date fixed for the determination of the holders of our common stock entitled to receive such dividend or other distribution. In the event that any dividend or other distribution described in this clause (5) is not so paid or so made, each fixed conversion rate shall be readjusted, effective as of the date our board of directors, or an authorized committee thereof, publicly announces its decision not to pay such dividend or make such other distribution, to such fixed conversion rate which would then be in effect if such dividend or other distribution had not been declared.

(6) We or any of our subsidiaries successfully complete a tender or exchange offer pursuant to a Schedule TO or registration statement on Form S-4 for our common stock (excluding any securities convertible or exchangeable for our common stock), where the cash and the value of any other consideration included in the payment per share of our common stock exceeds the current market price of our common stock, in which event each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date of expiration of the tender or exchange offer ("expiration date") will be multiplied by a fraction:

- the numerator of which shall be equal to the sum of:

(i) the aggregate cash and fair market value (as determined in good faith by our board of directors, or an authorized committee thereof, which determination shall be final) on the expiration date of any other consideration paid or payable for shares of our common stock purchased in such tender or exchange offer; and

(ii) the product of:

1. the current market price of our common stock; and

2. the number of shares of our common stock outstanding at the time such tender or exchange offer expires, less any purchased shares; and

- the denominator of which shall be equal to the product of:

(i) the current market price of our common stock; and

(ii) the number of shares of our common stock outstanding at the time such tender or exchange offer expires, including any purchased shares.

Any adjustment made pursuant to this clause (6) shall become effective immediately after 5:00 p.m., New York City time, on the 10th trading day immediately following the expiration date but will be given effect as of the open of business on the expiration date for the tender or exchange offer. In the event that we are, or one of our subsidiaries is, obligated to purchase shares of our common stock pursuant to any such tender offer or exchange offer, but we are, or such subsidiary is, permanently prevented by applicable law from effecting any such purchases, or all such purchases are rescinded, then each fixed conversation rate shall be readjusted to be such fixed conversion rate that would then be in effect if such tender offer or exchange offer had not been made. Except as set forth in the preceding sentence, if the application of this clause (6) to any tender offer or exchange offer would result in a decrease in each fixed conversation rate, no adjustment shall be made for such tender offer or exchange offer under this clause (6). If an adjustment to each fixed conversion rate is required pursuant to this clause (6) during any settlement period or any early conversion settlement period in respect of shares of the Mandatory Convertible Preferred Stock that have been tendered for conversion, delivery of the related conversion consideration will be delayed to the extent necessary in order to complete the calculations provided for in this clause (6).

Except with respect to a spin-off, in cases where the fair market value of the evidences of our indebtedness, shares of capital stock, securities, rights to acquire shares of our capital stock, cash or other assets as to which clauses (4) or (5) above apply, applicable to one share of our common stock, distributed to stockholders equals or exceeds the current market price (as determined for purposes of calculating the conversion rate adjustment pursuant to such clause (4) or (5)), rather than being entitled to an adjustment in each fixed conversion rate, holders of the Mandatory Convertible Preferred Stock will be entitled to receive upon conversion, in addition to a number of shares of our common stock otherwise deliverable on the applicable conversion date, the kind and amount of the evidences of our indebtedness, shares of capital stock, securities, rights to acquire shares of our capital stock, cash or other assets comprising the distribution that such holder would have received if such holder had owned, immediately prior to the record date for determining the holders of our common stock entitled to receive the distribution, for each share of the Mandatory Convertible Preferred Stock, a number of shares of our common stock equal to the maximum conversion rate in effect on the date of such distribution.

To the extent that we have a rights plan in effect with respect to our common stock on any conversion date, upon conversion of any Mandatory Convertible Preferred Stock, the holder will receive, in addition to common stock, the rights under the rights plan, unless, prior to such conversion date, the rights have separated from our common stock, in which case each fixed conversion rate will be adjusted at the time of separation as if we made a distribution to all holders of our common stock as described in clause (4) above, subject to readjustment in the event of the expiration, termination or redemption of such rights. Any distribution of rights or warrants pursuant to a rights plan that would allow the holder to receive upon conversion, in addition to any common stock, the rights described therein (unless such rights or warrants have separated from our common stock) shall not constitute a distribution of rights or warrants that would entitle the holder to an adjustment to the conversion rate. We currently do not have a rights plan in effect.

For the purposes of determining the adjustment to the fixed conversion rate for the purposes of:

- clauses (2), (4) (but only in the event of an adjustment thereunder not relating to a spin-off) and (5) above, the "current market price" of our common stock is the average VWAP per share of our common stock over the five consecutive trading day period ending on the trading day immediately preceding the "ex-date" (as defined below) with respect to the issuance or distribution requiring such computation;
- clause (4) above in the event of an adjustment thereunder relating to a spin-off, the "current market price" of our common stock and the capital stock or equity interests of the subsidiary or other business unit being distributed, as applicable, is the average VWAP per share of common stock, capital stock or equity interests of the subsidiary or other business unit being distributed, as applicable, over the first 10 consecutive trading days commencing on and including the fifth trading day following the effective date of such distribution; and
- clause (6) above, the "current market price" of our common stock is the average VWAP per share of our common stock over the 10 consecutive trading day period commencing on, and including, the trading day next succeeding the expiration date of the relevant tender offer or exchange offer.

The term "ex-date", when used with respect to any issuance or distribution, means the first date on which shares of our common stock trade without the right to receive such issuance or distribution.

In addition, we may make such increases in each fixed conversion rate as we deem advisable in order to avoid or diminish any income tax to holders of our common stock resulting from any dividend or distribution of shares of our common stock (or issuance of rights or warrants to acquire shares of our common stock) or from any event treated as such for income tax purposes or for any other reason. We may only make such a discretionary adjustment if we make the same proportionate adjustment to each fixed conversion rate.

In the event of a taxable distribution to holders of our common stock that results in an adjustment of each fixed conversion rate or an increase in each fixed conversion rate in our discretion, holders of the Mandatory

Convertible Preferred Stock may, in certain circumstances, be deemed to have received a distribution subject to U.S. Federal income tax as a dividend. See "Material United States Federal Income Tax Considerations."

All adjustments to each fixed conversion rate will be calculated to the nearest 1/10,000th of a share of our common stock. Prior to the mandatory conversion date, no adjustment in a fixed conversion rate will be required unless the adjustment would require an increase or decrease of at least one percent in such fixed conversion rate. If any adjustment is not required to be made because it would not change the fixed conversion rates by at least one percent, then the adjustment will be carried forward and taken into account in any subsequent adjustment; provided, however, that on the earliest of the mandatory conversion date, an early conversion date and the effective date of a fundamental change, adjustments to each fixed conversion rate will be made with respect to any such adjustment carried forward that has not been taken into account before such date.

No adjustment to the fixed conversion rates will be made if holders may participate, at the same time, upon the same terms and otherwise on the same basis as holders of our common stock and solely as a result of holding Mandatory Convertible Preferred Stock, in the transaction that would otherwise give rise to such adjustment as if they held, for each share of the Mandatory Convertible Preferred Stock, a number of shares of our common stock equal to the maximum conversion rate then in effect.

The fixed conversion rates will not be adjusted:

(a) upon the issuance of any shares of our common stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on our securities and the investment of additional optional amounts in shares of common stock under any plan;

(b) upon the issuance of any shares of our common stock or rights or warrants to purchase those shares pursuant to any present or future benefit or other incentive plan or program of or assumed by us or any of our subsidiaries;

(c) upon the issuance of any shares of our common stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security outstanding as of the initial issue date;

(d) for a change in the par value of our common stock;

(e) for stock repurchases that are not tender offers, including structured or derivative transactions;

(f) as a result of a tender offer solely to holders of fewer than 100 shares of our common stock;

(g) as a result of a tender or exchange offer by a person other than us or one or more of our subsidiaries; or

(h) for accumulated dividends on the Mandatory Convertible Preferred Stock, except as described above under "-Mandatory Conversion", "-Conversion at the Option of the Holder" and "-Conversion at the Option of the Holder upon Fundamental Change; Fundamental Change Dividend Make-whole Amount."

We will be required, within 10 business days following the occurrence of an event that requires an adjustment to the fixed conversion rates, to provide, or cause to be provided, a written notice of the occurrence of such adjustment to the holders of the Mandatory Convertible Preferred Stock. We will also be required to deliver a statement setting forth in reasonable detail the method by which the adjustment to each fixed conversion rate was determined and setting forth such adjusted fixed conversion rate.

If an adjustment is made to the fixed conversion rates, (x) an inversely proportional adjustment also will be made to the threshold appreciation price and the initial price solely for the purposes of determining which clause of the definition of the conversion rate will apply on the mandatory conversion date and (y) an inversely proportional adjustment will also be made to the floor price. Whenever any provision of the Certificate of Designations requires us to calculate the VWAP per share of our common stock over a span of multiple days, we will make appropriate adjustments (including, without limitation, to the applicable market value, the early conversion average price, the current market price and the average price (as the case may be)) to account for any adjustments to the initial price, the threshold appreciation price, the floor price and the fixed conversion rates (as the case may be) that become effective, or any event that would require such an adjustment if the ex-date, effective date or expiration date (as the case may be) of such event occurs, during the relevant period used to calculate such prices or values (as the case may be).

If:

- the record date for a dividend or distribution on shares of our common stock occurs after the end of the 20 consecutive trading day period used for calculating the applicable market value and before the mandatory conversion date; and
- such dividend or distribution would have resulted in an adjustment of the number of shares of common stock issuable to the holders of the Mandatory Convertible Preferred Stock had such record date occurred on or before the last trading day of such 20-trading day period,

then we will deem the holders of the Mandatory Convertible Preferred Stock to be holders of record, for each share of their Mandatory Convertible Preferred Stock, of a number of shares of our common stock equal to the mandatory conversion rate for purposes of that dividend or distribution. In this case, the holders of the Mandatory Convertible Preferred Stock would receive the dividend or distribution on our common stock together with the number of shares of our common stock issuable upon mandatory conversion of the Mandatory Convertible Preferred Stock.

**Recapitalizations, Reclassifications and Changes of Our Common Stock**

In the event of:

- any consolidation or merger of us with or into another person (other than a merger or consolidation in which we are the surviving corporation and in which the shares of our common stock outstanding immediately prior to the merger or consolidation are not exchanged for cash, securities or other property of us or another person);
- any sale, transfer, lease or conveyance to another person of all or substantially all of our property and assets;
- any reclassification of our common stock into securities, including securities other than our common stock; or
- any statutory exchange of our securities with another person (other than in connection with a merger or acquisition),

in each case, as a result of which our common stock would be converted into, or exchanged for, securities, cash or property (each, a “reorganization event”), each share of the Mandatory Convertible Preferred Stock outstanding immediately prior to such reorganization event shall, without the consent of the holders of the Mandatory Convertible Preferred Stock, become convertible into the kind of securities, cash and other property that such holder would have been entitled to receive if such holder had converted its Mandatory Convertible Preferred Stock into common stock immediately prior to such reorganization event (such securities, cash and other property, the “exchange property”, with each “unit of exchange property” meaning the kind and amount of exchange property that a holder of one share of common stock is entitled to receive), and, at the effective time of such reorganization event, we may amend the Certificate of Designations without the consent of the holders of the Mandatory Convertible Preferred Stock to provide for such change in the convertibility of the Mandatory Convertible Preferred Stock. For purposes of the foregoing, the type and amount of exchange property in the case of any reorganization event that causes our common stock to be converted into the right to receive more than a single type of consideration (determined based in part upon any form of stockholder election) will be deemed to be the weighted average of the types and amounts of consideration received by the holders of our common stock that affirmatively make such an election (or of all holders of our common stock if none makes an election). We will notify holders of the Mandatory Convertible Preferred Stock of the weighted average as soon as practicable after such determination is made. The number of units of exchange property for each share of the Mandatory Convertible Preferred Stock converted following the effective date of such reorganization event will be determined as if references to shares of our common stock in the description of the conversion rate applicable upon mandatory conversion, conversion at the option of the holder and conversion at the option of the holder upon a fundamental change were to units of exchange property (without any interest thereon and without any right to dividends or distributions thereon which have a record date prior to the date such Mandatory Convertible Preferred Stock is actually converted). For the purpose of determining which bullet of the definition of conversion rate will apply upon mandatory conversion, and for the purpose of calculating the mandatory conversion rate if the second bullet is applicable, the value of a unit of exchange property will be determined in good faith by our board of directors or an authorized committee thereof (which determination will be final), except that if a unit of exchange property includes common stock or ADRs that are traded on a U.S. national securities exchange, the value of such common stock or ADRs will be the average over the 20 consecutive trading day period beginning on, and including, the 22nd scheduled trading day immediately preceding the mandatory conversion date of the volume-weighted average prices for such common stock or ADRs, as displayed on the applicable Bloomberg screen (as determined in good faith by our board of directors or an authorized committee thereof (which determination will be final)); or, if such price is not available, the average market value per share of such common stock or ADRs over such period as determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained by us for this purpose. We (or any successor to us) will, as soon as reasonably practicable (but in any event within 20 calendar days) after the occurrence of any reorganization event, provide written notice to the holders of the Mandatory Convertible Preferred Stock of such occurrence and of the kind and amount of cash, securities or other property that constitute the exchange property. Failure to deliver such notice will not affect the operation of the provisions described in this section.

In connection with any adjustment to the fixed conversion rates described above, we will also adjust the initial dividend threshold (as defined above) based on the number of shares of common stock or other equity interests comprising the exchange property and (if applicable) the value of any non-stock consideration comprising the exchange property.

**Reservation of Shares**

We will at all times reserve and keep available out of the authorized and unissued common stock, solely for issuance upon conversion of the Mandatory Convertible Preferred Stock, free from any preemptive or other similar rights, a number of shares of our common stock equal to the product of the maximum conversion rate then in effect and the number of shares of the Mandatory Convertible Preferred Stock then outstanding.

**Transfer Agent and Registrar**

Computershare Inc. is the transfer agent, registrar and conversion and dividend disbursing agent for the Mandatory Convertible Preferred Stock.

**Book-Entry, Delivery and Form**

The Mandatory Convertible Preferred Stock were issued in global form. DTC or its nominee is the sole registered holder of the Mandatory Convertible Preferred Stock. Ownership of beneficial interests in the Mandatory Convertible Preferred Stock in global form is limited to persons who have accounts with DTC ("participants") or persons who hold interests through such participants. Ownership of beneficial interests in the Mandatory Convertible Preferred Stock in global form are shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants).

So long as DTC, or its nominee, is the registered owner or holder of a global certificate representing the shares of the Mandatory Convertible Preferred Stock, DTC or such nominee, as the case may be, will be considered the sole holder of the shares of the Mandatory Convertible Preferred Stock represented by such global certificate for all purposes under the Certificate of Designations establishing the terms of the Mandatory Convertible Preferred Stock. No beneficial owner of an interest in the shares of the Mandatory Convertible Preferred Stock in global form will be able to transfer that interest except in accordance with the applicable procedures of DTC in addition to those provided for under the Certificate of Designations establishing the terms of the Mandatory Convertible Preferred Stock.

Payments of dividends on the global certificate representing the shares of the Mandatory Convertible Preferred Stock will be made to DTC or its nominee, as the case may be, as the registered holder thereof. None of us, the transfer agent, registrar, conversion or dividend disbursing agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global certificate representing the shares of the Mandatory Convertible Preferred Stock or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds.

**EXHIBIT 21**

CROWN CASTLE INTERNATIONAL CORP. SUBSIDIARIES

| Subsidiary | Jurisdiction of Incorporation |
|---|---|
| CC Holdings GS V LLC | Delaware |
| CC Towers Guarantor LLC | Delaware |
| CC Towers Holding LLC | Delaware |
| CCATT LLC | Delaware |
| CCATT Holdings LLC | Delaware |
| CCGS Holdings Corp. | Delaware |
| CCTM1 LLC | Delaware |
| CCTM Holdings LLC | Delaware |
| CCTMO LLC | Delaware |
| Crown Atlantic Company LLC | Delaware |
| Crown Castle Atlantic LLC | Delaware |
| Crown Castle CA Corp. | Delaware |
| Crown Castle Fiber Holdings Corp. | Delaware |
| Crown Castle Fiber LLC | New York |
| Crown Castle GT Company LLC | Delaware |
| Crown Castle GT Corp. | Delaware |
| Crown Castle GT Holding Sub LLC | Delaware |
| Crown Castle Investment II Corp. | Delaware |
| Crown Castle Operating Company | Delaware |
| Crown Castle South LLC | Delaware |
| Crown Castle Towers 06-2 LLC | Delaware |
| Crown Castle Towers 09 LLC | Delaware |
| Crown Castle Towers LLC | Delaware |
| Crown Castle USA Inc. | Pennsylvania |
| Crown Communication LLC | Delaware |
| Global Signal Acquisitions LLC | Delaware |
| Global Signal Acquisitions II LLC | Delaware |
| Global Signal Acquisitions IV LLC | Delaware |
| Global Signal GP LLC | Delaware |
| Global Signal Holdings III LLC | Delaware |
| Global Signal Operating Partnership, L.P. | Delaware |
| Pinnacle Towers Acquisition LLC | Delaware |
| Pinnacle Towers Acquisition Holdings LLC | Delaware |
| Pinnacle Towers LLC | Delaware |

**Exhibit 23.1**

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 ASR (No. 333-223921) and Form S-8 (No. 333-212383, 333-118659, 333-163843, 333-181715 and 333-188801) of Crown Castle International Corp. of our report dated March 10, 2020 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Pittsburgh, Pennsylvania
March 10, 2020

**Exhibit 31.1**

**Certification**
**For the Year Ended December 31, 2019**

I, Jay A. Brown, certify that:

1. I have reviewed this annual report on Form 10-K of Crown Castle International Corp. (“registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2020

/s/ Jay A. Brown

Jay A. Brown
President and Chief Executive Officer

**Exhibit 31.2**

**Certification**
**For the Year Ended December 31, 2019**

I, Daniel K. Schlanger, certify that:

1. I have reviewed this annual report on Form 10-K of Crown Castle International Corp. (“registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2020

/s/ Daniel K. Schlanger

Daniel K. Schlanger
Senior Vice President and Chief Financial Officer

**Exhibit 32.1**

**Certification Pursuant to**
**18 U.S.C. Section 1350**
**As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report on Form 10-K of Crown Castle International Corp., a Delaware Corporation (“Company”), for the period ending December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (“Report”), each of the undersigned officers of the Company hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of such officer's knowledge:

1) the Report complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of December 31, 2019 (the last date of the period covered by the Report).

/s/ Jay A. Brown

Jay A. Brown
President and Chief Executive Officer

March 10, 2020

/s/ Daniel K. Schlanger

Daniel K. Schlanger
Senior Vice President and Chief Financial Officer

March 10, 2020

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Crown Castle International Corp. and will be retained by Crown Castle International Corp. and furnished to the Securities and Exchange Commission or its staff upon request.