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

FORM 10-Q

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

For the quarterly period ended September 30, 2001

Commission File Number 000-24737

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

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

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

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

Yes [X] No [_]

Number of shares of common stock outstanding at November 1, 2001: 215,824,249

CROWN CASTLE INTERNATIONAL CORP.

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CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(In thousands of dollars, except share amounts)

	December 31, 2000	September 30, 2001
		(Unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 453,833	$ 536,695
Receivables:		
Trade, net of allowance for doubtful accounts of $18,722 and $23,911 at December 31, 2000 and September 30, 2001, respectively	168,184	204,927
Other	4,942	7,537
Short-term investments	38,000	73,500
Inventories	78,640	195,407
Prepaid expenses and other current assets	28,535	39,182
Total current assets	772,134	1,057,248
Property and equipment, net of accumulated depreciation of $305,520 and $482,404 at December 31, 2000 and September 30, 2001, respectively	4,303,037	4,808,305
Investments	137,000	64,000
Escrow deposit	--	388,760
Goodwill and other intangible assets, net of accumulated amortization of $101,085 and $148,279 at December 31, 2000 and September 30, 2001, respectively	1,112,876	1,067,603
Deferred financing costs and other assets, net of accumulated amortization of $10,733 and $18,422 at December 31, 2000 and September 30, 2001, respectively	114,794	137,273
	$ 6,439,841	$7,523,189
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 100,766	$ 101,051
Accrued interest	47,604	44,870
Accrued compensation and related benefits	11,901	10,183
Deferred rental revenues and other accrued liabilities	164,605	321,968
Long-term debt, current maturities	--	14,691
Total current liabilities	324,876	492,763
Long-term debt, less current maturities	2,602,687	3,374,703
Other liabilities	93,354	146,146
Total liabilities	3,020,917	4,013,612
Commitments and contingencies		
Minority interests	155,344	167,857
Redeemable preferred stock	842,718	869,415
Stockholders' equity:		
Common stock, $.01 par value; 690,000,000 shares authorized; shares issued: December 31, 2000 -- 198,912,094 and September 30, 2001 -- 215,820,249	1,989	2,158
Additional paid-in capital	2,894,095	3,283,852
Accumulated other comprehensive loss	(25,100)	(41,695)
Accumulated deficit	(450,122)	(772,010)
Total stockholders' equity	2,420,862	2,472,305
	$6,439,841	$7,523,189

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS (Unaudited)
(In thousands of dollars, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	2001	2000	2001
Net revenues:				
Site rental and broadcast transmission	$117,174	$ 146,222	$ 320,418	$ 420,064
Network services and other	57,415	72,174	126,774	240,701
	174,589	218,396	447,192	660,765
Operating expenses:				
Costs of operations (exclusive of depreciation and amortization):				
Site rental and broadcast transmission	50,383	58,856	139,233	176,150
Network services and other	34,993	50,241	70,901	169,248
General and administrative	18,196	21,458	52,544	77,818
Corporate development	2,222	2,679	6,415	9,890
Restructuring charges	--	19,252	--	19,252
Asset write-down charges	--	3,738	--	16,010
Non-cash general and administrative compensation charges	808	1,949	1,619	4,724
Depreciation and amortization	65,596	78,525	167,365	227,372
	172,198	236,698	438,077	700,464
Operating income (loss)	2,391	(18,302)	9,115	(39,699)
Other income (expense):				
Interest and other income (expense)	10,217	(1,462)	22,586	6,174
Interest expense and amortization of deferred financing costs	(65,498)	(79,091)	(173,987)	(218,921)
Loss before income taxes, minority interests and extraordinary item	(52,890)	(98,855)	(142,286)	(252,446)
Provision for income taxes	(127)	(11,727)	(163)	(11,787)
Minority interests	52	252	(1,806)	1,115
Loss before extraordinary item	(52,965)	(110,330)	(144,255)	(263,118)
Extraordinary item -- loss on early extinguishment of debt	--	--	(1,495)	--
Net loss	(52,965)	(110,330)	(145,750)	(263,118)
Dividends on preferred stock	(16,353)	(19,000)	(39,571)	(58,770)
Net loss after deduction of dividends on preferred stock	$(69,318)	$(129,330)	$(185,321)	$(321,888)
Net loss	$(52,965)	$(110,330)	$(145,750)	$(263,118)
Other comprehensive income (loss):				
Foreign currency translation adjustments	(13,901)	37,776	(27,031)	(7,689)
Derivative instruments:				
Net change in fair value of cash flow hedging instruments	--	(6,986)	--	(10,004)
Amounts reclassified into results of operations	--	786	--	920
Comprehensive loss before cumulative effect of change in accounting principle	(66,866)	(78,754)	(172,781)	(279,891)
Cumulative effect of change in accounting principle for derivative financial instruments	--	--	--	178
Comprehensive loss	$(66,866)	$ (78,754)	$(172,781)	$(279,713)
Per common share -- basic and				

diluted:				
Loss before extraordinary item....	$ (0.36)	$ (0.60)	$ (1.07)	$ (1.51)
Extraordinary item................	--	--	(0.01)	--
Net loss..........................	$ (0.36)	$ (0.60)	$ (1.08)	$ (1.51)
Common shares outstanding - basic and diluted (in thousands)........	191,763	214,986	171,985	213,413

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
(In thousands of dollars)

	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 2001
Cash flows from operating activities:		
Net loss	$ (145,750)	$ (263,118)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	167,365	227,372
Amortization of deferred financing costs and discounts on long-term debt	59,805	68,085
Asset write-down charges	--	16,010
Non-cash general and administrative compensation charges	1,619	4,724
Minority interests	1,806	(1,115)
Extraordinary loss on early extinguishment of debt	1,495	--
Changes in assets and liabilities, excluding the effects of acquisitions:		
Increase in deferred rental revenues and other liabilities	86,336	202,411
Increase in accounts payable	37,447	811
Increase in inventories, prepaid expenses and other assets	(51,983)	(131,347)
Increase in receivables	(56,357)	(42,501)
Increase (decrease) in accrued interest	15,807	(2,624)
Net cash provided by operating activities	117,590	78,708
Cash flows from investing activities:		
Maturities of investments	--	211,000
Capital expenditures	(437,005)	(561,112)
Investments in affiliates and other, including escrow deposit	(1,989)	(415,249)
Purchase of investments	--	(173,500)
Acquisitions of businesses and assets, net of cash acquired	(1,091,416)	(152,127)
Net cash used for investing activities	(1,530,410)	(1,090,988)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	1,015,020	450,000
Proceeds from issuance of capital stock	741,603	352,724
Net borrowings under revolving credit agreements	63,000	281,829
Proceeds from issuance of subsidiary stock to minority shareholder	--	16,434
Incurrence of financing costs	(47,184)	(12,058)
Principal payments on long-term debt	(82,000)	--
Net cash provided by financing activities	1,690,439	1,088,929
Effect of exchange rate changes on cash	(10,009)	6,213
Net increase in cash and cash equivalents	267,610	82,862
Cash and cash equivalents at beginning of period	549,328	453,833
Cash and cash equivalents at end of period	$ 816,938	$ 536,695
Supplementary schedule of non-cash investing and financing activities:		
Amounts recorded in connection with acquisitions:		
Fair value of net assets acquired, including goodwill and other intangible assets	$ 1,899,940	$ --
Escrow deposits for acquisitions	50,000	--
Minority interests	74,525	--
Issuance of common stock	683,999	--
Supplemental disclosure of cash flow information:		
Interest paid	$ 95,071	$ 154,938
Income taxes paid	175	60

See condensed notes to consolidated financial statements.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General

The information contained in the following notes to the consolidated financial statements is condensed from that which would appear in the annual consolidated financial statements; accordingly, the consolidated financial statements included herein should be reviewed in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2000, and related notes thereto, included in the Annual Report on Form 10-K (the "Form 10-K") filed by Crown Castle International Corp. with the Securities and Exchange Commission. All references to the "Company" include Crown Castle International Corp. and its subsidiary companies unless otherwise indicated or the context indicates otherwise.

The consolidated financial statements included herein are unaudited; however, they include all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to present fairly the consolidated financial position of the Company at September 30, 2001, the consolidated results of operations for the three and nine months ended September 30, 2000 and 2001, and the consolidated cash flows for the nine months ended September 30, 2000 and 2001. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the entire year.

2. New Accounting Pronouncements

Derivative Instruments

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

The derivative instruments recognized upon the Company's adoption of SFAS 133 consist of interest rate swap agreements. Such agreements are used to manage interest rate risk on a portion of the Company's floating rate indebtedness, and are designated as cash flow hedging instruments in accordance with SFAS 133. The interest rate swap agreements have notional amounts aggregating $150,000,000 and effectively convert the interest payments on an equal amount of debt from a floating rate to a fixed rate. As such, the Company is protected from future increases in market interest rates on that portion of its indebtedness. To the extent that the interest rate swap agreements are effective in hedging the Company's interest rate risk, the changes in their fair values are recorded as other comprehensive income (loss). Amounts recorded as other comprehensive income (loss) are reclassified into results of operations in the same periods that the hedged interest costs are recorded in interest expense. The Company estimates that such reclassified amounts will be approximately $2,130,000 for the year ending December 31, 2001. To the extent that any portions of the interest rate swap agreements are deemed ineffective, the related changes in fair values are recognized in results of operations. As of September 30, 2001, the accumulated other comprehensive loss in consolidated stockholders' equity includes $8,906,000 in losses related to derivative instruments.

Business Combinations, Goodwill and Long-Lived Assets

In July 2001, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 141, Business Combinations ("SFAS 141"), and Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets ("SFAS 142"). SFAS 141 prohibits the use of the pooling-of-interests method of accounting for business combinations, and requires that the purchase method be used for all business combinations after June 30, 2001. SFAS 141 also changes the manner in which acquired intangible assets are identified and recognized apart from goodwill. Further, SFAS 141 requires additional disclosures regarding the reasons for business combinations, the allocation of the purchase price to recognized assets and liabilities and the recognition of goodwill and other intangible assets. The Company has used the purchase method of accounting since its inception, so the adoption of SFAS 141 will not change its method of accounting for business combinations. The Company will adopt the other recognition and disclosure requirements of SFAS 141 as of July 1, 2001 for any future business combinations. The transition provisions of SFAS 141 require that the carrying amounts for goodwill and other intangible assets acquired in prior purchase method business combinations be reviewed and reclassified in accordance with the new recognition rules; such reclassifications are to be made in conjunction with the adoption of SFAS 142. The Company will apply these transition provisions of SFAS 141 as of January 1, 2002, and has not yet determined the effect that they will have on its consolidated financial statements.

SFAS 142 changes the accounting and disclosure requirements for acquired goodwill and other intangible assets. The most significant provision of SFAS 142 is that goodwill and other intangible assets with indefinite useful lives will no longer be amortized, but rather will be tested for impairment on an annual basis. This annual impairment test will involve (1) a step to identify potential impairment at a reporting unit level based on fair values, and (2) a step to measure the amount of the impairment, if any. Intangible assets with finite useful lives will continue to be amortized over such lives, and tested for impairment in accordance with the Company's existing policies. SFAS 142 requires disclosures about goodwill and other intangible assets in the periods subsequent to their acquisition, including (1) changes in the carrying amount of goodwill, in total and by operating segment, (2) the carrying amounts of intangible assets subject to amortization and those which are not subject to amortization, (3) information about impairment losses recognized, and (4) the estimated amount of intangible asset amortization expense for the next five years. The provisions of SFAS 142 are effective for fiscal years beginning after December 15, 2001. The Company will adopt the requirements of SFAS 142 as of January 1, 2002. In addition, the nonamortization provisions of SFAS 142 are to be immediately applied for goodwill and other intangible assets acquired in business combinations subsequent to June 30, 2001. SFAS 142 requires that transitional impairment tests be performed at its adoption, and provides that resulting impairment losses for goodwill and other intangible assets be reported as the effect of a change in accounting principle. The Company has not yet determined the effect that the adoption of SFAS 142 will have on its consolidated financial statements.

In October 2001, the FASB issued Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets ("SFAS 144"). SFAS 144 supersedes Statement of Financial Accounting Standards No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of ("SFAS 121"), but retains many of its fundamental provisions. SFAS 144 also clarifies certain measurement and classification issues from SFAS 121. In addition, SFAS 144 supersedes the accounting and reporting provisions for the disposal of a business segment as found in Accounting Principles Board Opinion No. 30, Reporting the Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions ("APB 30"). However, SFAS 144 retains the requirement in APB 30 to separately report discontinued operations, and broadens the scope of such requirement to include more types of disposal transactions. The scope of SFAS 144 excludes goodwill and other intangible assets that are not to be amortized, as the accounting for such items is prescribed by SFAS 142. The provisions of SFAS 144 are effective for fiscal years beginning after December 15, 2001, and are to be applied prospectively. The Company will adopt the requirements of SFAS 144 as of January 1, 2002.

3. Escrow Deposit

On April 27, 2001, a wholly owned subsidiary of the Company entered into a Share Purchase Agreement for the acquisition of 49% of the outstanding capital stock of RaiWay S.p.A. ("RaiWay", a corporation organized under the laws of Italy). RaiWay is a subsidiary of RAI Radio Televisione Italiana S.p.A. ("RAI"), the Italian state-owned television and radio broadcaster. RaiWay manages over 2,300 broadcast transmission sites across Italy. The cost of the Company's investment in RaiWay amounted to approximately $383,820,000 in cash, and such amount was deposited into a Euro-denominated escrow account upon execution of the Share Purchase Agreement. The transaction was subject to approval by the Italian regulatory authorities and, in October 2001, the Company was notified that the Italian Minister of Communications had declined to approve the transaction. Pursuant to the terms of the agreement, the escrow deposit was returned to the Company in November 2001.

4. Long-term Debt

Long-term debt consists of the following:

	December 31, 2000	September 30, 2001
	(In thousands of dollars)	
2000 Credit Facility	$ 500,000	$ 700,000
CCUK Credit Facility	138,932	172,640
Crown Atlantic Credit Facility	239,000	285,000
9% Guaranteed Bonds due 2007	181,820	179,057
10 5/8% Senior Discount Notes due 2007, net of discount	206,768	223,461
10 3/8% Senior Discount Notes due 2011, net of discount	355,482	383,497
9% Senior Notes due 2011	180,000	180,000
11 1/4% Senior Discount Notes due 2011, net of discount	175,685	190,739
9 1/2% Senior Notes due 2011	125,000	125,000
10 3/4% Senior Notes due 2011	500,000	500,000
9 3/8% Senior Notes due 2011	--	450,000
	2,602,687	3,389,394
Less: current maturities	--	(14,691)
	$2,602,687	$3,374,703

Crown Atlantic Credit Facility

In March 2001, the Crown Atlantic Credit Facility was amended to increase the available borrowings to $345,000,000. Under the amended facility, the amount of available borrowings will begin to decrease on March 31, 2003.

9 3/8% Senior Notes due 2011 (the "9 3/8% Senior Notes")

On May 10, 2001, the Company issued $450,000,000 aggregate principal amount of its 9 3/8% Senior Notes for proceeds of $441,000,000 (after underwriting discounts of $9,000,000). The proceeds from the sale of these securities will be used to fund the initial interest payments on the 9 3/8% Senior Notes and for general corporate purposes. Semi-annual interest payments for the 9 3/8% Senior Notes are due on each February 1 and August 1, commencing on August 1, 2001. The maturity date of the 9 3/8% Senior Notes is August 1, 2011.

The 9 3/8% Senior Notes are redeemable at the option of the Company, in whole or in part, on or after August 1, 2006 at a price of 104.688% of the principal amount plus accrued interest. The redemption price is reduced annually until August 1, 2009, after which time the 9 3/8% Senior Notes are redeemable at par. Prior to August 1, 2004, the Company may redeem up to 35% of the aggregate principal amount of the 9 3/8% Senior Notes, at a price of 109.375% of the principal amount thereof, with the net cash proceeds from a public offering of the Company's common stock.

CCUK Letter of Credit

In April 2001, CCUK issued a letter of credit to one of its customers in connection with a site development agreement. The letter of credit was issued through one of CCUSA's lenders in the amount of (Pounds)100,000,000 (approximately $141,900,000) and expires on April 16, 2002.

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

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

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

	September 30, 2001			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 371,199	$ 165,496	$ --	$ 536,695
Other current assets	385,250	135,303	--	520,553
Property and equipment, net	3,338,514	1,469,791	--	4,808,305
Investments	64,000	--	--	64,000
Escrow deposit	--	388,760	--	388,760
Investments in Unrestricted Subsidiaries	2,090,622	--	(2,090,622)	--
Goodwill and other intangible assets, net	181,304	886,299	--	1,067,603
Other assets, net	118,767	18,506	--	137,273
	$6,549,656	$3,064,155	$(2,090,622)	$7,523,189
Current liabilities	$ 320,971	$ 171,792	$ --	$ 492,763
Long-term debt, less current maturities	2,752,697	622,006	--	3,374,703
Other liabilities	42,295	103,851	--	146,146
Minority interests	91,973	75,884	--	167,857
Redeemable preferred stock	869,415	--	--	869,415
Stockholders' equity	2,472,305	2,090,622	(2,090,622)	2,472,305
	$6,549,656	$3,064,155	$(2,090,622)	$7,523,189

	Three Months Ended September 30, 2001			Nine Months Ended September 30, 2001		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)					
Net revenues	$131,142	$ 87,254	$ 218,396	$ 400,843	$259,922	$ 660,765
Costs of operations (exclusive of depreciation and amortization)	68,597	40,500	109,097	214,170	131,228	345,398
General and administrative	17,887	3,571	21,458	62,047	15,771	77,818
Corporate development	2,235	444	2,679	8,557	1,333	9,890
Restructuring charges	16,444	2,808	19,252	16,444	2,808	19,252
Asset write-down charges	3,738	--	3,738	11,458	4,552	16,010
Non-cash general and administrative compensation charges	872	1,077	1,949	2,616	2,108	4,724
Depreciation and amortization	44,731	33,794	78,525	129,239	98,133	227,372
Operating income (loss)	(23,362)	5,060	(18,302)	(43,688)	3,989	(39,699)
Interest and other income (expense)	(496)	(966)	(1,462)	3,393	2,781	6,174
Interest expense and amortization of deferred financing costs	(66,526)	(12,565)	(79,091)	(182,661)	(36,260)	(218,921)
Provision for income taxes	--	(11,727)	(11,727)	--	(11,787)	(11,787)
Minority interests	996	(744)	252	2,403	(1,288)	1,115
Net loss	$(89,388)	$(20,942)	$(110,330)	$(220,553)	$(42,565)	$(263,118)

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

	1997 and 1998 Securities	1999, 2000 and 2001 Securities
	(In thousands of dollars)	
Tower Cash Flow, for the three months ended September 30, 2001	$ 39,692	$ 39,692
Consolidated Cash Flow, for the twelve months ended September 30, 2001	$148,122	$160,630
Less: Tower Cash Flow, for the twelve months ended September 30, 2001	(135,366)	(135,366)
Plus: four times Tower Cash Flow, for the three months ended September 30, 2001	158,768	158,768
Adjusted Consolidated Cash Flow, for the twelve months ended September 30, 2001	$171,524	$184,032

5. Redeemable Preferred Stock

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

	December 31, 2000	September 30, 2001
	(In thousands of dollars)	
12 3/4% Senior Exchangeable Preferred Stock; shares issued: December 31, 2000 -- 257,067 and September 30, 2001 -- 282,441 (stated at mandatory redemption and aggregate liquidation value).......	$258,433	$283,942
8 1/4% Cumulative Convertible Redeemable Preferred Stock; shares issued: 200,000 (stated net of unamortized value of warrants; mandatory redemption and aggregate liquidation value of $200,000)..	195,383	195,691
6.25% Convertible Preferred Stock; shares issued: 8,050,000 (stated net of unamortized issue costs; mandatory redemption and aggregate liquidation value of $402,500)................................	388,902	389,782
	$842,718	$869,415

6. Stockholders' Equity

On January 11, 2001, the Company sold shares of its common stock in an underwritten public offering. The Company had granted the underwriters an over-allotment option to purchase additional shares in the offering. On January 12, 2001, the over-allotment option was partially exercised. As a result, the Company sold a total of 13,445,200 shares of its common stock at a price of $26.25 per share and received proceeds of $342,853,000 (after underwriting discounts of $10,084,000). The proceeds from this offering will be used for general corporate purposes.

7. Per Share Information

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	2001	2000	2001
	(In thousands of dollars, except per share amounts)			
Loss before extraordinary item.....	$(52,965)	$(110,330)	$(144,255)	$(263,118)
Dividends on preferred stock.......	(16,353)	(19,000)	(39,571)	(58,770)
Loss before extraordinary item applicable to common stock for basic and diluted computations....	(69,318)	(129,330)	(183,826)	(321,888)
Extraordinary item.................	--	--	(1,495)	--
Net loss applicable to common stock for basic and diluted computations......................	$(69,318)	$(129,330)	$(185,321)	$(321,888)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands).......	191,763	214,986	171,985	213,413
Per common share -- basic and diluted:				
Loss before extraordinary item...	$ (0.36)	$ (0.60)	$ (1.07)	$ (1.51)
Extraordinary item..............	--	--	(0.01)	--
Net loss.........................	$ (0.36)	$ (0.60)	$ (1.08)	$ (1.51)

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares as of September 30, 2001: (1) options to purchase 22,199,804 shares of common stock at exercise prices ranging from $-0- to $39.75 per share, (2) warrants to purchase 639,990 shares of common stock at an exercise price of $7.50 per share, (3) warrants to purchase 1,000,000 shares of common stock at an exercise price of $26.875 per share, (4) shares of the Company's 8 1/4% Cumulative Convertible Redeemable Preferred Stock which are convertible into 7,441,860 shares of common stock and (5) shares of the Company's 6.25% Convertible Preferred Stock which are convertible into 10,915,254 shares of common stock. The inclusion of such potential common shares in the diluted per share computations would be antidilutive since the Company incurred net losses for all periods presented.

8. Contingencies

The Company is involved in various claims, lawsuits and proceedings arising in the ordinary course of business. While there are uncertainties inherent in the ultimate outcome of such matters and it is impossible to presently determine the ultimate costs that may be incurred, management believes the resolution of such uncertainties and the incurrence of such costs should not have a material adverse effect on the Company's consolidated financial position or results of operations.

9. Operating Segments

The measurement of profit or loss currently used to evaluate the results of operations for the Company and its operating segments is earnings before interest, taxes, depreciation and amortization ("EBITDA"). The Company defines EBITDA as operating income (loss) plus depreciation and amortization, non-cash general and administrative compensation charges, asset write-down charges and restructuring charges. EBITDA is not intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles), and the Company's measure of EBITDA may not be comparable to similarly titled measures of other companies. There are no significant revenues resulting from transactions between the Company's operating segments.

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

	Three Months Ended September 30, 2001					
	CCUSA	CCAL	CCUK	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission	$ 68,888	$ 4,563	$ 52,013	$ 20,758	$ --	$ 146,222
Network services and other	57,070	621	5,972	8,511	--	72,174
	125,958	5,184	57,985	29,269	--	218,396
Costs of operations (exclusive of depreciation and amortization)	66,178	2,419	27,975	12,525	--	109,097
General and administrative	12,570	1,464	2,045	1,526	3,853	21,458
Corporate development	--	--	--	--	2,679	2,679
EBITDA	47,210	1,301	27,965	15,218	(6,532)	85,162
Restructuring charges	7,142	--	1,839	969	9,302	19,252
Asset write-down charges	1,733	--	--	--	2,005	3,738
Non-cash general and administrative compensation charges	532	--	1,077	--	340	1,949
Depreciation and amortization	41,040	3,290	23,695	10,099	401	78,525
Operating income (loss)	(3,237)	(1,989)	1,354	4,150	(18,580)	(18,302)
Interest and other income (expense)	(20)	90	1,535	73	(3,140)	(1,462)
Interest expense and amortization of deferred financing costs	(12,799)	(823)	(6,566)	(5,999)	(52,904)	(79,091)
Provision for income taxes	--	--	(11,727)	--	--	(11,727)
Minority interests	98	898	--	(744)	--	252
Net loss	$ (15,958)	$ (1,824)	$ (15,404)	$ (2,520)	$(74,624)	$ (110,330)
Capital expenditures	$ 83,119	$ 2,419	$ 42,828	$ 23,091	$ 961	$ 152,418
Total assets (at period end)	$3,623,469	$252,642	$1,786,298	$887,543	$973,237	$7,523,189

	Nine Months Ended September 30, 2001					
	CCUSA	CCAL	CCUK	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission	$195,673	$12,024	$152,075	$60,292	$ --	$ 420,064
Network services and other	192,000	1,146	21,988	25,567	--	240,701
	387,673	13,170	174,063	85,859	--	660,765
Costs of operations (exclusive of depreciation and amortization)	208,385	5,785	91,667	39,561	--	345,398
General and administrative	45,764	4,690	9,064	6,707	11,593	77,818
Corporate development	--	--	48	--	9,842	9,890
EBITDA	133,524	2,695	73,284	39,591	(21,435)	227,659
Restructuring charges	7,142	--	1,839	969	9,302	19,252
Asset write-down charges	5,702	--	3,785	767	5,756	16,010
Non-cash general and administrative compensation charges	1,595	--	2,108	--	1,021	4,724
Depreciation and amortization	119,922	8,050	67,965	30,168	1,267	227,372
Operating income (loss)	(837)	(5,355)	(2,413)	7,687	(38,781)	(39,699)
Interest and other income (expense)	1,519	165	3,281	243	966	6,174
Interest expense and amortization of deferred financing costs	(40,064)	(1,618)	(20,098)	(16,162)	(140,979)	(218,921)
Provision for income taxes	--	--	(11,754)	(33)	--	(11,787)
Minority interests	(271)	2,674	--	(1,288)	--	1,115
Net loss	$(39,653)	$(4,134)	$(30,984)	$(9,553)	$(178,794)	$(263,118)
Capital expenditures	$295,457	$ 3,076	$182,475	$76,440	$ 3,664	$ 561,112

Three Months Ended September 30, 2000

	CCUSA	CCAL	CCUK	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission	$ 51,007	$ 2,325	$47,503	$16,339	$ --	$117,174
Network services and other	43,701	--	6,488	7,226	--	57,415
	94,708	2,325	53,991	23,565	--	174,589
Costs of operations (exclusive of depreciation and amortization)	47,140	1,231	27,046	9,959	--	85,376
General and administrative	11,914	1,504	1,154	2,066	1,558	18,196
Corporate development	--	--	90	--	2,132	2,222
EBITDA	35,654	(410)	25,701	11,540	(3,690)	68,795
Non-cash general and administrative compensation charges	82	--	385	--	341	808
Depreciation and amortization	32,726	2,001	22,109	8,443	317	65,596
Operating income (loss)	2,846	(2,411)	3,207	3,097	(4,348)	2,391
Interest and other income (expense)	689	114	39	94	9,281	10,217
Interest expense and amortization of deferred financing costs	(13,201)	(46)	(7,783)	(4,498)	(39,970)	(65,498)
Provision for income taxes	(3)	--	--	(124)	--	(127)
Minority interests	(155)	1,124	--	(917)	--	52
Net income (loss)	$ (9,824)	$(1,219)	$(4,537)	$(2,348)	$(35,037)	$(52,965)
Capital expenditures	$118,477	$ 1,126	$25,933	$23,762	$ 9,102	$178,400

	Nine Months Ended September 30, 2000					
	CCUSA	CCAL	CCUK	Crown Atlantic	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission	$126,928	$ 4,139	$144,077	$45,274	$ --	$ 320,418
Network services and other	87,846	--	18,764	20,130	34	126,774
	214,774	4,139	162,841	65,404	34	447,192
Costs of operations (exclusive of depreciation and amortization)	98,672	2,262	80,593	28,558	49	210,134
General and administrative	34,122	2,859	4,811	5,897	4,855	52,544
Corporate development	--	--	660	--	5,755	6,415
EBITDA	81,980	(982)	76,777	30,949	(10,625)	178,099
Non-cash general and administrative compensation charges	149	--	449	--	1,021	1,619
Depreciation and amortization	84,389	3,292	54,309	24,450	925	167,365
Operating income (loss)	(2,558)	(4,274)	22,019	6,499	(12,571)	9,115
Interest and other income (expense)	3,401	341	365	790	17,689	22,586
Interest expense and amortization of deferred financing costs	(28,827)	(92)	(24,488)	(12,939)	(107,641)	(173,987)
Provision for income taxes	(18)	--	(21)	(124)	--	(163)
Minority interests	255	2,089	(2,333)	(1,817)	--	(1,806)
Extraordinary item	(1,495)	--	--	--	--	(1,495)
Net income (loss)	$(29,242)	$(1,936)	$ (4,458)	$(7,591)	$(102,523)	$(145,750)
Capital expenditures	$283,103	$ 1,566	$ 69,525	$72,768	$ 10,043	$ 437,005

10. Restructuring Charges and Asset Write-Down Charges

In July 2001, the Company announced a restructuring of its business in order to increase operational efficiency and better align costs with anticipated revenues. As part of the restructuring, the Company has reduced its global staff by approximately 311 full-time employees, is closing five offices in the United States and is closing its development offices in Brazil and Europe. The Company anticipates that the actions to be taken for the restructuring will be substantially completed by the end of 2001. In connection with the restructuring, the Company recorded non-recurring cash charges of $19,252,000 during the third quarter of 2001 related to employee severance payments and costs of office closures. At September 30, 2001, other accrued liabilities includes $13,374,000 related to these charges.

The Company has recorded non-cash charges of $16,010,000 during the nine months ended September 30, 2001 related to the write-down of certain inventories, property and equipment, and other assets.

11. Provision for Income Taxes

The provision for income taxes of $11,727,000 for the third quarter of 2001 represents a non-cash deferred tax liability recognized by CCUK.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is intended to assist in understanding our consolidated financial condition as of September 30, 2001 and our consolidated results of operations for the three- and nine- month periods ended September 30, 2000 and 2001. The statements in this discussion regarding the industry outlook, our expectations regarding the future performance of our businesses and the other nonhistorical statements in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the uncertainties relating to decisions on capital expenditures to be made in the future by wireless carriers and broadcasters, the success or failure of our efforts to implement our businesss strategy and the following:

- We may be unable to manage our significant growth.
- Our substantial level of indebtedness could adversely affect our ability to react to changes in our business and limit our ability to use debt to fund future capital needs.
- If we are unable to service our indebtedness, our indebtedness may be accelerated.
- Restrictive covenants on our debt instruments may limit our ability to take actions that may be in our best interests.
- We may be unable to raise the significant capital required to fund our operations and make acquisitions.
- We may not be able to construct or acquire new towers at the pace and in the locations that we desire.
- Our business depends on the demand for wireless communications.
- Demand for our network services business is very volatile which causes our network services operating results to vary significantly for any particular period.
- We operate in an increasingly competitive industry and many of our competitors have significantly more resources than we do.
- Technology changes may significantly reduce the demand for towers.
- 3G and other technologies may not deploy as rapidly or in the manner projected.
- Carrier consolidation may significantly reduce the demand for towers and wireless communication sites.
- Network sharing and other agreements among our customers may act as alternatives to leasing sites from us.
- Extensive regulations, which could change at any time, govern our business and industry, and we could fail to comply with these regulations.
- We could suffer from future claims if radio frequency emissions from equipment on our towers is demonstrated to cause negative health effects.
- Our international operations expose us to changes in foreign currency exchange rates.
- We are heavily dependent on our senior management.

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

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

Results of Operations

During 2000 we completed the transactions with BellSouth, BellSouth DCS and GTE. Additionally, during 2000 Crown Atlantic acquired the Frontier towers from Bell Atlantic Mobile, and CCAL completed the substantial portion of the transaction with Cable & Wireless Optus. Results of operations of these acquired towers are included in our consolidated financial statements for the periods subsequent to the respective dates of acquisition. As such, our results of operations for the three and nine months ended September 30, 2000 are not comparable to the results of operations for the three and nine months ended September 30, 2001.

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

	Three Months Ended September 30, 2000		Three Months Ended September 30, 2001		Nine Months Ended September 30, 2000		Nine Months Ended September 30, 2001	
	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues
	(In thousands of dollars)							
Net revenues:								
Site rental and broadcast transmission..........	$ 117,174	67.1 %	$ 146,222	67.0 %	$ 320,418	71.7 %	$ 420,064	63.6 %
Network services and other.................	57,415	32.9	72,174	33.0	126,774	28.3	240,701	36.4
Total net revenues...	174,589	100.0	218,396	100.0	447,192	100.0	660,765	100.0
Operating expenses:								
Costs of operations:								
Site rental and broadcast transmission..........	50,383	43.0	58,856	40.3	139,233	43.5	176,150	41.9
Network services and other.................	34,993	60.9	50,241	69.6	70,901	55.9	169,248	70.3
Total costs of operations..........	85,376	48.9	109,097	50.0	210,134	47.0	345,398	52.3
General and administrative........	18,196	10.4	21,458	9.8	52,544	11.8	77,818	11.8
Corporate development..	2,222	1.3	2,679	1.2	6,415	1.4	9,890	1.5
Restructuring charges..	--	--	19,252	8.8	--	--	19,252	2.9
Asset write-down charges...............	--	--	3,738	1.7	--	--	16,010	2.4
Non-cash general and administrative compensation charges..	808	0.4	1,949	0.9	1,619	0.4	4,724	0.7
Depreciation and amortization..........	65,596	37.6	78,525	36.0	167,365	37.4	227,372	34.4
Operating income (loss).................	2,391	1.4	(18,302)	(8.4)	9,115	2.0	(39,699)	(6.0)
Other income (expense):								
Interest and other income (expense)......	10,217	5.8	(1,462)	(0.7)	22,586	5.1	6,174	0.9
Interest expense and amortization of deferred financing costs.................	(65,498)	(37.5)	(79,091)	(36.2)	(173,987)	(38.9)	(218,921)	(33.1)
Loss before income taxes, minority interests and extraordinary item.....	(52,890)	(30.3)	(98,855)	(45.3)	(142,286)	(31.8)	(252,446)	(38.2)
Provision for income taxes..................	(127)	(0.1)	(11,727)	(5.3)	(163)	(0.1)	(11,787)	(1.8)
Minority interests......	52	0.1	252	0.1	(1,806)	(0.4)	1,115	0.2
Loss before extraordinary item.....	(52,965)	(30.3)	(110,330)	(50.5)	(144,255)	(32.3)	(263,118)	(39.8)
Extraordinary item--loss on early extinguishment of debt................	--	--	--	--	(1,495)	(0.3)	--	--

Net loss................	$ (52,965)	(30.3)%	$(110,330)	(50.5)%	$(145,750)	(32.6)%	$(263,118)	(39.8)%

Comparison of Three Months Ended September 30, 2001 and 2000

Consolidated revenues for the three months ended September 30, 2001 were $218.4 million, an increase of $43.8 million from the three months ended September 30, 2000. This increase was primarily attributable to:

(1) a $29.0 million, or 24.8%, increase in site rental and broadcast transmission revenues, of which $4.5 million was attributable to CCUK, $4.4 million was attributable to Crown Atlantic, $2.2 million was attributable to CCAL and $17.9 million was attributable to CCUSA,

(2) a $13.4 million increase in network services and other revenues from CCUSA,

(3) a $1.3 million increase in network services and other revenues from Crown Atlantic, and

(4) $0.6 million in network services and other revenues from CCAL, partially offset by

(5) a $0.5 million decrease in network services and other revenues from CCUK.

Costs of operations for the three months ended September 30, 2001 were $109.1 million, an increase of $23.7 million from the three months ended September 30, 2000. This increase was primarily attributable to:

(1) an $8.5 million increase in site rental and broadcast transmission costs, of which $1.6 million was attributable to CCUK, $1.2 million was attributable to Crown Atlantic, $0.6 million was attributable to CCAL and $5.0 million was attributable to CCUSA,

(2) a $14.0 million increase in network services costs related to CCUSA,

(3) a $1.4 million increase in network services costs from Crown Atlantic, and

(4) $0.6 million in network services costs from CCAL, partially offset by

(5) a $0.7 million decrease in network services costs from CCUK.

Costs of operations for site rental and broadcast transmission as a percentage of site rental and broadcast transmission revenues were 40.3% for the three months ended September 30, 2001 as compared to 43.0% for the three months ended September 30, 2000, due to higher margins attributable to the CCUSA, CCAL, CCUK and Crown Atlantic operations. Costs of operations for network services and other as a percentage of network services and other revenues increased to 69.6% for the three months ended September 30, 2001 from 60.9% for the three months ended September 30, 2000, as lower margins from the CCUSA and Crown Atlantic operations were partially offset by higher margins from the CCUK operations.

General and administrative expenses for the three months ended September 30, 2001 were $21.5 million, an increase of $3.3 million from the three months ended September 30, 2000. This increase was primarily attributable to:

(1) a $0.7 million increase in expenses related to the CCUSA operations,

(2) a $2.3 million increase in expenses at our corporate office, and

(3) a $0.9 million increase in expenses at CCUK, partially offset by

(4) a $0.5 million decrease in expenses at Crown Atlantic.

General and administrative expenses as a percentage of revenues were 9.8% for the three months ended September 30, 2001 as compared to 10.4% for the three months ended September 30, 2000. Lower overhead costs as a percentage of revenues for CCUSA and Crown Atlantic were largely offset by higher overhead costs as a percentage of revenues for CCUK.

Corporate development expenses for the three months ended September 30, 2001 were $2.7 million, compared to $2.2 million for the three months ended September 30, 2000. This increase was primarily attributable to an increase in expenses at our corporate office.

For the three months ended September 30, 2001, we recorded non-recurring cash charges of $19.3 million in connection with a restructuring of our business announced in July 2001 (see "--Restructuring Charges"). Such charges related to employee severance payments and costs of office closures.

For the three months ended September 30, 2001, we recorded asset write-down charges of $3.7 million in connection with a restructuring of our business announced in July 2001 (see "--Restructuring Charges"). Such non-cash charges related to write-downs of certain inventories, property and equipment, and other assets.

For the three months ended September 30, 2001, we recorded non-cash general and administrative compensation charges of $1.9 million related to the issuance of stock and stock options to certain employees and executives, compared to $0.8 million for the three months ended September 30, 2000.

Depreciation and amortization for the three months ended September 30, 2001 was $78.5 million, an increase of $12.9 million from the three months ended September 30, 2000. This increase was primarily attributable to:

(1) a $1.6 million increase in depreciation and amortization related to the property and equipment and goodwill from CCUK,

(2) a $1.7 million increase in depreciation and amortization related to the property and equipment and goodwill from Crown Atlantic,

(3) a $1.3 million increase in depreciation and amortization related to property and equipment from CCAL, and

(4) an $8.3 million increase in depreciation and amortization related to the property and equipment, goodwill and other intangible assets related to the CCUSA operations.

Interest and other income (expense) for the three months ended September 30, 2001 resulted primarily from:

(1) the investment of the net proceeds from our recent offerings, offset by

(2) costs incurred in connection with unsuccessful acquisition attempts and

(3) our share of losses incurred by unconsolidated affiliates.

Interest expense and amortization of deferred financing costs for the three months ended September 30, 2001 was $79.1 million, an increase of $13.6 million, or 20.8%, from the three months ended September 30, 2000. This increase was primarily attributable to interest on indebtedness at CCUSA, CCUK and Crown Atlantic, and interest on the 9 3/8% senior notes.

The provision for income taxes of $11.7 million for the three months ended September 30, 2001 represents a non-cash deferred tax liability recognized by CCUK.

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

Comparison of Nine Months Ended September 30, 2001 and 2000

Consolidated revenues for the nine months ended September 30, 2001 were $660.8 million, an increase of $213.6 million from the nine months ended September 30, 2000. This increase was primarily attributable to:

(1) a $99.6 million, or 31.1%, increase in site rental and broadcast transmission revenues, of which $8.0 million was attributable to CCUK, $15.0 million was attributable to Crown Atlantic, $7.9 million was attributable to CCAL and $68.7 million was attributable to CCUSA,

(2) a $104.2 million increase in network services and other revenues from CCUSA,

(3) a $3.2 million increase in network services and other revenues from CCUK,

(4) a $5.4 million increase in network services and other revenues from Crown Atlantic, and

(5) $1.1 million in network services and other revenues from CCAL.

Costs of operations for the nine months ended September 30, 2001 were $345.4 million, an increase of $135.3 million from the nine months ended September 30, 2000. This increase was primarily attributable to:

(1) a $36.9 million increase in site rental and broadcast transmission costs, of which $6.7 million was attributable to CCUK, $5.1 million was attributable to Crown Atlantic, $2.5 million was attributable to CCAL and $22.7 million was attributable to CCUSA,

(2) an $87.0 million increase in network services costs related to CCUSA,

(3) a $4.3 million increase in network services costs from CCUK,

(4) a $6.0 million increase in network services costs from Crown Atlantic, and

(5) $1.1 million in network services costs from CCAL.

Costs of operations for site rental and broadcast transmission as a percentage of site rental and broadcast transmission revenues were 41.9% for the nine months ended September 30, 2001 as compared to 43.5% for the nine months ended September 30, 2000, as higher margins attributable to the CCUSA, CCAL and Crown Atlantic operations were offset by lower margins from the CCUK operations. Costs of operations for network services and other as a percentage of network services and other revenues increased to 70.3% for the nine months ended September 30, 2001 from 55.9% for the nine months ended September 30, 2000, primarily due to lower margins from the CCUSA, CCUK and Crown Atlantic operations.

General and administrative expenses for the nine months ended September 30, 2001 were $77.8 million, an increase of $25.3 million from the nine months ended September 30, 2000. This increase was primarily attributable to:

(1) an $11.6 million increase in expenses related to the CCUSA operations,

(2) a $6.7 million increase in expenses at our corporate office,

(3) a $0.8 million increase in expenses at Crown Atlantic,

(4) a $4.3 million increase in expenses at CCUK, and

(5) a $1.8 million increase in expenses at CCAL.

General and administrative expenses as a percentage of revenues were 11.8% for the nine months ended September 30, 2001, unchanged from the nine months ended September 30, 2000. Higher overhead costs as a percentage of revenues for CCUK were largely offset by lower overhead costs as a percentage of revenues for CCUSA, Crown Atlantic and CCAL.

Corporate development expenses for the nine months ended September 30, 2001 were $9.9 million, compared to $6.4 million for the nine months ended September 30, 2000. This increase was primarily attributable to an increase in expenses at our corporate office.

For the nine months ended September 30, 2001, we recorded non-recurring cash charges of $19.3 million in connection with a restructuring of our business announced in July 2001 (see "--Restructuring Charges"). Such charges related to employee severance payments and costs of office closures.

For the nine months ended September 30, 2001, we recorded asset write-down charges of $16.0 million in connection with a restructuring of our business announced in July 2001 (see "--Restructuring Charges"). Such non-cash charges related to write-downs of certain inventories, property and equipment, and other assets.

For the nine months ended September 30, 2001, we recorded non-cash general and administrative compensation charges of $4.7 million related to the issuance of stock and stock options to certain employees and executives, compared to $1.6 million for the nine months ended September 30, 2000.

Depreciation and amortization for the nine months ended September 30, 2001 was $227.4 million, an increase of $60.0 million from the nine months ended September 30, 2000. This increase was primarily attributable to:

(1) a $13.7 million increase in depreciation and amortization related to the property and equipment and goodwill from CCUK,

(2) a $5.7 million increase in depreciation and amortization related to the property and equipment and goodwill from Crown Atlantic,

(3) a $4.8 million increase in depreciation and amortization related to property and equipment from CCAL, and

(4) a $35.5 million increase in depreciation and amortization related to the property and equipment, goodwill and other intangible assets related to the CCUSA operations.

Interest and other income (expense) for the nine months ended September 30, 2001 resulted primarily from:

(1) the investment of the net proceeds from our recent offerings, offset by

(2) costs incurred in connection with unsuccessful acquisition attempts and

(3) our share of losses incurred by unconsolidated affiliates.

Interest expense and amortization of deferred financing costs for the nine months ended September 30, 2001 was $218.9 million, an increase of $44.9 million, or 25.8%, from the nine months ended September 30, 2000. This increase was primarily attributable to interest on indebtedness at CCUSA, CCUK and Crown Atlantic, and interest on the 10 3/4% senior notes and the 9 3/8% senior notes.

The provision for income taxes of $11.8 million for the nine months ended September 30, 2001 consists primarily of a non-cash deferred tax liability recognized by CCUK

Minority interests represent the minority shareholder's 20% interest in CCUK's operations (prior to July 2000), the minority partner's 43.1% interest in Crown Atlantic's operations, the minority partner's 17.8% interest in the operations of the GTE joint venture and the minority shareholder's 22.4% interest in the CCAL operations.

The extraordinary loss on early extinguishment of debt for the nine months ended September 30, 2000 represents the write-off of unamortized deferred financing costs related to CCUSA's prior credit facility.

Liquidity and Capital Resources

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

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

For the nine months ended September 30, 2000 and 2001, our net cash provided by operating activities was $117.6 million and $78.7 million, respectively. For the nine months ended September 30, 2000 and 2001, our net cash provided by financing activities was $1,690.4 million and $1,088.9 million, respectively. Our primary financing-related activities in the first nine months of 2001 included the following:

January 2001 Offering

On January 11, 2001, we sold shares of our common stock in an underwritten public offering. We had granted the underwriters an over-allotment option to purchase additional shares in the offering. On January 12, 2001, the over-allotment option was partially exercised. As a result, we sold a total of 13,445,200 shares of our common stock at a price of $26.25 per share and received proceeds of $342.9 million (after underwriting discounts of $10.1 million). The proceeds from this offering will be used for general corporate purposes.

Crown Atlantic Credit Facility

In March 2001, the Crown Atlantic credit facility was amended to increase the available borrowings to $345.0 million. Under the amended facility, the amount of available borrowings will begin to decrease on March 31, 2003.

May 2001 Debt Offering

On May 10, 2001, we issued $450.0 million aggregate principal amount of our 9 3/8% Senior Notes for proceeds of $441.0 million (after underwriting discounts of $9.0 million). The proceeds from the sale of these securities will be used to fund the initial interest payments on the 9 3/8% senior notes and for general corporate purposes.

Capital expenditures were $561.1 million for the nine months ended September 30, 2001, of which $3.7 million were for CCIC, $295.5 million were for CCUSA, $76.4 million were for Crown Atlantic, $182.5 million were for CCUK and $3.1 million were for CCAL. We anticipate that we will build, through the end of 2001, approximately 700 towers in the United States at a cost of approximately $161.0 million and approximately 800 towers in the United Kingdom at a cost of approximately $175.0 million. We also expect to spend approximately $120.0 million in the United States to improve the structural capacity of our domestic towers.

On April 27, 2001, we entered into a Share Purchase Agreement for the acquisition of 49% of the outstanding capital stock of RaiWay S.p.A. ("RaiWay"). RaiWay is a subsidiary of RAI Radio Televisione Italiana S.p.A. ("RAI"), the Italian state-owned television and radio broadcaster. RaiWay manages over 2,300 broadcast transmission sites across Italy. The cost of our investment in RaiWay amounted to approximately $383.8 million in cash, and such amount was deposited into a Euro-denominated escrow account upon execution of the Share Purchase Agreement. The transaction was subject to approval by the Italian regulatory authorities and, in October 2001, we were notified that the Italian Minister of Communication had declined to approve the transaction. Pursuant to the terms of the agreement, the escrow deposit was returned to us in November 2001.

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

To fund the execution of our business strategy, including the recent transactions described above and the construction of new towers that we have agreed to build, we expect to use the net proceeds of our recent offerings and borrowings available under our U.S. and U.K. credit facilities. We will have additional cash needs to fund our operations in the future. We may also have additional cash needs in the future if additional tower acquisitions or build-to-suit opportunities arise. If we do not otherwise have cash available, or borrowings under our credit facilities have otherwise been utilized, when our cash need arises, we would be forced to seek additional debt or equity financing or to forego the opportunity. In the event we determine to seek additional debt or equity financing, there can be no assurance that any such financing will be available, on commercially acceptable terms or at all, or permitted by the terms of our existing indebtedness.

As of September 30, 2001, we had consolidated cash and cash equivalents of $536.7 million (including $15.3 million at CCUSA, $161.0 million at CCUK, $4.5 million at Crown Atlantic and $13.6 million at CCAL), consolidated long-term debt of $3,389.4 million, consolidated redeemable preferred stock of $869.4 million and consolidated stockholders' equity of $2,472.3 million.

As of November 1, 2001, Crown Atlantic had unused borrowing availability under its amended credit facility of approximately $45.0 million, and CCUK had unused borrowing availability under its credit facility of approximately (Pounds)30.0 million ($44.1 million). As of November 1, 2001, our subsidiaries had approximately $500.0 million of unused borrowing availability under the 2000 credit facility. Our various credit facilities require our subsidiaries to maintain certain financial covenants and place restrictions on the ability of our subsidiaries to, among other things, incur debt and liens, pay dividends, make capital expenditures, undertake transactions with affiliates and make investments. These facilities also limit the ability of the borrowing subsidiaries to pay dividends to CCIC.

If we are unable to refinance our subsidiary debt or renegotiate the terms of such debt, we may not be able to meet our debt service requirements, including interest payments on the notes, in the future. Our 9% senior notes, our 9 1/2% senior notes, our 10 3/4% senior notes and our 9 3/8% senior notes require annual cash interest payments of approximately $16.2 million, $11.9 million, $53.8 million, and $42.2 million, respectively. Prior to November 15, 2002, May 15, 2004 and August 1, 2004, the interest expense on our 10 5/8% discount notes, our 10 3/8% discount notes and our 11 1/4% discount notes, respectively, will be comprised solely of the amortization of original issue discount. Thereafter, the 10 5/8% discount notes, the 10 3/8% discount notes and the 11 1/4% discount notes will require annual cash interest payments of approximately $26.7 million, $51.9 million and $29.3 million, respectively. Prior to December 15, 2003, we do not expect to pay cash dividends on our exchangeable preferred stock or, if issued, cash interest on the exchange debentures. Thereafter, assuming all dividends or interest have been paid-in-kind, our exchangeable preferred stock or, if issued, the exchange debentures will require annual cash dividend or interest payments of approximately $47.8 million. Annual cash interest payments on the CCUK bonds are (Pounds)11.25 million ($16.5 million). In addition, our various credit facilities will require periodic interest payments on amounts borrowed thereunder, which amounts could be substantial.

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

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

Restructuring Charges

In July 2001, we announced a restructuring of our business in order to increase operational efficiency and better align costs with anticipated revenues. As part of the restructuring, we have reduced our global staff by approximately 311 full-time employees; we are closing five offices in the United States; and we are closing our development offices in Brazil and Europe. We anticipate that the actions to be taken for the restructuring will be substantially completed by the end of 2001. In connection with the restructuring, we recorded non-recurring cash charges of approximately $19.3 million during the third quarter of 2001 related to employee severance payments and costs of office closures.

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

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

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

	September 30, 2001			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents.............	$ 371,199	$ 165,496	$ --	$ 536,695
Other current assets.....	385,250	135,303	--	520,553
Property and equipment, net......................	3,338,514	1,469,791	--	4,808,305
Investments..............	64,000	--	--	64,000
Escrow deposit...........	--	388,760	--	388,760
Investments in Unrestricted Subsidiaries............	2,090,622	--	(2,090,622)	--
Goodwill and other intangible assets, net..	181,304	886,299	--	1,067,603
Other assets, net........	118,767	18,506	--	137,273
	$6,549,656	$3,064,155	$(2,090,622)	$7,523,189
Current liabilities......	$ 320,971	$ 171,792	$ --	$ 492,763
Long-term debt, less current maturities......	2,752,697	622,006	--	3,374,703
Other liabilities........	42,295	103,851	--	146,146
Minority interests.......	91,973	75,884	--	167,857
Redeemable preferred stock...................	869,415	--	--	869,415
Stockholders' equity.....	2,472,305	2,090,622	(2,090,622)	2,472,305
	$6,549,656	$3,064,155	$(2,090,622)	$7,523,189

	Three Months Ended September 30, 2001			Nine Months Ended September 30, 2001		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)					
Net revenues	$131,142	$ 87,254	$ 218,396	$ 400,843	$259,922	$ 660,765
Costs of operations (exclusive of depreciation and amortization)	68,597	40,500	109,097	214,170	131,228	345,398
General and administrative	17,887	3,571	21,458	62,047	15,771	77,818
Corporate development	2,235	444	2,679	8,557	1,333	9,890
Restructuring charges	16,444	2,808	19,252	16,444	2,808	19,252
Asset write-down charges	3,738	--	3,738	11,458	4,552	16,010
Non-cash general and administrative compensation charges	872	1,077	1,949	2,616	2,108	4,724
Depreciation and amortization	44,731	33,794	78,525	129,239	98,133	227,372
Operating income (loss)	(23,362)	5,060	(18,302)	(43,688)	3,989	(39,699)
Interest and other income (expense)	(496)	(966)	(1,462)	3,393	2,781	6,174
Interest expense and amortization of deferred financing costs	(66,526)	(12,565)	(79,091)	(182,661)	(36,260)	(218,921)
Provision for income taxes	--	(11,727)	(11,727)	--	(11,787)	(11,787)
Minority interests	996	(744)	252	2,403	(1,288)	1,115
Net loss	$(89,388)	$(20,942)	$(110,330)	$(220,553)	$(42,565)	$(263,118)

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

	1997 and 1998 Securities	1999, 2000 and 2001 Securities
	(In thousands of dollars)	
Tower Cash Flow, for the three months ended September 30, 2001	$ 39,692	$ 39,692
Consolidated Cash Flow, for the twelve months ended September 30, 2001	$148,122	$160,630
Less: Tower Cash Flow, for the twelve months ended September 30, 2001	(135,366)	(135,366)
Plus: four times Tower Cash Flow, for the three months ended September 30, 2001	158,768	158,768
Adjusted Consolidated Cash Flow, for the twelve months ended September 30, 2001	$171,524	$184,032

Impact of Recently Issued Accounting Standards

In July 2001, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 141, Business Combinations ("SFAS 141"), and Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets ("SFAS 142"). SFAS 141 prohibits the use of the pooling-of-interests method of accounting for business combinations, and requires that the purchase method be used for all business combinations after June 30, 2001. SFAS 141 also changes the manner in which acquired intangible assets are identified and recognized apart from goodwill. Further, SFAS 141 requires additional disclosures regarding the reasons for business combinations, the allocation of the purchase price to recognized assets and liabilities and the recognition of goodwill and other intangible assets. We have used the purchase method of accounting since our inception, so the adoption of SFAS 141 will not change our method of accounting for business combinations. We will adopt the other recognition and disclosure requirements of SFAS 141 as of July 1, 2001 for any future business combinations. The transition provisions of SFAS 141 require that the carrying amounts for goodwill and other intangible assets acquired in prior purchase method business combinations be reviewed and reclassified in accordance with the new recognition rules; such reclassifications are to be made in conjunction with the adoption of SFAS 142. We will apply these transition provisions of SFAS 141 as of January 1, 2002, and have not yet determined the effect that they will have on our consolidated financial statements.

SFAS 142 changes the accounting and disclosure requirements for acquired goodwill and other intangible assets. The most significant provision of SFAS 142 is that goodwill and other intangible assets with indefinite useful lives will no longer be amortized, but rather will be tested for impairment on an annual basis. This annual impairment test will involve (1) a step to identify potential impairment at a reporting unit level based on fair values, and (2) a step to measure the amount of the impairment, if any. Intangible assets with finite useful lives will continue to be amortized over such lives, and tested for impairment in accordance with our existing policies. SFAS 142 requires disclosures about goodwill and other intangible assets in the periods subsequent to their acquisition, including (1) changes in the carrying amount of goodwill, in total and by operating segment, (2) the carrying amounts of intangible assets subject to amortization and those which are not subject to amortization, (3) information about impairment losses recognized, and (4) the estimated amount of intangible asset amortization expense for the next five years. The provisions of SFAS 142 are effective for fiscal years beginning after December 15, 2001. We will adopt the requirements of SFAS 142 as of January 1, 2002. In addition, the nonamortization provisions of SFAS 142 are to be immediately applied for goodwill and other intangible assets acquired in business combinations subsequent to June 30, 2001. SFAS 142 requires that transitional impairment tests be performed at its adoption, and provides that resulting impairment losses for goodwill and other intangible assets be reported as the effect of a change in accounting principle. We have not yet determined the effect that the adoption of SFAS 142 will have on our consolidated financial statements.

In October 2001, the FASB issued Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets ("SFAS 144"). SFAS 144 supersedes Statement of Financial Accounting Standards No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of ("SFAS 121"), but retains many of its fundamental provisions. SFAS 144 also clarifies certain measurement and classification issues from SFAS 121. In addition, SFAS 144 supersedes the accounting and reporting provisions for the disposal of a business segment as found in Accounting Principles Board Opinion No. 30, Reporting the Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions ("APB 30"). However, SFAS 144 retains the requirement in APB 30 to separately report discontinued operations, and broadens the scope of such requirement to include more types of disposal transactions. The scope of SFAS 144 excludes goodwill and other intangible assets that are not to be amortized, as the accounting for such items is prescribed by SFAS 142. The provisions of SFAS 144 are effective for fiscal years beginning after December 15, 2001, and are to be applied prospectively. We will adopt the requirements of SFAS 144 as of January 1, 2002.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

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

Certain of the financial instruments we have used to obtain capital are subject to market risks from fluctuations in market interest rates. The majority of our financial instruments, however, are long-term fixed interest rate notes and debentures. Therefore, fluctuations in market interest rates of one percentage point in 2001 would not have a material effect on our consolidated financial results.

The majority of our foreign currency transactions are denominated in the British pound sterling or the Australian dollar, which are the functional currencies of CCUK and CCAL, respectively. As a result of CCUK's and CCAL's transactions being denominated and settled in such functional currencies, the risks associated with currency fluctuations are generally limited to foreign currency translation adjustments. We do not currently hedge against foreign currency translation risks and believe that foreign currency exchange risk is not significant to our operations.

As discussed in "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources", we have deposited approximately $383.8 million in cash into a Euro-denominated escrow account in connection with the RaiWay transaction. At the time of the deposit, the funds were exchanged at an average rate of Euro 1.00 = $0.8984. On September 30, 2001, the balance in the escrow account was translated into U.S. dollars for financial reporting purposes using an exchange rate of Euro 1.00 = $0.9099, resulting in a foreign currency translation gain of approximately $4.9 million. This currency translation gain has been recorded in our financial statements in other comprehensive income (loss). Since approval of the transaction was not received from the Italian regulatory authorities, the escrow deposit was returned to us in November 2001. As a result, we will recognize a foreign exchange gain in the fourth quarter of 2001 of approximately $0.8 million in our results of operations as other income (expense).

PART II--OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

11.1 Computation of Net Loss Per Common Share

12.1 Computation of Ratios of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends

(b) Reports on Form 8-K:

The Registrant filed a Current Report on Form 8-K dated August 15, 2001 with the SEC on August 23, 2001 reporting under Item 5 thereof the appointment of John P. Kelly as President and Chief Executive Officer of the Company effective August 20, 2001.

SIGNATURES

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

CROWN CASTLE INTERNATIONAL CORP.

Date: November 12, 2001

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

Date: November 12, 2001

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

EXHIBIT 11.1

CROWN CASTLE INTERNATIONAL CORP.

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

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	2001	2000	2001
Loss before extraordinary item	$(52,965)	$(110,330)	$(144,255)	$(263,118)
Dividends on preferred stock..................	(16,353)	(19,000)	(39,571)	(58,770)
Loss before extraordinary item applicable to common stock for basic and diluted computations................................	(69,318)	(129,330)	(183,826)	(321,888)
Extraordinary item............................	--	--	(1,495)	--
Net loss applicable to common stock for basic and diluted computations.....................	$(69,318)	$(129,330)	$(185,321)	$(321,888)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)..........	191,763	214,986	171,985	213,413
Per common share--basic and diluted:				
Loss before extraordinary item..............	$ (0.36)	$ (0.60)	$ (1.07)	$ (1.51)
Extraordinary item............................	--	--	(0.01)	--
Net loss..................................	$ (0.36)	$ (0.60)	$ (1.08)	$ (1.51)

EXHIBIT 12.1

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

	NINE MONTHS ENDED SEPTEMBER 30, 2000	NINE MONTHS ENDED SEPTEMBER 30, 2001
Computation of Earnings:		
Income (loss) before income taxes, minority interests and extraordinary item	$(142,286)	$(252,446)
Add:		
Fixed charges (as computed below)	188,387	241,946
	$ 46,101	$ (10,500)
Computation of Fixed Charges and Combined Fixed Charges and Preferred Stock Dividends:		
Interest expense	$ 114,182	$ 150,836
Amortization of deferred financing costs and discounts on long-term debt	59,805	68,085
Interest component of operating lease expense	14,400	23,025
Fixed charges	188,387	241,946
Preferred stock dividends	39,571	58,770
Combined fixed charges and preferred stock dividends	$ 227,958	$ 300,716
Ratio of Earnings to Fixed Charges	--	--
Deficiency of Earnings to Cover Fixed Charges	$ 142,286	$ 252,446
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	--	--
Deficiency of Earnings to Cover Combined Fixed Charges and Preferred Stock Dividends	$ 181,857	$ 311,216