Table of Contents

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 June 30, 2015

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: 000-30110

SBA COMMUNICATIONS CORPORATION

(Exact name of Registrant as specified in its charter)

Florida	65-0716501
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

8051 Congress Avenue	
Boca Raton, Florida	33487
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code (561) 995-7670

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Class A Common Stock, $0.01 par value per share	The NASDAQ Stock Market LLC (NASDAQ Global Select Market)

Securities registered pursuant to Section 12(g) of the Act:

None

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).   Yes   No

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

Large accelerated filer	Accelerated filer
Non-Accelerated filer	Smaller reporting company

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

Indicate the number of shares outstanding of each issuer’s classes of common stock, as of the latest practicable date: 127,707,070 shares of Class A common stock as of July 31, 2015.

Table of Contents

Table of Contents

		Page
PART I – FINANCIAL INFORMATION		
Item 1.	Financial Statements	
	Consolidated Balance Sheets as of June 30, 2015 (unaudited) and December 31, 2014	1
	Consolidated Statements of Operations (unaudited) for the three and six months ended June 30, 2015 and 2014	2
	Consolidated Statements of Comprehensive Loss (unaudited) for the three and six months ended June 30, 2015 and 2014	3
	Consolidated Statement of Shareholders' Deficit (unaudited) for the six months ended June 30, 2015	4
	Consolidated Statements of Cash Flows (unaudited) for the six months ended June 30, 2015 and 2014	5
	Condensed Notes to Consolidated Financial Statements (unaudited)	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	21
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	37
Item 4.	Controls and Procedures	40
PART II – OTHER INFORMATION		
Item 6.	Exhibits	40
SIGNATURES		41

Table of Contents

PART I – FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except par values)

	June 30, 2015 (unaudited)	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 69,846	$ 39,443
Restricted cash	47,061	52,519
Short-term investments	699	5,549
Accounts receivable, net of allowance of $1,052 and $889 at June 30, 2015 and December 31, 2014, respectively	93,374	104,268
Costs and estimated earnings in excess of billings on uncompleted contracts	24,271	30,078
Prepaid expenses and other current assets	109,231	95,031
Total current assets	344,482	326,888
Property and equipment, net	2,787,464	2,762,417
Intangible assets, net	4,031,524	4,189,540
Deferred financing fees, net	93,980	95,237
Other assets	494,413	467,043
Total assets	$ 7,751,863	$ 7,841,125
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 29,809	$ 42,851
Accrued expenses	65,364	65,553
Current maturities of long-term debt	40,000	32,500
Deferred revenue	113,295	120,047
Accrued interest	52,614	53,178
Other current liabilities	12,972	16,921
Total current liabilities	314,054	331,050
Long-term liabilities:		
Long-term debt	8,216,400	7,828,299
Other long-term liabilities	354,641	342,576
Total long-term liabilities	8,571,041	8,170,875
Shareholders' deficit:		
Preferred stock - par value $.01, 30,000 shares authorized, no shares issued or outstanding	—	—

Common stock - Class A, par value $.01, 400,000 shares authorized, 128,228 and 129,134 shares issued and outstanding at June 30, 2015 and December 31, 2014, respectively	1,282	1,291
Additional paid-in capital	1,939,004	2,062,775
Accumulated deficit	(2,743,115)	(2,542,380)
Accumulated other comprehensive loss, net	(330,403)	(182,486)
Total shareholders' deficit	(1,133,232)	(660,800)
Total liabilities and shareholders' deficit	$ 7,751,863	$ 7,841,125

The accompanying condensed notes are an integral part of these consolidated financial statements.

1

Table of Contents

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited) (in thousands, except per share amounts)

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
Revenues:				
Site leasing	$ 370,462	$ 340,452	$ 740,189	$ 649,771
Site development	40,242	42,968	80,609	79,198
Total revenues	410,704	383,420	820,798	728,969
Operating expenses:				
Cost of revenues (exclusive of depreciation, accretion, and amortization shown below):				
Cost of site leasing	81,731	75,382	161,950	145,122
Cost of site development	30,381	32,056	61,274	59,483
Selling, general, and administrative (1)	28,262	25,441	58,145	50,118
Acquisition related adjustments and expenses	5,780	2,225	7,119	10,786
Asset impairment and decommission costs	4,010	3,994	10,832	7,562
Depreciation, accretion, and amortization	162,377	161,005	334,230	305,447
Total operating expenses	312,541	300,103	633,550	578,518
Operating income	98,163	83,317	187,248	150,451
Other income (expense):				
Interest income	715	180	1,008	266
Interest expense	(78,908)	(71,498)	(156,562)	(137,525)
Non-cash interest expense	(322)	(8,293)	(601)	(18,596)
Amortization of deferred financing fees	(4,626)	(4,278)	(9,170)	(8,516)
Loss from extinguishment of debt, net	—	(8,236)	—	(10,187)
Other income (expense), net	15,507	1,384	(67,461)	19,774
Total other expense	(67,634)	(90,741)	(232,786)	(154,784)
Income (loss) before provision for income taxes	30,529	(7,424)	(45,538)	(4,333)
Provision for income taxes	(2,224)	(2,043)	(5,187)	(3,728)
Net income (loss)	28,305	(9,467)	(50,725)	(8,061)
Net income (loss) per common share				
Basic	$ 0.22	$ (0.07)	$ (0.39)	$ (0.06)
Diluted	$ 0.22	$ (0.07)	$ (0.39)	$ (0.06)
Weighted average number of common shares				
Basic	128,809	128,950	129,021	128,756
Diluted	129,948	128,950	129,021	128,756

(1) Includes non-cash compensation of $8,089 and $6,090 for the three months ended June 30, 2015 and 2014, respectively, and $14,972 and $10,631 for the six months ended June 30, 2015 and 2014, respectively.

The accompanying condensed notes are an integral part of these consolidated financial statements.

2

Table of Contents

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(unaudited) (in thousands)

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
Net income (loss)	$ 28,305	$ (9,467)	$ (50,725)	$ (8,061)
Foreign currency translation adjustments	26,533	34,988	(147,917)	67,995
Comprehensive income (loss)	$ 54,838	$ 25,521	$ (198,642)	$ 59,934

The accompanying condensed notes are an integral part of these consolidated financial statements.

Table of Contents

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIT

(unaudited) (in thousands)

	Class A Common Stock Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
BALANCE, December 31, 2014	129,134	$ 1,291	$ 2,062,775	$ (2,542,380)	$ (182,486)	$ (660,800)
Net loss	—	—	—	(50,725)	—	(50,725)
Common stock issued in connection with stock purchase/option plans	399	4	11,686	—	—	11,690
Non-cash compensation	—	—	15,417	—	—	15,417
Settlement of common stock warrants	—	—	(150,874)	—	—	(150,874)
Repurchase and retirement of common stock	(1,305)	(13)	—	(150,010)	—	(150,023)
Foreign currency translation adjustments	—	—	—	—	(147,917)	(147,917)
BALANCE, June 30, 2015	128,228	$ 1,282	$ 1,939,004	$ (2,743,115)	$ (330,403)	$ (1,133,232)

The accompanying condensed notes are an integral part of these consolidated financial statements.

Table of Contents

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited) (in thousands)

	For the six months ended June 30, 2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (50,725)	$ (8,061)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation, accretion, and amortization	334,230	305,447
Non-cash interest expense	601	18,596
Deferred income tax expense	192	37
Non-cash asset impairment and decommission costs	7,902	5,263
Non-cash compensation expense	15,201	10,814
Amortization of deferred financing fees	9,170	8,516
Loss from extinguishment of debt, net	—	10,187
Non-cash earnout adjustments	2,201	1,647
Loss on remeasurement of U.S. dollar denominated intercompany loan	68,292	—
Gain on foreign currency swap contract	—	(17,891)
Other non-cash items reflected in the Statements of Operations	(168)	110
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable and costs and estimated earnings in excess of billings on uncompleted contracts, net	6,461	(656)
Prepaid and other assets	(24,148)	(16,397)
Accounts payable and accrued expenses	(54)	(1,773)
Accrued interest	(564)	7,331
Other liabilities	6,941	11,775
Net cash provided by operating activities	375,532	334,945
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(323,082)	(967,474)
Capital expenditures	(118,392)	(72,151)
Proceeds from foreign currency swap contract	—	17,891
Other investing activities	4,864	(4,916)
Net cash used in investing activities	(436,610)	(1,026,650)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings under Revolving Credit Facility	450,000	275,000
Repayments under Revolving Credit Facility	(535,000)	(390,000)
Repayment of Term Loans	(15,000)	(295,500)
Proceeds from Term Loans, net of fees	489,899	1,483,450
Payments on settlement of convertible debt	—	(121,289)
Payments for settlement of common stock warrants	(150,874)	(276,227)
Payments for earn-outs	(3,052)	(14,439)
Repurchase and retirement of common stock	(150,023)	—

Other financing activities	7,834	(2,000)
Net cash provided by financing activities	93,784	658,995
Effect of exchange rate changes on cash and cash equivalents	(2,303)	18,250
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	30,403	(14,460)
CASH AND CASH EQUIVALENTS:		
Beginning of period	39,443	122,112
End of period	$ 69,846	$ 107,652

The accompanying condensed notes are an integral part of these consolidated financial statements.

Table of Contents

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	For the six months ended June 30,	
	2015	2014
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 157,153	$ 129,691
Income taxes	$ 5,667	$ 4,354
SUPPLEMENTAL CASH FLOW INFORMATION OF NON-CASH ACTIVITIES:		
Assets acquired through capital leases	$ 1,976	$ 947
Issuance of stock for settlement of convertible debt and warrants, net of hedges	$ —	$ 283

The accompanying condensed notes are an integral part of these consolidated financial statements.

Table of Contents

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1.BASIS OF PRESENTATION

The accompanying consolidated financial statements should be read in conjunction with the Annual Report on Form 10-K for the fiscal year ended December 31, 2014 for SBA Communications Corporation and its subsidiaries (the “Company”). These financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X and, therefore, omit or condense certain footnotes and other information normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States. In the opinion of the Company’s management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. The results of operations for an interim period may not give a true indication of the results for the year. Certain reclassifications have been made to prior year amounts or balances to conform to the presentation adopted in the current year.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in consolidated financial statements and accompanying notes. While the Company believes that such estimates are fair when considered in conjunction with the consolidated financial statements and accompanying notes, the actual amounts, when known, may vary from these estimates.

Foreign Currency Translation

All assets and liabilities of foreign subsidiaries that do not utilize the United States dollar as its functional currency (Brazil and Canada) are translated at period-end rates of exchange, while revenues and expenses are translated at monthly weighted average rates of exchange for the period. Unrealized translation gains and losses are reported as foreign currency translation adjustments through Accumulated other comprehensive loss in the accompanying Consolidated Statement of Shareholders’ Deficit.

Intercompany Loans

In accordance with Accounting Standards Codification (ASC) 830, the Company remeasures intercompany loans not denominated in the functional currency with the corresponding remeasurement adjustment being recorded in Other income (expense), net in the Consolidated Statements of Operations. For the three and six months ended June 30, 2015, the Company recorded a $15.7 million foreign exchange gain and a $68.3 million foreign exchange loss, respectively, on the remeasurement of an intercompany loan with a Brazilian subsidiary.

Recent Accounting Pronouncements Not Yet Adopted

In May 2014, the Financial Accounting Standards Board ("FASB") released updated guidance regarding the recognition of revenue from contracts with customers, exclusive of those contracts within lease accounting. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: (1) identify the contracts with the customer; (2) identify the performance obligations in the contract; (3) determine the contract price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The new guidance is effective for annual reporting periods (including interim periods within those periods) beginning after December 15, 2017 for public companies. Under the proposal, the standard would be required to be adopted by public business entities in annual periods beginning on or after December 15, 2017. The FASB also proposed to permit early adoption at the original effective date. This guidance is required to be applied (1) retrospectively to each prior reporting period presented, or (2) with the cumulative effect being recognized at the date of initial application. The Company is evaluating the guidance including the impact on its consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, Interest—Imputation of Interest. The standard requires debt issuance costs to be presented on the balance sheet as a direct deduction from the related debt liability rather than as an asset. Once adopted, entities are required to apply the new guidance retrospectively to all prior periods presented. ASU 2015-03 is effective for annual and interim periods beginning after December 15, 2015 and early application is permitted. The Company has not elected to early adopt the standard.

Table of Contents

2.FAIR VALUE MEASUREMENTS

Items Measured at Fair Value on a Recurring Basis— The Company's earnout liabilities related to acquisitions are measured at fair value on a recurring basis using Level 3 inputs and are recorded in Accrued expenses in the accompanying Consolidated Balance Sheets. Changes in estimate are recorded in Acquisition related adjustments and expenses in the accompanying Consolidated Statement of Operations. Level 3 valuations rely on unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The Company determines the fair value of acquisition-related earnouts (contingent consideration) and any subsequent changes in fair value using a discounted probability-weighted approach using Level 3 inputs. The fair value of the earnouts is reviewed quarterly and is based on the payments the Company expects to make based on historical internal observations related to the anticipated performance of the underlying assets. The Company's estimate of the fair value of its obligation of performance targets contained in various acquisitions was $12.2 million and $15.1 million as of June 30, 2015 and December 31, 2014. The maximum potential obligation related to the performance targets was $21.7 million as of June 30, 2015.

The following summarizes the activity of the accrued earnouts:

	2015	2014
	(in thousands)	
Beginning balance, December 31, 2014 and 2013 , respectively	$ 15,086	$ 30,063
Additions	2,664	5,375
Payments	(3,088)	(14,439)
Change in estimate	(2,201)	(1,647)
Foreign currency translation adjustments	(267)	427
Ending balance, June 30, 2015 and June 30, 2014, respectively	$ 12,194	$ 19,779

Items Measured at Fair Value on a Nonrecurring Basis— The Company's long-lived assets, intangibles, and asset retirement obligations are measured at fair value on a nonrecurring basis using Level 3 inputs. The Company considers many factors and makes certain assumptions when making this assessment, including but not limited to: general market and economic conditions, historical operating results, geographic location, lease-up potential and expected timing of lease-up. The fair value of the long-lived assets, intangibles, and asset retirement obligations is calculated using a discounted cash flow model.

During the three and six months ended June 30, 2015, the Company recognized impairment charges of $4.0 million and $10.8 million, respectively. The impairment charges include the write off of $2.8 million and $6.7 million in carrying value of decommissioned towers and $1.1 million and $2.9 million of other third party decommission costs incurred related to the Company's long-lived assets and intangibles for the three and six months ended June 30, 2015, respectively. In addition, the impairment charge includes $0.1 million and $1.2 million in exit costs related to the Company's former corporate headquarters building for the three and six months ended June 30, 2015, respectively.

During the three and six months ended June 30, 2014, the Company recognized impairment charges of $4.0 million and $7.6 million, respectively. The impairment charges include the write off of $2.4 million and $5.3 million in carrying value of decommissioned towers and $1.6 million and $2.3 million of other third party decommission costs incurred related to the Company’s long-lived assets and intangibles for the three and six months ended June 30, 2014. These write offs result from the Company’s analysis that the future cash flows from certain towers would not recover the carrying value of the investment in those towers. Asset impairment and decommission costs and the related impaired assets relate to the Company’s site leasing operating segment.

Fair Value of Financial Instruments— The carrying values of cash and cash equivalents, accounts receivable, restricted cash, accounts payable, and short-term investments approximate their estimated fair values due to the short maturity of these instruments. Short-term investments consisted of $0.5 million and $5.3 million in certificate of deposits, as of June 30, 2015 and December 31, 2014, respectively. The Company’s estimate of the fair value of its held-to-maturity investments in treasury and corporate bonds, including current portion, are based primarily upon Level 1 reported market values. As of June 30, 2015 and December 31, 2014, the carrying value and fair value of the held-to-maturity investments, including current portion, were $1.0 million and $1.1 million, respectively.

The Company determines fair value of its debt instruments utilizing various Level 2 sources including quoted prices and indicative quotes (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 prices. The fair value of the Revolving Credit Facility is considered to approximate the carrying value because the interest payments are based on Eurodollar rates that reset every month. The Company does not believe its credit risk has changed materially from the date the applicable Eurodollar Rate plus 137.5 to 200.0 basis points was set

Table of Contents

for the Revolving Credit Facility. Refer to Note 10 for the fair values, principal balances, and carrying values of the Company's debt instruments.

3.RESTRICTED CASH

Restricted cash consists of the following:

	As of June 30, 2015	As of December 31, 2014	Included on Balance Sheet
	(in thousands)		
Securitization escrow accounts	$ 46,659	$ 52,117	Restricted cash - current asset
Payment and performance bonds	402	402	Restricted cash - current asset
Surety bonds and workers compensation	4,270	5,934	Other assets - noncurrent
Total restricted cash	$ 51,331	$ 58,453	

Pursuant to the terms of the Tower Securities (see Note 10), the Company is required to establish a securitization escrow account, held by an indenture trustee, into which all rents and other sums due on the towers that secure the Tower Securities are directly deposited by the lessees. These restricted cash amounts are used to fund reserve accounts for the payment of (1) debt service costs, (2) ground rents, real estate and personal property taxes and insurance premiums related to towers, (3) trustee and servicing expenses, and (4) management fees and to reserve a portion of advance rents from tenants. The restricted cash in the securitization escrow account in excess of required reserve balances is subsequently released to the Borrowers (as defined in Note 10) monthly, provided that the Borrowers are in compliance with their debt service coverage ratio and that no event of default has occurred. All monies held by the indenture trustee are classified as Restricted cash on the Company's Consolidated Balance Sheets.

Payment and performance bonds relate primarily to collateral requirements for tower construction currently in process by the Company. Cash is pledged as collateral related to surety bonds issued for the benefit of the Company or its affiliates in the ordinary course of business and primarily relates to the Company's tower removal obligations. As of June 30, 2015 and December 31, 2014, the Company had $38.5 million and $38.3 million in surety bonds and payment and performance bonds, respectively, for which it was only required to post $1.2 million in collateral. The Company periodically evaluates the collateral posted for its bonds to ensure that it meets the minimum requirements. As of June 30, 2015 and December 31, 2014, the Company had also pledged $2.5 million and $2.6 million, respectively, as collateral related to its workers compensation policy.

4.OTHER ASSETS

The Company's other assets are comprised of the following:

	As of June 30, 2015	As of December 31, 2014
	(in thousands)	
Restricted cash	$ 4,270	$ 5,934
Long-term investments	44,114	44,095
Prepaid land rent	146,961	134,148
Straight-line rent receivable	253,262	230,384
Deferred lease costs, net	29,857	28,517
Other	15,949	23,965
Total other assets	$ 494,413	$ 467,043

5.ACQUISITIONS

The Company acquired 317 communication sites during the three months ended June 30, 2015. These acquisitions were not significant to the Company and, accordingly, a preliminary estimate of the fair value of the assets acquired and liabilities assumed has not been presented. The Company evaluates all acquisitions after the applicable closing date of each transaction to determine whether any additional adjustments are needed to the allocation of the purchase price paid for the assets acquired and liabilities assumed by major balance sheet caption, as well as the separate recognition of intangible assets from goodwill if certain criteria are met.

Table of Contents

The following table summarizes all of the Company's cash acquisition capital expenditures:

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
	(in thousands)			
Towers and related intangible assets	$ 220,739	$ 29,315	$ 263,369	$ 948,045
Ground lease buyouts (1)	49,064	9,847	59,713	19,429
Total cash acquisition capital expenditures	$ 269,803	$ 39,162	$ 323,082	$ 967,474

(1) In addition, the Company paid $5.2 million and $3.7 million for ground lease extensions and term easements during the three months ended June 30, 2015 and 2014, respectively, and paid $8.7 million and $5.0 million for ground lease extensions and term easements during the six months ended June 30, 2015 and 2014, respectively. The Company recorded these amounts in prepaid rent on its Consolidated Balance Sheets.

Subsequent to June 30, 2015 and through July 29, 2015, the date of the Company's most recent public earnings press release, the Company acquired 19 towers for $28.4 million in cash. Subsequent to July 29, 2015 and through the date of this filing, the Company did not complete any material acquisitions.

6.INTANGIBLE ASSETS, NET

The following table provides the gross and net carrying amounts for each major class of intangible assets:

	As of June 30, 2015			As of December 31, 2014		
	Gross carrying amount	Accumulated amortization	Net book value	Gross carrying amount	Accumulated amortization	Net book value
	(in thousands)					
Current contract intangibles	$ 4,057,849	$ (1,015,310)	$ 3,042,539	$ 4,090,129	$ (891,374)	$ 3,198,755
Network location intangibles	1,446,246	(457,261)	988,985	1,402,704	(411,919)	990,785
Intangible assets, net	$ 5,504,095	$ (1,472,571)	$ 4,031,524	$ 5,492,833	$ (1,303,293)	$ 4,189,540

All intangible assets noted above are included in the Company's site leasing segments. The Company amortizes its intangible assets using the straight-line method over an estimated economic life of 15 years. Amortization expense relating to the intangible assets was $90.7 million and $89.5 million for the three months ended June 30, 2015 and 2014, respectively, and $182.1 million and $164.3 million for the six months ended June 30, 2015 and 2014, respectively.

7.PROPERTY AND EQUIPMENT, NET

Property and equipment, net (including assets held under capital leases) consists of the following:

	As of June 30, 2015	As of December 31, 2014
	(in thousands)	
Towers and related components	$ 4,285,661	$ 4,194,375
Construction-in-process	32,150	35,855
Furniture, equipment, and vehicles	54,329	51,832
Land, buildings, and improvements	494,971	426,974
Total property and equipment	4,867,111	4,709,036
Less: accumulated depreciation	(2,079,647)	(1,946,619)
Property and equipment, net	$ 2,787,464	$ 2,762,417

Construction-in-process represents costs incurred related to towers that are under development and will be used in the Company’s site leasing operations. Depreciation expense was $71.6 million and $71.7 million for the three months ended June 30, 2015 and 2014, respectively, and $152.0 million and $140.7 million for the six months ended June 30, 2015 and 2014, respectively. At

Table of Contents

June 30, 2015 and December 31, 2014, non-cash capital expenditures that are included in accounts payable and accrued expenses were $10.6 million and $29.0 million, respectively.

8.COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS

Costs and estimated earnings on uncompleted contracts consist of the following:

	As of June 30, 2015	As of December 31, 2014
	(in thousands)	
Costs incurred on uncompleted contracts	$ 95,458	$ 113,654
Estimated earnings	41,876	48,949
Billings to date	(118,560)	(143,323)
	$ 18,774	$ 19,280

These amounts are included in the accompanying Consolidated Balance Sheets under the following captions:

	As of June 30, 2015	As of December 31, 2014
	(in thousands)	
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 24,271	$ 30,078
Billings in excess of costs and estimated earnings on uncompleted contracts (included in Other current liabilities)	(5,497)	(10,798)
	$ 18,774	$ 19,280

Eight significant customers comprised 94.9% and 92.7% of the costs and estimated earnings in excess of billings on uncompleted contracts, net of billings in excess of costs and estimated earnings on uncompleted contracts at June 30, 2015 and December 31, 2014, respectively.

9.ACCRUED EXPENSES

The Company’s accrued expenses are comprised of the following:

	As of June 30, 2015	As of December 31, 2014
	(in thousands)	
Accrued earnouts	$ 12,194	$ 15,086
Salaries and benefits	10,442	13,440
Real estate and property taxes	8,645	5,331
Other	34,083	31,696
Total accrued expenses	$ 65,364	$ 65,553

Table of Contents

10. DEBT

The carrying and principal values of debt consist of the following (in thousands):

		As of June 30, 2015			As of December 31, 2014		
	Maturity Date	Principal Balance	Fair Value	Carrying Value	Principal Balance	Fair Value	Carrying Value
5.625% Senior Notes	Oct. 1, 2019	$ 500,000	$ 521,250	$ 500,000	$ 500,000	$ 511,250	$ 500,000
5.750% Senior Notes	July 15, 2020	800,000	830,000	800,000	800,000	816,000	800,000
4.875% Senior Notes	July 15, 2022	750,000	731,250	744,474	750,000	721,875	744,150
2010-2C Tower Securities	April 17, 2017	550,000	568,354	550,000	550,000	576,901	550,000
2012-1C Tower Securities	Dec. 15, 2017	610,000	617,832	610,000	610,000	620,175	610,000
2013-1C Tower Securities	April 17, 2018	425,000	422,935	425,000	425,000	420,776	425,000
2013-2C Tower Securities	April 17, 2023	575,000	578,853	575,000	575,000	584,344	575,000
2013-1D Tower Securities	April 17, 2018	330,000	328,112	330,000	330,000	330,551	330,000
2014-1C Tower Securities	Oct. 15, 2019	920,000	921,122	920,000	920,000	920,515	920,000
2014-2C Tower Securities	Oct. 15, 2024	620,000	622,765	620,000	620,000	629,474	620,000
Revolving Credit Facility	Feb. 5, 2020	40,000	40,000	40,000	125,000	125,000	125,000
2012-1 Term Loan	May 9, 2017	165,000	166,650	165,000	172,500	171,422	172,500
2014 Term Loan	Mar. 24, 2021	1,485,000	1,472,006	1,481,891	1,492,500	1,458,919	1,489,149
2015 Term Loan	June 10, 2022	500,000	492,500	495,035	—	—	—
Total debt		$ 8,270,000	$ 8,313,629	$ 8,256,400	$ 7,870,000	$ 7,887,202	$ 7,860,799
Less: current maturities of long-term debt				(40,000)			(32,500)
Total long-term debt, net of current maturities				$ 8,216,400			$ 7,828,299

The table below reflects cash and non-cash interest expense amounts recognized by debt instrument for the periods presented:

	For the three months ended June 30,				For the six months ended June 30,			
	2015		2014		2015		2014	
	Cash Interest	Non-cash Interest	Cash Interest	Non-cash Interest	Cash Interest	Non-cash Interest	Cash Interest	Non-cash Interest
	(in thousands)							
4.0% Convertible Senior Notes	$ —	$ —	$ 3,847	$ 8,130	—	—	8,845	18,332
8.25% Senior Notes	—	—	5,027	49	—	—	10,055	97
5.625% Senior Notes	7,031	—	7,031	—	14,063	—	14,063	—
5.75% Senior Notes	11,500	—	11,500	—	23,000	—	23,000	—
4.875% Senior Notes	9,141	163	—	—	18,281	323	—	—
2010 Tower Securities	7,058	—	14,345	—	14,115	—	28,691	—
2012 Tower Securities	4,532	—	4,521	—	9,063	—	9,042	—
2013 Tower Securities	10,804	—	10,804	—	21,609	—	21,609	—
2014 Tower Securities	12,785	—	—	—	25,569	—	—	—
Revolving Credit Facility	1,765	—	940	—	3,337	—	2,272	—
2011 Term Loan	—	—	—	—	—	—	696	6
2012-1 Term Loan	1,095	—	1,114	—	2,248	—	2,114	—
2012-2 Term Loan	—	—	—	—	—	—	424	4
2014 Term Loan	12,230	122	12,323	114	24,356	242	16,453	157
2015 Term Loan	948	37	—	—	948	36	—	—
Other	19	—	46	—	(27)	—	261	—
Total	$ 78,908	$ 322	$ 71,498	$ 8,293	$ 156,562	$ 601	$ 137,525	$ 18,596

Table of Contents

Revolving Credit Facility under the Senior Credit Agreement

The Revolving Credit Facility is governed by the Senior Credit Agreement. On February 5, 2015, SBA Senior Finance II entered into the 2015 Revolving Refinancing Amendment with several banks and other financial institutions or entities from time to time parties to the Senior Credit Agreement to, among other things, (i) increase the availability under the Company's Revolving Credit Facility from $770.0 million to $1.0 billion, (ii) extend the maturity date of the Revolving Credit Facility to February 5, 2020, (iii) provide for the ability to borrow in U.S. dollars and certain designated foreign currencies, and (iv) lower the applicable interest rate margins and commitment fees under the Revolving Credit Facility.

As amended February 2015, the Revolving Credit Facility consists of a revolving loan under which up to $1.0 billion aggregate principal amount may be borrowed, repaid and redrawn, subject to compliance with specific financial ratios and the satisfaction of other customary conditions to borrowing. Amounts borrowed under the Revolving Credit Facility accrue interest, at SBA Senior Finance II's election, at either (i) the Eurodollar Rate plus a margin that ranges from 137.5 basis points to 200.0 basis points or (ii) the Base Rate plus a margin that ranges from 37.5 basis points to 100.0 basis points, in each case based on the ratio of Consolidated Total Debt to Annualized Borrower EBITDA, calculated in accordance with the Senior Credit Agreement. In addition, SBA Senior Finance II is required to pay a commitment fee of 0.25% per annum on the amount of unused commitment. If not earlier terminated by SBA Senior Finance II, the Revolving Credit Facility will terminate on, and SBA Senior Finance II will repay all amounts outstanding on or before, February 5, 2020. The proceeds available under the Revolving Credit Facility may be used for general corporate purposes. SBA Senior Finance II may, from time to time, borrow from and repay the Revolving Credit Facility. Consequently, the amount outstanding under the Revolving Credit Facility at the end of a period may not be reflective of the total amounts outstanding during such period. As of June 30, 2015, the Revolving Credit Facility was accruing interest at 2.15% per annum.

During the three and six months ended June 30, 2015, the Company borrowed $315.0 million and $450.0 million, respectively, under the Revolving Credit Facility. During the three and six months ended June 30, 2015, the Company repaid $510.0 million and $535.0 million, respectively, of the outstanding balance under the Revolving Credit Facility. As of June 30, 2015, $40.0 million was outstanding under the Revolving Credit Facility.

Subsequent to June 30, 2015, the Company borrowed $130.0 million under the Revolving Credit Facility. As of the date of this filing, $170.0 million was outstanding under the Revolving Credit Facility.

As of June 30, 2015, SBA Senior Finance II was in compliance with the financial covenants contained in the Senior Credit Agreement.

Term Loans under the Senior Credit Agreement

2012-1 Term Loan

The 2012-1 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of $200.0 million that matures on May 9, 2017. The 2012-1 Term Loan accrues interest, at SBA Senior Finance II's election, at either the Base Rate plus a margin that ranges from 100 to 150 basis points or the Eurodollar Rate plus a margin that ranges from 200 to 250 basis points, in each case based on the ratio of Consolidated Total Debt to Annualized Borrower EBITDA (calculated in accordance with the Senior Credit Agreement). As of June 30, 2015, the 2012-1 Term Loan was accruing interest at 2.69% per annum. Principal payments on the 2012-1 Term Loan commenced on September 30, 2012 and are being made in quarterly installments on the last day of each March, June, September, and December, in an amount equal to $2.5 million for each of the first eight quarters, $3.8 million for the next four quarters and $5.0 million for each quarter thereafter. SBA Senior Finance II has the ability to prepay any or all amounts under the 2012-1 Term Loan without premium or penalty. To the extent not previously repaid, the 2012-1 Term Loan will be due and payable on the maturity date. The 2012-1 Term Loan was issued at par. The Company incurred deferred financing fees of $2.7 million in relation to this transaction which are being amortized through the maturity date.

During the three and six months ended June 30, 2015, the Company repaid $3.8 million and $7.5 million, respectively, of principal on the 2012-1 Term Loan. As of June 30, 2015, the 2012-1 Term Loan had a principal balance of $165.0 million.

2014 Term Loan

The 2014 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of $1.5 billion that matures on March 24, 2021. The 2014 Term Loan accrues interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2014 Term Loan was issued at 99.75% of par value. As of June 30, 2015, the 2014 Term Loan was accruing interest at

Table of Contents

3.25% per annum. Principal payments on the 2014 Term Loan commenced on September 30, 2014 and will be made in quarterly installments on the last day of each March, June, September, and December in an amount equal to $3.8 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2014 Term Loan without premium or penalty. To the extent not previously repaid, the 2014 Term Loan will be due and payable on the maturity date. The Company incurred deferred financing fees of approximately $12.9 million in relation to this transaction which are being amortized through the maturity date.

During the three and six months ended June 30, 2015, the Company repaid $3.8 million and $7.5 million, respectively, of principal on the 2014 Term Loan. As of June 30, 2015, the 2014 Term Loan had a principal balance of $1.5 billion.

2015 Term Loan

On June 10, 2015, SBA Senior Finance II obtained a new senior secured term loan with an initial aggregate principal amount of $500.0 million that matures on June 10, 2022 (the “2015 Term Loan”). The 2015 Term Loan accrues interest, at SBA Senior Finance II’s election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2015 Term Loan was issued at 99.0% of par value. As of June 30, 2015, the 2015 Term Loan was accruing interest at 3.25% per annum. Principal payments on the 2015 Term Loan commence on September 30, 2015 and will be made in quarterly installments on the last day of each March, June, September, and December in an amount equal to $1.3 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2015 Term Loan. To the extent not previously repaid, the 2015 Term Loan will be due and payable on the maturity date. However, to the extent the 2015 Term Loan is prepaid prior to December 10, 2015 from proceeds of certain refinancing or repricing transactions, a prepayment fee equal to 1.0% of the aggregate principal amount of such prepayment will apply. The Company incurred deferred financing fees of approximately $5.1 million to date in relation to this transaction which are being amortized through the maturity date.

As of June 30, 2015, the 2015 Term Loan had a principal balance of $500.0 million.

Secured Tower Revenue Securities

2010 Tower Securities

On April 16, 2010, the Company, through a New York common law trust (the “Trust”), issued $550.0 million of Secured Tower Revenue Securities Series 2010-2C (the “2010 Tower Securities”). The 2010 Tower Securities have an annual interest rate of 5.101%. The anticipated repayment date and the final maturity date for the 2010 Tower Securities are April 17, 2017 and April 15, 2042, respectively. The sole asset of the Trust consists of a non-recourse mortgage loan made in favor of those entities that are borrowers on the mortgage loan (the “Borrowers”). The Company incurred deferred financing fees of $8.1 million in relation to this transaction which are being amortized through the anticipated repayment date of the 2010 Tower Securities.

2012 Tower Securities

On August 9, 2012, the Company, through the Trust, issued $610.0 million of Secured Tower Revenue Securities Series 2012-1C (the “2012 Tower Securities”) which have an anticipated repayment date of December 15, 2017 and a final maturity date of December 15, 2042. The fixed interest rate of the 2012 Tower Securities is 2.933% per annum, payable monthly. The Company incurred deferred financing fees of $14.9 million in relation to this transaction which are being amortized through the anticipated repayment date of the 2012 Tower Securities.

2013 Tower Securities

On April 18, 2013, the Company, through the Trust, issued $425.0 million of 2.240% Secured Tower Revenue Securities Series 2013-1C which have an anticipated repayment date of April 17, 2018 and a final maturity date of April 17, 2043, $575.0 million of 3.722% Secured Tower Revenue Securities Series 2013-2C which have an anticipated repayment date of April 17, 2023 and a final maturity date of April 17, 2048, and $330.0 million of 3.598% Secured Tower Revenue Securities Series 2013-1D which have an anticipated repayment date of April 17, 2018 and a final maturity date of April 17, 2043 (collectively the "2013 Tower Securities"). The aggregate $1.33 billion of 2013 Tower Securities have a blended interest rate of 3.218% and a weighted average life through the anticipated repayment date of 7.2 years. The Company incurred deferred financing fees of $25.5 million in relation to this transaction which are being amortized through the anticipated repayment date of each of the 2013 Tower Securities.

Table of Contents

2014 Tower Securities

On October 15, 2014, the Company, through the Trust, issued $920.0 million of 2.898% Secured Tower Revenue Securities Series 2014-1C which have an anticipated repayment date of October 15, 2019 and a final maturity date of October 17, 2044, and $620.0 million of 3.869% Secured Tower Revenue Securities Series 2014-2C which have an anticipated repayment date of October 15, 2024 and a final maturity date of October 15, 2049 (collectively the "2014 Tower Securities"). The aggregate $1.54 billion of 2014 Tower Securities have a blended interest rate of 3.289% and a weighted average life through the anticipated repayment date of 7.0 years. The Company incurred deferred financing fees of $22.5 million in relation to this transaction which are being amortized through the anticipated repayment date of each of the 2014 Tower Securities.

As of June 30, 2015, the Borrowers met the debt service coverage ratio required by the mortgage loan agreement and were in compliance with all other covenants as set forth in the agreement.

4.0% Convertible Senior Notes due 2014

The 4.0% Convertible Senior Notes (the "4.0% Notes") matured and were repaid on October 1, 2014. During the three months ended June 30, 2015, the Company settled the remaining outstanding warrants originally sold in connection with its 4.0% Notes. The warrants represented approximately 2.1 million underlying shares of Class A common stock, and the Company satisfied its obligations by paying $150.9 million in cash, of which $15.6 million was paid in the second quarter of 2015.

Senior Notes

5.75% Senior Notes

On July 13, 2012, SBA Telecommunications, LLC ("Telecommunications") issued $800.0 million of unsecured senior notes due July 15, 2020 (the "5.75% Notes"). The 5.75% Notes accrue interest at a rate of 5.75% and were issued at par. Interest on the 5.75% Notes is due semi-annually on July 15 and January 15 of each year. The Company incurred deferred financing fees of $14.0 million in relation to this transaction which are being amortized through the maturity date.

SBA Communications Corporation ("SBAC") is a holding company with no business operations of its own and its only significant asset is the outstanding capital stock of Telecommunications. Telecommunications is 100% owned by SBAC. SBAC has fully and unconditionally guaranteed the Senior Notes issued by Telecommunications.

5.625% Senior Notes

On September 28, 2012, the Company issued $500.0 million of unsecured senior notes due October 1, 2019 (the "5.625% Notes"). The 5.625% Notes accrue interest at a rate of 5.625% per annum and were issued at par. Interest on the 5.625% Notes is due semi-annually on April 1 and October 1 of each year. The Company incurred deferred financing fees of $8.6 million in relation to this transaction which are being amortized through the maturity date.

4.875% Senior Notes

On July 1, 2014, the Company issued $750.0 million of unsecured senior notes due July 15, 2022 (the "4.875% Notes"). The 4.875% Notes accrue interest at a rate of 4.875% per annum and were issued at 99.178% of par value. Interest on the 4.875% Notes is due semi-annually on January 15 and July 15 of each year. The Company incurred deferred financing fees of $11.6 million in relation to this transaction which are being amortized through the maturity date.

11.SHAREHOLDERS' EQUITY

Common Stock equivalents

The Company has potential common stock equivalents related to its outstanding stock options (see Note 12) and restricted stock units. These potential common stock equivalents were considered in the Company's diluted earnings (loss) per share calculation (see Note 15).

Table of Contents

Stock Repurchases

During the three months ended June 30, 2015, the Company repurchased the remaining $150.0 million of Class A common stock authorized under its previously announced $300.0 million stock repurchase plan, completing this plan. The Company repurchased 1.305 million shares, or just over one percent of the shares outstanding, at a weighted average price per share of $114.96.

On June 4, 2015, the Company announced the authorization of a new $1.0 billion stock repurchase plan. This new plan authorizes the Company to purchase from time to time the Company's outstanding common stock through open market repurchases in compliance with Rule 10b-18 of the Securities Exchange Act of 1934, as amended, and/or in privately negotiated transactions at management's discretion. Shares purchased will be retired.

Subsequent to June 30, 2015, the Company repurchased 0.9 million shares of its Class A common stock for $99.7 million. The Company currently has $900.3 million of repurchase authorization remaining under its existing $1.0 billion stock repurchase program.

12.STOCK-BASED COMPENSATION

Stock Options

The Company records compensation expense for employee stock options based on the estimated fair value of the options on the date of grant using the Black-Scholes option-pricing model with the assumptions included in the table below. The Company uses a combination of historical data and historical volatility to establish the expected volatility. Historical data is used to estimate the expected option life and the expected forfeiture rate. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the estimated life of the option. The following assumptions were used to estimate the fair value of options granted using the Black-Scholes option-pricing model:

	For the six months ended June 30,	
	2015	2014
Risk free interest rate	1.21% - 1.45%	1.15% - 1.325%
Dividend yield	0.0%	0.0%
Expected volatility	20.0%	22.0%
Expected lives	4.6 years	4.4 years

The following table summarizes the Company’s activities with respect to its stock option plans for the six months ended June 30, 2015 as follows (dollars and number of shares in thousands, except for per share data):

		Weighted-	Weighted- Average

	Number of Shares	Average Exercise Price Per Share	Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding at December 31, 2014	3,275	$ 66.85		
Granted	1,068	$ 124.30		
Exercised	(307)	$ 51.68		
Canceled	(28)	$ 88.27		
Outstanding at June 30, 2015	4,008	$ 83.16	4.9	$ 137,446
Exercisable at June 30, 2015	1,532	$ 54.43	3.4	$ 92,772
Unvested at June 30, 2015	2,476	$ 100.94	5.8	$ 44,674

The weighted-average per share fair value of options granted during the six months ended June 30, 2015 and 2014 was $24.76 and $19.48, respectively. The total intrinsic value for options exercised during the six months ended June 30, 2015 and 2014 was $21.2 million and $33.8 million, respectively.

Table of Contents

Restricted Stock Units

The following table summarizes the Company's restricted stock unit activity for the six months ended June 30, 2015:

	Number of Units (in thousands)	Weighted-Average Grant Date Fair Value per Share
Outstanding at December 31, 2014	295	$ 73.55
Granted	110	$ 123.99
Vested	(121)	$ 64.41
Forfeited/canceled	(2)	$ 96.29
Outstanding at June 30, 2015	282	$ 96.93

13.INCOME TAXES

The primary reason for the difference in the Company's effective tax rate and the US statutory rate is a result of the Company having a full valuation allowance on its US net deferred tax assets. The Company has concluded that it is not more likely than not that its deferred tax assets will be realized and has recorded a full valuation allowance. A foreign tax provision is recognized because certain international subsidiaries of the Company have profitable operations or a net deferred tax liability position.

14.SEGMENT DATA

The Company operates in two business segments (site leasing and site development) and has three reportable segments (domestic site leasing, international site leasing, and site development). The Company's site leasing segments offer different services than its site development segment, and each are strategic business units. They are managed separately based on the fundamental differences in their operations. The domestic and international site leasing segments include results of the managed and sublease businesses. The site development segment includes the results of both consulting and construction related activities.

Table of Contents

Revenues, cost of revenues (exclusive of depreciation, accretion and amortization), capital expenditures (including assets acquired through the issuance of shares of the Company’s Class A common stock) and identifiable assets pertaining to the segments in which the Company continues to operate are presented below.

	Domestic Site Leasing	Int'l Site Leasing	Site Development	Not Identified by Segment	Total
For the three months ended June 30, 2015	(in thousands)				
Revenues	$ 307,361	$ 63,101	$ 40,242	$ —	$ 410,704
Cost of revenues (2)	63,563	18,168	30,381	—	112,112
Operating profit	243,798	44,933	9,861	—	298,592
Selling, general, and administrative	16,814	4,064	2,614	4,770	28,262
Acquisition related adjustments and expenses	6,566	(786)	—	—	5,780
Asset impairment and decommission costs	3,962	48	—	—	4,010
Depreciation, amortization and accretion	129,679	31,044	759	895	162,377
Operating income (loss)	86,777	10,563	6,488	(5,665)	98,163
Other expense (principally interest expense and other expense)				(67,634)	(67,634)
Income before provision for income taxes					30,529
Cash capital expenditures (3)	295,694	21,299	900	2,714	320,607
For the three months ended June 30, 2014					
Revenues	$ 285,168	$ 55,284	$ 42,968	$ —	$ 383,420
Cost of revenues (2)	60,314	15,068	32,056	—	107,438
Operating profit	224,854	40,216	10,912	—	275,982
Selling, general, and administrative	15,282	4,380	2,045	3,734	25,441
Acquisition related adjustments and expenses	2,123	102	—	—	2,225
Asset impairment and decommission costs	3,950	44	—	—	3,994
Depreciation, amortization and accretion	129,917	29,351	609	1,128	161,005
Operating income (loss)	73,582	6,339	8,258	(4,862)	83,317
Other expense (principally interest expense and other expense)				(90,741)	(90,741)
Loss before provision for income taxes					(7,424)
Cash capital expenditures (3)	62,520	11,847	1,649	4,556	80,572

Table of Contents

	Domestic Site Leasing	Int'l Site Leasing	Site Development	Not Identified by Segment	Total
For the six months ended June 30, 2015	(in thousands)				
Revenues	$ 613,311	$ 126,878	$ 80,609	$ —	$ 820,798
Cost of revenues (2)	125,251	36,699	61,274	—	223,224
Operating profit	488,060	90,179	19,335	—	597,574
Selling, general, and administrative	34,468	7,957	4,736	10,984	58,145
Acquisition related adjustments and expenses	7,042	77	—	—	7,119
Asset impairment and decommission costs	10,556	276	—	—	10,832
Depreciation, amortization and accretion	267,139	63,470	1,466	2,155	334,230
Operating income (loss)	168,855	18,399	13,133	(13,139)	187,248
Other expense (principally interest expense and other expense)				(232,786)	(232,786)
Loss before provision for income taxes					(45,538)
Cash capital expenditures (3)	387,096	43,074	2,731	10,549	443,450
For the six months ended June 30, 2014					
Revenues	$ 560,228	$ 89,543	$ 79,198	$ —	$ 728,969
Cost of revenues (2)	122,528	22,594	59,483	—	204,605
Operating profit	437,700	66,949	19,715	—	524,364
Selling, general, and administrative	32,135	8,105	4,001	5,877	50,118
Acquisition related adjustments and expenses	6,636	4,150	—	—	10,786
Asset impairment and decommission costs	6,727	835	—	—	7,562
Depreciation, amortization and accretion	255,335	46,368	1,128	2,616	305,447
Operating income (loss)	136,867	7,491	14,586	(8,493)	150,451
Other expense (principally interest expense and other expense)				(154,784)	(154,784)
Loss before provision for income taxes					(4,333)
Cash capital expenditures (3)	336,654	695,406	2,408	6,104	1,040,572

Domestic Site Leasing	Int'l Site Leasing	Site Development	Not Identified by Segment (1)	Total

	(in thousands)				
Assets					
As of June 30, 2015	$ 5,666,492	$ 1,798,595	$ 66,608	$ 220,168	$ 7,751,863
As of December 31, 2014	$ 5,554,753	$ 1,989,571	$ 78,633	$ 218,168	$ 7,841,125

(1) Assets not identified by segment consist primarily of general corporate assets.
(2) Excludes depreciation, amortization, and accretion.
(3) Includes cash paid for capital expenditures and acquisitions and vehicle capital lease additions.

15.EARNINGS PER SHARE

Basic earnings per share was computed by dividing net income from continuing operations attributable to common shareholders by the weighted-average number of shares of Common Stock outstanding for each respective period. Diluted earnings per share was calculated by dividing net income from continuing operations attributable to common shareholders by the weighted-average number of shares of Common Stock outstanding and any dilutive Common Stock equivalents, including unvested restricted stock and shares issuable upon exercise of stock options as determined under the “If-Converted” method and also Common Stock warrants as determined under the “Treasury Stock” method.

Table of Contents

The following table sets forth basic and diluted income from continuing operations per common share for the three and six months ended June 30, 2015 and 2014 (in thousands, except per share data):

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
Numerator:				
Net income (loss)	$ 28,305	$ (9,467)	$ (50,725)	$ (8,061)
Denominator:				
Basic weighted-average shares outstanding	128,809	128,950	129,021	128,756
Dilutive impact of stock options and restricted shares	1,139	—	—	—
Diluted weighted-average shares outstanding	129,948	128,950	129,021	128,756
Earnings (loss) per share attributable to continuing operations:				
Basic	$ 0.22	$ (0.07)	$ (0.39)	$ (0.06)
Diluted	$ 0.22	$ (0.07)	$ (0.39)	$ (0.06)

For the three months ended June 30, 2015, the diluted weighted average number of common shares outstanding excluded an additional 1.1 million shares issuable upon exercise of the Company's stock options because the impact would be anti-dilutive.

For the six months ended June 30, 2015, all potential common stock equivalents, including 4.0 million shares of stock options outstanding and 0.3 million shares of restricted stock outstanding, were excluded as the effect would be anti-dilutive. For the three and six months ended June 30, 2014, all potential common stock equivalents related to the 4.0% Notes and related warrants, 3.5 million shares of stock options outstanding, and 0.3 million shares of restricted stock outstanding were excluded as the effect would be anti-dilutive.

Table of Contents

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

We are a leading independent owner and operator of wireless communications tower structures, rooftop and other structures that support antennas used for wireless communications, which we collectively refer to as "towers" or "sites." Our principal operations are in the United States and its territories. In addition, we own and operate towers in Brazil, Canada, and Central America. Our primary business line is our site leasing business, which contributed 96.8% of our total segment operating profit for the six months ended June 30, 2015. In our site leasing business, we (1) lease antenna space to wireless service providers on towers that we own or operate and (2) manage rooftop and tower sites for property owners under various contractual arrangements. As of June 30, 2015, we owned 24,808 sites, a substantial portion of which have been built by us or built by other tower owners or operators who, like us, have built such towers to lease space to multiple wireless service providers. We also managed or leased approximately 5,500 actual or potential sites, approximately 500 of which were revenue producing as of June 30, 2015. Our other business line is our site development business, through which we assist wireless service providers in developing and maintaining their own wireless service networks.

Site Leasing Services

Our primary focus is the leasing of antenna space on our multi-tenant towers to a variety of wireless service providers under long-term lease contracts in the United States, Canada, Central America, and Brazil. Site leasing revenues are received primarily from wireless service provider tenants, including AT&T, Sprint, Verizon Wireless, T-Mobile, Oi S.A., Digicel, America Movil, and Telefonica. Wireless service providers enter into different tenant leases with us, each of which relates to the lease or use of space at an individual tower. In the United States and Canada, our tenant leases are generally for an initial term of five to ten years with five 5-year renewal periods at the option of the tenant. These tenant leases typically contain specific rent escalators, which average 3-4% per year, including the renewal option periods. Tenant leases in our Central American and Brazilian markets typically have an initial term of ten years with 5-year renewal periods. In Central America, we have similar rent escalators to that of leases in the United States and Canada while our leases in Brazil escalate in accordance with a standard cost of living index.

In our Central American markets, significantly all of our revenue, expenses, and capital expenditures arising from our new build activities are denominated in U.S. dollars. Specifically, most of our ground leases, tenant leases, and tower-related expenses are due and paid in U.S. dollars. In our Central American markets, our local currency obligations are principally limited to (1) permitting and other local fees, (2) utilities, and (3) taxes. In our Canadian and Brazilian operations, significantly all of our revenue, expenses, and capital expenditures, including tenant leases, ground leases, and other tower-related expenses are denominated in local currency.

Cost of site leasing revenue primarily consists of:

- Rental payments on ground leases and other underlying property interests;
- Straight-line rent adjustment for the difference between rental payments made and the expense recorded as if the payments had been made evenly throughout the lease term (which may include renewal terms) of the underlying property interests;
- Property taxes;
- Site maintenance and monitoring costs (exclusive of employee related costs);
- Utilities;
- Property insurance; and
- Deferred lease origination cost amortization.

Ground leases are generally for an initial term of five years or more with multiple renewal terms of five-year periods at our option and provide for rent escalators which typically average 2-3% annually, or in Brazil adjust in accordance with a standard cost of living index. Ground lease rental expense in Brazil is reimbursed to us by our customers. As of June 30, 2015, approximately 73% of our tower structures were located on parcels of land that we own, land subject to perpetual easements, or parcels of land in which we have a leasehold interest that extends beyond 20 years. For any given tower, costs are relatively fixed over a monthly or an annual time period. As such, operating costs for owned towers do not generally increase as a result of adding additional customers to the tower. The amount of direct costs associated with operating a tower varies from site to site depending on the taxing jurisdiction and the height and age of the tower. The ongoing maintenance requirements are typically minimal and include replacing lighting systems, painting a tower, or upgrading or repairing an access road or fencing.

Table of Contents

As indicated in the table below, our site leasing business generates substantially all of our total segment operating profit. For information regarding our operating segments, see Note 14 of our Condensed Notes to Consolidated Financial Statements included in this quarterly report.

	For the three months ended June 30,		For the six months ended June 30,	
Segment operating profit as a percentage of total	2015	2014	2015	2014
Domestic site leasing	81.7%	81.4%	81.7%	83.4%
International site leasing	15.0%	14.6%	15.1%	12.8%
Total site leasing	96.7%	96.0%	96.8%	96.2%

We believe that over the long-term, site leasing revenues will continue to grow as wireless service providers lease additional antenna space on our towers due to increasing minutes of network use and data transfer, network expansion and network coverage requirements. We believe our site leasing business is characterized by stable and long-term recurring revenues, predictable operating costs and minimal non-discretionary capital expenditures. Due to the relatively young age and mix of our tower portfolio, we expect future expenditures required to maintain these towers to be minimal. Consequently, we expect to grow our cash flows by (1) adding tenants to our towers at minimal incremental costs by using existing tower capacity or requiring wireless service providers to bear all or a portion of the cost of tower modifications and (2) executing monetary amendments as wireless service providers upgrade their equipment. Furthermore, because our towers are strategically positioned and our customers typically do not relocate, we have historically experienced low tenant lease terminations as a percentage of revenue.

Site Development Services

Our site development business, which is conducted in the United States only, is complementary to our site leasing business and provides us the ability to keep in close contact with the wireless service providers who generate substantially all of our site leasing revenue and to capture ancillary revenues that are generated by our site leasing activities, such as antenna and equipment installation at our tower locations. Site development services revenues are earned primarily from providing a full range of end to end services to wireless service providers or companies providing development or project management services to wireless service providers. Our services include: (1) network pre-design; (2) site audits; (3) identification of potential locations for towers and antennas; (4) support in buying or leasing of the location; (5) assistance in obtaining zoning approvals and permits; (6) tower and related site construction; (7) antenna installation; and (8) radio equipment installation, commissioning, and maintenance. We provide site development services at our towers and at towers owned by others.

Critical Accounting Policies and Estimates

We have identified the policies and significant estimation processes listed in the Annual Report on Form 10-K as critical to our business operations and the understanding of our results of operations. The listing is not intended to be a comprehensive list. In many cases, the accounting treatment of a particular transaction is specifically dictated by accounting principles generally accepted in the United States, with no need for management’s judgment in their application. In other cases, management is required to exercise judgment in the application of accounting principles with respect to particular transactions. The impact and any associated risks related to these policies on our business operations is discussed throughout “Management’s Discussion and Analysis of Financial Condition and Results of Operations” where such policies affect reported and expected financial results. For a detailed discussion on the application of these and other accounting policies, see Note 2 of our Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2014. Our preparation of our financial statements requires us to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of our financial statements, and the reported amounts of revenue and expenses during the reporting periods. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. There can be no assurance that actual results will not differ from those estimates and such differences could be significant.

Table of Contents

RESULTS OF OPERATIONS

Three months ended June 30, 2015 compared to three months ended June 30, 2014

Revenues and Segment Operating Profit:

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
Revenues	(in thousands)			
Domestic site leasing	$ 307,361	$ 285,168	$ 22,193	7.8%
International site leasing	63,101	55,284	7,817	14.1%
Site development	40,242	42,968	(2,726)	(6.3%)
Total	$ 410,704	$ 383,420	$ 27,284	7.1%
Cost of Revenues				
Domestic site leasing	$ 63,563	$ 60,314	$ 3,249	5.4%
International site leasing	18,168	15,068	3,100	20.6%
Site development	30,381	32,056	(1,675)	(5.2%)
Total	$ 112,112	$ 107,438	$ 4,674	4.4%
Operating Profit				
Domestic site leasing	$ 243,798	$ 224,854	$ 18,944	8.4%
International site leasing	44,933	40,216	4,717	11.7%
Site development	9,861	10,912	(1,051)	(9.6%)

Revenues

Total revenues increased $27.3 million for the three months ended June 30, 2015, as compared to the prior year, due largely to (i) revenues from 2,218 towers acquired and 564 towers built since April 1, 2014 and (ii) organic site leasing growth from new leases, contractual rent escalators, and lease amendments which increased the related rent to compensate for additional equipment added to our towers. The increase in total revenues includes the negative impact of $11.1 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Domestic site leasing revenues increased $22.2 million for the three months ended June 30, 2015, as compared to the prior year, due largely to (i) revenues from 490 towers acquired and 179 towers built since April 1, 2014 and (ii) organic site leasing growth from new leases, contractual rent escalators, and lease amendments which increased the related rent to compensate for additional equipment added to our towers.

International site leasing revenues increased $7.8 million for the three months ended June 30, 2015, as compared to the prior year, due largely to (i) revenues from 1,728 towers acquired, primarily the acquisition of 1,641 towers from the Oi S.A. acquisition in December 2014, and 385 towers built since April 1, 2014 and (ii) organic site leasing growth from new leases, contractual rent escalators, and lease amendments which increased the related rent to compensate for additional equipment added to our towers. The increase in international site leasing revenues includes the negative impact of $11.1 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Site development revenues decreased $2.7 million for the three months ended June 30, 2015, as compared to the prior year, as a result of a decrease in the volume of work performed due to the timing of our wireless carrier customers' initiatives.

Operating Profit

Domestic site leasing segment operating profit increased $18.9 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to additional profit generated by (i) towers acquired and built since April 1, 2014 and organic site leasing growth as noted above, (ii) improving control of our site leasing cost of revenue, and (iii) the positive impact of our ground lease purchase program.

International site leasing segment operating profit increased $4.7 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to additional profit generated by (i) towers acquired and built since April 1, 2014 and organic site

Table of Contents

leasing growth as noted above, (ii) improving control of our site leasing cost of revenue, and (iii) the positive impact of our ground lease purchase program. The increase in international segment operating profit includes the negative impact of $8.1 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Site development segment operating profit decreased $1.1 million for the three months ended June 30, 2015 as compared to the prior year, primarily due to a decrease in the volume of work performed due to the timing of our wireless carrier customers' initiatives.

Selling, General, and Administrative Expenses:

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Total	$ 28,262	$ 25,441	$ 2,821	11.1%

Selling, general, and administrative expenses increased $2.8 million for the three months ended June 30, 2015, as compared to the prior year, primarily as a result of an increase in personnel, salaries, benefits, non-cash compensation, and other support costs due in large part to our continued portfolio expansion. The increase in selling, general, and administrative expenses includes the positive impact of $0.4 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Acquisition Related Adjustments and Expenses:

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 6,566	$ 2,123	$ 4,443	209.3%
International site leasing	(786)	102	(888)	(870.6%)
Total	$ 5,780	$ 2,225	$ 3,555	159.8%

Acquisition related adjustments and expenses increased $3.6 million for the three months ended June 30, 2015, as compared to the prior year, primarily as a result of an increase in the number of acquisitions compared to the prior year period, as well as, changes in our estimated pre-acquisition contingencies. The increase in acquisition related adjustments and expenses includes the negative impact of $0.1 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Depreciation, Accretion, and Amortization Expenses:

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 129,679	$ 129,917	$ (238)	(0.2%)
International site leasing	31,044	29,351	1,693	5.8%
Total site leasing	$ 160,723	$ 159,268	$ 1,455	0.9%
Site development	759	609	150	24.6%
Not identified by segment	895	1,128	(233)	(20.7%)
Total	$ 162,377	$ 161,005	$ 1,372	0.9%

Depreciation, accretion, and amortization expense increased $1.4 million for the three months ended June 30, 2015, as compared to the prior year, due to the increase in the number of towers we acquired and built since April 1, 2014. The increase in depreciation, accretion, and amortization expense includes the positive impact of $6.1 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Table of Contents

Operating Income:

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 86,777	$ 73,582	$ 13,195	17.9%
International site leasing	10,563	6,339	4,224	66.6%
Total site leasing	$ 97,340	$ 79,921	$ 17,419	21.8%
Site development	6,488	8,258	(1,770)	(21.4%)
Not identified by segment	(5,665)	(4,862)	(803)	16.5%
Total	$ 98,163	$ 83,317	$ 14,846	17.8%

Domestic site leasing operating income increased $13.2 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to higher segment operating profit, partially offset by an increase in selling, general, and administrative expenses and acquisition related adjustments and expenses.

International site leasing operating income increased $4.2 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to higher segment operating profit and a reduction in acquisition related adjustments and expenses, partially offset by increases in depreciation, accretion, and amortization expense. The increase in international site leasing operating income includes the negative impact of $1.4 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Site development operating income decreased $1.8 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to lower segment operating profit and an increase in selling, general, and administrative expenses and depreciation, accretion, and amortization expense.

Other Income (Expense):

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Interest income	$ 715	$ 180	$ 535	297.2%
Interest expense	(78,908)	(71,498)	(7,410)	10.4%
Non-cash interest expense	(322)	(8,293)	7,971	(96.1%)
Amortization of deferred financing fees	(4,626)	(4,278)	(348)	8.1%
Loss from extinguishment of debt, net	—	(8,236)	8,236	(100.0%)

Other income	15,507	1,384	14,123	1,020.4%
Total	$ (67,634)	$ (90,741)	$ 23,107	(25.5%)

Interest expense increased $7.4 million due to the higher average principal amount of cash-interest bearing debt outstanding for the three months ended June 30, 2015 compared to the prior year, primarily resulting from the issuance of the 2014 Tower Securities, the 4.875% Notes, and the borrowing of the 2015 Term Loan, partially offset by the full repayment of the 2010-1C Tower Securities, the full redemption of the 8.25% Notes, and the settlement of a portion of the 4.0% Notes during the prior year period.

Non-cash interest expense decreased $8.0 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to the maturity of the 4.0% Notes as well as the full redemption of the 8.25% Notes during the prior year period.

Loss from extinguishment of debt decreased $8.2 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to the settlement of a portion of the 4.0% Notes during the prior year period.

Other income increased by $14.1 million for the three months ended June 30, 2015, as compared to the prior year, primarily due to a $15.7 million gain related to the remeasurement of an intercompany loan not denominated in the functional currency during the three months ended June 30, 2015.

25

Table of Contents

Net (Loss) Income:

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Net income (loss)	$ 28,305	$ (9,467)	$ 37,772	(399.0%)

Net income was $28.3 million for the three months ended June 30, 2015 as compared to a net loss of $9.5 million in the prior year, an increase of $37.8 million. The increase is primarily due to an increase in our total segment operating profit and an increase in other income (expense), net, partially offset by an increase in acquisition related adjustments, selling, general and administrative expenses, depreciation, accretion, and amortization expense, and interest expense as compared to the prior year period. The increase in net income includes the negative impact of $1.6 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Six months ended June 30, 2015 compared to six months ended June 30, 2014

Revenues and Segment Operating Profit:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
Revenues	(in thousands)			
Domestic site leasing	$ 613,311	$ 560,228	$ 53,083	9.5%
International site leasing	126,878	89,543	37,335	41.7%
Site development	80,609	79,198	1,411	1.8%
Total	$ 820,798	$ 728,969	$ 91,829	12.6%
Cost of Revenues				
Domestic site leasing	$ 125,251	$ 122,528	$ 2,723	2.2%
International site leasing	36,699	22,594	14,105	62.4%
Site development	61,274	59,483	1,791	3.0%
Total	$ 223,224	$ 204,605	$ 18,619	9.1%

Operating Profit				
Domestic site leasing	$ 488,060	$ 437,700	$ 50,360	11.5%
International site leasing	90,179	66,949	23,230	34.7%
Site development	19,335	19,715	(380)	(1.9%)

Revenues

Total revenues increased $91.8 million for the six months ended June 30, 2015, as compared to the prior year, due largely to (i) revenues from 4,406 towers acquired and 621 towers built since January 1, 2014 and (ii) organic site leasing growth from new leases, contractual rent escalators, and lease amendments which increased the related rent to compensate for additional equipment added to our towers. The increase in total revenues includes the negative impact of $14.7 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Domestic site leasing revenues increased $53.1 million for the six months ended June 30, 2015, as compared to the prior year, due largely to (i) revenues from 667 towers acquired and 209 towers built since January 1, 2014 and (ii) organic site leasing growth from new leases, contractual rent escalators, and lease amendments which increased the related rent to compensate for additional equipment added to our towers.

International site leasing revenues increased $37.3 million for the six months ended June 30, 2015, as compared to the prior year, due largely to (i) revenues from 3,739 towers acquired, primarily the acquisition of 3,648 towers from two Oi S.A. acquisitions in March 2014 and December 2014, and 412 towers built since January 1, 2014 and (ii) organic site leasing growth from new leases, contractual rent escalators, and lease amendments which increased the related rent to compensate for additional equipment added to our towers. The increase in international site leasing revenues includes the negative impact of $14.7 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Table of Contents

Site development revenues increased $1.4 million for the six months ended June 30, 2015, as compared to the prior year, as a result of an increase in the volume of work performed due to the timing of our wireless carrier customers' initiatives, in particular Sprint, T-Mobile, and Verizon.

Operating Profit

Domestic site leasing segment operating profit increased $50.4 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to additional profit generated by (i) towers acquired and built since January 1, 2014 and organic site leasing growth as noted above, (ii) improving control of our site leasing cost of revenue, and (iii) the positive impact of our ground lease purchase program.

International site leasing segment operating profit increased $23.2 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to additional profit generated by (i) towers acquired and built since January 1, 2014 and organic site leasing growth as noted above, (ii) improving control of our site leasing cost of revenue, and (iii) the positive impact of our ground lease purchase program. The increase in international segment operating profit includes the negative impact of $10.9 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Site development segment operating profit decreased $0.4 million for the six months ended June 30, 2015 as compared to the prior year, primarily due to lower services revenue.

Selling, General, and Administrative Expenses:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Total	$ 58,145	$ 50,118	$ 8,027	16.0%

Selling, general, and administrative expenses increased $8.0 million for the six months ended June 30, 2015, as compared to the prior year, primarily as a result of an increase in personnel, salaries, benefits, non-cash compensation, and other support costs due in large part to our continued portfolio expansion. The increase in selling, general, and administrative expenses includes the positive impact of $0.7 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Acquisition Related Adjustments and Expenses:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 7,042	$ 6,636	$ 406	6.1%
International site leasing	77	4,150	(4,073)	(98.1%)
Total	$ 7,119	$ 10,786	$ (3,667)	(34.0%)

Acquisition related adjustments and expenses decreased $3.7 million for the six months ended June 30, 2015, as compared to the prior year, primarily as a result of a reduction in the number of acquisitions compared to the prior year period, as well as, changes in our estimated pre-acquisition contingencies. The decrease in acquisition related adjustments and expenses includes the positive impact of $0.8 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Table of Contents

Asset Impairment and Decommission Costs:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 10,556	$ 6,727	$ 3,829	56.9%
International site leasing	276	835	(559)	(66.9%)
Total	$ 10,832	$ 7,562	$ 3,270	43.2%

Asset impairment and decommission costs increased $3.3 million for the six months ended June 30, 2015, as compared to the prior year, primarily as a result of a $2.1 million increase related to the disposition of higher net book value towers and an increase in other third party decommission costs. In addition, the increase in the asset impairment and decommission costs includes $1.2 million in exit costs related to our former corporate headquarters building for the six months ended June 30, 2015. Fluctuations in foreign currency exchange rates had an immaterial impact for the six months ended June 30, 2015 when compared to the prior year period.

Depreciation, Accretion, and Amortization Expenses:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 267,139	$ 255,335	$ 11,804	4.6%
International site leasing	63,470	46,368	17,102	36.9%
Total site leasing	$ 330,609	$ 301,703	$ 28,906	9.6%
Site development	1,466	1,128	338	30.0%
Not identified by segment	2,155	2,616	(461)	(17.6%)
Total	$ 334,230	$ 305,447	$ 28,783	9.4%

Depreciation, accretion, and amortization expense increased $28.8 million for the six months ended June 30, 2015, as compared to the prior year, due to the increase in the number of towers we acquired and built since January 1, 2014. The increase in depreciation, accretion, and amortization expense includes the positive impact of $7.7 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Operating Income:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Domestic site leasing	$ 168,855	$ 136,867	$ 31,988	23.4%
International site leasing	18,399	7,491	10,908	145.6%
Total site leasing	$ 187,254	$ 144,358	$ 42,896	29.7%
Site development	13,133	14,586	(1,453)	(10.0%)
Not identified by segment	(13,139)	(8,493)	(4,646)	54.7%
Total	$ 187,248	$ 150,451	$ 36,797	24.5%

Domestic site leasing operating income increased $32.0 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to higher segment operating profit, partially offset by increases in selling, general, and administrative expenses, acquisition related adjustments and expenses, asset impairment and decommission costs, and depreciation, accretion, and amortization expense.

International site leasing operating income increased $10.9 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to higher segment operating profit and a reduction in selling, general, and administrative expenses and acquisition related adjustments and expenses, partially offset by an increase in depreciation, accretion, and amortization expense. The

Table of Contents

increase in international site leasing operating income includes the negative impact of $1.3 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Site development operating income decreased $1.5 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to a decrease in site development segment operating profit, as well as increases in selling, general, and administrative expenses and depreciation, accretion, and amortization expense.

Other Income (Expense):

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Interest income	$ 1,008	$ 266	$ 742	278.9%
Interest expense	(156,562)	(137,525)	(19,037)	13.8%
Non-cash interest expense	(601)	(18,596)	17,995	(96.8%)
Amortization of deferred financing fees	(9,170)	(8,516)	(654)	7.7%
Loss from extinguishment of debt, net	—	(10,187)	10,187	(100.0%)
Other (expense) income	(67,461)	19,774	(87,235)	(441.2%)
Total	$ (232,786)	$ (154,784)	$ (78,002)	50.4%

Interest expense increased $19.0 million due to the higher average principal amount of cash-interest bearing debt outstanding for the six months ended June 30, 2015 compared to the prior year, primarily resulting from the issuance of the 2014 Tower Securities and the 4.875% Notes, partially offset by the full repayment of the 2010-1C Tower Securities, the full redemption of the 8.25% Notes, and the settlement of the 4.0% Notes during the prior year period.

Non-cash interest expense decreased $18.0 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to the maturity of the 4.0% Notes as well as the full redemption of the 8.25% Notes during the prior year period.

Loss from extinguishment of debt decreased $10.2 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to the repayment of the 2011 Term Loan and the 2012-2 Term Loan during the prior year period.

Other expense increased by $87.2 million for the six months ended June 30, 2015, as compared to the prior year, primarily due to a $68.3 million loss related to the remeasurement of an intercompany loan not denominated in the functional currency during the six months ended June 30, 2015, as well as, a $17.9 million gain realized on the settlement of two foreign currency contracts entered into to hedge the purchase price of the Oi S.A. acquisition in Brazil, which were entered into and settled during the first quarter of 2014.

Net Loss:

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Net loss	$ (50,725)	$ (8,061)	$ (42,664)	529.3%

Net loss was $50.7 million for the six months ended June 30, 2015 as compared to a net loss of $8.1 million in the prior year, an increase of $42.6 million. The increase is primarily due to an increase in other expense, selling, general and administrative expenses, depreciation, accretion, and amortization expense, and interest expense, offset by an increase in our total segment operating profit and a decrease in acquisition related adjustments and expenses as compared to the prior year quarter. The increase in net loss includes the positive impact of $1.5 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

NON-GAAP FINANCIAL MEASURES

This report contains information regarding a non-GAAP measure, Adjusted EBITDA. We have provided below a description of Adjusted EBITDA, a reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure and an explanation as to why management utilizes this measure.

Table of Contents

Adjusted EBITDA

We define Adjusted EBITDA as net (loss) income excluding the impact of non-cash straight-line leasing revenue, non-cash straight-line ground lease expense, non-cash compensation, net loss from extinguishment of debt, other income and expenses, acquisition related adjustments and expenses, asset impairment and decommission costs, interest income, interest expenses, depreciation, accretion, and amortization, and provision for or benefit from taxes.

We believe that Adjusted EBITDA is an indicator of the financial performance of our core businesses. Adjusted EBITDA is a component of the calculation that has been used by our lenders to determine compliance with certain covenants under our Senior Credit Agreement and the indentures relating to our 5.625% Notes, 5.75% Notes, and 4.875% Notes. Adjusted EBITDA is not intended to be an alternative measure of operating income or gross profit margin as determined in accordance with GAAP.

	For the three months ended June 30, 2015	2014	Dollar Change	Percentage Change
	(in thousands)			
Net income (loss)	$ 28,305	$ (9,467)	$ 37,772	(399.0%)
Non-cash straight-line leasing revenue	(13,218)	(15,217)	1,999	(13.1%)
Non-cash straight-line ground lease expense	8,523	9,172	(649)	(7.1%)
Non-cash compensation	8,213	6,196	2,017	32.6%
Loss from extinguishment of debt, net	—	8,236	(8,236)	(100.0%)
Other income	(15,507)	(1,384)	(14,123)	1,020.4%
Acquisition related adjustments and expenses	5,780	2,225	3,555	159.8%
Asset impairment and decommission costs	4,010	3,994	16	0.4%
Interest income	(715)	(180)	(535)	297.2%
Interest expense (1)	83,856	84,069	(213)	(0.3%)
Depreciation, accretion, and amortization	162,377	161,005	1,372	0.9%
Provision for taxes (2)	2,627	2,407	220	9.1%
Adjusted EBITDA	$ 274,251	$ 251,056	$ 23,195	

	For the six months ended June 30, 2015	2014	Dollar Change	Percentage Change

	(in thousands)			
Net loss	$ (50,725)	$ (8,061)	$ (42,664)	529.3%
Non-cash straight-line leasing revenue	(27,459)	(26,245)	(1,214)	4.6%
Non-cash straight-line ground lease expense	17,238	18,145	(907)	(5.0%)
Non-cash compensation	15,201	10,814	4,387	40.6%
Loss from extinguishment of debt, net	—	10,187	(10,187)	(100.0%)
Other expense (income)	67,461	(19,774)	87,235	(441.2%)
Acquisition related adjustments and expenses	7,119	10,786	(3,667)	(34.0%)
Asset impairment and decommission costs	10,832	7,562	3,270	43.2%
Interest income	(1,008)	(266)	(742)	278.9%
Interest expense (1)	166,333	164,637	1,696	1.0%
Depreciation, accretion, and amortization	334,230	305,447	28,783	9.4%
Provision for taxes (2)	6,047	4,490	1,557	34.7%
Adjusted EBITDA	$ 545,269	$ 477,722	$ 67,547	

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

(2) Provision for taxes includes $403 and $364 of franchise taxes for the three months ended June 30, 2015 and 2014, respectively, and $860 and $762 of franchise taxes for the six months ended June 30, 2015 and 2014, respectively, reflected in selling, general, and administrative expenses on the Consolidated Statement of Operations.

30

Adjusted EBITDA was $274.3 million for the three months ended June 30, 2015 as compared to $251.1 million for the three months ended June 30, 2014. The increase of $23.2 million is primarily the result of increased segment operating profit from our domestic site leasing and international site leasing segments offset partially by the increase in our cash selling, general, and administrative expenses. The increase in Adjusted EBITDA includes the negative impact of $6.0 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

Adjusted EBITDA was $545.3 million for the six months ended June 30, 2015 as compared to $477.7 million for the six months ended June 30, 2014. The increase of $67.5 million is primarily the result of increased segment operating profit from our domestic site leasing and international site leasing segments offset partially by the increase in our cash selling, general, and administrative expenses. The increase in Adjusted EBITDA includes the negative impact of $8.0 million from fluctuations in foreign currency exchange rates as compared to the prior year period.

LIQUIDITY AND CAPITAL RESOURCES

SBA Communications Corporation ("SBAC") is a holding company with no business operations of its own. SBAC's only significant asset is the outstanding capital stock of SBA Telecommunications, LLC ("Telecommunications"), which is also a holding company that owns equity interests in entities that directly or indirectly own all of our domestic and international towers and assets. We conduct all of our business operations through Telecommunications' subsidiaries. Accordingly, our only source of cash to pay our obligations, other than financings, is distributions with respect to our ownership interest in our subsidiaries from the net earnings and cash flow generated by these subsidiaries.

A summary of our cash flows is as follows:

	For the six months ended June 30,	
	2015	2014
	(in thousands)	
Cash provided by operating activities	$ 375,532	$ 334,945
Cash used in investing activities	(436,610)	(1,026,650)
Cash provided by financing activities	93,784	658,995
Increase (decrease) in cash and cash equivalents	32,706	(32,710)
Effect of exchange rate changes on cash and cash equivalents	(2,303)	18,250
Cash and cash equivalents, beginning of the period	39,443	122,112
Cash and cash equivalents, end of the period	$ 69,846	$ 107,652

Operating Activities

Cash provided by operating activities was $375.5 million for the six months ended June 30, 2015 as compared to $334.9 million for the six months ended June 30, 2014. This increase was primarily due to an increase in segment operating profit from domestic site leasing, international site leasing, and site development operating segments and a decrease in acquisition related adjustments and expenses partially offset by increases in cash outflows associated with working capital changes, increased selling, general, and administrative expenses, and increased cash interest payments relating to the higher average amount of cash-interest bearing debt outstanding for the six months ended June 30, 2015 compared to the six months ended June 30, 2014.

Table of Contents

Investing Activities

A detail of our cash capital expenditures is as follows:

	For the six months ended June 30,	
	2015	2014
	(in thousands)	
Acquisitions (1)	$ 265,721	$ 948,045
Construction and related costs on new tower builds	55,104	33,664
Augmentation and tower upgrades	37,199	23,525
Ground lease buyouts (2)	57,362	19,429
Purchase/refurbishment of headquarters building	10,173	3,538
Tower maintenance	13,925	7,995
General corporate	1,990	3,429
Total cash capital expenditures	$ 441,474	$ 1,039,625

(1) Included in our cash capital expenditures for the six months ended June 30, 2014 is $673.9 million related to our acquisition of 2,007 towers from Oi S.A. which closed on March 31, 2014.
(2) Excludes $8.7 million and $5.0 million spent on ground lease extensions and term easements for the six months ended June 30, 2015 and 2014, respectively.

Subsequent to June 30, 2015 and through July 29, 2015, the date of our most recent public earnings press release, we acquired 19 towers for $28.4 million in cash. Subsequent to July 29, 2015 and through the date of this filing, we did not complete any material acquisitions.

During all of 2015, inclusive of the capital expenditures made during the six months ended June 30, 2015, we expect to incur non-discretionary cash capital expenditures associated with tower maintenance and general corporate expenditures of $30.0 million to $35.0 million and discretionary cash capital expenditures, based on current acquisition obligations, planned new tower construction, forecasted tower augmentations, and forecasted ground lease purchases, of $580.0 million to $600.0 million as well as potential, additional tower acquisitions not yet under contract. We expect to fund these cash capital expenditures from cash on hand, cash flow from operations, and borrowings under the Revolving Credit Facility or new financings. The exact amount of our future cash capital expenditures will depend on a number of factors including amounts necessary to support our tower portfolio, our new tower build and acquisition programs, and our ground lease purchase program.

Financing Activities

On February 5, 2015, we entered into an amendment to our Revolving Credit Facility to (1) increase the size of the facility by $230.0 million to $1.0 billion, (2) extend the maturity date to February 5, 2020, and (3) lower the applicable interest rate margins and commitment fees depending on Borrower leverage (as defined in the Senior Credit Agreement).

During the six months ended June 30, 2015, we borrowed $450.0 million and repaid $535.0 million under the Revolving Credit Facility. As of June 30, 2015, we had $40.0 million outstanding under the $1.0 billion Revolving Credit Facility. As of the date of this filing, $170.0 million was outstanding under the Revolving Credit Facility.

On June 10, 2015, we, through our wholly owned subsidiary, SBA Senior Finance II LLC, obtained a new senior secured Term Loan with an aggregate principal amount of $500.0 million that was issued at 99.0% of par value and matures on June 10, 2022 (the “2015 Term Loan”). Net proceeds from the 2015 Term Loan were used to repay $490.0 million of the outstanding balance under our Revolving Credit Facility.

During the first quarter of 2015, we settled the remaining outstanding warrants originally sold in connection with the 4.0% Notes. The warrants represented approximately 2.1 million underlying shares of Class A common stock, and we satisfied our obligations by paying $150.9 million in cash, of which $15.6 million was paid in the second quarter of 2015.

Table of Contents

During the second quarter of 2015, we repurchased the remaining $150.0 million of our Class A common stock authorized under our $300.0 million stock repurchase plan, completing this plan. We repurchased 1.305 million shares, or just over one percent of the shares outstanding, at an average price per share of $114.96.

On June 4, 2015, we announced the authorization of a new $1.0 billion stock repurchase plan. This new plan authorizes us to purchase from time to time our outstanding common stock through open market repurchases in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, and/or in privately negotiated transactions at management's discretion. Shares purchased will be retired.

Subsequent to June 30, 2015, we repurchased 0.9 million shares of our Class A common stock99.7 million. We currently have $900.3 million of repurchase authorization remaining under our existing $1.0 billion stock repurchase program.

Registration Statements

We have on file with the Commission a shelf registration statement on Form S-4 registering shares of Class A common stock that we may issue in connection with the acquisition of wireless communication towers or antenna sites and related assets or companies who own wireless communication towers, antenna sites, or related assets. During the six months ended June 30, 2015, we did not issue any shares of Class A common stock under this registration statement. As of June 30, 2015, we had approximately 1.7 million shares of Class A common stock remaining under this shelf registration statement.

On March 3, 2015, we filed with the Commission an automatic shelf registration statement for well-known seasoned issuers on Form S-3ASR. This registration statement enables us to issue shares of our Class A common stock, preferred stock or debt securities either separately or represented by warrants, or depositary shares as well as units that include any of these securities. Under the rules governing automatic shelf registration statements, we will file a prospectus supplement and advise the Commission of the amount and type of securities each time we issue securities under this registration statement. No shares were issued under this registration statement through the date of this filing.

Debt Instruments and Debt Service Requirements

Revolving Credit Facility under the Senior Credit Agreement

The Revolving Credit Facility is governed by the Senior Credit Agreement. On February 5, 2015, SBA Senior Finance II entered into the 2015 Revolving Refinancing Amendment with several banks and other financial institutions or entities from time to time parties to the Senior Credit Agreement to, among other things, (i) increase the availability under our Revolving Credit Facility from $770.0 million to $1.0 billion, (ii) extend the maturity date of the Revolving Credit Facility to February 5, 2020, (iii) provide for the ability to borrow in U.S. dollars and certain designated foreign currencies, and (iv) lower the applicable interest rate margins and commitment fees under the Revolving Credit Facility.

As amended February 2015, the Revolving Credit Facility consists of a revolving loan under which up to $1.0 billion aggregate principal amount may be borrowed, repaid and redrawn, subject to compliance with specific financial ratios and the satisfaction of other customary conditions to borrowing. Amounts borrowed under the Revolving Credit Facility accrue interest, at SBA Senior Finance II's election, at either (i) the Eurodollar Rate plus a margin that ranges from 137.5 basis points to 200.0 basis points or (ii) the Base Rate plus a margin that ranges from 37.5 basis points to 100.0 basis points, in each case based on the ratio of Consolidated Total Debt to Annualized Borrower EBITDA, calculated in accordance with the Senior Credit Agreement. In addition, SBA Senior Finance II is required to pay a commitment fee of 0.25% per annum on the amount of unused commitment. If not earlier terminated by SBA Senior Finance II, the Revolving Credit Facility will terminate on, and SBA Senior Finance II will repay all amounts outstanding on or before, February 5, 2020. The proceeds available under the Revolving Credit Facility may be used for general corporate purposes. SBA Senior Finance II may, from time to time, borrow from and repay the Revolving Credit Facility. Consequently, the amount outstanding under the Revolving Credit Facility at the end of a period may not be reflective of the total amounts outstanding during such period. As of June 30, 2015, the Revolving Credit Facility was accruing interest at 2.15% per annum.

During the three and six months ended June 30, 2015, we borrowed $315.0 million and $450.0 million, respectively, under the Revolving Credit Facility. During the three and six months ended June 30, 2015, we repaid $510.0 million and $535.0 million, respectively, of the outstanding balance under the Revolving Credit Facility. As of June 30, 2015, $40.0 million was outstanding under the Revolving Credit Facility.

Subsequent to June 30, 2015, we borrowed $130.0 million under the Revolving Credit Facility. As of the date of this filing, $170.0 million was outstanding under the Revolving Credit Facility.

As of June 30, 2015, SBA Senior Finance II was in compliance with the financial covenants contained in the Senior Credit Agreement.

Term Loans under the Senior Credit Agreement

2012-1 Term Loan

The 2012-1 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of $200.0 million that matures on May 9, 2017. The 2012-1 Term Loan accrues interest, at SBA Senior Finance II's election, at either the Base Rate plus a margin that ranges from 100 to 150 basis points or the Eurodollar Rate plus a margin that ranges from 200 to 250 basis points, in each case based on the ratio of Consolidated Total Debt to Annualized Borrower EBITDA (calculated in accordance with the Senior Credit Agreement). As of June 30, 2015, the 2012-1 Term Loan was accruing interest at 2.69% per annum. Principal payments on the 2012-1 Term Loan commenced on September 30, 2012 and are being made in quarterly installments on the last day of each March, June, September, and December, in an amount equal to $2.5 million for each of the first eight quarters, $3.8 million for the next four quarters and $5.0 million for each quarter thereafter. SBA Senior Finance II has the ability to prepay any or all amounts under the 2012-1 Term Loan without premium or penalty. To the extent not previously repaid, the 2012-1 Term Loan will be due and payable on the maturity date. The 2012-1 Term Loan was issued at par. We incurred deferred financing fees of $2.7 million in relation to this transaction which are being amortized through the maturity date.

During the three and six months ended June 30, 2015, we repaid $3.8 million and $7.5 million, respectively, of principal on the 2012-1 Term Loan. As of June 30, 2015, the 2012-1 Term Loan had a principal balance of $165.0 million.

2014 Term Loan

The 2014 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of $1.5 billion that matures on March 24, 2021. The 2014 Term Loan accrues interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2014 Term Loan was issued at 99.75% of par value. As of June 30, 2015, the 2014 Term Loan was accruing interest at 3.25% per annum. Principal payments on the 2014 Term Loan commenced on September 30, 2014 and will be made in quarterly installments on the last day of each March, June, September, and December in an amount equal to $3.8 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2014 Term Loan without premium or penalty. To the extent not previously repaid, the 2014 Term Loan will be due and payable on the maturity date. We incurred deferred financing fees of approximately $12.9 million in relation to this transaction which are being amortized through the maturity date.

During the three and six months ended June 30, 2015, we repaid $3.8 million and $7.5 million, respectively, of principal on the 2014 Term Loan. As of June 30, 2015, the 2014 Term Loan had a principal balance of $1.5 billion.

2015 Term Loan

On June 10, 2015, SBA Senior Finance II obtained a new senior secured term loan with an initial aggregate principal amount of $500.0 million that matures on June 10, 2022. The 2015 Term Loan accrues interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2015 Term Loan was issued at 99.0% of par value. As of June 30, 2015, the 2015 Term Loan was accruing interest at 3.25% per annum. Principal payments on the 2015 Term Loan commence on September 30, 2015 and will be made in quarterly installments on the last day of each

March, June, September, and December in an amount equal to $1.3 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2015 Term Loan. To the extent not previously repaid, the 2015 Term Loan will be due and payable on the maturity date. However, to the extent the 2015 Term Loan is prepaid prior to December 10, 2015 from proceeds of certain refinancing or repricing transactions, a prepayment fee equal to 1.0% of the aggregate principal amount of such prepayment will apply. We incurred deferred financing fees of approximately $5.1 million to date in relation to this transaction which are being amortized through the maturity date.

As of June 30, 2015, the 2015 Term Loan had a principal balance of $500.0 million.

Table of Contents

Secured Tower Revenue Securities

2010 Tower Securities

On April 16, 2010, we, through a New York common law trust (the “Trust”), issued $550.0 million of Secured Tower Revenue Securities Series 2010-2C (the “2010 Tower Securities”). The 2010 Tower Securities have an annual interest rate of 5.101%. The anticipated repayment date and the final maturity date for the 2010 Tower Securities are April 17, 2017 and April 15, 2042, respectively. The sole asset of the Trust consists of a non-recourse mortgage loan made in favor of those entities that are borrowers on the mortgage loan (the “Borrowers”). We incurred deferred financing fees of $8.1 million in relation to this transaction which are being amortized through the anticipated repayment date of the 2010 Tower Securities.

2012 Tower Securities

On August 9, 2012, we, through the Trust, issued $610.0 million of Secured Tower Revenue Securities Series 2012-1C (the “2012 Tower Securities”) which have an anticipated repayment date of December 15, 2017 and a final maturity date of December 15, 2042. The fixed interest rate of the 2012 Tower Securities is 2.933% per annum, payable monthly. We incurred deferred financing fees of $14.9 million in relation to this transaction which are being amortized through the anticipated repayment date of the 2012 Tower Securities.

2013 Tower Securities

On April 18, 2013, we, through the Trust, issued $425.0 million of 2.240% Secured Tower Revenue Securities Series 2013-1C which have an anticipated repayment date of April 17, 2018 and a final maturity date of April 17, 2043, $575.0 million of 3.722% Secured Tower Revenue Securities Series 2013-2C which have an anticipated repayment date of April 17, 2023 and a final maturity date of April 17, 2048, and $330.0 million of 3.598% Secured Tower Revenue Securities Series 2013-1D which have an anticipated repayment date of April 17, 2018 and a final maturity date of April 17, 2043 (collectively the “2013 Tower Securities”). The aggregate $1.33 billion of 2013 Tower Securities have a blended interest rate of 3.218% and a weighted average life through the anticipated repayment date of 7.2 years. We incurred deferred financing fees of $25.5 million in relation to this transaction which are being amortized through the anticipated repayment date of each of the 2013 Tower Securities.

2014 Tower Securities

On October 15, 2014, we, through the Trust, issued $920.0 million of 2.898% Secured Tower Revenue Securities Series 2014-1C which have an anticipated repayment date of October 15, 2019 and a final maturity date of October 17, 2044 and $620.0 million of 3.869% Secured Tower Revenue Securities Series 2014-2C which have an anticipated repayment date of October 15, 2024 and a final maturity date of October 15, 2049 (collectively the “2014 Tower Securities”). The aggregate $1.54 billion of 2014 Tower Securities have a blended interest rate of 3.289% and a weighted average life through the anticipated repayment date of 7.0 years. We incurred deferred financing fees of $22.5 million in relation to this transaction which are being amortized through the anticipated repayment date of each of the 2014 Tower Securities.

As of June 30, 2015, the Borrowers met the debt service coverage ratio required by the mortgage loan agreement and were in compliance with all other covenants as set forth in the agreement.

Senior Notes

5.75% Senior Notes

On July 13, 2012, Telecommunications issued $800.0 million of unsecured senior notes due July 15, 2020 (the “5.75% Notes”). The 5.75% Notes accrue interest at a rate of 5.75% and were issued at par. Interest on the 5.75% Notes is due semi-annually on July 15 and January 15 of each year. We incurred deferred financing fees of $14.0 million in relation to this transaction which are being amortized through the maturity date.

5.625% Senior Notes

On September 28, 2012, we issued $500.0 million of unsecured senior notes due October 1, 2019 (the “5.625% Notes”). The 5.625% Notes accrue interest at a rate of 5.625% per annum and were issued at par. Interest on the 5.625% Notes is due semi-annually

Table of Contents

on April 1 and October 1 of each year. We incurred deferred financing fees of $8.6 million in relation to this transaction which are being amortized through the maturity date.

4.875% Senior Notes

On July 1, 2014, we issued $750.0 million of unsecured senior notes due July 15, 2022 (the “4.875% Notes”). The 4.875% Notes accrue interest at a rate of 4.875% per annum and were issued at 99.178% of par value. Interest on the 4.875% Notes is due semi-annually on January 15 and July 15 of each year. We incurred deferred financing fees of $11.6 million in relation to this transaction which are being amortized through the maturity date.

Debt Service

As of June 30, 2015, we believe that our cash on hand, capacity available under our Revolving Credit Facility, our cash flows from operations for the next twelve months, and future financings will be sufficient to service our outstanding debt during the next twelve months.

The following table illustrates our estimate of our debt service requirement over the next twelve months based on the amounts outstanding as of June 30, 2015 and the interest rates accruing on those amounts on such date (in thousands):

5.625% Senior Notes due 2019	$ 28,125
5.750% Senior Notes due 2020	46,000
4.875% Senior Notes due 2022	36,563
5.101% Secured Tower Revenue Securities Series 2010-2	28,230
2.933% Secured Tower Revenue Securities Series 2012	18,085
2.240% Secured Tower Revenue Securities Series 2013-1C	9,655
3.722% Secured Tower Revenue Securities Series 2013-2C	21,584
3.598% Secured Tower Revenue Securities Series 2013-1D	11,978
2.898% Secured Tower Revenue Securities Series 2014-1C	26,954
3.869% Secured Tower Revenue Securities Series 2014-2C	24,185
Revolving Credit Facility	3,260
2012-1 Term Loan A	24,237
2014 Term Loan B	63,080
2015 Term Loan B	21,189
Total debt service for next 12 months	$ 363,124

Table of Contents

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks that are inherent in our financial instruments. These risks arise from transactions entered into in the normal course of business.

The following table presents the future principal payment obligations and fair values associated with our long-term debt instruments assuming our actual level of long-term indebtedness as of June 30, 2015:

	2015	2016	2017	2018	2019	Thereafter	Total	Fair Value
Debt:	(in thousands)							
5.625% Senior Notes due 2019	$ —	$ —	$ —	$ —	$ 500,000	$ —	$ 500,000	$ 521,250
5.750% Senior Notes due 2020	—	—	—	—	—	800,000	800,000	830,000
4.875% Senior Notes due 2022	—	—	—	—	—	750,000	750,000	731,250
5.101% 2010-2 Tower Securities (1)	—	—	550,000	—	—	—	550,000	568,354
2.933% 2012 Tower Securities (1)	—	—	610,000	—	—	—	610,000	617,832
2.240% 2013-1C Tower Securities (1)	—	—	—	425,000	—	—	425,000	422,935
3.722% 2013-2C Tower Securities (1)	—	—	—	—	—	575,000	575,000	578,853
3.598% 2013-1D								

Tower Securities (1)	—	—	—	330,000	—	—	330,000	328,112
2.898% 2014-1C Tower Securities (1)	—	—	—	—	920,000	—	920,000	921,122
3.869% 2014-2C Tower Securities (1)	—	—	—	—	—	620,000	620,000	622,765
Revolving Credit Facility	—	—	—	—	—	40,000	40,000	40,000
2012-1 Term Loan	10,000	20,000	135,000	—	—	—	165,000	166,650
2014 Term Loan	7,500	15,000	15,000	15,000	15,000	1,417,500	1,485,000	1,472,006
2015 Term Loan	2,500	5,000	5,000	5,000	5,000	477,500	500,000	492,500
Total debt obligation	$ 20,000	$ 40,000	$ 1,315,000	$ 775,000	$ 1,440,000	$ 4,680,000	$ 8,270,000	$ 8,313,629

(1) The anticipated repayment date and the final maturity date for the 2010-2 Tower Securities is April 17, 2017 and April 15, 2042, respectively.
The anticipated repayment date and the final maturity date for the 2012 Tower Securities is December 15, 2017 and December 15, 2042, respectively.

The anticipated repayment date and the final maturity date for the 2013-1C Tower Securities is April 17, 2018 and April 17, 2043, respectively.

The anticipated repayment date and the final maturity date for the 2013-2C Tower Securities is April 17, 2023 and April 17, 2048, respectively.

The anticipated repayment date and the final maturity date for the 2013-1D Tower Securities is April 17, 2018 and April 17, 2043, respectively.

The anticipated repayment date and the final maturity date for the 2014-1C Tower Securities is October 15, 2019 and October 17, 2044, respectively.

The anticipated repayment date and the final maturity date for the 2014-2C Tower Securities is October 15, 2024 and October 15, 2049, respectively.

Our current primary market risk exposure is interest rate risk relating to (1) our ability to refinance our debt at commercially reasonable rates, if at all, and (2) the impact of interest rate movements on our 2012-1 Term Loan, 2014

Term Loan, and 2015 Term Loan and any borrowings that we may incur under our Revolving Credit Facility, which are at floating rates. We manage the interest rate risk on our outstanding debt through our large percentage of fixed rate debt. While we cannot predict our ability to refinance existing debt or the impact interest rate movements will have on our existing debt, we continue to evaluate our financial position on an ongoing basis.

Table of Contents

We are exposed to market risk from changes in foreign currency exchange rates in connection with our operations in Brazil and Canada and to a lesser extent in Costa Rica, Guatemala, Nicaragua, El Salvador, and Panama. In each of these countries, we pay most of our selling, general, and administrative expenses and a portion of our operating expenses, such as taxes and utilities incurred in the country in local currency. In addition, in Brazil and Canada, we receive all of our revenue and pay all of our operating expenses in local currency. All transactions denominated in currencies other than the U.S. Dollar are reported in U.S. Dollars at the applicable exchange rate. All assets and liabilities are translated into U.S. Dollars at exchange rates in effect at the end of the applicable fiscal reporting period and all revenues and expenses are translated at average rates for the period. The cumulative translation effect is included in equity as a component of Accumulated other comprehensive income (loss). For the six months ended June 30, 2015, approximately 11.8% of our revenues and approximately 13.0% of our total operating expenses were denominated in foreign currencies.

We have performed a sensitivity analysis assuming a hypothetical 10% adverse movement in the Brazilian Reais from the quoted foreign currency exchange rates at June 30, 2015. As of June 30, 2015, the analysis indicated that such an adverse movement would have caused our revenues and operating results to fluctuate by approximately 1% for the six months ended June 30, 2015.

As of June 30, 2015, we have incurred intercompany debt, which is denominated in a currency other than the functional currency of the subsidiary in which it is recorded. As this debt had not been designated as being a long-term investment in nature, any changes in the foreign currency exchange rates will result in unrealized gains or losses, which will be included in our determination of net income. A change of 10% in the underlying exchange rates of our unsettled intercompany debt at June 30, 2015 would have resulted in approximately $45.5 million of unrealized gains or losses that would have been included in Other expense in our condensed consolidated statements of operations for the six months ended June 30, 2015.

Special Note Regarding Forward-Looking Statements

This quarterly report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements concern expectations, beliefs, projections, plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. Specifically, this quarterly report contains forward-looking statements regarding:

- our expectations on the future growth and financial health of the wireless industry and the industry participants, and the drivers of such growth;
- our beliefs regarding our ability to capture and capitalize on industry growth and the impact of such growth on our financial and operational results;
- our expectations regarding the opportunities in the international wireless markets in which we currently operate or have targeted for growth, our beliefs regarding how we can capitalize on such opportunities, and our intent to continue expanding internationally through new builds and acquisitions;
- our intent to grow our tower portfolio, domestically and internationally, and our expectations regarding the pace of such growth;
- our expectation that over the long-term, site leasing revenues will continue to grow as wireless service providers lease additional antenna space on our towers due to increasing minutes of network use and data transfer, network expansion and network coverage requirements and the rate of such growth, on an organic basis, in our domestic and international segments;
- our belief that our site leasing business is characterized by stable and long-term recurring revenues, predictable operating costs, and minimal non-discretionary capital expenditures;
- our expectation that, due to the relatively young age and mix of our tower portfolio, future expenditures required to maintain these towers will be minimal;

- our expectation that we will grow our cash flows by adding tenants to our towers at minimal incremental costs and executing monetary amendments;
- our expectations regarding the churn rate of our non-iDEN tenant leases;
- our expectations regarding foreign currency exchange rates;
- our expectation that we will continue our ground lease purchase program and the estimates of the impact of such program on our financial results;
- our expectation that we will continue to incur losses;

Table of Contents

- our expectations regarding our future cash capital expenditures, both discretionary and non-discretionary, including expenditures required to acquire or build additional towers, to maintain, improve, and modify our towers, to conduct ground lease purchases, and for general corporate expenditures, and the source of funds for these expenditures;
- our intended use of our liquidity;
- our expectations regarding our annual debt service in 2015 and thereafter, and our belief that our cash on hand, cash flows from operations for the next twelve months and availability under our Revolving Credit Facility will be sufficient to service our outstanding debt during the next twelve months;
- our belief regarding our credit risk; and
- our estimates regarding certain accounting and tax matters.

These forward-looking statements reflect our current views about future events and are subject to risks, uncertainties and assumptions. We wish to caution readers that certain important factors may have affected and could in the future affect our actual results and could cause actual results to differ significantly from those expressed in any forward-looking statement. The most important factors that could prevent us from achieving our goals, and cause the assumptions underlying forward-looking statements and the actual results to differ materially from those expressed in or implied by those forward-looking statements include, but are not limited to, the following:

- the impact of consolidation among wireless service providers on our leasing revenue;
- our ability to continue to comply with covenants and the terms of our credit instruments and our ability to obtain additional financing to fund our capital expenditures;
- our ability to successfully manage the risks associated with international operations, including risks relating to political or economic conditions, tax laws, currency restrictions, legal or judicial systems, land ownership, and foreign currency exchange rates;
- our ability to successfully manage the risks associated with our acquisition initiatives, including our ability to effectively integrate acquired towers into our business and to achieve the financial results projected in our valuation models for the acquired towers;
- developments in the wireless communications industry in general, and for wireless communications infrastructure providers in particular, that may slow growth or affect the willingness or ability of the wireless service providers to expend capital to fund network expansion or enhancements;
- our ability to secure as many site leasing tenants as anticipated, recognize our expected economies of scale with respect to new tenants on our towers, and retain current leases on towers;
- our ability to secure and deliver anticipated services business at contemplated margins;
- our ability to build new towers, including our ability to identify and acquire land that would be attractive for our clients and to successfully and timely address zoning, permitting, weather, availability of labor and supplies and other issues that arise in connection with the building of new towers;
- competition for the acquisition of towers and other factors that may adversely affect our ability to purchase towers that meet our investment criteria and are available at prices which we believe will be accretive to our shareholders and allow us to maintain our long-term target leverage ratios;
- our ability to protect our rights to the land under our towers, and our ability to acquire land underneath our towers on terms that are accretive;
- our ability to sufficiently increase our revenues and maintain expenses and cash capital expenditures at appropriate levels to permit us to meet our anticipated uses of liquidity for operations, debt service and estimated portfolio growth;
- our ability to successfully estimate the impact of regulatory and litigation matters;
- our ability to successfully estimate the impact of certain accounting and tax matters, including the effect on our company of adopting certain accounting pronouncements and the availability of sufficient net operating losses to offset future taxable income;
- natural disasters and other unforeseen damage for which our insurance may not provide adequate coverage;
- a decrease in demand for our towers; and
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the introduction of new technologies or changes in a tenant’s business model that may make our tower leasing business less desirable to potential tenants.

Table of Contents

ITEM 4. CONTROLS AND PROCEDURES

In order to ensure that the information we must disclose in our filings with the Commission is recorded, processed, summarized and reported on a timely basis, we have formalized our disclosure controls and procedures. Our principal executive officer and principal financial officer have reviewed and evaluated the effectiveness of our disclosure controls and procedures, as defined in Securities and Exchange Act Rule 13a-15(e) as of June 30, 2015. Based on such evaluation, such officers have concluded that, as of June 30, 2015, our disclosure controls and procedures were effective.

There have been no changes in our internal control over financial reporting during the quarter ended June 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 6. EXHIBITS

Exhibit No.	Description of Exhibits
*10.5	Incremental Term Loan B-2 Amendment, dated as of June 10, 2015, among SBA Senior Finance II LLC, as borrower, the several lenders from time to time parties thereto, and Toronto Dominion (Texas) LLC, as administrative agent.
*31.1	Certification by Jeffrey A. Stoops, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification by Brendan T. Cavanagh, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*32.1	Certification by Jeffrey A. Stoops, Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*32.2	Certification by Brendan T. Cavanagh, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**101.INS	XBRL Instance Document.
**101.SCH	XBRL Taxonomy Extension Schema Document.
**101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
**101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
**101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
**101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

*Filed herewith

**Furnished herewith

Table of Contents

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.

	SBA COMMUNICATIONS CORPORATION
August 6, 2015	/s/ Jeffrey A. Stoops Jeffrey A. Stoops Chief Executive Officer (Duly Authorized Officer)
August 6, 2015	/s/ Brendan T. Cavanagh Brendan T. Cavanagh Chief Financial Officer (Principal Financial Officer)