

AMERICAN TOWER CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(in millions, except share count and per share data)

	December 31, 2019	December 31, 2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,501.2	\$ 1,208.7
Restricted cash	76.8	96.2
Accounts receivable, net	462.2	459.0
Prepaid and other current assets	513.6	621.2
Total current assets	2,553.8	2,385.1
PROPERTY AND EQUIPMENT, net	12,084.4	11,247.1
GOODWILL	6,178.3	5,501.9
OTHER INTANGIBLE ASSETS, net	12,318.4	11,174.3
DEFERRED TAX ASSET	131.8	157.7
DEFERRED RENT ASSET	1,771.1	1,581.7
RIGHT-OF-USE ASSET	7,357.4	—
NOTES RECEIVABLE AND OTHER NON-CURRENT ASSETS	406.4	962.6
TOTAL	\$ 42,801.6	\$ 33,010.4
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	\$ 148.1	\$ 130.8
Accrued expenses	958.2	948.3
Distributions payable	455.0	377.4
Accrued interest	209.4	174.5
Current portion of operating lease liability	494.5	—
Current portion of long-term obligations	2,928.2	2,754.8
Unearned revenue	294.3	304.1
Total current liabilities	5,487.7	4,689.9
LONG-TERM OBLIGATIONS	21,127.2	18,405.1
OPERATING LEASE LIABILITY	6,510.4	—
ASSET RETIREMENT OBLIGATIONS	1,384.1	1,210.0
DEFERRED TAX LIABILITY	768.3	535.9
OTHER NON-CURRENT LIABILITIES	937.0	1,265.1
Total liabilities	36,214.7	26,106.0
COMMITMENTS AND CONTINGENCIES		
REDEEMABLE NONCONTROLLING INTERESTS	1,096.5	1,004.8
EQUITY (shares in thousands):		
Common stock: \$.01 par value; 1,000,000 shares authorized; 453,541 and 451,617 shares issued; and 442,890 and 441,060 shares outstanding, respectively	4.5	4.5
Additional paid-in capital	10,117.7	10,380.8
Distributions in excess of earnings	(1,016.8)	(1,199.5)
Accumulated other comprehensive loss	(2,823.6)	(2,642.9)
Treasury stock (10,651 and 10,557 shares at cost, respectively)	(1,226.4)	(1,206.8)
Total American Tower Corporation equity	5,055.4	5,336.1
Noncontrolling interests	435.0	563.5
Total equity	5,490.4	5,899.6
TOTAL	\$ 42,801.6	\$ 33,010.4

See accompanying notes to consolidated financial statements.

AMERICAN TOWER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except share and per share data)

	Year Ended December 31,		
	2019	2018	2017
REVENUES:			
Property	\$ 7,464.9	\$ 7,314.7	\$ 6,565.9
Services	115.4	125.4	98.0
Total operating revenues	7,580.3	7,440.1	6,663.9
OPERATING EXPENSES:			
Costs of operations (exclusive of items shown separately below):			
Property	2,173.7	2,128.7	2,022.0
Services	43.1	49.1	34.6
Depreciation, amortization and accretion	1,778.4	2,110.8	1,715.9
Selling, general, administrative and development expense	730.4	733.2	637.0
Other operating expenses	166.3	513.3	256.0
Total operating expenses	4,891.9	5,535.1	4,665.5
OPERATING INCOME	2,688.4	1,905.0	1,998.4
OTHER INCOME (EXPENSE):			
Interest (expense) income, TV Azteca	—	(0.1)	10.8
Interest income	46.8	54.7	35.4
Interest expense	(814.2)	(825.5)	(749.6)
Loss on retirement of long-term obligations	(22.2)	(3.3)	(70.2)
Other income (including foreign currency gains (losses) of \$6.1, (\$4.5), and \$26.4, respectively)	17.6	23.8	31.3
Total other expense	(772.0)	(750.4)	(742.3)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	1,916.4	1,154.6	1,256.1
Income tax benefit (provision)	0.2	110.1	(30.7)
NET INCOME	1,916.6	1,264.7	1,225.4
Net (income) loss attributable to noncontrolling interests	(28.8)	(28.3)	13.5
NET INCOME ATTRIBUTABLE TO AMERICAN TOWER CORPORATION STOCKHOLDERS	1,887.8	1,236.4	1,238.9
Dividends on preferred stock	—	(9.4)	(87.4)
NET INCOME ATTRIBUTABLE TO AMERICAN TOWER CORPORATION COMMON STOCKHOLDERS	\$ 1,887.8	\$ 1,227.0	\$ 1,151.5
NET INCOME PER COMMON SHARE AMOUNTS:			
Basic net income attributable to American Tower Corporation common stockholders	\$ 4.27	\$ 2.79	\$ 2.69
Diluted net income attributable to American Tower Corporation common stockholders	\$ 4.24	\$ 2.77	\$ 2.67
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING (in thousands):			
BASIC	442,319	439,606	428,181
DILUTED	445,520	442,960	431,688

See accompanying notes to consolidated financial statements.

AMERICAN TOWER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Year Ended December 31,		
	2019	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 1,916.6	\$ 1,264.7	\$ 1,225.4
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation, amortization and accretion	1,778.4	2,110.8	1,715.9
Stock-based compensation expense	111.4	137.5	108.5
Loss (gain) on investments, unrealized foreign currency loss and other non-cash expense	46.2	47.3	(18.0)
Impairments, net loss on sale of long-lived assets, non-cash restructuring and merger related expenses	140.0	479.6	242.4
Loss on early retirement of long-term obligations	22.2	3.3	70.2
Amortization of deferred financing costs, debt discounts and premiums and other non-cash interest	25.9	22.1	20.0
Deferred income taxes	(55.1)	(303.0)	(86.6)
Changes in assets and liabilities, net of acquisitions:			
Accounts receivable	12.5	(32.1)	(191.1)
Prepaid and other assets	(67.6)	(101.7)	(179.9)
Deferred rent asset	(183.5)	(87.6)	(194.4)
Right-of-use asset and Operating lease liability, net	17.4	—	—
Accounts payable and accrued expenses	(46.8)	69.3	95.8
Accrued interest	32.4	8.4	9.2
Unearned revenue	2.5	85.8	59.3
Deferred rent liability	—	57.9	62.3
Other non-current liabilities	0.1	(14.0)	(13.4)
Cash provided by operating activities	3,752.6	3,748.3	2,925.6
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property and equipment and construction activities	(991.3)	(913.2)	(803.6)
Payments for acquisitions, net of cash acquired	(2,959.6)	(1,881.4)	(2,007.0)
Proceeds from sales of short-term investments and other non-current assets	383.5	1,252.2	14.7
Payments for short-term investments	(355.9)	(1,154.3)	—
Deposits and other	(64.2)	(52.8)	(5.0)
Cash used for investing activities	(3,987.5)	(2,749.5)	(2,800.9)
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings under credit facilities	5,750.0	3,263.3	5,359.4
Proceeds from issuance of senior notes, net	4,876.7	584.9	2,674.0
Proceeds from term loan	1,300.0	1,500.0	—
Proceeds from issuance of securities in securitization transaction	—	500.0	—
Repayments of notes payable, credit facilities, term loan, senior notes, secured debt, finance leases and capital leases	(9,225.3)	(4,884.8)	(6,484.4)
(Distributions to) contributions from noncontrolling interest holders, net	(11.8)	(14.4)	264.3
Purchases of common stock	(19.6)	(232.8)	(766.3)
Proceeds from stock options and employee stock purchase plan	105.5	98.9	119.7
Distributions paid on common stock	(1,603.0)	(1,323.5)	(1,073.0)
Distributions paid on preferred stock	—	(18.9)	(91.4)
Payment for early retirement of long-term obligations	(21.0)	(3.3)	(75.3)
Deferred financing costs and other financing activities	(135.6)	(56.6)	(40.0)
Purchase of redeemable noncontrolling interest	(425.7)	—	—
Purchase of noncontrolling interest	(68.5)	(20.5)	—
Cash provided by (used for) financing activities	521.7	(607.7)	(113.0)
Net effect of changes in foreign currency exchange rates on cash and cash equivalents, and restricted cash	(13.7)	(41.1)	6.7
NET INCREASE IN CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH	273.1	350.0	18.4
CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR	1,304.9	954.9	936.5
CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR	\$ 1,578.0	\$ 1,304.9	\$ 954.9

See accompanying notes to consolidated financial statements.