



**AMERICAN TOWER®**  
CORPORATION

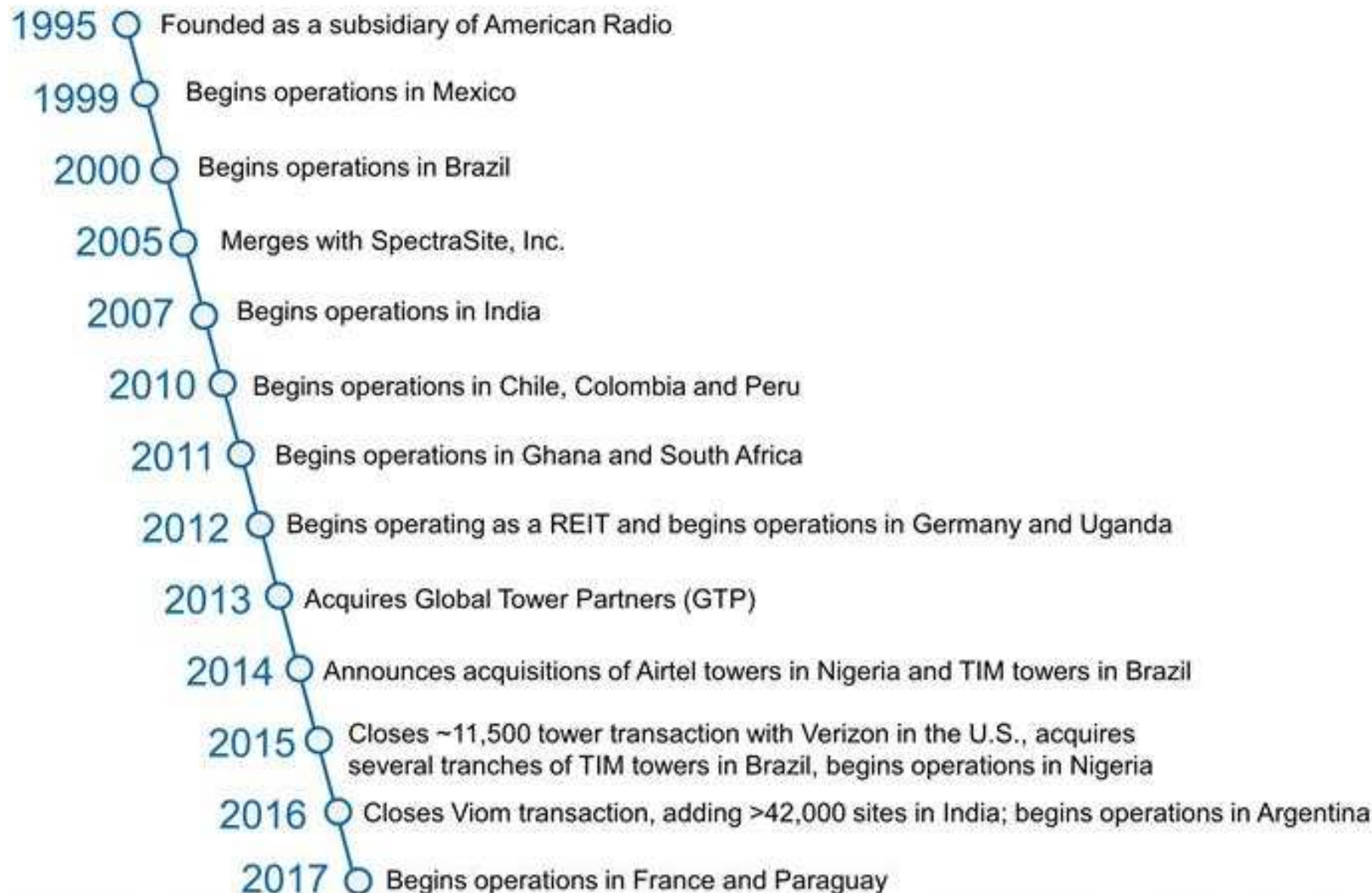
# American Tower Corporation

Raymond James 39<sup>th</sup> Annual Institutional Investors  
Conference

March 2018



# American Tower's History



# Portfolio Summary<sup>(1)</sup>

**16**

Countries

**4,700+**

Global Employees

**150,000+**

Total Communications Sites



	U.S. towers	International towers	Distributed Antenna Systems (DAS)
Asset count	40,000+	109,000+	900+
Types of locations served	Mainly suburban and rural locations.	Mix of urban, suburban and rural locations, typically clustered around key population centers.	U.S. and international indoor and outdoor venues with clear multitenant opportunities.

(1) Data as of December 31, 2017.





# Business Model Overview

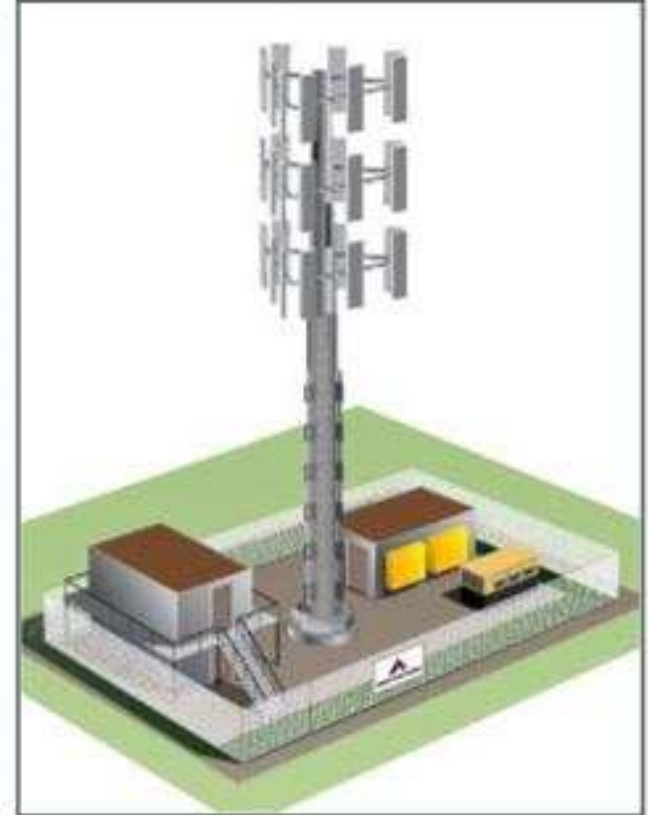
One Tenant



Two Tenants



Three Tenants



**Adding tenants, equipment and upgrades results in significantly higher returns, as revenue is added with minimal incremental cost.**



# Proven Long-Term Strategic Planning Framework

## Attain Attractive Levels of Scale

- Focus on high-quality, well-located assets worldwide
- Emphasize location, structural quality and lease-up potential
- Utilize expanded asset base to build mutually beneficial relationships with carriers

## Drive Superior Operational Execution to Expand Margins

- Hire the best people at all levels of the organization
- Optimize processes and procedures and build best-in-class systems
- Focus on driving highest possible margin flow-through of organic revenue growth

## Maintain a Strong Financial Position to Support Inorganic Growth

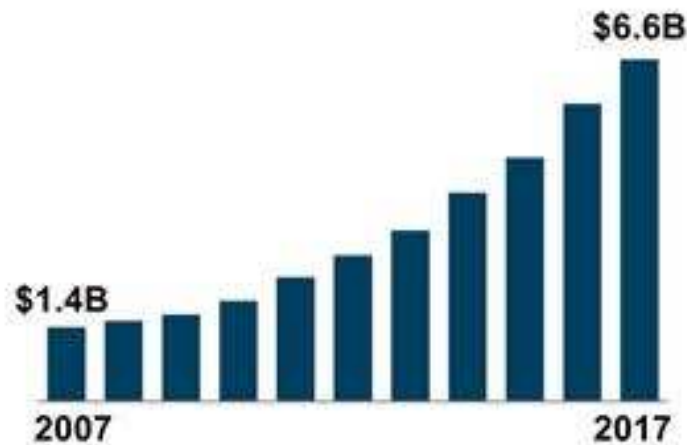
- Prudent financial policies to support investment grade rating
- Substantial liquidity to support capital deployment
- Disciplined asset evaluation processes

**Decisions Are Made to Create Long-Term Shareholder Value**



# Strong Track Record of Growth in Key Financial Metrics, Complemented by Growing Dividend

Property Segment Revenue



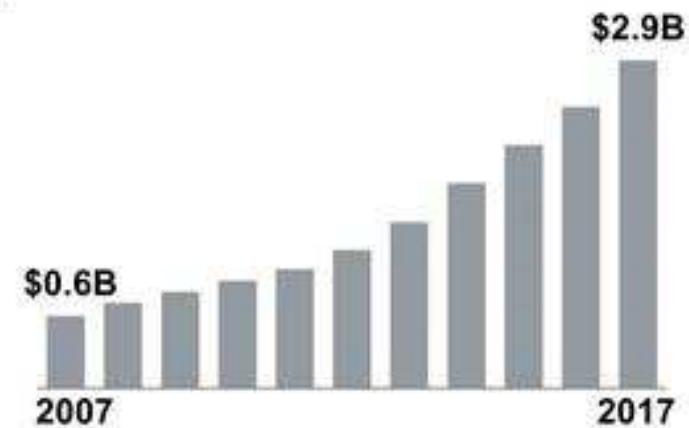
16.5% CAGR

Adjusted EBITDA



15.4% CAGR

Consolidated AFFO



16.3% CAGR  
16.1% Per Share CAGR

Grew ROIC to >10% while generating ~24% average annual dividend per share growth since 2012





# Definitions

**Adjusted EBITDA:** Net income before income (loss) from equity method investments; Income tax benefit (provision); Other income (expense); Gain (loss) on retirement of long-term obligations; Interest expense; Interest income; Other operating income (expense); Depreciation, amortization and accretion; and Stock-based compensation expense.

**Consolidated Adjusted Funds From Operations, or Consolidated AFFO:** Nareit FFO attributable to American Tower Corporation common stockholders before (i) straight-line revenue and expense, (ii) stock-based compensation expense, (iii) the deferred portion of income tax, (iv) non-real estate related depreciation, amortization and accretion, (v) amortization of deferred financing costs, capitalized interest, debt discounts and premiums and long-term deferred interest charges, (vi) other income (expense), (vii) gain (loss) on retirement of long-term obligations, (viii) other operating income (expense), and adjustments for (ix) unconsolidated affiliates and (x) noncontrolling interests, less cash payments related to capital improvements and cash payments related to corporate capital expenditures. The Company believes this measure provides valuable insight into the operating performance of its property assets by further adjusting the Nareit FFO attributable to American Tower Corporation common stockholders metric to exclude the factors outlined above, which if unadjusted, may cause material fluctuations in Nareit FFO attributable to American Tower Corporation common stockholders growth from period to period that would not be representative of the underlying performance of our property assets in those periods. In addition, it is a widely used performance measure across our telecommunications real estate sector.

**Consolidated AFFO per Share:** Consolidated AFFO divided by the diluted weighted average common shares outstanding.

**Nareit Funds From Operations Attributable to American Tower Corporation Common Stockholders:** Net income before gains or losses from the sale or disposal of real estate, real estate related impairment charges, real estate related depreciation, amortization and accretion and dividends on preferred stock, and including adjustments for (i) unconsolidated affiliates and (ii) noncontrolling interests.





# Risk Factors

This presentation contains “forward-looking statements” concerning our goals, beliefs, expectations, strategies, objectives, plans, future operating results and underlying assumptions, and other statements that are not necessarily based on historical facts. Examples of these statements include, but are not limited to, statements regarding our full year 2018 outlook and our expectations for the closing of signed acquisitions and other targets, our expectations regarding Indian Carrier Consolidation-Driven Churn and factors that could affect our expectations, foreign currency exchange rates, our expectations for the closing of signed acquisitions and our expectations regarding the leasing demand for communications real estate. Actual results may differ materially from those indicated in our forward-looking statements as a result of various important factors, including: (1) a significant decrease in leasing demand for our communications infrastructure would materially and adversely affect our business and operating results, and we cannot control that demand; (2) increasing competition within our industry for tenants may materially and adversely affect our revenue; (3) if our tenants consolidate their operations, exit the telecommunications business or share site infrastructure to a significant degree, our growth, revenue and ability to generate positive cash flows could be materially and adversely affected; (4) our business is subject to government and tax regulations and changes in current or future laws or regulations could restrict our ability to operate our business as we currently do; (5) our foreign operations are subject to economic, political and other risks that could materially and adversely affect our revenues or financial position, including risks associated with fluctuations in foreign currency exchange rates; (6) a substantial portion of our revenue is derived from a small number of tenants, and we are sensitive to changes in the creditworthiness and financial strength of our tenants; (7) our expansion initiatives involve a number of risks and uncertainties, including those related to integrating acquired or leased assets, that could adversely affect our operating results, disrupt our operations or expose us to additional risk; (8) competition for assets could adversely affect our ability to achieve our return on investment criteria; (9) new technologies or changes in a tenant’s business model could make our tower leasing business less desirable and result in decreasing revenues and operating results; (10) our leverage and debt service obligations may materially and adversely affect our ability to raise additional financing to fund capital expenditures, future growth and expansion initiatives and to satisfy our distribution requirements; (11) if we fail to remain qualified for taxation as a REIT, we will be subject to tax at corporate income tax rates, which may substantially reduce funds otherwise available, and even if we qualify for taxation as a REIT, we may face tax liabilities that impact earnings and available cash flow; (12) complying with REIT requirements may limit our flexibility or cause us to forego otherwise attractive opportunities; (13) restrictive covenants in the agreements related to our securitization transactions, our credit facilities and our debt securities could materially and adversely affect our business by limiting flexibility, and we may be prohibited from paying dividends on our common stock, which may jeopardize our qualification for taxation as a REIT; (14) our towers, data centers or computer systems may be affected by natural disasters and other unforeseen events for which our insurance may not provide adequate coverage;





# Risk Factors

*(continued)*

(15) our costs could increase and our revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated; (16) we could have liability under environmental and occupational safety and health laws; (17) if we are unable to protect our rights to the land under our towers, it could adversely affect our business and operating results; and (18) if we are unable or choose not to exercise our rights to purchase towers that are subject to lease and sublease agreements at the end of the applicable period, our cash flows derived from those towers will be eliminated. For additional information regarding factors that may cause actual results to differ materially from those indicated in our forward-looking statements, we refer you to the information contained in Item 1A of our Form 10-K for the year ended December 31, 2017, under the caption "Risk Factors". We undertake no obligation to update the information contained in this presentation to reflect subsequently occurring events or circumstances.



# Historical Reconciliations

\$ in Millions, totals may not add due to rounding

RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net income	\$57	\$347	\$247	\$374	\$382	\$594	\$482	\$803	\$672	\$970	\$1,225
Loss (income) from discontinued operations, net	36	(111)	(8)	(0)	-	-	-	-	-	-	-
Income from continuing operations	\$93	\$236	\$239	\$374	\$382	\$594	\$482	\$803	\$672	\$970	\$1,225
Income from equity method investments	(0)	(0)	(0)	(0)	(0)	(0)	-	-	-	-	-
Income tax provision	60	136	183	182	125	107	60	63	158	156	31
Other (income) expense	(21)	(6)	(1)	(0)	123	38	207	62	135	48	(31)
Loss (gain) on retirement of long-term obligations	35	5	18	2	-	0	39	3	80	(1)	70
Interest expense	236	254	250	246	312	402	458	580	596	717	750
Interest income	(11)	(3)	(2)	(5)	(7)	(8)	(10)	(14)	(16)	(26)	(35)
Other operating expenses	9	11	19	36	58	62	72	69	67	73	256
Depreciation, amortization and accretion	523	405	415	461	556	644	800	1,004	1,285	1,526	1,716
Stock-based compensation expense	55	55	61	53	47	52	68	80	91	90	109
<b>ADJUSTED EBITDA</b>	<b>\$979</b>	<b>\$1,092</b>	<b>\$1,181</b>	<b>\$1,348</b>	<b>\$1,595</b>	<b>\$1,892</b>	<b>\$2,176</b>	<b>\$2,650</b>	<b>\$3,067</b>	<b>\$3,553</b>	<b>\$4,090</b>
Divided by total revenue	\$1,457	\$1,594	\$1,724	\$1,985	\$2,444	\$2,876	\$3,361	\$4,100	\$4,772	\$5,786	\$6,664
<b>ADJUSTED EBITDA MARGIN</b>	<b>67%</b>	<b>69%</b>	<b>68%</b>	<b>68%</b>	<b>65%</b>	<b>66%</b>	<b>65%</b>	<b>65%</b>	<b>64%</b>	<b>61%</b>	<b>61%</b>
AFFO RECONCILIATION <sup>(1)</sup>											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Adjusted EBITDA	\$979	\$1,092	\$1,181	\$1,348	\$1,595	\$1,892	\$2,176	\$2,650	\$3,067	\$3,553	\$4,090
Straight-line revenue	(70)	(50)	(36)	(105)	(144)	(166)	(148)	(124)	(155)	(132)	(194)
Straight-line expense	27	28	27	22	31	34	30	38	56	68	62
Cash interest	(227)	(244)	(240)	(238)	(301)	(381)	(435)	(572)	(573)	(694)	(723)
Interest income	11	3	2	5	7	8	10	14	16	26	35
Cash received (paid) for income taxes <sup>(2)</sup>	(35)	(35)	(40)	(36)	(54)	(69)	(52)	(69)	(64)	(96)	(137)
Dividends on preferred stock	-	-	-	-	-	-	-	(24)	(90)	(107)	(87)
Dividend to noncontrolling interest	-	-	-	-	-	-	-	-	-	-	(13)
Capital improvement Capex	(29)	(33)	(33)	(31)	(61)	(75)	(81)	(75)	(90)	(110)	(114)
Corporate Capex	(13)	(6)	(8)	(12)	(19)	(20)	(30)	(24)	(16)	(16)	(17)
<b>Consolidated AFFO</b>	<b>\$642</b>	<b>\$756</b>	<b>\$852</b>	<b>\$953</b>	<b>\$1,055</b>	<b>\$1,223</b>	<b>\$1,470</b>	<b>\$1,815</b>	<b>\$2,150</b>	<b>\$2,490</b>	<b>\$2,902</b>
Adjustments for noncontrolling interests	N/A	N/A	N/A	N/A	(51)	(516)	(530)	(524)	(534)	(590)	(5147)
<b>AFFO Attributable to Common Stockholders</b>	<b>\$642</b>	<b>\$756</b>	<b>\$852</b>	<b>\$953</b>	<b>\$1,055</b>	<b>\$1,207</b>	<b>\$1,439</b>	<b>\$1,791</b>	<b>\$2,116</b>	<b>\$2,400</b>	<b>\$2,755</b>
Divided by weighted average diluted shares outstanding	426.1	418.4	406.9	404.1	400.2	399.6	399.1	400.1	423.0	429.3	431.7
<b>Consolidated AFFO per Share</b>	<b>\$ 1.51</b>	<b>\$ 1.81</b>	<b>\$ 2.09</b>	<b>\$ 2.36</b>	<b>\$ 2.64</b>	<b>\$ 3.06</b>	<b>\$ 3.68</b>	<b>\$ 4.54</b>	<b>\$ 5.08</b>	<b>\$ 5.80</b>	<b>\$ 6.72</b>
<b>AFFO Attributable to Common Stockholders per Share</b>	<b>\$ 1.51</b>	<b>\$ 1.81</b>	<b>\$ 2.09</b>	<b>\$ 2.36</b>	<b>\$ 2.64</b>	<b>\$ 3.02</b>	<b>\$ 3.61</b>	<b>\$ 4.48</b>	<b>\$ 5.00</b>	<b>\$ 5.59</b>	<b>\$ 6.38</b>

- (1) Calculation of Consolidated AFFO excludes start-up related capital spending.  
(2) Excludes one-time GTP cash tax charge incurred during the third quarter of 2015.





# Historical Reconciliations

\$ in Millions, totals may not add due to rounding

RETURN ON INVESTED CAPITAL (ROIC) RECONCILIATION <sup>(1)</sup>											
	2007	2008	2009	2010	2011	2012	2013 <sup>(2)</sup>	2014	2015 <sup>(3)</sup>	2016 <sup>(4)</sup>	2017 <sup>(5)</sup>
Adjusted EBITDA	\$979	\$1,092	\$1,181	\$1,348	\$1,595	\$1,892	\$2,401	\$2,650	\$3,206	\$3,743	\$4,149
Cash Taxes	(35)	(35)	(40)	(36)	(54)	(69)	(114)	(69)	(107)	(98)	(137)
Maintenance Capex	(29)	(33)	(33)	(31)	(61)	(75)	(81)	(75)	(124)	(159)	(115)
Corporate Capex	(13)	(6)	(8)	(12)	(19)	(20)	(23)	(24)	(26)	(27)	(17)
Numerator	\$903	\$1,019	\$1,100	\$1,268	\$1,462	\$1,728	\$2,183	\$2,482	\$2,948	\$3,459	\$3,880
Gross PPE	\$4,992	\$5,213	\$5,621	\$6,376	\$7,889	\$9,047	\$10,844	\$11,659	\$14,397	\$15,652	\$16,950
Gross Intangibles	2,666	2,619	2,790	3,213	3,978	4,892	8,471	9,172	12,671	14,795	16,183
Gross Goodwill <sup>(6)</sup>	2,333	2,334	2,399	2,660	2,824	2,991	3,928	4,180	4,240	4,510	4,879
Denominator	\$9,991	\$10,166	\$10,810	\$12,249	\$14,691	\$16,930	\$23,243	\$25,011	\$31,308	\$34,957	\$38,012
ROIC	9.0%	10.0%	10.2%	10.4%	10.0%	10.2%	9.4%	9.9%	9.4%	9.9%	10.2%

- (1) Historical denominator balances reflect purchase accounting adjustments.  
(2) 2013 has been adjusted to reflect a full year contribution from the GTP assets.  
(3) Represents Q4 2015 annualized numbers to account for full year impact of Verizon transaction.  
(4) Represents Q4 2016 annualized numbers to account for full year impact of Viom transaction.  
(5) Adjusted to annualize impacts of acquisitions closed throughout the year.  
(6) Excludes the impact of deferred tax adjustments related to valuation.

