

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934

CROWN CASTLE INTERNATIONAL CORP.

(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share

(Title of Class of Securities)

228227104

(CUSIP Number)

Mr. Charles C. Green, III
Executive Vice President
and Chief Financial Officer
Crown Castle International Corp.
510 Bering Drive
Suite 500
Houston, Texas 77057
(713) 570-3000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

August 21, 1998

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of (S)(S) 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See (S) 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following page(s))

SCHEDULE 13D

CUSIP NO. 228227104

PAGE 2 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Digital Future Investments B.V.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Netherlands

7 SOLE VOTING POWER
NUMBER OF
SHARES 11,340,000

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 11,340,000

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

SCHEDULE 13D

CUSIP NO. 228227104

PAGE 3 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

TeleDiffusion de France International S.A.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
France

7 SOLE VOTING POWER
NUMBER OF
SHARES 28,783,500

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 28,783,500

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 4 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

TeleDiffusion de France S.A.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Frnace

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		28,783,500
	8	SHARED VOTING POWER
BENEFICIALLY		
OWNED BY		0
	9	SOLE DISPOSITIVE POWER
EACH		
REPORTING		28,783,500
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 5 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
France Telecom

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
France

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		28,783,500

BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0

	9	SOLE DISPOSITIVE POWER
EACH		
REPORTING		28,783,500

PERSON		SHARED DISPOSITIVE POWER
WITH	10	0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

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85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 6 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Candover Investments plc

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
England

7 SOLE VOTING POWER
NUMBER OF
SHARES 11,330,200

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 11,330,200

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IV

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 7 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Candover (Trustees) Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
England

7 SOLE VOTING POWER
NUMBER OF
SHARES 208,317

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 208,317

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IV

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 8 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Candover Partners Limited (as general partner of the Candover 1994 UK Limited Partnership, the Candover 1994 UK No.2 Limited Partnership, the Candover 1994 US No.1 Limited Partnership and the Candover 1994 US No.2 Limited Partnership)

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
England

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		8,792,565
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		
PERSON		8,792,565
WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IV

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 9 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Candover Services Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
England

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		8,792,565
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		8,792,565
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IV

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 10 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Ted B. Miller, Jr.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		3,916,130
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		3,916,130
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

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85.7%

14 TYPE OF REPORTING PERSON*
IN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 11 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

The Miller 1996 Gift Trust

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America

7 SOLE VOTING POWER
NUMBER OF
SHARES 99,995

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 99,995

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
EP

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 12 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Robert A. Crown

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		2,076,875
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		125,000
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		2,076,875
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		125,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 13 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Barbara A. Crown

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America

	7	SOLE VOTING POWER
NUMBER OF		
SHARES	1,749,375	
	8	SHARED VOTING POWER
BENEFICIALLY		
OWNED BY	125,000	
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		
PERSON	1,749,375	
WITH	10	SHARED DISPOSITIVE POWER
		125,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IN

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1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 Robert A. Crown Grantor Retained Annuity Trust, Robert A. Crown and
 PNC Bank, Delaware, Trustees

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
 (a)
 (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
 TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

	7	SOLE VOTING POWER
NUMBER OF		915,625
SHARES		
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		915,625
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 85.7%

14 TYPE OF REPORTING PERSON*
 EP

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Barbara A. Crown Grantor Retained Annuity Trust, Barbara A. Crown
and PNC Bank, Delaware, Trustees.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 915,625

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 915,625

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
EP

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Berkshire Fund III, A Limited Partnership

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
NUMBER OF
SHARES 6,095,450

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 6,095,450

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Third Berkshire Associates Limited Partnership

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
NUMBER OF
SHARES 6,095,450

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 6,095,450

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

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14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 18 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Berkshire Fund IV, Limited Partnership

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
NUMBER OF
SHARES 12,996,055

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 12,996,055

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 19 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Fourth Berkshire Associates LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
NUMBER OF
SHARES 12,996,055

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 12,996,055

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 20 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Berkshire Investors LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
NUMBER OF
SHARES 1,619,300

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 1,619,300

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 21 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Centennial Fund IV, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 5,965,340

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 5,965,340

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 22 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Centennial Holdings IV, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 5,965,340

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 5,965,340

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 23 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Centennial Fund V, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		3,731,285
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		3,731,285
PERSON		SHARED DISPOSITIVE POWER
WITH	10	0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 24 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Centennial Entrepreneurs Fund V, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 115,415

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY EACH
REPORTING PERSON 0

9 SOLE DISPOSITIVE POWER
115,415

10 SHARED DISPOSITIVE POWER
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 25 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Centennial Holdings V, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 3,846,700

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 3,846,700

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 26 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Nassau Capital Partners II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 5,023,825

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 5,023,825

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Nassau Capital LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 5,023,825

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 5,023,825

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 28 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NAS Partners I, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 31,255

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 31,255

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Fay, Richwhite Communications Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
New Zealand

7 SOLE VOTING POWER
NUMBER OF
SHARES 2,793,640

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 0

10 SHARED DISPOSITIVE POWER
WITH 2,793,640

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 30 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

PNC Venture Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF
SHARES 2,002,210

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 2,002,210

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 30 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

PNC Holding Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF SHARES 2,002,210

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY EACH REPORTING PERSON 0

9 SOLE DISPOSITIVE POWER
PERSON WITH 2,002,210

10 SHARED DISPOSITIVE POWER
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

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SCHEDULE 13D

CUSIP NO. 228227104 PAGE 30 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
PNC Bank Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF SHARES 2,002,210

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY 0

EACH SOLE DISPOSITIVE POWER
REPORTING 9
PERSON 2,002,210

WITH SHARED DISPOSITIVE POWER
 10
 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

[]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

85.7%

14 TYPE OF REPORTING PERSON*

CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 31 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
American Home Assurance Company; IRS ID No. 13-5124990

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York

		SOLE VOTING POWER
NUMBER OF	7	
SHARES	0	

		SHARED VOTING POWER
BENEFICIALLY	8	
OWNED BY	2,774,040	

		SOLE DISPOSITIVE POWER
EACH	9	
REPORTING	0	
PERSON		

		SHARED DISPOSITIVE POWER
WITH	10	
	2,774,040	

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IC, CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 32 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

American International Group, Inc.; IRS ID No. 13-2592361

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

	7	SOLE VOTING POWER
NUMBER OF		
SHARES	0	
	8	SHARED VOTING POWER
BENEFICIALLY		
OWNED BY	2,774,040	
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		
PERSON	0	
WITH	10	SHARED DISPOSITIVE POWER
		2,774,040

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IC, CO

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 33 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
New York Life Insurance Company

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
New York

7 SOLE VOTING POWER
NUMBER OF
SHARES 1,060,180

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 1,060,180

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IC

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1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

The Northwestern Mutual Life Insurance Company

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Wisconsin

7 SOLE VOTING POWER
NUMBER OF
SHARES 1,669,815

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 1,669,815

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
IC

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SCHEDULE 13D

CUSIP NO. 228227104

PAGE 35 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Harvard Private Capital Holdings, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		2,463,745 (see Item 5)

BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0

	9	SOLE DISPOSITIVE POWER
REPORTING		
PERSON		2,463,745 (see Item 5)

WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,463,745

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.1%

14 TYPE OF REPORTING PERSON*
CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Charlesbank Capital Partners, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Massachusetts

7 SOLE VOTING POWER
NUMBER OF SHARES 2,463,745 (see Item 5)

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY EACH

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 2,463,745 (see Item 5)

10 SHARED DISPOSITIVE POWER
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,463,745

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.1%

14 TYPE OF REPORTING PERSON*
00

*SEE INSTRUCTIONS BEFORE FILLING OUT!
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

SCHEDULE 13D

CUSIP NO. 228227104

PAGE 37 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Prime VIII, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF 7
SHARES 823,765

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY 8
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 9
823,765

10 SHARED DISPOSITIVE POWER
WITH 10
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

SCHEDULE 13D

CUSIP NO. 228227104

PAGE 38 OF 38 PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Prime SKA I, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF 7
SHARES 823,765

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY 8
EACH 0

9 SOLE DISPOSITIVE POWER
REPORTING PERSON 9
823,765

10 SHARED DISPOSITIVE POWER
WITH 10
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
99,127,145 (Includes all Shares beneficially owned by Group)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
85.7%

14 TYPE OF REPORTING PERSON*
CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!
INCLUDE BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

ITEM 1. SECURITY AND ISSUER

This statement on Schedule 13D (the "Statement") relates to the Common Stock, par value \$.01 per share (the "Shares"), of Crown Castle International Corp., a Delaware corporation (the "Issuer"). The Issuer's principal executive office is located at 510 Bering Drive, Suite 500, Houston, TX 77057.

ITEM 2. IDENTITY AND BACKGROUND

This Statement is being filed by the undersigned on behalf of: Digital Future Investments B.V. ("DFI"); TeleDiffusion de France International S.A. ("TdFI"); TeleDiffusion de France ("TdF"); France Telecom; Candover Investments plc ("Candover Investments"); Candover (Trustees) Limited ("Candover Trustees"); Candover Partners Limited (as general partner of the Candover 1994 UK Limited Partnership, the Candover 1994 UK No.2 Limited Partnership, the Candover 1994 US No.1 Limited Partnership and the Candover 1994 US No.2 Limited Partnership) ("Candover Partners"); Candover Services Limited ("Candover Services"); Ted B. Miller, Jr.; The Miller 1996 Gift Trust (the "Miller Trust"); Robert A. Crown (individually and for the Robert A. Crown grantor retained annuity trust); Barbara A. Crown (individually and for the Barbara A. Crown grantor retained annuity trust) (together with Robert A. Crown, the "Crown Parties"); Berkshire Fund III, A Limited Partnership ("Berkshire III"); Third Berkshire Associates Limited Partnership ("Third Berkshire Associates"); Berkshire Fund IV, Limited Partnership ("Berkshire IV"); Fourth Berkshire Associates LLC ("Fourth Berkshire Associates"); Berkshire Investors LLC; Centennial Fund IV, L.P. ("Centennial IV"); Centennial Holdings IV, L.P. ("Centennial Holdings IV"); Centennial Fund V, L.P. ("Centennial V"); Centennial Entrepreneurs Fund V, L.P. ("Centennial Entrepreneurs V"); Centennial Holdings V, L.P. ("Centennial Holdings V"); Nassau Capital Partners II, L.P. ("Nassau Capital II"); Nassau Capital LLC; NAS Partners I, L.L.C. ("NAS I"); Fay, Richwhite Communications Limited ("Fay, Richwhite"); PNC Venture Corp.; PNC Holding Corp.; PNC Bank Corp.; American Home Assurance Company ("American Home Assurance"); American International Group, Inc. ("AIG"); New York Life Insurance Company; The Northwestern Mutual Life Insurance Company; Harvard Private Capital Holdings, Inc. ("Harvard Private Capital"); Charlesbank Capital Partners, LLC ("Charlesbank"); Prime VIII, L.P. ("Prime VIII") and Prime SKA I, L.L.C. ("Prime SKA I" and, together with each of the foregoing, the "Reporting Persons").

By signing this Statement, each Reporting Person agrees that this Statement is filed on its behalf. No Reporting Person assumes responsibility for the completeness or accuracy of the information concerning any other Reporting Person.

Digital Future Investments B.V.

DFI is a Netherlands limited liability company with its principal executive office located at World Trade Center, Tower C13, Strawinskylaan 1349, 1077XX Amsterdam, The Netherlands. The principal business of DFI is to participate in and to finance companies and enterprises which conduct activities in the field of radio and telecommunications. DFI is a wholly owned subsidiary of TdFI, which is a wholly owned subsidiary of TdF, which is in turn a wholly owned subsidiary of France Telecom.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and

director of DFI are set forth on Schedule 1 hereto, which Schedule is hereby incorporated into this Item 2 by reference in its entirety.

TeleDiffusion de France International S.A.
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TdFI is a French public limited company with its principal executive office located at 10, rue d'Oradour sur Glane, 75015 Paris, France. The principal business of TdFI is as a shareholding company. TdFI is a wholly owned subsidiary of TdF, which is a wholly owned subsidiary of France Telecom.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of TdFI are set forth on Schedule 1 hereto.

TeleDiffusion de France
- - - - -

TdF is a French public limited company with its principal executive office located at 10, rue d'Oradour sur Glane, 75015 Paris, France. The principal businesses of TdF are television and radio transmission. TdF is a wholly owned subsidiary of France Telecom.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of TdF are set forth on Schedule 1 hereto.

France Telecom
- - - - -

France Telecom is a French public limited company with its principal executive office located at 10, rue d'Oradour sur Glane, 75015 Paris, France. The principal business of France Telecom is telecommunications services.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of France Telecom are set forth on Schedule 1 hereto.

Candover Investments plc
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Candover Investments is an English public limited company with its principal executive office located at 20 Old Bailey, London EC4M 7LN. Candover Investments organizes and invests in large management buyouts and buyins.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of Candover Investments are set forth on Schedule 1 hereto.

Candover (Trustees) Limited
- - - - -

Candover Trustees is an English company with its principal executive office located at 20 Old Bailey, London EC4M 7LN. The principal business of Candover Trustees

is to act as a trustee company. Candover Trustees is a wholly owned subsidiary of Candover Investments.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of Candover Trustees are set forth on Schedule 1 hereto.

Candover Partners Limited (as general partner of the Candover 1994 UK Limited Partnership, the Candover 1994 UK No.2 Limited Partnership, the Candover 1994 US No.1 Limited Partnership and the Candover 1994 US No.2 Limited Partnership)

Candover Partners is an English company with its principal executive office located at 20 Old Bailey, London EC4M 7LN. The principal business of Candover Partners is to analyze and make investment decisions in its role as general partner of the various limited partnerships constituting the Candover 1989, 1991, 1994 and 1997 Funds. Candover Partners is regulated by the Investment Management Regulatory Organisation of the U.K. ("IMRO"). Candover Partners is a majority owned direct subsidiary of Candover Services and a wholly owned indirect subsidiary of Candover Investments.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of Candover Partners are set forth on Schedule 1 hereto.

Candover Services Limited

Candover Services is an English company with its principal executive office located at 20 Old Bailey, London EC4M 7LN. The principal business of Candover Services is to operate as the service company of Candover Investments and manager of the Candover 1987 Fund and the Hoare Candover Exempt Fund. Candover Services is regulated by IMRO. Candover Services is a wholly owned subsidiary of Candover Investments.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of Candover Services are set forth on Schedule 1 hereto.

Ted B. Miller, Jr.

Ted B. Miller, Jr.'s business address is c/o Crown Castle International Corp., 510 Bering Drive, Suite 500, Houston, TX 77057. Mr. Miller is the Chief Executive Officer of the Issuer and a citizen of the United States of America.

The Miller 1996 Gift Trust

The Trustee of the Miller Trust is Robert H. Singleton, Jr. whose principal business address is c/o Singleton & Cooksay, 1600 Smith, Suite 4500, Houston, TX 77002. Mr. Singleton is a citizen of the United States of America.

Robert A. Crown

Robert A. Crown's business address is c/o Crown Communications, 375 Southpointe Blvd., Canonsburg, PA 15317. Mr. Crown is the President and Chief Executive Officer of Crown Communication Inc., and a citizen of the United States of America.

Barbara A. Crown

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Barbara A. Crown's business address is c/o Crown Communications, 375 Southpointe Blvd., Canonsburg, PA 15317. Ms. Crown is an investor and a citizen of the United States of America.

Robert A. Crown Grantor Retained Annuity Trust dated March 11, 1998

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The Robert A. Crown Grantor Retained Annuity Trust dated March 1, 1998 is a grantor retained annuity trust for the benefit of Robert A. Crown, and its business address is: c/o PNC Bank, Delaware and Robert A. Crown, Trustees, 222 Delaware Avenue, Wilmington, DE 19801.

Barbara A. Crown Grantor Retained Annuity Trust dated March 11, 1998

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The Barbara A. Crown Grantor Retained Annuity Trust dated March 1, 1998 is a grantor retained annuity trust for the benefit of Barbara A. Crown, and its business address is: c/o PNC Bank, Delaware and Barbara A. Crown, Trustees, 222 Delaware Avenue, Wilmington, DE 19801.

Berkshire Fund III, A Limited Partnership

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Berkshire III is a Massachusetts limited partnership with its principal executive office located at One Boston Place, Suite 3300, Boston, MA 02108. The principal business of Berkshire III is to make investments in, buy, sell, hold, pledge, assign and otherwise deal in securities. The sole general partner of Berkshire III is Third Berkshire Associates.

Third Berkshire Associates Limited Partnership

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Third Berkshire Associates is a Massachusetts limited partnership with its principal executive office located at One Boston Place, Suite 3300, Boston, MA 02108. The principal business of Third Berkshire Associates is to make investments in, buy, sell, hold, pledge, assign and otherwise deal in securities.

The sole general partners of Third Berkshire Associates, all of whom are citizens of the United States, are: Bradley M. Bloom, J. Christopher Clifford, Russell L. Epker, Carl Ferenbach and Richard K. Lubin (the "Third Berkshire Associates Partners"). The principal business address of each such person is One Boston Place, Suite 3300, Boston, MA 02108. By virtue of their relationships described above and their roles with Berkshire III and Third Berkshire Associates, each of the Third Berkshire Associates Partners may be deemed to control Third Berkshire Associates and Berkshire III and may be deemed to possess indirect beneficial ownership of the Shares held by Berkshire III. However, none of the Third Berkshire Associates Partners, acting alone, has voting or investment power with respect to the Shares directly beneficially held by Berkshire III, and, as a result, each Third Berkshire Associates Partner disclaims beneficial ownership of the Shares directly beneficially owned by Berkshire III.

Berkshire Fund IV, Limited Partnership

Berkshire IV is a Massachusetts limited partnership with its principal executive office located at One Boston Place, Suite 3300, Boston, MA 02108. The principal business of Berkshire IV is to invest in equity and equity-related securities of corporations and other entities. The sole general partner of Berkshire IV is Fourth Berkshire Associates LLC, a Massachusetts limited liability company.

Fourth Berkshire Associates LLC

Fourth Berkshire Associates is a Massachusetts limited partnership with its principal executive office located at One Boston Place, Suite 3300, Boston, MA 02108. The principal business of Fourth Berkshire Associates is to act as general partner of Berkshire IV, to render investment advice of any and all kinds and to identify, structure, finance, consummate and liquidate investments.

The managing members of Fourth Berkshire Associates, all of whom are citizens of the United States, are: Bradley M. Bloom, J. Christopher Clifford, Russell L. Epker, Carl Ferenbach, Richard K. Lubin, Garth H. Greimann, Kevin T. Callaghan and Jane Brock-Wilson (the "Fourth Berkshire Associates Members"). The principal business address of each such person is One Boston Place, Suite 3300, Boston, MA 02108. By virtue of their relationships described above and their roles with Berkshire IV and Fourth Berkshire Associates, each of the Fourth Berkshire Associates Members may be deemed to control Fourth Berkshire Associates and Berkshire IV and may be deemed to possess indirect beneficial ownership of the shares held by Berkshire IV. However, none of the Fourth Berkshire Associates Members, acting alone, has voting or investment power with respect to the Shares directly beneficially held by Berkshire IV, and, as a result, each Fourth Berkshire Associates Member disclaims beneficial ownership of the Shares directly beneficially owned by Berkshire IV.

Berkshire Investors LLC

Berkshire Investors LLC is a Massachusetts limited liability company with its principal executive office located at One Boston Place, Suite 3300, Boston, MA 02108. The principal business of Berkshire Investors LLC is to invest in securities of any and all kinds.

The managing members of Berkshire Investors LLC, all of whom are citizens of the United States, are: Bradley M. Bloom, J. Christopher Clifford, Russell L. Epker, Carl Ferenbach, Richard K. Lubin, Garth H. Greimann, Kevin T. Callaghan and Jane Brock-Wilson. The principal business address of each such person is One Boston Place, Suite 3300, Boston, MA 02108.

Centennial Fund IV, L.P.

Centennial IV is a Delaware limited partnership with its principal executive office located at 1428 Fifteenth Street, Denver, CO 80202-1318. Centennial IV is a venture capital investment partnership. The sole general partner of Centennial IV is Centennial Holdings IV.

Centennial Holdings IV, L.P.

Centennial Holdings IV is a Delaware limited partnership with its principal executive office located at 1428 Fifteenth Street, Denver, CO 80202-1318. Centennial Holdings IV's principal business is to act as a general partner of Centennial IV.

The sole general partners of Centennial Holdings IV, all of whom are citizens of the United States, are Steven C. Halstedt, Jr., Jeffrey H. Schutz, Adam Goldman, Donald H. Parsons, Jr. and David C. Hull, Jr. (the "Centennial Partners"). The principal business address of each such person is 1428 Fifteenth Street, Denver, CO 80202-1318. By virtue of their relationships described above and their roles with Centennial IV and Centennial Holdings IV, each of the Centennial Partners may be deemed to control Centennial IV and Centennial Holdings IV, and may be deemed to possess indirect beneficial ownership of the shares held by Centennial IV. However, none of the Centennial Partners, acting alone, has voting or investment power with respect to the shares directly beneficially held by Centennial IV and, as a result, each Centennial Partner disclaims beneficial ownership of the Shares directly beneficially owned by Centennial IV.

Centennial Fund V, L.P.
- - - - -

Centennial V is a Delaware limited partnership corporation with its principal executive office located at 1428 Fifteenth Street, Denver, CO 80202-1318. Centennial V is a venture capital investment partnership. The sole general partner of Centennial V is Centennial Holdings V.

Centennial Entrepreneurs Fund V, L.P.
- - - - -

Centennial Entrepreneurs V is a Delaware limited partnership with its principal executive office located at 1428 Fifteenth Street, Denver, CO 80202-1318. Centennial Entrepreneurs V is a venture capital investment partnership. The sole general partner of Centennial Entrepreneurs V is Centennial Holdings V.

Centennial Holdings V, L.P.
- - - - -

Centennial Holdings V is a Delaware limited partnership with its principal executive office located at 1428 Fifteenth Street, Denver, CO 80202-1318. Centennial Holdings V is a general partner of venture capital investment partnerships.

The sole general partners of Centennial Holdings V, all of whom are citizens of the United States, are the Centennial Partners. The principal business address of each such person is 1428 Fifteenth Street, Denver, CO 80202-1318. By virtue of their relationships described above and their roles with Centennial V, Centennial Entrepreneurs V and Centennial Holdings V, each of the Centennial Partners may be deemed to control Centennial V, Centennial Entrepreneurs V and Centennial Holdings V, and may be deemed to possess indirect beneficial ownership of the shares held by Centennial V and Centennial Entrepreneurs V. However, none of the Centennial Partners, acting alone, has voting or investment power with respect to the shares directly beneficially held by Centennial V or Centennial Entrepreneurs V, and, as a result, each Centennial Partner disclaims beneficial ownership of the Shares directly beneficially owned by Centennial V and Centennial Entrepreneurs V.

Nassau Capital Partners II, L.P.
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Nassau Capital II is a Delaware limited partnership with its principal executive office located at 22 Chambers Street, Suite 401, Princeton, NJ 08542. Nassau Capital II is an investment vehicle. The sole general partner of Nassau Capital II is Nassau Capital LLC.

Nassau Capital LLC
- - - - -

Nassau Capital LLC is a Delaware limited liability company with its principal executive office located at 22 Chambers Street, Suite 401, Princeton, NJ 08542. Nassau Capital LLC is an investment vehicle.

The Members of Nassau Capital LLC, all of whom are citizens of the United States, are: Randall A. Hack, John G. Quigley, Jonathan A. Sweemer and Robert L. Honstein (the "Nassau Capital Members"). The principal business address of each such person is 22 Chambers Street, Suite 401, Princeton, NJ 08542. By virtue of their relationships described above and their roles with Nassau Capital LLC and Nassau Capital II, each of the Nassau Capital Members may be deemed to control Nassau Capital LLC and Nassau Capital II and may be deemed to possess indirect beneficial ownership of the shares held by Nassau Capital II. However, none of the Nassau Capital Members, acting alone, has voting or investment power with respect to the shares directly beneficially held by Nassau Capital II, and, as a result, each Nassau Capital Member disclaims beneficial ownership of the Shares directly beneficially owned by Nassau Capital II.

NAS Partners I, L.L.C.
- - - - -

NAS I is a Delaware limited liability company with its principal executive office located at 22 Chambers Street, Suite 401, Princeton, NJ 08542. NAS I is an investment vehicle.

The Members of NAS I, both of whom are citizens of the United States, are Randall A. Hack and John G. Quigley (the "NAS I Members"). The principal business address of each such person is 22 Chambers Street, Suite 401, Princeton, NJ 08542. By virtue of their relationships described above and their roles with NAS I, each of the NAS I Members may be deemed to control NAS I and may be deemed to possess indirect beneficial ownership of the shares held by NAS I. However, neither of the NAS I Members, acting alone, has voting or investment power with respect to the shares directly beneficially held by NAS I, and, as a result, each NAS I Member disclaims beneficial ownership of the Shares directly beneficially owned by NAS I.

Fay, Richwhite Communications Limited
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Fay, Richwhite is a New Zealand corporation with its principal executive office located at Level 27, 151 Queen Street, Auckland, New Zealand (PO Box 1650, Auckland, New Zealand). The principal business of Fay, Richwhite is investment/investment management.

The Directors of Fay, Richwhite, all of whom are citizens of New Zealand, are Sir Humphrey Michael Fay, David MacKellar Richwhite, Leigh Robert Davis, Stephen Robert Norrie and Evan Christopher Williams. The principal business address of each such person is Level 27, 151 Queen Street, Auckland, New Zealand (PO Box 1650).

PNC Venture Corp.
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PNC Venture Corp. is a Delaware corporation with its principal executive office located c/o PNC Equity Management Corp., at 3150 CNG Tower, 825 Liberty Avenue, Pittsburgh, PA 18222. The principal business of PNC Venture Corp. is making investments in privately held companies. PNC Venture Corp. is a wholly owned subsidiary of PNC Holding Corp., which is a wholly owned subsidiary of PNC Bank Corp.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of PNC Venture Corp. are set forth on Schedule 1 hereto.

PNC Holding Corp.
- - - - -

PNC Holding Corp. is a Delaware corporation with its principal office located at 222 Delaware Avenue, Wilmington, DE 19899. The directors of PNC Holding Corp., all of whom are citizens of the United States, are as follows: Robert L. Haunschild (One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222-2707), Maria C. Schaffer (222 Delaware Avenue, Wilmington, DE 19899), and Calvert A. Morgan, Jr. (222 Delaware Avenue, Wilmington, DE 19899). The executive officers of PNC Holding Corp. are as follows: Robert L. Haunschild (Chairman & President), Richard C. Caldwell (Senior Vice President, PNC Bank, FSB, 3305 Flamingo Drive, Vero Beach, FL 32963), and Maria C. Schaffer (Treasurer and Controller, 222 Delaware Avenue, Wilmington, DE 19899).

PNC Bank Corp.
- - - - -

PNC Bank Corp. is a Pennsylvania corporation with its principal office located at One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222-2707.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of PNC Bank Corp. are set forth on Schedule 1 hereto.

American Home Assurance Company
- - - - -

American Home Assurance is a New York corporation with its principal executive offices located at 70 Pine Street, New York, NY 10270. American Home Assurance is a multiple line insurance Company which writes substantially all lines of property and casualty insurance in each state of the United States and abroad. American Home Assurance is a wholly owned subsidiary of AIG.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of American Home Assurance are set forth on Schedule 1 hereto which schedule is hereby incorporated into this Item 2 by reference in its entirety.

American International Group, Inc.
- - - - -

AIG is a Delaware corporation with its principal executive offices located at 70 Pine Street, New York, NY 10270. AIG is a holding company which, through its subsidiaries, is primarily engaged in a broad range of insurance and insurance-related activities and financial services in the United States and abroad. AIG's primary activities include both general and life insurance operations.

Starr International Company, Inc., a private holding company organized under the laws of Panama ("SICO"), The Starr Foundation, a New York not-for-profit corporation ("Starr Foundation"), and C.V. Starr & Co., Inc., a Delaware corporation ("Starr"), have the right to vote approximately 16.2%, 3.5% and 2.4%, respectively, of the outstanding common stock of AIG. The principal executive offices of SICO are located at 29 Richmond Road, American International Building, Pembroke HM08 Bermuda. The principal executive offices of each of the Starr Foundation and Starr are located at 70 Pine Street, New York, NY 10270.

The name, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of AIG, SICO, Starr Foundation and Starr are set forth on Schedule 1 hereto.

New York Life Insurance Company
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New York Life Insurance Company is a New York mutual life insurance company organized under the laws of the State of New York. Its principal place of business is located at 51 Madison Avenue, New York, NY 10010. The principal

business of New York Life Insurance Company is that of a mutual life insurance company.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and director of New York Life Insurance Company are set forth on Schedule 1 hereto.

The Northwestern Mutual Life Insurance Company

The Northwestern Mutual Life Insurance Company is a mutual insurance company organized under the laws of the State of Wisconsin, with its principal executive office located at 720 East Wisconsin Avenue, Milwaukee, WI 53202-4797. The principal business of The Northwestern Mutual Life Insurance Company is the sale of life insurance, disability insurance, long term care insurance, annuities and mutual funds.

The name, citizenship, residence or business address, and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each executive officer and trustee of The Northwestern Mutual Life Insurance Company are set forth on Schedule 1 hereto.

Harvard Private Capital Holdings, Inc.

Harvard Private Capital is a Massachusetts corporation with its principal office located c/o Charlesbank Capital Partners, LLC, at 600 Atlantic Avenue, Boston, MA 02210. Harvard Private Capital is a charitable company holding a portion of the endowment fund of Harvard University. Harvard Private Capital is controlled by the President and Fellows of Harvard College, a Massachusetts educational corporation and title-holding company for the endowment fund of Harvard University.

The Directors of Harvard Private Capital, all of whom are citizens of the United States of America, and whose principal business address is located at 600 Atlantic Avenue, Boston MA 02210, are Michael R. Eisenson, Mark A. Rosen and Tim R. Palmer. The Officers of Harvard Private Capital, all of whom are citizens of the United States of America, and whose principal business address is located at 600 Atlantic Avenue, Boston, MA 02210, are Michael R. Eisenson (President), Jack R. Meyer (Vice President), John M. Sallay (Vice President), Tami E. Nason (Clerk), and Michael Thonis (Assistant Clerk).

Charlesbank Capital Partners, LLC

Charlesbank is a Massachusetts limited liability company organized primarily for the purpose of acting as an investment manager to President and Fellows of Harvard College and certain other entities. The principal executive offices of Charlesbank are located at 600 Atlantic Avenue, 26th Floor, Boston, MA 02210. Subject to the terms of the Stockholders Agreement, Charlesbank, pursuant to an agreement among Charlesbank, the President and Fellows of Harvard College and certain individuals, has sole power to direct the vote on the Shares of which Harvard Private Capital is the beneficial owner.

The Managing Members of Charlesbank, all of whom are citizens of the United States of America, and whose principal business address is c/o Charlesbank Capital Partners, LLC, 600 Atlantic Avenue, 26th Floor, Boston, MA 02210, are Michael E. Eisenson, (President and Chief Executive Officer), Kim G. Davis (Managing Director), William P. Douglas (Managing Director), Tim R. Palmer (Managing Director), Mark A. Rosen (Managing Director), Michael Thonis (Chief Financial Officer), and Charles F. Wu (Managing Director).

Prime VIII, L.P.

Prime VIII is a Delaware limited partnership with its principal executive office located at 600 Congress Avenue, Suite 3000, Austin, TX 78701. Prime VIII is a venture capital fund. The sole general partner of Prime VIII is Prime SKA I.

Prime SKA I, L.L.C.

Prime SKA I is a Delaware limited liability company with its principal executive office located at 600 Congress Avenue, Suite 3000, Austin, TX 78701, and its principal business is as general partner for Prime VIII.

The members of Prime SKA I, all of whom are citizens of the United States, are: Gregory S. Marchbanks, Duncan T. Butler, Jr., William P. Glasgow, Robert W. Hughes

and Dean M. Greenwood (the "Prime SKA I Members"). The principal business address of each such person is 600 Congress Avenue, Suite 3000, Austin, TX 78701. By virtue of their relationships described above and their roles with Prime SKA I and Prime VIII, each of the Prime SKA I Members may be deemed to control Prime SKA I and Prime VIII and may be deemed to possess indirect beneficial ownership of the shares held by Prime VIII. However, none of the Prime SKA I Members, acting alone, has voting or investment power with respect to the shares directly beneficially held by Prime VIII, and, as a result, each Prime SKA I Member disclaims beneficial ownership of the shares directly beneficially owned by Prime VIII.

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None of the Reporting Persons, nor any of their executive officers, directors, trustees or partners, as applicable during the last five years (1) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such entity or person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

On August 21, 1998, pursuant to a Share Exchange Agreement, (i) the shareholders of Castle Transmission Services (Holdings) Ltd. ("CTSH") (other than the Issuer, TdF and DFI) exchanged their shares of capital stock of CTSH for an aggregate of 20,867,700 shares of Common Stock of the Issuer and (ii) DFI exchanged its shares of capital stock of CTSH for 11,340,000 shares of Class A Common Stock of the Issuer. In connection with such exchanges, the Issuer exercised warrants to acquire additional shares of capital stock of CTSH and subscribed for additional shares of capital stock of CTSH. Such transactions are collectively referred to herein as the "Exchange". The Issuer now owns 80.0% of CTSH and TdF owns the remaining 20.0%. Simultaneously with the Exchange, (i) each share of the Issuer's previously outstanding Class A Common Stock, par value \$.01 per share, was converted into 1.523148 shares of Common Stock, (ii) each share of the Issuer's previously outstanding Class B Common stock, par value \$.01 per share, was reclassified as one share of Common Stock and (iii) each share of the Issuer's previously outstanding Series A Convertible Preferred Stock, par value \$.01 per share, Series B Convertible Preferred Stock, par value \$.01 per share, and Series C Convertible Preferred Stock, par value \$.01 per share, was converted into one share of Common Stock. The Exchange and the Conversions are collectively referred to herein as the "Roll-Up". The description of the Roll-Up contained on pages 92-106 of Amendment No. 4 to the Issuer's Registration Statement on Form S-1, which is attached hereto as Exhibit 1 (the "Registration Statement"), is incorporated herein by reference.

ITEM 4. PURPOSE OF TRANSACTION

Although each of the Reporting Persons believes that the Shares which it beneficially owns are an attractive investment, each of the Reporting Persons on an individual basis continues to monitor and evaluate its investment in the Issuer in light of pertinent factors, including without limitation the following: (i) the Issuer's business, operations, assets, financial condition and prospects; (ii) market, general economic and other

conditions and (iii) other investment opportunities available to one or more of the Reporting Persons. In light of the foregoing factors, and the plans and requirements of the Reporting Persons from time to time, some or all of the Reporting Persons may decide to (i) dispose of some or all of the securities of the Issuer which they beneficially own, (ii) increase or decrease their participation in the determination of the Issuer's management and policies, (iii) propose a merger, consolidation, joint venture or other business combination involving the Issuer or its subsidiaries or divisions, a sale or purchase of assets or securities of the Issuer or its subsidiaries or divisions, a recapitalization, reorganization or liquidation involving the Issuer or its subsidiaries or divisions or other similar actions or (iv) acquire additional securities of the Issuer. The Reporting Persons reserve the right, either individually or in any combination among themselves or together with one or more other stockholders of the Issuer, to decide in the future to take or cause to be taken one or more of the foregoing actions. Any sale or disposition of one or more of the Reporting Persons' Shares may be made by means of privately negotiated sales, registered offerings or other transactions or by seeking to cause the Issuer to effect one or more of the transactions set forth above. In addition, (i) the securities of the Issuer held by Candover Partners as general partner of the Candover 1994 UK Limited Partnership, the Candover 1994 UK No.2 Limited Partnership, the Candover 1994 US No.1 Limited Partnership and the Candover 1994 US No.2 Limited Partnership (collectively, the "Candover Partnerships") may be distributed by Candover Partners to the limited partners and special limited partners of the Candover Partnerships pursuant to the Limited Partnership Agreements governing each of the Candover Partnerships and (ii) the securities of the Issuer held by Centennial IV, Centennial V and Centennial Entrepreneurs V may be distributed to the partners of those entities.

There can be no assurance that any of the foregoing transactions will occur or as to the timing of any such transactions.

For a description of certain contracts and agreements among the Issuer and certain of the Reporting Persons, including, among other things, agreements concerning the right of certain of the Reporting Persons to designate members of the Board of Directors of the Issuer and obligations to vote for such designees and a management transition at the Issuer, see Item 6, which is hereby incorporated into this Item 4 by reference in its entirety.

Except as described above, none of the Reporting Persons has any plans or proposals that relate to or would result in: (i) the acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer; (ii) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries; (iii) a sale or transfer of a material amount of assets of the issuer or of any of its subsidiaries; (iv) any change in the present board of directors or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (v) any material change in the present capitalization or dividend policy of the Issuer; (vi) any other material change in the Issuer's business or corporate structure; (vii) changes in the Issuer's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person; (viii) causing a class of securities of the Issuer to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (ix) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or (x) any action similar to any of those enumerated above.

The Reporting Persons disclaim that they are part of a group (as such term is set forth in Rule 13(d) promulgated under the Securities Exchange Act of 1934).

Additionally, the Reporting Persons disclaim beneficial ownership of all Shares which are not directly owned of record by such Reporting Person.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

In accordance with Rule 13d-5(b)(1) of the General Rules and Regulations of the Act and by virtue of the Stockholders Agreement discussed in Item 6 (subject to the disclaimer in Item 4), each of the Reporting Persons may be deemed to beneficially own 99,127,145 Shares, which constitute approximately 85.7% of the 115,657,700 Shares deemed outstanding as of August 21, 1998 (assuming the exercise or conversion of all securities held by the Reporting Persons that are exercisable for or convertible into Shares), according to information contained in the Registration Statement.

The information contained in Item 3 of this Statement is hereby incorporated into this Item 5 by reference in its entirety.

Digital Future Investments B.V.

DFI has sole voting power with respect to 11,340,000 Shares and has sole dispositive power with respect to 11,340,000 Shares. DFI's sole voting and dispositive power with respect to such 11,340,000 Shares is derived from its direct ownership of 11,340,000 shares of Class A Common Stock, which are convertible into 11,340,000 Shares.

TeleDiffusion de France International S.A.

TdFI has sole voting power with respect to 28,783,500 Shares and has sole dispositive power with respect to 28,783,500 Shares. TdFI's sole voting and dispositive power with respect to 17,443,500 of such Shares is derived from its 20% equity interest in CTSH, convertible into 17,443,500 shares of Class A Common Stock, convertible into 17,443,500 Shares. By virtue of the relationships reported under Item 2 of this Statement, TdFI also may be deemed to have indirect beneficial ownership of the 11,340,000 Shares beneficially owned by DFI.

TeleDiffusion de France

TdF has sole voting power with respect to 28,783,500 Shares and has sole dispositive power with respect to 28,783,500 Shares. By virtue of the relationships reported under Item 2 of this Statement, TdF may be deemed to have indirect beneficial ownership of the Shares beneficially owned by DFI and TdFI.

France Telecom

France Telecom has sole voting power with respect to 28,783,500 Shares and has sole dispositive power with respect to 28,783,500 Shares. By virtue of the relationships reported under Item 2 of this Statement, France Telecom may be deemed to have indirect beneficial ownership of the Shares beneficially owned by DFI, TdFI and TdF.

Candover Investments plc

Candover Investments has sole voting power with respect to 11,330,200 Shares and has sole dispositive power with respect to 11,330,200 Shares.
Candover

Investments is the direct beneficial owner of 2,329,318 Shares over which it has sole voting and dispositive power. By virtue of the relationships reported under Item 2 of this Statement, Candover Investments may be deemed to have indirect beneficial ownership of the shares beneficially owned by Candover Trustees and Candover Partners.

Candover (Trustees) Limited

Candover Trustees has sole voting power with respect to 208,317 Shares and has sole dispositive power with respect to 208,317 Shares. Candover Trustees Limited is the direct beneficial owner of the 208,317 Shares over which it has sole voting and dispositive power.

Candover Partners Limited (as general partner of the Candover 1994 UK Limited Partnership, the Candover 1994 UK No.2 Limited Partnership, the Candover 1994 US No.1 Limited Partnership and the Candover 1994 US No.2 Limited Partnership)

Candover Partners has sole voting power with respect to 8,792,565 Shares and has sole dispositive power with respect to 8,792,565 Shares. Candover Partners is the direct beneficial owner of the 8,792,565 Shares over which it has sole voting and dispositive power.

Candover Services Limited

Candover Services has sole voting power with respect to 8,792,565 Shares and has sole dispositive power with respect to 8,792,565 Shares. By virtue of the relationships reported under Item 2 of this Statement, Candover Services may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Candover Partners.

Ted B. Miller, Jr.

Ted B. Miller, Jr. has sole voting power with respect to 3,916,130 Shares and has sole dispositive power with respect to 3,916,130 Shares. Mr. Miller, Jr. is the direct beneficial owner of the 3,916,130 Shares over which he has sole voting and dispositive power. This figure includes options for 2,848,000 Shares.

The Miller 1996 Gift Trust

The Miller 1996 Gift Trust has sole voting power with respect to 99,995 Shares and has sole dispositive power with respect to 99,995 Shares. The Miller 1996 Gift Trust is the direct beneficial owner of the 99,995 Shares over which it has sole voting and dispositive power.

Robert A. Crown

Robert A. Crown has sole voting power with respect to 2,076,875 Shares and has sole dispositive power with respect to 2,076,875 Shares. Robert A. Crown has shared voting power with respect to 125,000 Shares and has shared dispositive power with respect to 125,000 Shares. Mr. Crown is the direct beneficial owner of the 2,076,375 Shares over which he has sole voting and dispositive power. This figure includes options for 137,500 Shares. Mr. Crown owns 125,000 Shares jointly with Barbara A. Crown over which he has shared voting and dispositive power. Mr. Crown also may be deemed to have indirect

beneficial ownership of the 915,625 Shares beneficially owned by a grantor retained annuity trust for Mr. Crown.

Barbara A. Crown

Barbara A. Crown has sole voting power with respect to 1,749,375 Shares and has sole dispositive power with respect to 1,749,375 Shares. Barbara A. Crown has shared voting power with respect to 125,000 Shares and has shared dispositive power with respect to 125,000 Shares. Ms. Crown is the direct beneficial owner of the 1,749,375 Shares over which she has sole voting and dispositive power. Ms. Crown owns 125,000 Shares jointly with Robert A. Crown over which she has shared voting and dispositive power. Ms. Crown also may be deemed to have indirect beneficial ownership of the 915,625 Shares beneficially owned by a grantor retained annuity trust for Ms. Crown.

Robert A. Crown Grantor Retained Annuity Trust

The Robert A. Crown Grantor Retained Annuity Trust has sole voting power with respect to 915,625 Shares and has sole dispositive power with respect to 915,625 Shares. The Robert A. Crown Grantor Retained Annuity Trust is the direct beneficial owner of the 915,625 Shares over which it has sole voting and dispositive power.

Barbara A. Crown Grantor Retained Annuity Trust

The Barbara A. Crown Grantor Retained Annuity Trust has sole voting power with respect to 915,625 Shares and has sole dispositive power with respect to 915,625 Shares. The Barbara A. Crown Grantor Retained Annuity Trust is the direct beneficial owner of the 915,625 Shares over which it has sole voting and dispositive power.

Berkshire Fund III, A Limited Partnership

Berkshire III has sole voting power with respect to 6,095,450 Shares and has sole dispositive power with respect to 6,095,450 Shares. Berkshire III is the direct beneficial owner of the 6,095,450 Shares over which it has sole voting and dispositive power. This figure includes warrants for 35,935 Shares.

In addition to the Shares directly held by Berkshire III identified above, Carl Ferenbach holds options for 25,000 Shares. Such options were issued to Mr. Ferenbach in connection with his services to the Issuer as a director. Mr. Ferenbach disclaims beneficial ownership of such Shares, but Berkshire III may be deemed to have indirect beneficial ownership of such Shares.

Third Berkshire Associates Limited Partnership

Third Berkshire Associates has sole voting power with respect to 6,095,450 Shares and has sole dispositive power with respect to 6,095,450 Shares. By virtue of the relationships reported under Item 2 of this Statement, Third Berkshire Associates may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Berkshire III.

In addition to the Shares beneficially owned by Third Berkshire Associates identified above, Carl Ferenbach holds options for 25,000 Shares. Such options were issued

to Mr. Ferenbach in connection with his services to the Issuer as a director. Mr. Ferenbach disclaims beneficial ownership of such Shares, but Third Berkshire Associates may be deemed to have indirect beneficial ownership of such Shares.

Berkshire Fund IV, Limited Partnership

Berkshire IV has sole voting power with respect to 12,596,055 Shares and has sole dispositive power with respect to 12,596,055 Shares. Berkshire IV is the direct beneficial owner of the 12,596,055 Shares over which it has sole voting and dispositive power. This figure includes warrants for 29,255 Shares.

In addition to the Shares directly held by Berkshire IV identified above, Carl Ferenbach holds options for 25,000 Shares. Such options were issued to Mr. Ferenbach in connection with his services to the Issuer as a director. Mr. Ferenbach disclaims beneficial ownership of such Shares, but Berkshire IV may be deemed to have indirect beneficial ownership of such Shares.

Fourth Berkshire Associates LLC

Fourth Berkshire Associates has sole voting power with respect to 12,596,055 Shares and has sole dispositive power with respect to 12,596,055 Shares. By virtue of the relationships reported under Item 2 of this Statement, Fourth Berkshire Associates may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Berkshire IV.

In addition to the Shares beneficially owned by Fourth Berkshire Associates identified above, Carl Ferenbach holds options for 25,000 Shares. Such options were issued to Mr. Ferenbach in connection with his services to the Issuer as a director. Mr. Ferenbach disclaims beneficial ownership of such Shares, but Fourth Berkshire Associates may be deemed to have indirect beneficial ownership of such Shares.

Berkshire Investors LLC

Berkshire Investors LLC has sole voting power with respect to 1,619,300 Shares and has sole dispositive power with respect to 1,619,300 Shares. Berkshire Investors is the direct beneficial owner of the 1,619,300 Shares over which it has sole voting and dispositive power. This figure includes warrants for 4,810 Shares.

In addition to the Shares directly held by Berkshire Investors LLC identified above, Carl Ferenbach holds options for 25,000 Shares. Such options were issued to Mr. Ferenbach in connection with his services to the Issuer as a director. Mr. Ferenbach disclaims beneficial ownership of such Shares, but Berkshire Investors LLC may be deemed to have indirect beneficial ownership of such Shares.

Centennial Fund IV, L.P.

Centennial IV has sole voting power with respect to 5,965,340 Shares and has sole dispositive power with respect to 5,965,340 Shares. Centennial IV is the direct beneficial owner of the 5,965,340 Shares over which it has sole voting and dispositive power.

Centennial IV has (i) the direct power to direct the disposition of and vote the Shares held by it and (ii) the right to receive and the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares held by it. By virtue of the relationships described in Item 2 of this Statement, Centennial Holdings IV may be deemed to have (i) the indirect power to vote and direct the disposition of the Shares held by Centennial IV and (ii) the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares held by Centennial IV.

Centennial Holdings IV L.P.

Centennial Holdings IV has sole voting power with respect to 5,965,340 Shares and has sole dispositive power with respect to 5,965,340 Shares. By virtue of the relationships reported under Item 2 of this Statement, Centennial Holdings IV may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Centennial IV.

In addition to the Shares directly held by Centennial IV identified above, Jeffrey Schutz holds options for 25,000 Shares. Such options were issued to Mr. Schutz in connection with his services to the Issuer as a director. Mr. Schutz disclaims beneficial ownership of such Shares, but Centennial IV and Centennial Holdings IV may be deemed to have indirect beneficial ownership of such Shares.

Centennial Fund V, L.P.

Centennial V has sole voting power with respect to 3,731,285 Shares and has sole dispositive power with respect to 3,731,285 Shares. Centennial V is the direct beneficial owner of the 3,731,285 Shares over which it has sole voting and dispositive power. This figure includes warrants for 19,400 Shares.

Centennial V has (i) the direct power to direct the disposition of and vote the Shares held by it and (ii) the right to receive and the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares held by it. By virtue of the relationships described in Item 2 of this Statement, Centennial Holdings V may be deemed to have (i) the indirect power to vote and direct the disposition of the Shares held by Centennial V and (ii) the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares held by Centennial V.

Centennial Entrepreneurs Fund V, L.P.

Centennial Entrepreneurs V has sole voting power with respect to 115,415 Shares and has sole dispositive power with respect to 115,415 Shares. Centennial Entrepreneurs V is the direct beneficial owner of the 115,415 Shares over which it has sole voting and dispositive power. This figure includes warrants for 600 Shares.

Centennial Entrepreneurs V has (i) the direct power to direct the disposition of and vote the Shares held by it and (ii) the right to receive and the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares held by it. By virtue of the relationships described in Item 2 of this Statement, Centennial Holdings V may be deemed to have (i) the indirect power to vote and direct the disposition of the Shares held by Centennial Entrepreneurs V and (ii) the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares held by Centennial Entrepreneurs V.

Centennial Holdings V, L.P.

Centennial Holdings V has sole voting power with respect to 3,846,700 Shares and has sole dispositive power with respect to 3,846,700 Shares. By virtue of the relationships reported under Item 2 of this Statement, Centennial Holdings V may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Centennial V and Centennial Entrepreneurs V.

In addition to the Shares directly held by Centennial V and Centennial Entrepreneurs V identified above, Jeffrey Schutz holds options for 25,000 Shares. Such options were issued to Mr. Schutz in connection with his services to the Issuer as a director. Mr. Schutz disclaims beneficial ownership of such Shares, but Centennial V, Centennial Entrepreneurs V and Centennial Holdings V may be deemed to have indirect beneficial ownership of such Shares.

Nassau Capital Partners II, L.P.

Nassau Capital II has sole voting power with respect to 5,023,825 Shares and has sole dispositive power with respect to 5,023,825 Shares. Nassau Capital II is the direct beneficial owner of the 5,023,825 Shares over which it has sole voting and dispositive power. This figure includes warrants for 49,690 Shares.

Nassau Capital LLC

Nassau Capital LLC has sole voting power with respect to 5,023,825 Shares and has sole dispositive power with respect to 5,023,825 Shares. By virtue of the relationships reported under Item 2 of this Statement, Nassau Capital LLC may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Nassau Capital II.

NAS Partners I, L.L.C.

NAS I has sole voting power with respect to 31,255 Shares and has sole dispositive power with respect to 31,255 Shares. NAS I is the direct beneficial owner of the 31,255 Shares over which it has sole voting and dispositive power. This figure includes warrants for 310 Shares.

Fay, Richwhite Communications Limited

Fay, Richwhite has sole voting power with respect to 2,793,640 Shares and has shared dispositive power with Midavia Castletower Investments Limited, David Lloyd Equities Limited, Rangitoto No. 1 Trust and H.F. Coates No. 2 Trust (on whose behalf Fay, Richwhite holds such Shares) with respect to 2,793,640 Shares. Fay, Richwhite is the direct beneficial owner of the 2,793,640 Shares over which it has sole voting and shared dispositive power. This figure includes warrants for 50,000 Shares.

PNC Venture Corp.

PNC Venture Corp. has sole voting power with respect to 2,002,210 Shares and has sole dispositive power with respect to 2,002,210 Shares. PNC Venture Corp. is the direct beneficial owner of the 2,002,210 Shares over which it has sole voting and dispositive power. This figure includes warrants for 60,000 Shares.

PNC Holding Corp.

PNC Holding Corp. has sole voting power with respect to 2,002,210 Shares and has sole dispositive power with respect to 2,002,210 Shares. PNC Holding Corp. is the direct beneficial owner of the 2,002,210 Shares over which it has sole voting and dispositive power. This figure includes warrants for 60,000 Shares.

PNC Bank Corp.

PNC Bank Corp. has sole voting power with respect to 2,002,210 Shares and has sole dispositive power with respect to 2,002,210 Shares. PNC Bank Corp. is the direct beneficial owner of the 2,002,210 Shares over which it has sole voting and dispositive power. This figure includes warrants for 60,000 Shares.

American Home Assurance Company

American Home Assurance has, with its parent company AIG, shared voting power with respect to 2,774,040 Shares and shared dispositive power with respect to 2,774,040 Shares. American Home Assurance is the direct beneficial owner of the 2,774,040 Shares over which it has shared voting and dispositive power. This figure includes warrants for 315,155 Shares.

American International Group, Inc.

AIG has with its wholly owned subsidiary, American Home Assurance, shared voting power with respect to 2,774,040 Shares and shared dispositive power with respect to 2,774,040 Shares. By virtue of the relationships reported under Item 2 of this Statement, AIG has indirect beneficial ownership of the Shares beneficially owned by American Home Assurance. This figure includes warrants for 315,155 Shares.

New York Life Insurance Company

New York Life Insurance Company has sole voting power with respect to 1,060,180 Shares and has sole dispositive power with respect to 1,060,180 Shares. New York Life Insurance Company is the direct beneficial owner of the 1,060,180 Shares over which it has sole voting and dispositive power. This figure includes warrants for 126,000 Shares.

The Northwestern Mutual Life Insurance Company

The Northwestern Mutual Life Insurance Company has sole voting power with respect to 1,669,815 Shares and has sole dispositive power with respect to 1,669,815 Shares. The Northwestern Mutual Life Insurance Company is the direct beneficial owner of the 1,669,815 Shares over which it has sole voting and dispositive power. This figure includes warrants for 200,000 Shares.

Harvard Private Capital Holdings, Inc.

Harvard Private Capital has sole voting power with respect to 2,463,745 Shares and has sole dispositive power with respect to 2,463,745 Shares. Harvard Private Capital is the direct beneficial owner of the 2,463,745 Shares over which it has sole voting and dispositive power. This figure includes warrants for 299,000 Shares.

Charlesbank Capital Partners, LLC

Charlesbank has sole voting power with respect to 2,463,745 Shares and has sole dispositive power with respect to 2,463,745 Shares. By virtue of the relationships reported under Item 2 of this Statement, Charlesbank may be deemed to have indirect beneficial ownership of the Shares beneficially owned by Harvard Private Capital.

Prime VIII, L.P.

Prime VIII has sole voting power with respect to 823,765 Shares and has sole dispositive power with respect to 823,765 Shares. Prime VIII is the direct beneficial owner of the 823,765 Shares over which it has sole voting and dispositive power. This figure includes warrants for 100,000 Shares.

Prime SKA I, L.L.C.

Prime SKA I has sole voting power with respect to 823,765 Shares and has sole dispositive power with respect to 823,765 Shares. By virtue of the relationships reported under Item 2 of this Statement, Prime SKA I may be deemed to have indirect beneficial ownership of the shares beneficially owned by Prime VIII.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Stockholders Agreement

By virtue of a Stockholders Agreement dated August 21, 1998 (the "Stockholders Agreement"), all shares of Common Stock held by each of the Reporting Persons must be voted with respect to certain matters in accordance with specific guidelines set forth in the Stockholders Agreement. The Stockholders Agreement provides for, among other things, the election of directors, restrictions on the transfer of shares of Common Stock and Class A Common Stock, tag-along rights in the event of certain proposed sales of Issuer securities and the exercise of registration rights. The description of the Stockholders Agreement contained on pages 99-104 of the Registration Statement (attached as Exhibit 1 hereto) is incorporated herein by reference. A copy of the Stockholders Agreement is attached hereto as Exhibit 2 and the description of the Stockholders Agreement contained herein is qualified in its entirety by reference to such Exhibit, which is hereby incorporated herein by reference in its entirety.

Governance Agreement

In connection with the Roll-Up, the Issuer, TdFI and DFI entered into a Governance Agreement dated August 21, 1998 (the "Governance Agreement"), pursuant to which (i) TdFI and DFI have been granted certain governance and anti-dilutive rights with respect to the Issuer and (ii) subject to certain conditions, (A) during the two-year period following consummation of the Roll-Up, TdFI will have the right to exchange its shares of capital stock of CTSI for an aggregate of 17,443,500 shares of Class A Common Stock and (B) on the second anniversary of the consummation of the Roll-Up, the Issuer will have the right to require TdFI to make such exchange; provided, however, that in each case TdFI will retain its governance rights with respect to CTSI until its ownership interest in the Issuer falls below 5%. The description of the Governance Agreement contained on pages 93-99 of the Registration Statement (attached as Exhibit 1 hereto) is incorporated herein by reference. A copy of the Governance Agreement is attached hereto as Exhibit 3 and the description of the Governance Agreement contained herein is qualified in its entirety by reference to such Exhibit, which is hereby incorporated herein by reference in its entirety.

Crown Memorandum of Understanding

In connection with the implementation of a management transition at Crown Communication Inc. ("CCI"), the Issuer and Robert A. Crown entered into a Memorandum of Understanding dated July 2, 1998 (the "Crown Memorandum of Understanding"). Among other things, the Crown Memorandum of Understanding contains a provision concerning the continued service by a designee of the Crown Parties on the Issuer's Board of Directors. The description of the Crown Memorandum of Understanding contained on page 112 of the Registration Statement (attached as Exhibit 1 hereto) is incorporated herein by reference. A copy of the Crown Memorandum of Understanding is attached hereto as Exhibit 4 and the description of the Crown Memorandum of Understanding contained herein is qualified in its entirety by reference to such Exhibit, which is hereby incorporated herein by reference in its entirety.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

Exhibit 1. Amendment No. 4 to Crown Castle International Corp.'s Registration Statement on Form S-1.

Exhibit 2. Stockholders Agreement dated August 21, 1998 between Crown Castle International Corp. and certain stockholders listed on Schedule 1 thereto.

Exhibit 3. Governance Agreement dated August 21, 1998 among Crown Castle International Corp., TeleDiffusion de France International S.A. and Digital Future Investments B.V.

Exhibit 4. Memorandum of Understanding dated July 2, 1998 between Crown Castle International Corp. and Robert A. and Barbara A. Crown.

Exhibit 5. Joint Filing Agreement among Digital Future Investments B.V.; TeleDiffusion de France International S.A.; TeleDiffusion de France; France Telecom; Candover Investments plc; Candover (Trustees) Limited; Candover Partners Limited (as general partner of the Candover 1994 UK Limited Partnership, the Candover 1994 UK No.2 Limited Partnership, the Candover 1994 US No.1 Limited Partnership and the Candover 1994 US No.2 Limited Partnership); Candover Services Limited; Ted B. Miller, Jr.; The Miller 1996 Gift Trust; Robert A. Crown (individually and for the Robert A. Crown grantor retained annuity trust); Barbara A. Crown (individually and for the Barbara A. Crown grantor retained annuity trust); Berkshire Fund III, A Limited Partnership; Third Berkshire Associates Limited Partnership; Berkshire Fund IV, Limited Partnership; Fourth Berkshire Associates LLC; Berkshire Investors LLC; Centennial Fund IV, L.P.; Centennial Holdings IV, L.P.; Centennial Fund V, L.P.; Centennial Entrepreneurs Fund V, L.P.; Centennial Holdings V, L.P.; Nassau Capital Partners II, L.P.; Nassau Capital LLC; NAS Partners I, L.L.C.; Fay, Richwhite Communications Limited; PNC Venture Corp.; PNC Holdings Corp.; PNC Bank Corp.; American Home Assurance Company; American International Group, Inc.; New York Life Insurance Company; The Northwestern Mutual Life Insurance Company; Harvard Private Capital Holdings, Inc.; Charlesbank Capital Partners, LLC; Prime VIII, L.P. and Prime SKA I, L.L.C.

Signature

- - - - -

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Date: _____

DIGITAL FUTURE INVESTMENTS B.V.

/s/ Michel Azibert

by

Name: Michel Azibert
Title: As Chairman of
TeleDiffusion de France
International; Managing
Director of DFI

Date: _____

TELEDIFFUSION DE FRANCE INTERNATIONAL S.A.

/s/ Michel Azibert

by

Name: Michel Azibert
Title: As Chairman of
TdFI and Managing Director
of DFI

Date: _____

TELEDIFFUSION DE FRANCE

/s/ Bruno Chetaille

by

Name: Bruno Chetaille
Title: Chairman and Chief
Executive Officer

Date: _____

FRANCE TELECOM

by /s/ Bruno Chetaille

Name: Bruno Chetaille
Title: Director

Date: _____

CANDOVER INVESTMENTS PLC

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

by /s/ P.R. Neal

Name: P.R. Neal
Title: Secretary

Date: _____

CANDOVER (TRUSTEES) LIMITED

by /s/ P.G. Symonds

Name: P.G. Symonds
Title: Director

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

Date: _____

CANDOVER PARTNERS LIMITED

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

by /s/ P.G. Symonds

Name: P.G. Symonds
Title: Director

Date: _____

CANDOVER SERVICES LIMITED

by /s/ P.G. Symonds

Name: P.G. Symonds
Title: Director

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

Date: _____

TED B. MILLER, JR.

by /s/ Ted B. Miller Jr.

Name: Ted B. Miller Jr.

Date: _____

THE MILLER 1996 GIFT TRUST

by /s/ Robert H. Singleton, Jr.

Name: Robert H. Singleton, Jr.
Title: Trustee

Date: _____

ROBERT A. CROWN

by /s/ Robert A. Crown

Date: _____

BARBARA A. CROWN

by /s/ Barbara A. Crown

Date: _____

ROBERT A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
ROBERT A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by /s/ Robert A. Crown

Name: Robert A. Crown
Title: Trustee

Date: _____

BARBARA A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
BARBARA A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by /s/ Barbara A. Crown

Name: Barbara A. Crown
Title: Trustee

Date: _____

BERKSHIRE FUND III, A LIMITED
PARTNERSHIP

by /s/ Carl Ferenbach

Name: Carl Ferenbach
Title: Managing Director

Date: _____

BERKSHIRE FUND IV,
LIMITED PARTNERSHIP

by /s/ Carl Ferenbach

Name: Carl Ferenbach
Title: Managing Director,
Fourth Berkshire Associates
LLC

Date: _____

FOURTH BERKSHIRE ASSOCIATES LLC

/s/ Garth H. Greimann

by

Name: Garth H. Greimann
Title: General Partner

Date: _____

BERKSHIRE INVESTORS LLC

/s/ Carl Ferenbach

by

Name: Carl Ferenbach
Title: Managing Director

Date: _____

CENTENNIAL FUND IV, L.P.

by Centennial Holdings IV,
L.P., its General Partner

by /s/ Jeffrey H. Schutz

Name: Jeffrey H. Schutz
Title: General Partner

Date: _____

CENTENNIAL FUND V, L.P.

by Centennial Holdings V, L.P.,
its General Partner

by /s/ Jeffrey H. Schutz

Name: Jeffrey H. Schutz
Title: General Partner

Date: _____

CENTENNIAL HOLDINGS V, L.P.

/s/ Jeffrey H. Schutz

by

Name: Jeffrey H. Schutz
Title: General Partner

Date: _____

NASSAU CAPITAL PARTNERS II, L.P.

by Nassau Capital L.L.C., its
General Partner

by /s/ Jonathan A. Sweemer
Name: Jonathan A. Sweemer
Title: Member

Date: _____

NASSAU CAPITAL LLC
/s/ Jonathan A. Sweemer
by _____
Name: Jonathan A. Sweemer
Title: Member

Date: _____

FAY, RICHWHITE COMMUNICATION LIMITED

by /s/ Mohindar Randhawa

Name: Mohindar Randhawa
Title: Alternate Director

Date: _____

PNC VENTURE CORP.

by /s/ David McL. Hillman

Name:David McL. Hillman
Title:Executive Vice President

PNC HOLDING CORP.
PNC BANK CORP.

/s/ Robert L. Haunschild

Name:Robert L. Hauschild
Title:Senior Vice President and
CFO,PNC Holding Corp.

Date: _____

AMERICAN HOME ASSURANCE COMPANY

/s/ Edward Mathews

by

Name: Edward Mathews

Title: Senior Vice President

Date: _____

AMERICAN INTERNATIONAL GROUP, INC.

/s/ Kathleen E. Shannon

by

Name: Kathleen E. Shannon

Title: Vice President & Secretary

Date: _____

NEW YORK LIFE INSURANCE COMPANY

/s/ Steven M. Benevento

by

Name: Steven M. Benevento
Title: Director

Date: _____

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

/s/ Richard A. Strait

by

Name: Richard A. Strait

Title: Authorized Representative

Date: _____

HARVARD PRIVATE CAPITAL HOLDINGS, INC.

/s/ Tami E. Nason

by _____

Name: Tami E. Nason

Title: VP, Legal

Date: _____

CHARLESBANK CAPITAL PARTNERS, LLC

by /s/ Tami E. Nason

Name: Tami E. Nason

Title: Authorized Signatory

Date: _____

PRIME VIII, L.P.

by /s/ Dean M. Greenwood

Name: Dean M. Greenwood
Title: Managing Director

SCHEDULE I

I. DIGITAL FUTURE INVESTMENTS, B.V.

Except as otherwise set forth below, the place of citizenship of each such person is the Netherlands.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
---	---

Directors

TeleDiffusion de France International

Gedeon Johannes van der Ploeg (Management of companies in a professional services environment)	World Trade Center Tower C13 Strawinskyiaan 1349 1077 XX Amsterdam THE NETHERLANDS
---	--

II. TELEDIFFUSION DE FRANCE INTERNATIONAL S.A.

Except as otherwise set forth below, the place of citizenship of each such person is France.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
---	---

Directors

Michel Azibert (Chairman of T&FI, International Director of T&F)	10, rue d'Oradour sur Glane, 75015 Paris, France
TeleDiffusion de France (Television and radio transmission)	10, rue d'Oradour sur Glane, 75015 Paris, France
Jean-Claude Prigent (Chief Financial Officer of T&F)	10, rue d'Oradour sur Glane, 75015 Paris, France
Patrick Yzerman (Deputy Chief Financial Officer of T&F)	10, rue d'Oradour sur Glane, 75015 Paris, France

III. TELEDIFFUSION DE FRANCE S.A.

Except as otherwise set forth below, the place of citizenship of each such person is France.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
Directors -----	
Bruno Chetaille (Chairman and C.E.O. of T&F; Director of the Multimedia Division of France Telecom)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Pierre Lestrade (Chief of the CGTI)	Ministry of the Economy, Finance and Industry CGTI (Conseil General des Technologies de l'Information) 20, avenue Segur 75007 Paris, FRANCE
Gerard Eymery (Director of the Multimedia Division, Mass Market Product Services Division, France Telecom)	FRANCE TELECOM - Division Multimedia 103, rue de Grenelle 75007 Paris, FRANCE
Jean-Francois Latour (Responsible for U.E.R.)	U.E.R. (Unite Exploitation Reseaux) France Telecom Direction Regionale Angers 52, Boulevard Gaston Ramon 49043 Angers Cedex 01 FRANCE
Jacques Champeaux	6, place d'Alleray 75015 Paris, FRANCE
Compagnie Generale des Communications - COGECOM (French public limited company)	6, place d'Alleray 75015 Paris, FRANCE
Marc Dandelot (Director)	6, place d'Alleray 75015 Paris, FRANCE
Michel Bertinetto (Director)	France Telecom Mobile 41-45, Boulevard Romain Rolland 75762 Paris Cedex 14, FRANCE
Jean-Yves Gouiffes (Director)	6, place d'Alleray 75015 Paris, FRANCE
Christian Bret (Director)	6, place d'Alleray 75015 Paris, FRANCE
Jacques Bessas (Employee of T&F)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE

Jean-Yvon Coatrieux (Responsible for Technical Missions)	TDF-Direction Regionale Quest 3, avenue de Belle Fontaine B.P. 79 35512 Cesson-Sevigne Cedex, FRANCE
Michel Azibert (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Michel Bombes (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Marc Rennard (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Gerard Chevee (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Michel LaPierre (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Jean-Claude Prigent (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Philippe Hermann (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Madeleine Giovachini (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Michel Reneric (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE
Yves Noirel (Director)	10, rue d'Oradour sur Glane 75015 Paris, FRANCE

IV. FRANCE TELECOM

Except as otherwise set forth below, the place of citizenship of each such person is France.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
---	---

Directors

- - - - -

Michel Bon (Chairman and Chief Executive Officer)	6, place d'Alleray 75015 Paris, FRANCE
Francois Grappotte (Chairman and Chief Executive Officer, LeGrand)	6, place d'Alleray 75015 Paris, FRANCE

Jean-Claude Desrayaud (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE
Jean Simonin (Managing Director, Residential Agency of Toulouse)	6, place d'Alleray 75015 Paris, FRANCE
Ron Sommer (President, Deutsche Telekom) German	6, place d'Alleray 75015 Paris, FRANCE
Didier Lombard representing French State (Director, Industrial Strategy Department, Ministry of the Economy, Finance and Industry)	6, place d'Alleray 75015 Paris, FRANCE
Francis Brun-Buisson representing French State (Head of Legal, Technology and Information Services of the Prime Minister)	6, place d'Alleray 75015 Paris, FRANCE
Christophe Blanchard Dignac representing French State (Budget Director, Ministry of Economy, Finance and Industry)	6, place d'Alleray 75015 Paris, FRANCE
Yannick D'Escatha (Director of French Atomic Energy Commission)	6, place d'Alleray 75015 Paris, FRANCE
Simon Nora (Retired, formerly Senior European Adviser, Lehman Brothers)	6, place d'Alleray 75015 Paris, FRANCE
Nicolas Jachiet (Head of Investment Monitoring Division, Treasury Department, Ministry of the Economy, Finance and Industry)	6, place d'Alleray 75015 Paris, FRANCE
Jean-Paul Bechat (Chairman and Chief Executive Officer, SNECMA)	6, place d'Alleray 75015 Paris, FRANCE
Pascal Colombani (Director of Technology, Ministry of Education, Research and Technology)	6, place d'Alleray 75015 Paris, FRANCE
Jacques de la Rosiere de Champfeu (Former President, European Bank for Reconstruction and Development)	6, place d'Alleray 75015 Paris, FRANCE
Pierre Gadonneix (President, Gaz de France)	6, place d'Alleray 75015 Paris, FRANCE

Raymond Durand (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE
Pierre Peuch (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE
Christophe Aguiton (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE
Jean-Francois Davoust (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE
Jean-Pierre Delezenne (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE
Nadine Grandmougin (Employee of France Telecom)	6, place d'Alleray 75015 Paris, FRANCE

V. CANDOVER INVESTMENTS PLC

Except as otherwise set forth below, the place of citizenship of each such person is the United Kingdom.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER

Directors	

Christopher Roger Ettrick Brooke (Chairman)	Watermeadow Swarraton Alresford Hampshire SO24 9TO
Stephen William Curran (Chief Executive)	21 Ovington Street London SW3 21A
Gavin Douglas Fairservice (Deputy Chief Executive)	Parr House 2 Wolsey Close Wimbledon London SW20 0DD
Colin John Buffin (Joint Managing Director)	5 Heathview Gardens Putney London SW15 3SZ
Marek Stefan Gumienny (Joint Managing Director)	13 Lambolle Road Belsize Park London NW3 4HS

Antony P. Hichens
(Non Executive Director and
Deputy Chairman)

Flat 6
93 Eaton Place
London SW1X 8LZ

Richard A.P. King
(Non Executive Director)

96 Mount Street
London W1Y 5HG

P.J. Scott Plummer
(Non Exec)

Mainhouse
Kelso
Roxburghshire TD5 7AX

James G. West
(Non Executive Director)

Orchard House
Eastling
Faversham
Kent ME13 0AZ

Derek R. Wilson
(Non Executive Director)

The Spinney
Misbourne Avenue
Chalfont St Peter
Garrards Cross
Buckinghamshire SL9 0PF

VI. CANDOVER (TRUSTEES) LIMITED

Except as otherwise set forth below, the place of citizenship of each such person is the United Kingdom.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
Directors -----	
Stephen William Curran (Chief Executive)	21 Ovington Street London SW3 21A
Gavin Douglas Fairservice (Deputy Chief Executive)	Parr House 2 Wolsey Close Wimbledon London SW20 0DD
Philip Gerard Symonds (Director)	Boundary Cottage Fen Pond Road Ightham Sevenoaks Kent TN15 9JF

VII. CANDOVER PARTNERS LIMITED

Except as otherwise set forth below, the place of citizenship of each such person is the United Kingdom.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER

Directors	

Stephen William Curran (Chairman & Chief Executive)	21 Ovington Street London SW3 21A
Gavin Douglas Fairservice (Deputy Chief Executive)	Parr House 2 Wolsey Close Wimbledon London SW20 0DD
Colin John Buffin (Director)	5 Heathview Gardens Putney London SW15 3SZ
Marek Stefan Glimienny (Director)	13 Lambolle Road Belsize Park London NW3 4HS
Philip Gerard Symonds (Director)	Boundary Cottage Fen Pond Road Ightham Sevenoaks Kent TN15 9JF
Hamish Robert Muir MacKenzie (Director)	18 Longcroft Avenue Harpenden Herts AL5 2QZ
Ian James Gray (Director)	124 Oakhill Road Sevenoaks Kent
Charles Edward Seager Green (Director)	32 Mayford Road London SW12 8SD

VIII. CANDOVER SERVICES LIMITED

Except as otherwise set forth below, the place of citizenship of each such person is the United Kingdom.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER

Directors -----	
Christopher Roger Ettrick Brooke (Chairman)	Watermeadow Swarraton Alresford Hampshire S024 9T0
Stephen William Curran (Chief Executive)	21 Ovington Street London SW3 21A
Gavin Douglas Fairservice (Deputy Chief Executive)	Parr House 2 Wolsey Close Wimbledon London SW20 0DD
Philip Gerard Symonds (Director)	Boundary Cottage Fen Pond Road Ightham Sevenoaks Kent TN15 9JF

IX. PNC VENTURE CORP.

Except as otherwise set forth below, the place of citizenship of each such person is the United States.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER

Directors -----	
Robert L. Haunschild (Director)	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
David McL. Hillman (Director)	3150 CNG Tower 625 Liberty Avenue Pittsburgh, PA 15222

Donald H. Jones (Director)	DWJ Enterprises, Inc. 103 Gateway Towers Pittsburgh, PA 15222 (current address - will be moving in September)
Robert C. Milsom (Director)	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Maria C. Schaffer (Director)	222 Delaware Avenue Wilmington, DE 19899
Konrad M. Weiss (Director)	Bayer Corporation 100 Bayer Road Bldg. 16 Pittsburgh, PA 15205-9741
Gary J. Zentner (Director)	3150 CNG Tower 625 Liberty Avenue Pittsburgh, PA 15222

X. PNC BANK CORP.

Except as otherwise set forth below, the place of citizenship of each such person is the United States.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER

Directors -----	
Paul W. Chellgren (Chairman and Chief Executive Officer)	Ashland Inc. P.O. Box 391 Ashland, KY 41114 Energy Company
Robert N. Clay (President and Chief Executive Officer)	Clay Holding Company Three Chimneys Farm Versailles, KY 40383 Investments
George A. Davidson, Jr. (Chairman and Chief Executive Officer)	Consolidated Natural Gas Company CNG Tower, 625 Liberty Avenue Pittsburgh, PA 15222-3199 Public Utility Holding Company
David F. Girard-diCarlo (Managing Partner)	Blank Rome Comisky & McCauley LLP One Logan Square Philadelphia, PA 19103-6998 Law Firm
Walter Emmor Gregg, Jr. (Director)	One PNC Plaza, P1-POPP-30-1 249 Fifth Avenue Pittsburgh, PA 15222-2707 Diversified Financial Services
William R. Johnson (President and Chief Executive Officer)	H.J. Heinz Company 600 Grant Street Pittsburgh, PA 15219-2857 Food Products Company
Bruce C. Lindsay (Chairman and Managing Director)	Brind-Lindsay & Co. Inc. 1520 Locust Street, Suite 1100 Philadelphia, PA 19102 Advisory Company
W. Craig McClelland (Chairman and Chief Executive Officer)	Union Camp Corporation 1600 Valley Road Wayne, NJ 07470 Paper Manufacturing and Land Resources
Thomas Henry O'Brien (Chairman and Chief Executive Officer)	PNC Bank Corp. One PNC Plaza, 249 Fifth Ave. Pittsburgh, PA 15222-2707 Diversified Financial Services
Jane G. Pepper (President)	Pennsylvania Horticultural Society 100 N. 20th Street - 5th Floor Philadelphia, PA 19103-1495 Nonprofit Horticultural Membership Organization
Jackson H. Randolph (Chairman)	Cinergy Corp. 221 East Forth Street, Suite 3004

	Cincinnati, OH 45202 Public Utility Holding Company
James Edward Rohr (President and Chief Operating Officer)	PNC Bank, N.A. One PNC Plaza - 30th Floor Pittsburgh, PA 15265 Diversified Financial Services
Roderic H. Ross (Chairman and Chief Executive Officer)	Keystone State Life Insurance Co. 1401 Walnut Street, 10th Floor Philadelphia, PA 19102-3122 Insurance Company
Richard P. Simmons (Chairman, President and Chief Executive Officer)	Allegheny Teledyne Incorporated 1000 Six PPG Place Pittsburgh, PA 15222-5479 Specialty Metals and Diversified Business
Thomas J. Usher (Chairman and Chief Executive Officer)	USX Corporation 600 Grant Street, Room 6170 Pittsburgh, PA 15219-4776 Energy, Steel and Diversified Business
Milton A. Washington (President and Chief Executive Officer)	AHRCO 5604 Baum Boulevard Pittsburg, PA 15206 Housing Rehabilitation and Construction
Helge H. Wehmeier (President and Chief Executive Officer)	Bayer Corporation 100 Bayer Road, Building 4 Pittsburgh, PA 15205-9741 Specialty Chemicals, Pharmaceuticals, Imaging and Graphic Systems
Executive Officers - -----	
Walter E. Gregg, Jr.	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Frederick J. Gronbacher	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Joseph C. Guyaux	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Robert L. Haunschild	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Ralph S. Michael III	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Thomas H. O'Brien	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Thomas E. Paisley III	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Samuel R. Patterson	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Helen P. Pudlin	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Bruce E. Robbins	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
James E. Rohr	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222
Thomas K. Whitford	One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222

X. AMERICAN HOME ASSURANCE COMPANY

Except as otherwise set forth below, the place of citizenship of each such person is the United States.

NAME; PRINCIPAL OCCUPATION OR
EMPLOYMENT

BUSINESS ADDRESS; PRINCIPAL BUSINESS OF
EMPLOYER

Directors

Michael J. Castelli

American International Group, Inc.
70 Pine Street
New York, New York 10270

Charles Dangelo

American International Group, Inc.
70 Pine Street
New York, New York 10270

Florence A. Davis

American International Group, Inc.
70 Pine Street
New York, New York 10270

Evan G. Greenberg

American International Group, Inc.
70 Pine Street
New York, New York 10270

Larry D. Hollen
American International Group, Inc.
70 Pine Street
New York, New York 10270

M.R. Greenberg
American International Group, Inc.
70 Pine Street
New York, New York 10270

David M. Hupp
American International Group, Inc.
70 Pine Street
New York, New York 10270

Edwin A.G. Manton
United Kingdom
American International Group, Inc.
70 Pine Street
New York, New York 10270

Edward E. Matthews
American International Group, Inc.
70 Pine Street
New York, New York 10270

Christian Milton
United Kingdom
American International Group, Inc.
70 Pine Street
New York, New York 10270

Michael Mitrovic
American International Group, Inc.
70 Pine Street
New York, New York 10270

Kristian P. Moor
American International Group, Inc.
70 Pine Street
New York, New York 10270

Win J. Neuger
American International Group, Inc.
70 Pine Street
New York, New York 10270

Takaki Sakai
Japan
A.I.U. K.K.
P.O. Box 951
Tokyo, Japan

Robert Sandler
American International Group, Inc.
70 Pine Street
New York, New York 10270

B. Michael Schlenke
American International Group, Inc.
70 Pine Street
New York, New York 10270

Howard I. Smith
American International Group, Inc.
70 Pine Street
New York, New York 10270

Thomas R. Tizzio
 American International Group, Inc.
 70 Pine Street
 New York, New York 10270

Executive Officers
 - - - - -

Thomas R. Tizzio
 (Chairman of the Board) 70 Pine Street
 New York, New York 10270

Larry D. Hollen
 (President) 70 Pine Street
 New York, New York 10270

Timothy P. Mitchell
 (Executive Vice President) 70 Pine Street
 New York, New York 10270

Kristian P. Moor
 (Executive Vice President) 70 Pine Street
 New York, New York 10270

Peg Birk
 (Senior Vice President & General
 Counsel) 70 Pine Street
 New York, New York 10270

Michael J. Castelli
 (Senior Vice President & Treasurer) 70 Pine Street
 New York, New York 10270

Frank H. Douglas, Jr.
 (Senior Vice President & Actuary) 70 Pine Street
 New York, New York 10270

David M. Hupp
 (Senior Vice President) 70 Pine Street
 New York, New York 10270

William R. Jacobi
 (Senior Vice President) 70 Pine Street
 New York, New York 10270

Vincent J. Masucci
 (Senior Vice President) 777 S. Figueroa Street
 18th Floor
 Los Angeles, California 90017

Edward E. Matthews
 (Senior Vice President) 70 Pine Street
 New York, New York 10270

John F. Schumacher
 (Senior Vice President) 70 Pine Street
 New York, New York 10270

Mark T. Willis
 (Senior Vice President) 500 W. Madison Street
 Chicago, Illinois 60661

Robert Beier
 (Vice President) 70 Pine Street
 New York, New York 10270

John J. Blumenstock
 (Vice President & Assistant
 Comptroller) 70 Pine Street
 New York, New York 10270

Lawrence W. Carlstrom (Vice President)	70 Pine Street New York, New York 10270
John C. Colona (Vice President)	70 Pine Street New York, New York 10270
Robert K. Conry (Vice President)	70 Pine Street New York, New York 10270
Brian S. Frisch (Vice President & Assistant Comptroller)	70 Pine Street New York, New York 10270
Kumar Gursahaney (Vice President & Comptroller) India	70 Pine Street New York, New York 10270
Harold S. Jacobowitz (Vice President)	70 Pine Street New York, New York 10270
Dee R. Klock (Vice President)	70 Pine Street New York, New York 10270
Gary A. McMillan (Vice President) Canada	70 Pine Street New York, New York 10270
Christian M. Milton (Vice President) United Kingdom	70 Pine Street New York, New York 10270
Win J. Neuger (Vice President)	70 Pine Street New York, New York 10270
David B. Pinkerton (Vice President)	70 Pine Street New York, New York 10270
Elizabeth M. Tuck (Secretary)	70 Pine Street New York, New York 10270

XI. AMERICAN INTERNATIONAL GROUP, INC.

Except as otherwise set forth below, the place of citizenship of each such person is the United States.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
----- Directors -----	
M. Bernard Aidinoff	Sullivan & Cromwell 125 Broad Street New York, New York 10004
Lloyd M. Bentsen	Verner Liipfert Bernhard McPherson & Hand 2600 Texas Commerce Tower 600 Travis Street Suite 2600 Houston, Texas 77002
Pei-yuan Chia	298 Bedford - Banksville Road Bedford, New York 10506
Marshall A. Cohen Canada	Cassels, Brock & Blackwell 40 King Street West 20th Floor Toronto, Ontario M5H 3C2
Barber B. Conable, Jr.	P.O. Box 218 Alexander, New York 14005
Martin S. Feldstein	National Bureau of Economic Research, Inc. 1050 Massachusetts Avenue Cambridge, Massachusetts 02138
Leslie L. Gonda	International Lease Finance Corporation 1999 Avenue of the Stars Los Angeles, California 90067
Evan G. Greenberg	American International Group, Inc. 70 Pine Street New York, New York 10270
M. R. Greenberg	American International Group, Inc. 70 Pine Street New York, New York 10270
Carla A. Hills	Hills & Company 1200 19th Street, N.W. - 5th Floor Washington, DC 20036

Frank J. Hoenemeyer	7 Harwood Drive Madison, New Jersey 07940
Edward E. Matthews	American International Group, Inc. 70 Pine Street New York, New York 10270
Dean P. Phypers	220 Rosebrook Road New Canaan, Connecticut 06840
Howard I. Smith	American International Group, Inc. 70 Pine Street New York, New York 10270
Thomas R. Tizzio	American International Group, Inc. 70 Pine Street New York, New York 10270
Edmund S.W. Tse	American International Assurance Co., Ltd. 1 Stubbs Road Hong Kong
Frank G. Wisner	American International Group, Inc. 70 Pine Street New York, New York 10270

Executive Officers
- - - - -

M. R. Greenberg (Chairman & Chief Executive Officer)	70 Pine Street New York, New York 10270
Thomas R. Tizzio (Senior Vice Chairman - General Insurance)	70 Pine Street New York, New York 10270
Edward E. Matthews (Vice Chairman - Investments & Financial Services)	70 Pine Street New York, New York 10270
Edmund S.W. Tse (Vice Chairman - Life Insurance) United Kingdom	American International Assurance Co., Ltd. 1 Stubbs Road Hong Kong
Frank G. Wisner (Vice Chairman - External Affairs)	70 Pine Street New York, New York 10270
Evan G. Greenberg (President & Chief Operating Officer)	70 Pine Street New York, New York 10270
Edwin A.G. Manton (Senior Advisor) United Kingdom	70 Pine Street New York, New York 10270

John J. Roberts (Senior Advisor)	70 Pine Street New York, New York 10270
Ernest E. Stempel (Senior Advisor)	70 Pine Street New York, New York 10270
Kristian P. Moor (Executive Vice President - Domestic General Insurance)	70 Pine Street New York, New York 10270
Robert B. Sandler (Executive Vice President - Senior Casualty Actuary & Senior Claims Officer)	70 Pine Street New York, New York 10270
Howard I. Smith (Executive Vice President, Chief Financial Officer & Comptroller)	70 Pine Street New York, New York 10270
Ernest T. Patrikis (Special Advisor to the Chairman)	70 Pine Street New York, New York 10270
William N. Dooley (Senior Vice President - Financial Services)	70 Pine Street New York, New York 10270
Lawrence W. English (Senior Vice President - Administration)	70 Pine Street New York, New York 10270
Axel I. Freudmann (Senior Vice President - Human Resources)	72 Wall Street New York, New York 10270
Win J. Neuger (Senior Vice President & Chief Investment Officer)	70 Pine Street New York, New York 10270
Martin J. Sullivan (Senior Vice President - Foreign General Insurance) United Kingdom	70 Pine Street New York, New York 10270
Florence A. Davis (Vice President & General Counsel)	70 Pine Street New York, New York 10270
Robert E. Lewis (Vice President & Chief Credit Officer)	70 Pine Street New York, New York 10270
Charles M. Lucas (Vice President & Director of Market Risk Management)	70 Pine Street New York, New York 10270
Frank Petralito II (Vice President & Director of Taxes)	70 Pine Street New York, New York 10270

Kathleen E. Shannon
(Vice President, Secretary & Associate
General Counsel)

70 Pine Street
New York, New York 10270

John T. Wooster, Jr.
(Vice President - Communications)

70 Pine Street
New York, New York 10270

Carol A. McFate
(Treasurer)

70 Pine Street
New York, New York 10270

Starr International Company, Inc.

Executive Officers & Directors

Houghton Freeman
(Director)

1880 Mountain Road, #14
Stowe, Vermont 05672

Evan G. Greenberg
(Director)

70 Pine Street
New York, New York 10270

M.R. Greenberg
(Director & Chairman of the Board)

70 Pine Street
New York, New York 10270

Joseph C.H. Johnson
(Director, President & Treasurer)
United Kingdom

American International Building
29 Richmond Road
Pembroke HM08 Bermuda

Edwin A.G. Manton
(Director)
United Kingdom

70 Pine Street
New York, New York 10270

Edward E. Matthews
(Director)

70 Pine Street
New York, New York 10270

L. Michael Murphy
(Director, Vice President & Secretary)

American International Building
29 Richmond Road
Pembroke HM08 Bermuda

John J. Roberts
(Director)

70 Pine Street
New York, New York 10270

Robert M. Sandler
(Director)

70 Pine Street
New York, New York 10270

Ernest E. Stempel
(Director)

70 Pine Street
New York, New York 10270

Thomas R. Tizzio
(Director)

70 Pine Street
New York, New York 10270

Edmund S.W. Tse
(Director)
United Kingdom

1 Stubbs Road
Hong Kong

The Starr Foundation

Executive Officers & Directors

M.R. Greenberg (Director & Chairman)	70 Pine Street New York, New York 10270
T.C. Hsu (Director & President)	70 Pine Street New York, New York 10270
Marion Breen (Director & Vice President)	70 Pine Street New York, New York 10270
John J. Roberts (Director)	70 Pine Street New York, New York 1027
Ernest E. Stempel (Director)	70 Pine Street New York, New York 10270
Houghton Freeman (Director)	1880 Mountain Road, #14 Stowe, Vermont 05672
Edwin A.G. Manton (Director)	70 Pine Street New York, New York 10270
Gladys Thomas (Vice President)	70 Pine Street New York, New York 10270
Frank Teng (Treasurer)	70 Pine Street New York, New York 10270
Ida Galler (Secretary)	70 Pine Street New York, New York 10270

C.V. Starr & Co., Inc.

Officers & Directors

Houghton Freeman (Director)	1880 Mountain Road, #14 Stowe, Vermont 05672
E.G. Greenberg (Director & Executive Vice President)	70 Pine Street New York, New York 10270
M.R. Greenberg (Director, President & Chief Executive Officer)	70 Pine Street New York, New York 10270
Edwin A.G. Manton (Director)	70 Pine Street New York, New York 10270
Edward E. Matthews (Director & Senior Vice President)	70 Pine Street New York, New York 10270
John J. Roberts (Director)	70 Pine Street New York, New York 10270

Robert M. Sandler (Director & Vice President)	70 Pine Street New York, New York 10270
Howard I. Smith (Director & Senior Vice President)	70 Pine Street New York, New York 10270
Ernest E. Stempel (Director)	70 Pine Street New York, New York 10270
Thomas R. Tizzio (Director & Senior Vice President)	70 Pine Street New York, New York 10270
Edmund S.W. Tse (Director & Senior Vice President)	1 Stubbs Road Hong Kong
Gary Nitzsche (Treasurer)	70 Pine Street New York, New York 10270
Kathleen E. Shannon (Secretary)	70 Pine Street New York, New York 10270

XII. NEW YORK LIFE INSURANCE COMPANY

Except as otherwise set forth below, the place of citizenship of each such person is the United States.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER

Board of Directors -----	
Robert M. Baylis (Director)	51 Madison Avenue New York, New York 10010
William G. Burns (Director)	51 Madison Avenue New York, New York 10010
James L. Broadhead (Director)	51 Madison Avenue New York, New York 10010
Patricia T. Carbine (Director)	51 Madison Avenue New York, New York 10010
Kent B. Foster (Director)	51 Madison Avenue New York, New York 10010
Conrad K. Harper (Director)	51 Madison Avenue New York, New York 10010
Harry G. Hohn (Director)	51 Madison Avenue New York, New York 10010

Richard M. Kernan, Jr. (Director)	51 Madison Avenue New York, New York 10010
Thomas W. Langfitt, M.D. (Director)	51 Madison Avenue New York, New York 10010
Leslie G. McCraw, Jr. (Director)	51 Madison Avenue New York, New York 10010
David W. Mitchell (Director)	51 Madison Avenue New York, New York 10010
Richard R. Pivirotto (Director)	51 Madison Avenue New York, New York 10010
Robert J. Richardson, Ph.D. (Director) Canada	51 Madison Avenue New York, New York 10010
Frederick J. Sievert (Director)	51 Madison Avenue New York, New York 10010
Seymour Sternberg (Director)	51 Madison Avenue New York, New York 10010

Executive Officers
- - - - -

Frederick J. Sievert (Vice Chairman)	51 Madison Avenue New York, New York 10010
Ravi Akhoury (Executive Vice President)	51 Madison Avenue New York, New York 10010
Howard I. Atkins (Executive Vice President and Chief Financial Officer)	51 Madison Avenue New York, New York 10010
Gary G. Benanav (Executive Vice President)	51 Madison Avenue New York, New York 10010
Richard M. Kernan, Jr. (Executive Vice President and Chief Investment Officer)	51 Madison Avenue New York, New York 10010
George J. Trapp (Executive Vice President and Secretary)	51 Madison Avenue New York, New York 10010
Jay S. Calhoun (Senior Vice President and Treasurer)	51 Madison Avenue New York, New York 10010
Richard D. Levy (Senior Vice President and Controller)	51 Madison Avenue New York, New York 10010
Michael J. McLaughlin (Senior Vice President and General Counsel)	51 Madison Avenue New York, New York 10010
Stephen N. Steinlg (Senior Vice President and Chief Actuary)	51 Madison Avenue New York, New York 10010
Thomas J. Warga (Senior Vice President and General Auditor)	51 Madison Avenue New York, New York 10010

XIII. THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

Except as otherwise set forth below, the place of citizenship of each such person is the United States.

NAME; PRINCIPAL OCCUPATION OR EMPLOYMENT	BUSINESS ADDRESS; PRINCIPAL BUSINESS OF EMPLOYER
---	---

- - - - -

Trustees
- - - - -

R. Quintus Anderson (Chairman, Aarque Capital Corporation)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Edward E. Barr (Chairman, Sun Chemical Corporation)	222 Bridge Plaza South Fort Lee, New Jersey 07024 (graphic arts)

Gordon T. Beaham, III
(Chairman of the Board and President,
Faultless Starch/Bon Ami Company)

1025 West Eighth Street
Kansas City, MO 64101 (consumer products
manufacturer)

Robert C. Buchanan
(President and Chief Executive Officer,
Fox Valley Corporation)

100 West Lawrence Street P.O. Box 727
Appleton, WI 54911 (manufacturer of gift
wrap and writing paper)

Robert E. Carlson
(Executive Vice President of Northwestern
Mutual Life)

720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4797

George A. Dickerman (Chairman of the Board, Spalding Sports Worldwide)	425 Meadow Street P.O. Box 901 Chicopee, MA 01021-0901 (manufacturer of sporting equipment)
Pierre S. du Pont (Attorney, Richards, Layton and Finger)	P.O. Box 551 1 Rodney Square Wilmington, DE 19899
James D. Ericson (President and Chief Executive Officer of Northwestern Mutual Life)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
J. E. Gallegos (Attorney, Gallegus Law Firm)	460 St. Michaels Drive Building 300 Santa Fe, NM 87505
Stephen N. Graff (Retired Partner, Arthur Andersen LLP)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Patricia Albjerg Graham (Professor, Graduate School of Education, Harvard University)	420 Gutman Cambridge, MA 02138
Stephen F. Keller (Attorney)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Barbara A. King (President, Landscape Structures, Inc.)	Rt. 3 601 7th Street South Delano, MN 55328 (manufacturer of playground equipment)
J. Thomas Lewis (Attorney (retired))	228 St. Charles Avenue Suite 1024 New Orleans, LA 70130
Daniel F. McKeithan, Jr. (President, Tamarack Petroleum Company, Inc.)	777 East Wisconsin Avenue Suite 1920 Milwaukee, WI 53202 (operator of oil and gas wells)
Guy A. Osborn (Retired Chairman of Universal Foods Corporation)	433 East Michigan Street Milwaukee, WI 53202
Timothy D. Proctor (Director, Worldwide Human Resources of Glaxo Wellcome plc)	P.O. Box 13398 5 Moore Drive Research Triangle Park, NC 27709 (pharmaceuticals)
Donald J. Schuenke (Retired Chairman of Northwestern Mutual Life)	777 East Wisconsin Avenue Suite 1920 Milwaukee, Wisconsin 53202-4797
H. Mason Sizemore, Jr. (President and Chief Operating Officer, The Seattle Times)	Fairview Avenue North and John Street P.O. Box 70 Seattle, WA 98109 (publishing)

Harold B. Smith (Chairman, Executive Committee, Illinois Tool Works, Inc.)	3600 West Lake Avenue Glenview, IL 60025-5811 (engineered components and industrial systems and consumables)
Sherwood H. Smith, Jr. (Chairman of the Board of Carolina Power & Light)	411 Fayetteville Street Mall P.O. Box 1551 Raleigh, NC 27602 (utility)
John E. Steuri (Chairman, Advanced Thermal Technologies)	2102 Riverfront Drive Suite 120 Little Rock, AR 72202-1747 (application software)
John J. Stollenwerk (President and Chief Executive Officer, Allen-Edmonds Shoe Corporation)	201 East Seven Hills Road P.O. Box 998 Port Washington, WI 53074-0998 (shoe manufacturers)
Barry L. Williams (President and Chief Executive Officer, Williams Pacific Ventures, Inc.)	109 Stevenson Street 5th Floor San Francisco, CA 94105-3409 (venture capital)
Kathryn D. Wriston (Director of various corporations)	c/o Shearman & Sterling 599 Lexington Avenue Room 1126 New York, NY 10022

Executive Officers
- - - - -

James D. Ericson (President and Chief Executive Officer)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Deborah A. Beck (Senior Vice President/Chief Compliance Officer)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
William H. Beckley (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Robert J. Berdan (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
John M. Bremer (Executive Vice President, General Counsel and Secretary)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Peter W. Bruce (Executive Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Robert E. Carlson (Executive Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Steven T. Catlett, (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797

Mark G. Doll (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Thomas E. Dyer (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Richard L. Hall (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
William C. Koenig (Senior Vice President and Chief Actuary)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Gary E. Long (Vice President and Controller)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Susan A. Lueger (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Meridee J. Maynard (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Donald L. Mellish (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Bruce L. Miller (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Gregory C. Oberland (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Barbara F. Piehler (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
James F. Reiskytl (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Mason G. Ross (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
John E. Schlifske (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Leonard F. Stecklein (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Frederic H. Sweet (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Dennis Tamcsin (Senior Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
Martha M. Valerio (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797
W. Ward White (Vice President)	720 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4797

Walt J. Wojcik
(Senior Vice President)

720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4797

Edward J. Zorc
(Executive Vice President)

720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4797

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

AMENDMENT NO. 4
 TO
 FORM S-1
 REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933

CROWN CASTLE INTERNATIONAL CORP.
 (EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE (STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	4899 (PRIMARY STANDARD INDUSTRIAL CLASSIFICATION NUMBER)	76-0470458 (I.R.S. EMPLOYER IDENTIFICATION NUMBER)
---	--	--

510 BERING DRIVE
 SUITE 500
 HOUSTON, TEXAS 77057
 (713) 570-3000
 (ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF
 REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

MR. CHARLES C. GREEN, III
 EXECUTIVE VICE PRESIDENT
 AND CHIEF FINANCIAL OFFICER
 CROWN CASTLE INTERNATIONAL CORP.

510 BERING DRIVE
 SUITE 500
 HOUSTON, TEXAS 77057
 (713) 570-3000
 (NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE,
 OF AGENT FOR SERVICE)

COPIES TO:

STEPHEN L. BURNS, ESQ. CRAVATH, SWAIN & MOORE 825 EIGHTH AVENUE NEW YORK, NEW YORK 10019	KIRK A. DAVENPORT, ESQ. LATHAM & WATKINS 885 THIRD AVENUE NEW YORK, NEW YORK 10022
---	---

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If the delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER SHARE (2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE(3)
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Common Stock \$.01 par value.....	16,100,000	\$13.00	\$209,300,000	\$61,744
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- (1) Includes 2,100,000 shares of Common Stock that may be purchased by U.S. Underwriters to cover over-allotments.
- (2) Estimated solely for the purposes of calculating the amount of the registration fee pursuant to Rule 457(a) promulgated under the Securities Act of 1933.
- (3) Previously paid.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

+-----+
 +INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A +
 +REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE +
 +SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY +
 +OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT +
 +BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR +
 +THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE +
 +SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE +
 +UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF +
 +ANY SUCH STATE. +
 +-----+

PROSPECTUS Subject to Completion, dated August 17, 1998

31,250,000 SHARES

[LOGO OF CROWN CASTLE
INTERNATIONAL CORP.
APPEARS HERE]

CROWN CASTLE INTERNATIONAL CORP.
COMMON STOCK

 Of the 31,250,000 shares of Common Stock, par value \$.01 per share (the "Common Stock"), offered hereby, 27,500,000 shares are being sold by Crown Castle International Corp. ("CCIC" or the "Company"), and 3,750,000 shares are being sold by a stockholder of the Company. In addition, the Company and certain stockholders of the Company have granted the U.S. Underwriters an option to purchase shares of Common Stock solely to cover over-allotments, if any. See "Principal and Selling Stockholders". Of the 31,250,000 shares of Common Stock being offered, 25,000,000 shares are being offered initially in the United States and Canada (the "U.S. Offering") by the U.S. Underwriters and 6,250,000 shares are being concurrently offered outside the United States and Canada (the "International Offering") by the International Managers (together with the U.S. Underwriters, the "Underwriters"). The U.S. Offering and the International Offering, including the application of the net proceeds therefrom, are collectively referred to as the "Offering".

Pursuant to a Share Exchange Agreement dated April 24, 1998, (i) all shareholders of Castle Transmission Services (Holdings) Ltd ("CTSH") (other than the Company, TeleDiffusion de France International S.A. ("TdF") and Digital Future Investments B.V., which is an affiliate of TdF ("DFI")) will exchange their shares of capital stock of CTSH for shares of Common Stock of the Company and (ii) DFI will exchange its shares of capital stock of CTSH for shares of Class A Common Stock, par value \$.01 per share (the "Class A Common Stock"), of the Company. The closing of the Offering is conditioned upon the concurrent consummation of such exchanges and certain other transactions. See "The Roll-Up".

The Company's common stock has been designated into two classes, consisting of Common Stock and Class A Common Stock. Under the Company's Restated Certificate of Incorporation (the "Certificate of Incorporation"), with respect to matters on which the holders of the Company's common stock have the right to vote, stockholder approval generally will require the affirmative vote of the holders of a majority of the voting power of the Company, with the holders of the Common Stock and the Class A Common Stock voting together as a single class. However, certain specified actions will require the approval of the holders of a majority of the Class A Common Stock. In addition, the holders of the Class A Common Stock, voting as a separate class, will have the right to elect up to two members of the Company's Board of Directors and will not vote in the election of directors by the holders of the Company's other voting stock entitled to vote in the election of directors. See "The Roll-Up" and "Description of Capital Stock".

Prior to the Offering, there has been no public market for the Common Stock. It is currently estimated that the initial public offering price per share will be between \$14.00 and \$16.00. For information relating to the factors that will be considered in determining the initial public offering price, see "Underwriting". The Common Stock has been approved for listing on The Nasdaq Stock Market's National Market ("NNM") under the symbol "TWRS".

 SEE "RISK FACTORS" BEGINNING ON PAGE 17 HEREIN FOR CERTAIN FACTORS THAT SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Underwriting Price to Discounts and Public Commissions(1)	Proceeds to Company(2)	Proceeds to Selling Stockholders
Per Share.....	\$	\$	\$
Total(3).....	\$	\$	\$

- (1) The Company and the Selling Stockholders have agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933. See "Underwriting".
- (2) Before deducting expenses payable by the Company estimated to be \$.
- (3) The Company and certain Selling Stockholders have granted the U.S. Underwriters a 30-day option to purchase up to an aggregate of 4,687,500 additional shares of Common Stock on the same terms and conditions as set forth herein, solely to cover over-allotments, if any. If such option is exercised in full, the total Price to Public, Underwriting Discounts and Commissions, Proceeds to Company and Proceeds to Selling Stockholders will be , , and , respectively. See "Underwriting".

The shares of Common Stock offered by this Prospectus are offered by the U.S. Underwriters subject to prior sale, to withdrawal, cancellation, or modification of the offer without notice, to delivery to and acceptance by the U.S. Underwriters and to certain further conditions. It is expected that delivery of the shares will be made at the offices of Lehman Brothers Inc., New York, New York, on or about , 1998.

LEHMAN BROTHERS
CREDIT SUISSE FIRST BOSTON
GOLDMAN, SACHS & CO.
SALOMON SMITH BARNEY
, 1998

CERTAIN PERSONS PARTICIPATING IN THE OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE COMMON STOCK, INCLUDING STABILIZING BIDS, SYNDICATE COVERING TRANSACTIONS OR THE IMPOSITION OF PENALTY BIDS. FOR A DISCUSSION OF THESE ACTIVITIES, SEE "UNDERWRITING".

CTSH publishes its consolidated financial statements in pounds sterling. In this Prospectus, references to "pounds sterling", "(Pounds)", "pence" or "p" are to U.K. currency and references to "U.S. dollars", "U.S.\$" or "\$" are to U.S. currency. For the convenience of the reader, this Prospectus contains translations of certain pound sterling amounts into U.S. dollars at specified rates, or, if not so specified, at the noon buying rate in New York City for cable transfers in pounds sterling as certified for customs purposes by the Federal Reserve Bank of New York (the "Noon Buying Rate") on June 30, 1998, of (Pounds)1.00 = \$1.6695. No representation is made that the pound sterling amounts have been, could have been or could be converted into U.S. dollars at the rates indicated or any other rates. On July 31, 1998, the Noon Buying Rate was (Pounds)1.00 = \$1.6388.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial statements included elsewhere in this Prospectus. Unless otherwise indicated, the information in this Prospectus assumes that the Underwriters' over-allotment option will not be exercised. Unless the context otherwise indicates, the terms "Company" and "CCIC" each refer to the business conducted by Crown Castle International Corp. and its subsidiaries (including CCI and CTI), "CCI" refers to the business conducted by the Company through Crown Communication Inc., "Crown Business" and "Crown" each refer to the business conducted by Crown Communications, Crown Network Systems, Inc., Crown Mobile Systems, Inc. and their affiliates prior to their acquisition by CCIC and "CTI" refers to the business conducted by Castle Transmission Services (Holdings) Ltd ("CTSH") and its wholly owned subsidiary, Castle Transmission International Ltd. Immediately prior to the Offering and the Exchange (as defined), each outstanding share of the Company's Existing Class A Common Stock (as defined), Existing Class B Common Stock (as defined) and Existing Preferred Stock (as defined) will be converted into or reclassified as shares of Common Stock (collectively, the "Conversions"). Unless otherwise indicated, all information in this Prospectus (i) gives effect to the Conversions, (ii) gives effect, following the Conversions, to a five-for-one stock split of the Common Stock (the "Stock Split") and (iii) gives effect to the Exchange. See "Capitalization" and "The Roll-Up".

THE COMPANY

The Company is a leading U.S. and international provider of wireless communications and broadcast transmission infrastructure and related services. The Company owns, operates and manages towers, rooftop sites and broadcast transmission networks, and provides a full range of complementary services including network design and site selection, site acquisition, site development and construction, antenna installation and network management and maintenance. The Company has 19 years of experience in the ownership, leasing and management of wireless communications sites and a 75-year history of broadcast transmission and network management. Based on its industry position and experience, the Company believes it is positioned to capitalize on global growth opportunities arising from (i) the expansion of existing networks and the introduction of new networks in the wireless communications industry, (ii) the consolidation of tower ownership generally, including the transfer of infrastructure ownership from major wireless communications carriers to independent infrastructure providers, (iii) the ongoing privatization of state-run broadcast transmission networks around the world and (iv) the widespread introduction of digital transmission technology in the broadcasting industry. For the year ended December 31, 1997 and the six months ended June 30, 1998, the Company had pro forma revenues of \$180.9 million and \$95.0 million, respectively.

The Company's site rental business involves leasing antenna space to customers on its owned and managed towers and rooftop sites. The Company generally receives fees for installing a customer's equipment and antennas on a tower and also receives monthly rental payments from customers under site leases that typically range in term from three to five years. The Company's major site rental customers include Aerial Communications, AT&T Wireless, Bell Atlantic Mobile, BellSouth Mobility, Motorola, Nextel, PageNet, Sprint PCS and TSR Wireless in the United States and Cellnet, National Transcommunications Limited, One2One, Orange Personal Communications and Vodafone in the United Kingdom.

The Company's broadcast transmission business includes both the transmission of analog and digital television and radio broadcasts and the construction of new multiple tenant broadcast towers. In the United Kingdom, the Company provides analog transmission services for two national television services, seven national radio services and 37 local radio stations through its network of 3,465 transmitters. These services are provided under long-term contracts with the British Broadcasting Corporation (the "BBC") and two national commercial radio companies. In addition, the Company has long-term contracts to provide digital transmission services to the BBC and British Digital Broadcasting Limited ("BDB"), which together are the holders of four of the six multiplexes for digital

terrestrial television broadcasting throughout the United Kingdom. In the United States, the Company plans to build new multiple tenant broadcast towers in locations where additional tower capacity is required to accommodate digital transmission equipment and analog transmission equipment displaced from existing towers.

The Company has developed, maintains and deploys primarily for its own use extensive wireless communications and broadcast transmission network design and radio frequency engineering expertise, as well as site acquisition, site development and construction and antenna installation capabilities. The Company has a team of over 300 engineers with state-of-the-art wireless communications and broadcast transmission network design and radio frequency engineering expertise. The Company plans to leverage its technical expertise and operational experience to enter into build-to-suit and purchase contracts with, and to enter into joint ventures to own and operate the wireless communications infrastructure of, various wireless communications carriers around the world. The Company believes the primary criteria of such carriers in selecting a company to construct, own or operate their wireless communications infrastructure will be the company's capability to maintain the integrity of their networks, including their transmission signals. Therefore, the Company believes that those companies with a proven track record of providing network design and site selection, site acquisition, site development and construction and antenna installation ("end-to-end services") will be best positioned to successfully acquire access to such wireless communications infrastructure.

As of June 30, 1998, the Company owned or managed 1,244 towers and 66 revenue producing rooftop sites. In addition, the Company had 1,217 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers and, in the United Kingdom, the Company had 54 revenue producing rooftop sites that were occupied by the Company's transmitters but were not available for leasing to customers. The Company's major tower footprints consist of 754 owned and managed towers located across the United Kingdom, 207 owned and managed towers located in western Pennsylvania (primarily in and around the greater Pittsburgh area), 185 owned and managed towers located in the southwestern United States (primarily in Texas), 14 owned towers located on mountaintops across Puerto Rico and 22 owned towers along I-95 in North Carolina and South Carolina. In addition, the Company is currently constructing 55 new towers on existing sites and has 38 site acquisition projects in process for sites for its own use.

The Company is actively seeking opportunities for strategic acquisitions of communications sites and transmission networks and is currently pursuing a number of potential significant acquisitions, investments and joint venture opportunities. In connection with a site marketing agreement recently entered into between the Company and BellSouth Mobility, the Company and BellSouth have agreed to explore future arrangements relating to the ownership, utilization and management of BellSouth's tower sites throughout the United States. The Company is also intending to submit a bid in connection with an auction by a major Regional Bell Operating Company of its U.S. wireless communications infrastructure. Similarly, the Company has bid on the tower assets, which encompass more than 250 U.S. tower sites, currently being auctioned by Vanguard Cellular. In addition to those U.S. opportunities, the Company is pursuing acquisition opportunities in Australia and New Zealand, including in certain instances together with other partners. For example, the Company, together with Fay Richwhite & Company Limited and Berkshire Partners LLC, has submitted a bid in respect of a wireless communications network, including its tower infrastructure and radio frequency spectrum. If the bid is successful and the transaction is consummated, the Company anticipates that it would invest up to approximately \$50.0 million for a substantial minority interest in the acquired business. The Company is also pursuing acquisition opportunities in connection with privatizations of state-owned networks. Any of the foregoing could result in an agreement with respect to a significant acquisition, investment or joint venture in the near term. However, the Company has not entered into any agreements in respect of, and believes that there are a number of competing bidders for, these opportunities. As a result, the Company does not believe that any of these acquisition opportunities have become probable. Therefore, there can be no assurance that the Company will consummate any of the foregoing transactions in the near term or at all. See "Risk Factors--Broad Discretion in Application of Proceeds" and "Risk Factors--Managing Integration and Growth".

INDUSTRY BACKGROUND

The Company owns, operates and manages wireless communications and broadcast transmission infrastructure, including towers and other communications sites, and also provides a full range of complementary network support services. Each of the wireless communications and broadcasting industries is currently experiencing a period of significant change.

The wireless communications industry is growing rapidly as new wireless technologies are developed and consumers become more aware of the benefits of wireless services. Wireless technologies are being used in more applications and the cost of wireless services to consumers is declining. A significant number of new competitors in the wireless communications industry have developed as additional frequency spectrum has become available for a wide range of uses, most notably Personal Communications Services ("PCS") (known as "PCN" in the United Kingdom). This competition, combined with an increasing reliance on wireless communications by consumers and businesses, has led to an increased demand for higher quality, uninterrupted service and improved coverage, which, in turn, has led to increased demand for communications sites as new carriers build out their networks and existing carriers upgrade and expand their networks to maintain their competitiveness. These trends are affecting the wireless communications industry around the world.

As the wireless communications industry has become more competitive, wireless communications carriers have sought operating and capital efficiencies by outsourcing certain network services and the build-out and operation of new and existing infrastructure and by co-locating transmission equipment with other carriers on multiple tenant towers. The need for co-location has also been driven by the growing trend by municipalities to slow the proliferation of towers. Further, the Company believes that there has been a fundamental shift in strategy among established wireless communications carriers relating to infrastructure ownership. The Company believes that in order to free up capital for the growth and management of their customer bases and expansion of their service offerings, such carriers are beginning to seek to sell their wireless communications infrastructure to, or establish joint ventures with, experienced infrastructure providers that have the ability to manage networks. The Company believes that those infrastructure providers with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure.

The television broadcasting industry is experiencing significant change because of the impending widespread deployment of digital terrestrial television (known as "DTV" in the United States and "DTT" in the United Kingdom). In the United States, the Federal Communications Commission (the "FCC") has required affiliates of the four major networks (ABC, CBS, NBC and Fox) to commence DTV broadcasts in the top ten markets by May 1999 and in the top 30 markets by November 1999. In the United Kingdom, pursuant to the Broadcasting Act 1996, six digital television transmission multiplexes, which permit the holders to transmit digital television broadcasting services, have been allocated with digital transmission expected to commence on a commercial basis in late 1998. Australia, France, Germany, Japan, Spain and Sweden are expected to be the next countries to introduce digital terrestrial television, followed by other European nations and later by developing countries. Many countries are expected to start to establish digital services within the next five years. The shift to digital transmission will require network design, development and engineering services and the significant enhancement of existing broadcast transmission infrastructure, including new transmission and monitoring equipment and the modification, strengthening and construction of towers (including over 1,000 tall towers in the United States). In addition, state-run broadcast transmission networks are continuing to be privatized throughout the world.

The Company expects these trends to continue around the world in both the wireless communications and broadcasting industries. The Company believes that the next logical step in the outsourcing of infrastructure by wireless communications carriers and broadcasters will be the outsourcing of the operation of their towers and transmission networks, including the transmission of their signals, in much the same way as the BBC has done with its transmission network. This outsourcing will allow carriers to realize additional operating and capital

efficiencies and to focus on management of their customer bases and expansion of their service offerings. Management believes that such carriers will only entrust the transmission of their signals to those infrastructure providers, such as the Company, that have the ability to manage towers and transmission networks and a proven track record of providing end-to-end services to the wireless communications and broadcasting industries.

BUSINESS STRATEGY

The Company's objective is to become the premier global provider of wireless communications and broadcast transmission infrastructure and related services. The Company's experience in establishing and expanding its existing tower footprints, its experience in owning and operating both analog and digital transmission networks, its significant relationships with wireless communications carriers and broadcasters and its ability to offer customers its in-house technical and operational expertise, uniquely position it to capitalize on global growth opportunities. The key elements of the Company's business strategy are to:

- . MAXIMIZE UTILIZATION OF TOWER CAPACITY. The Company is seeking to take advantage of the substantial operating leverage of its site rental business by increasing the number of antenna leases on its owned and managed communications sites. The Company believes that many of its towers have significant capacity available for additional antenna space rental and that increased utilization of its tower capacity can be achieved at low incremental cost. For example, prior to the Company's purchase of the BBC's broadcast transmission network in 1997, the rental of available antenna capacity on the BBC's premier tower sites was not actively marketed to third parties. The Company believes there is substantial demand for such capacity. In addition, the Company believes that the extra capacity on its tower footprints in the United States and the United Kingdom will be highly desirable to new entrants into the wireless communications industry. Such carriers are able to launch service quickly and relatively inexpensively by designing the deployment of their networks based on the Company's attractive existing tower footprints. Further, the Company intends to selectively build and acquire additional towers to improve the coverage of its existing tower footprints to further increase their attractiveness. The Company intends to use targeted sales and marketing techniques to increase utilization of and investment return on its existing, newly constructed and acquired towers.
- . LEVERAGE EXPERTISE OF CCI AND CTI PERSONNEL TO IMPLEMENT GLOBAL GROWTH STRATEGY. The Company is seeking to leverage the skills of its personnel in the United States and the United Kingdom. The Company believes that its ability to manage wireless communications and broadcast transmission networks, including the transmission of signals, will be an important competitive advantage in its pursuit of global growth opportunities. With its wireless communications and broadcast transmission network design and radio frequency engineering expertise, the Company is well positioned (i) to partner with major wireless communications carriers to assume ownership of their existing towers, (ii) to provide build-to-suit towers for wireless communications carriers and broadcasters and (iii) to acquire existing broadcast transmission networks that are being privatized around the world.
- . PARTNER WITH WIRELESS COMMUNICATIONS CARRIERS TO ASSUME OWNERSHIP OF THEIR EXISTING TOWERS. The Company is seeking to partner with major wireless communications carriers in order to assume ownership of their existing towers directly or through joint ventures. The Company believes the primary criteria of such carriers in selecting a company to own and operate their wireless communications infrastructure will be the company's perceived capability to maintain the integrity of their networks, including their transmission signals. Therefore, the Company believes that those companies with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure. The Company is currently in discussions with major wireless communications carriers in the United States to form joint ventures that would own and operate their towers and believes that similar opportunities will arise globally as the wireless communications industry further expands.

- . PROVIDE BUILD-TO-SUIT TOWERS FOR WIRELESS COMMUNICATIONS CARRIERS AND BROADCASTERS. As wireless communications carriers continue to expand and fill-in their service areas, they will require additional communications sites and will have to build new towers where co-location is not available. Similarly, the introduction of DTV in the United States will require the construction of new broadcast towers to accommodate new digital transmission equipment and analog transmission equipment displaced from existing towers. The Company is aggressively pursuing these build-to-suit opportunities, leveraging on its ability to offer end-to-end services. In addition, the Company intends to pursue build-to-suit opportunities through any joint venture or similar arrangement it establishes in connection with the acquisition of existing towers from wireless communications carriers.
- . ACQUIRE EXISTING TRANSMISSION NETWORKS. In 1997, CTI successfully acquired the privatized domestic broadcast transmission network of the BBC. In addition, the Company is implementing the roll-out of digital television transmission services throughout the United Kingdom. As a result of this experience, the Company is well positioned to acquire other state-owned analog and digital broadcast transmission networks globally when opportunities arise. These state-owned broadcast transmission networks typically enjoy premier sites giving an acquirer the ability to offer unused antenna capacity to new and existing radio and television broadcasters and wireless communications carriers, as well as to install new technologies such as digital terrestrial transmission services. In addition, the Company's experience in broadcast transmission services allows the Company to consider, when attractive opportunities arise, acquiring wireless transmission networks as well as the acquisition of associated wireless communications infrastructure. The Company is currently pursuing a number of international acquisition and privatization opportunities.
- . CAPITALIZE ON MANAGEMENT EXPERIENCE. The Company's management team has extensive experience in the tower industry and in the management of broadcast transmission networks. Many of the senior executives have worked together for an extended period, which enables them to leverage their collective strengths in a rapidly changing industry environment. In addition, management is highly motivated to produce strong operating results based on their stock ownership in the Company.

BACKGROUND

Founded in 1994, the Company acquired 127 towers located in Texas, Colorado, New Mexico, Arizona, Oklahoma and Nevada from Pittencrieff Communications, Inc. ("PCI") in 1995. The Company subsequently continued to build its business through a variety of transactions, including (i) the acquisition in 1996 of Motorola's SMR and microwave system in Puerto Rico (the "Puerto Rico System"), which included 15 communication sites (the "Puerto Rico Acquisition"), (ii) the purchase through a series of transactions in 1996 and 1997 of TEA Group Incorporated ("TEA"), a leading domestic and international site acquisition firm (the "TEA Acquisition"), and (iii) the purchase in February 1997 of a 34.3% ownership interest in CTI (the "CTI Investment").

In August 1997, the Company enhanced its tower footprints and domestic network services offering by consummating the acquisition of the assets of Crown Communications (a proprietorship owned by Robert A. and Barbara Crown), and a merger of subsidiaries of the Company with and into Crown Network Systems, Inc. ("CNSI") and Crown Mobile Systems, Inc. ("CMSI"). The acquisition of the assets of Crown Communications and the merger of subsidiaries of the Company with and into CNSI and CMSI are collectively referred to herein as the "Crown Merger". The assets acquired through the Crown Merger included 61 owned towers and exclusive rights to lease antenna space on 147 other towers and rooftop sites, most of which are located in and around the greater Pittsburgh area, giving the Company a significant presence in that market. The remaining acquired sites are located in other areas of Pennsylvania, West Virginia, Kentucky, Ohio and Delaware.

THE ROLL-UP

On April 24, 1998, the Company entered into a Share Exchange Agreement pursuant to which, concurrently with the consummation of the Offering, (i) the shareholders of CTSH (other than the Company, TdF and DFI) will exchange their shares of capital stock of CTSH for shares of Common Stock of the Company and (ii) DFI will exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company. In connection with such exchanges, the Company will exercise warrants to acquire additional shares of capital stock of CTSH and subscribe for additional shares of capital stock of CTSH. Such transactions are collectively referred to herein as the "Exchange". Upon consummation of the Exchange, the Company will own 80.0% of CTSH and TdF will own the remaining 20.0%. Immediately prior to the Exchange, (i) each share of the Company's currently outstanding Class A Common Stock, par value \$.01 per share (the "Existing Class A Common Stock"), will be converted into 1.523148 shares of Common Stock, (ii) each share of the Company's currently outstanding Class B Common Stock, par value \$.01 per share (the "Existing Class B Common Stock"), will be reclassified as one share of Common Stock and (iii) each share of the Company's currently outstanding Series A Convertible Preferred Stock, par value \$.01 per share (the "Series A Convertible Preferred Stock"), Series B Convertible Preferred Common Stock, par value \$.01 per share (the "Series B Convertible Preferred Stock"), and Series C Convertible Preferred Common Stock, par value \$.01 per share (the "Series C Convertible Preferred Stock" and, together with the Series A Convertible Preferred Stock and the Series B Convertible Preferred Stock, the "Existing Preferred Stock"), will be converted into one share of Common Stock. The Exchange and the Conversions are collectively referred to herein as the "Roll-Up". See "The Roll-Up".

Upon the consummation of the Offering, after giving effect to the Roll-Up: (i) DFI will own all of the outstanding Class A Common Stock (which is convertible into shares of Common Stock and represents a 12.1% beneficial ownership interest in the Company's Common Stock) and DFI and TdF together will (after giving effect to the TdF Conversions (as defined)) beneficially own 25.9% of the Company's Common Stock; (ii) the Candover Group (as defined) will beneficially own 12.1% of the Company's Common Stock; (iii) the Berkshire Group (as defined) will beneficially own 22.0% of the Company's Common Stock; (iv) the Centennial Group (as defined) will beneficially own 10.5% of the Company's Common Stock; (v) the Crown Parties (as defined) will beneficially own 7.0% of the Company's Common Stock; and (vi) executive officers of the Company (excluding Mr. Crown) will beneficially own 7.4% of the Company's Common Stock. See "Principal and Selling Stockholders".

Following the Roll-Up, TdF (whose ultimate parent is France Telecom) will have certain significant governance and other rights with respect to the Company and the CTI business. Subject to certain conditions, TdF's consent will be required for the Company or CTI to undertake certain actions, including making certain acquisitions or dispositions, entering into strategic alliances with certain parties and engaging in certain business combinations. See "Risk Factors--Risks Related to Agreements with TdF" and "The Roll-Up--Roll-Up Agreements".

In addition, subject to certain conditions, (i) during the two-year period following consummation of the Offering, TdF will have the right (the "TdF Put Right") to exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company at the Exchange Ratio (as defined) and (ii) on the second anniversary of the consummation of the Offering, the Company will have the right (the "Company Call Right") to require TdF to exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company at the Exchange Ratio; provided, however, that in each case TdF will retain its governance rights with respect to CTI until its ownership interest in the Company falls below 5%. See "Risk Factors--Risks Related to Agreements with TdF", "The Roll-Up--Roll-Up Agreements" and "Description of Capital Stock".

RECENT FINANCINGS

On October 31, 1997, Castle Tower Corporation ("CTC"), then a wholly owned subsidiary of CCIC, borrowed approximately \$94.7 million (the "October Bank Financing") under a Loan Agreement dated April 26, 1995, as amended on June 26, 1996, January 17, 1997, April 3, 1997 and October 31, 1997 (the "Senior Credit Facility"). In addition, concurrently with the October Bank Financing, CCIC privately placed \$36.5 million of senior convertible preferred stock (the "Senior Convertible Preferred Stock") and warrants to purchase shares of Common Stock of CCIC. The proceeds of the October Bank Financing and the private placement of Senior Convertible Preferred Stock were used to repay a seller note issued in connection with the Crown Merger, to repay loans outstanding under a credit agreement at Crown Communications and to pay related fees and expenses. The October Bank Financing, the private placement of the Senior Convertible Preferred Stock and the application of the proceeds therefrom are collectively referred to herein as the "October Refinancing".

On November 20, 1997, the Company privately placed (the "1997 Notes Offering") \$251.0 million principal amount at maturity (\$150,010,150 initial accreted value) of its 10 5/8% Senior Discount Notes due 2007 (the "Notes"). The net proceeds to the Company from the 1997 Notes Offering were used to repay substantially all outstanding indebtedness of the Company, including the approximately \$94.7 million of indebtedness incurred under the Senior Credit Facility in connection with the October Refinancing, and to pay related fees and expenses with the balance being used for general corporate purposes. The October Refinancing, the 1997 Notes Offering and the application of the net proceeds from the 1997 Notes Offering, are collectively referred to herein as the "1997 Refinancing".

The Company's principal executive offices are located at 510 Bering Drive, Suite 500, Houston, Texas 77057, telephone (713) 570-3000.

CORPORATE STRUCTURE

The following chart illustrates the organizational structure of the Company after giving effect to the Roll-Up. See "Capitalization" and "The Roll-Up".

[CHART OF ORGANIZATIONAL STRUCTURE APPEARS HERE]

THE OFFERING

Common Stock offered by the Company:

U.S. Offering.....	
International Offering.....	9,520,000 shares
	2,800,000 shares

Total.....	12,320,000 shares

Common Stock offered by the Selling Stockholders(a):

U.S. Offering.....	
	1,680,000 shares

Common Stock to be outstanding after the Offering(b):

Common Stock(c).....	
	82,548,545 shares
Class A Common Stock(d).....	11,340,000 shares

Voting Rights..... Under the Company's Certificate of Incorporation, with respect to matters on which the holders of the Company's Common Stock have the right to vote, stockholder approval generally will require the affirmative vote of the holders of a majority of the voting power of the Company, with the holders of the Common Stock and the Class A Common Stock voting together as a single class. However, certain specified actions will require the approval of the holders of a majority of the Class A Common Stock. In addition, the holders of the Class A Common Stock, voting as a separate class, will have the right to elect up to two members of the Company's Board of Directors and will not vote in the election of directors by the holders of the Company's other voting stock entitled to vote in the election of directors. See "The Roll-Up" and "Description of Capital Stock".

Use of Proceeds..... The proceeds of the Offering will be used for working capital and general corporate purposes, including (i) acquisitions, investments and joint ventures and (ii) capital expenditures associated with (a) the buildout of new infrastructure in the United Kingdom to support DTT and (b) the construction of new towers. See "Risk Factors--Broad Discretion in Application of Proceeds".

NNM Stock Symbol..... "TWRS".

(Footnotes on following page)

- - - - -
- (a) Does not include 2,100,000 shares of Common Stock that will be offered if the Underwriters' over-allotment option is exercised in full.
 - (b) Does not include 254,518 shares of Common Stock issuable upon the exercise of stock options held by certain of the Selling Stockholders that will be exercised if the Underwriters' over-allotment option is exercised in full.
 - (c) Does not include (i) 1,314,990 shares of Common Stock reserved for issuance upon exercise of warrants outstanding prior to the Offering, (ii) 4,257,360 shares of Common Stock reserved for issuance upon exercise of stock options previously granted pursuant to CTSB's stock option plans and agreements or (iii) 18,000,000 shares of Common Stock reserved for issuance under the Company's 1995 Stock Option Plan (including 11,924,990 shares issuable pursuant to stock options outstanding at the time of the Offering). See "Management--Directors' Compensation and Arrangements", "Management--Stock Option Plans", "Certain Relationships and Related Transactions" and "Description of Capital Stock--Senior Preferred Warrants".
 - (d) Upon consummation of the Roll-Up, all outstanding shares of Class A Common Stock initially will be owned by DFI.

RISK FACTORS

Prospective purchasers of the Common Stock should carefully consider the factors set forth under "Risk Factors" immediately following this Prospectus Summary, as well as the other information set forth in this Prospectus.

SUMMARY UNAUDITED PRO FORMA FINANCIAL AND OTHER DATA

The unaudited pro forma financial and other data set forth below have been derived from the Pro Forma Financial Statements (as defined) included elsewhere in this Prospectus. The pro forma statement of operations data and other data for the year ended December 31, 1997, give effect to the Transactions (as defined under "Unaudited Pro Forma Condensed Consolidated Financial Statements") as if they had occurred on January 1, 1997. The pro forma statement of operations data and other data for the six months ended June 30, 1998, give effect to the Roll-Up, the Offering and the conversion (the "Senior Preferred Conversion") of the Senior Convertible Preferred Stock into Common Stock (all of which, as of July 17, 1998, had converted), as if they had occurred on January 1, 1998. The pro forma balance sheet data give effect to the Roll-Up, the Offering and the Senior Preferred Conversion as if they had occurred on June 30, 1998. The information set forth below should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Statements", "Selected Financial and Other Data of CCIC", "Selected Financial and Other Data of Crown", "Selected Financial and Other Data of CTI", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the notes thereto of CCIC, Crown and CTI included elsewhere in this Prospectus.

	YEAR ENDED DECEMBER 31, 1997	SIX MONTHS ENDED JUNE 30, 1998

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)		
STATEMENT OF OPERATIONS DATA:		
Net revenues:		
Site rental and broadcast transmission.....	\$ 126,482	\$72,886
Network services and other.....	54,454	22,080
	-----	-----
Total net revenues.....	180,936	94,966
	-----	-----
Costs of operations:		
Site rental and broadcast transmission(a).....	57,440	30,804
Network services and other.....	31,296	13,039
	-----	-----
Total costs of operations.....	88,736	43,843
	-----	-----
General and administrative.....	19,983	12,968
Corporate development(b).....	3,507	4,674
Depreciation and amortization.....	64,954	35,546
	-----	-----
Operating income (loss).....	3,756	(2,065)
Other income (expense):		
Interest and other income.....	1,321	1,944
Interest expense and amortization of deferred financing costs.....	(38,308)	(20,283)
	-----	-----
Income (loss) before income taxes and minority interests	(33,231)	(20,404)
Provision for income taxes.....	(50)	(209)
Minority interests.....	(1,320)	(685)
	-----	-----
Net income (loss).....	(34,601)	(21,298)
Dividends on Senior Convertible Preferred Stock...	--	--
	-----	-----
Net income (loss) after deduction of dividends on Senior Convertible Preferred Stock.....	\$ (34,601)	\$ (21,298)
	=====	=====
Loss per common share--basic and diluted.....	\$ (0.37)	\$ (0.23)
	=====	=====
Common shares outstanding--basic and diluted (in thousands).....	93,988	93,999
	=====	=====
OTHER DATA:		
Site data(c):		
Towers and revenue producing rooftop sites at end of period.....	1,254	1,364

	YEAR ENDED DECEMBER 31, 1997	SIX MONTHS ENDED JUNE 30, 1998
----- (DOLLARS IN THOUSANDS)		
EBITDA(e):		
Site rental and broadcast transmission.....	\$ 60,085	\$ 37,730
Network services and other.....	12,132	425
Corporate development expenses(b).....	(3,507)	(4,674)
	-----	-----
Total EBITDA.....	\$ 68,710	\$ 33,481
	=====	=====
Capital expenditures.....	\$ 56,468	\$ 90,865
Summary cash flow information:		
Net cash provided by operating activities.....	61,193	29,916
Net cash used for investing activities.....	(234,299)	(89,938)
Net cash provided by financing activities.....	242,241	58,378
Ratio of earnings to fixed charges(f)...	--	--

AS OF JUNE 30, 1998

	HISTORICAL CCIC	PRO FORMA FOR ROLL-UP	PRO FORMA FOR ROLL-UP AND OFFERING
----- (DOLLARS IN THOUSANDS)			
BALANCE SHEET DATA:			
Cash and cash equivalents.....	\$ 51,258	\$ 67,063	\$ 215,106
Property and equipment, net.....	131,492	499,627	499,627
Total assets.....	418,830	1,182,889	1,330,932
Total debt.....	216,869	465,256	465,256
Redeemable preferred stock.....	164,881	72,080	-- (g)
Total stockholders' equity.....	26,721	538,222	758,345
OTHER DATA:			
Ratio of EBITDA to total interest expense(h).....	0.30x	1.65x	1.65x
Ratio of total debt to EBITDA.....	36.10x	6.95x	6.95x
Ratio of net debt to EBITDA(i).....	27.57x	5.95x	3.74x
Towers and revenue producing rooftop sites(d).....	556	1,364	1,364

(a) Included in costs of operations for site rental and broadcast transmission for the six months ended June 30, 1998 are non-cash compensation charges for \$1.4 million related to the issuance of stock options for 170,000 ordinary shares and 169,830,000 preference shares of CTSH to certain employees of CTI. In connection with the Roll-Up, such stock options will be converted into options for Common Stock of the Company. See "Management--Stock Option Plans--CTI Stock Option Plans".

(b) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers. Included in corporate development expenses for the six months ended June 30, 1998 are non-cash compensation charges for \$1.8 million related to the issuance of stock options for approximately 168,000 ordinary shares and 167,832,000 preference shares of CTSH to certain executives at CTI. In connection with the Roll-Up, such stock options will be converted into options for Common Stock of the Company. See "Management--Stock Option Plans--CTI Stock Option Plans". CCIC expects to record non-cash compensation charges related to the issuance of stock options to certain employees and executives. Such charges are expected to amount to \$10.6 million in 1998, recognized upon completion of the Offering, and approximately \$1.6 million per year thereafter through 2003.

(c) Represents the aggregate number of sites of CCIC and its acquired businesses (including Crown) and CTI for each period.

(d) As of June 30, 1998, the Company had contracts with 1,283 buildings in the United States to manage on behalf of such buildings the leasing of space for antennas on the rooftops of such buildings. A revenue producing rooftop represents a rooftop where the Company has arranged a lease of space on such rooftop and, as such, is receiving payments in respect of its management contract. The Company generally does not receive any payment for rooftops under management unless the Company actually leases space on such rooftops to third parties. As of June 30, 1998, the Company had 1,217 rooftop sites under management throughout the United States that were not revenue producing rooftops but were available for leasing to customers and, in the United Kingdom, the Company had 54 revenue producing rooftop sites that were occupied by the Company's transmitters but were not available for leasing to customers.

(e) EBITDA is defined as operating income (loss) plus depreciation and amortization. EBITDA is presented as additional information because

management believes it to be a useful indicator of the Company's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, the Company's measure of EBITDA may not be comparable to similarly titled measures of other companies.

- (f) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes, minority interests and fixed charges. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the year ended December 31, 1997 and the six months ended June 30, 1998, earnings were insufficient to cover fixed charges by \$33.2 million and \$20.4 million, respectively.
- (g) Reflects the conversion of the outstanding shares of Senior Convertible Preferred Stock into shares of Common Stock in the Senior Preferred Conversion.
- (h) Total interest expense for the six months ended June 30, 1998 includes amortization of deferred financing costs and discount of \$8.5 million for CCIC and \$0.4 million for CTI.
- (i) Net debt represents total debt less cash and cash equivalents.

SUMMARY FINANCIAL AND OTHER DATA OF CCIC

The summary historical consolidated financial and other data for CCIC set forth below for each of the three years in the period ended December 31, 1997, and as of December 31, 1995, 1996 and 1997, have been derived from the consolidated financial statements of CCIC, which have been audited by KPMG Peat Marwick LLP, independent certified public accountants. The summary historical consolidated financial and other data for CCIC set forth below for the six months ended June 30, 1997 and 1998, and as of June 30, 1998, have been derived from the unaudited consolidated financial statements of CCIC, which include all adjustments that the Company considers necessary for a fair presentation of the financial position and results of operations for those periods. Operating results for the six months ended June 30, 1997 and 1998 are not necessarily indicative of the results that may be expected for the entire year. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CCIC" and the consolidated financial statements and the notes thereto of CCIC included elsewhere in this Prospectus.

	YEARS ENDED DECEMBER 31,			SIX MONTHS ENDED JUNE 30,	
	1995	1996	1997	1997	1998
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)					
STATEMENT OF OPERATIONS DATA:					
Net revenues:					
Site rental.....	\$ 4,052	\$ 5,615	\$ 11,010	\$ 3,341	\$ 10,448
Network services and other....	6	592	20,395	3,424	12,919
Total net revenues.....	4,058	6,207	31,405	6,765	23,367
Costs of operations:					
Site rental.....	1,226	1,292	2,213	605	2,418
Network services and other....	--	8	13,137	2,171	7,155
Total costs of operations.....	1,226	1,300	15,350	2,776	9,573
General and administrative.....	729	1,678	6,824	1,491	8,768
Corporate development(a).....	204	1,324	5,731	3,782	2,022
Depreciation and amortization..	836	1,242	6,952	930	7,695
Operating income (loss).....	1,063	663	(3,452)	(2,214)	(4,691)
Other income (expense):					
Equity in earnings (losses) of unconsolidated affiliate.....	--	--	(1,138)	(221)	525
Interest and other income(b)..	53	193	1,951	1,508	1,370
Interest expense and amortization of deferred financing costs.....	(1,137)	(1,803)	(9,254)	(1,196)	(10,027)
Income (loss) before income taxes.....	(21)	(947)	(11,893)	(2,123)	(12,823)
Provision for income taxes.....	--	(10)	(49)	(26)	(209)
Net income (loss).....	(21)	(957)	(11,942)	(2,149)	(13,032)
Dividends on Senior Convertible Preferred Stock.....	--	--	(2,199)	--	(4,132)
Net income (loss) after deduction of dividends on Senior Convertible Preferred Stock.....	\$ (21)	\$ (957)	\$ (14,141)	\$ (2,149)	\$ (17,164)
Loss per common share--basic and diluted.....	\$ (0.01)	\$ (0.27)	\$ (2.27)	\$ (0.64)	\$ (1.57)
Common shares outstanding--basic and diluted (in thousands).....	3,316	3,503	6,238	3,381	10,954

	YEARS ENDED DECEMBER 31,		SIX MONTHS ENDED JUNE 30,	
	1995	1996	1997	1997

(DOLLARS IN THOUSANDS)

OTHER DATA:

Site data (at period end)(c):

Towers owned.....	126	155	240		361
Towers managed.....	7	7	133		129
Rooftop sites managed (revenue producing)(d)....	41	52	80		66
Total sites owned and managed.....	174	214	453		556

EBITDA(e):

Site rental.....	\$ 2,697	\$ 3,555	\$ 7,682	\$ 2,289	\$ 7,215
Network services and other.....	(594)	(326)	1,549	209	(2,189)
Corporate development expenses(a).....	(204)	(1,324)	(5,731)	(3,782)	(2,022)
Total EBITDA.....	\$ 1,899	\$ 1,905	\$ 3,500	\$ (1,284)	\$ 3,004

Capital expenditures..... \$ 161 \$ 890 \$ 18,035 \$ 918 \$ 52,752

Summary cash flow information:

Net cash provided by (used for) operating activities.....	1,672	(530)	(624)	396	(1,972)
Net cash used for investing activities.....	(16,673)	(13,916)	(111,484)	(66,494)	(52,752)
Net cash provided by financing activities.....	15,597	21,193	159,843	70,977	50,904
Ratio of earnings to fixed charges(f).....	--	--	--	--	--

BALANCE SHEET DATA (AT PERIOD END):

Cash and cash equivalents... Property and equipment, net.....	\$ 596	\$ 7,343	\$ 55,078		\$ 51,258
Total assets.....	16,003	26,753	81,968		131,492
Total debt.....	19,875	41,226	371,391		418,830
Redeemable preferred stock(g).....	11,182	22,052	156,293		216,869
Total stockholders' equity (deficit).....	5,175	15,550	160,749		164,881
	619	(210)	41,792		26,721

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- (a) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers. For the year ended December 31, 1997, includes (i) nonrecurring cash bonuses of \$0.9 million paid to certain executive officers in connection with the CTI Investment and (ii) a nonrecurring cash charge of \$1.3 million related to the purchase by CCIC of shares of Common Stock from CCIC's former chief executive officer in connection with the CTI Investment. See "Certain Relationships and Related Transactions". CCIC expects to record non-cash compensation charges related to the issuance of stock options to certain employees and executives. Such charges are expected to amount to \$10.6 million in 1998, recognized upon completion of the Offering, and approximately \$1.6 million per year thereafter through 2003.
- (b) Includes a \$1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI in connection with the CTI Investment.
- (c) Represents the aggregate number of sites of CCIC as of the end of each period.
- (d) As of June 30, 1998, CCIC had contracts with 1,283 buildings to manage on behalf of such buildings the leasing of space for antennas on the rooftops of such buildings. A revenue producing rooftop represents a rooftop where CCIC has arranged a lease of space on such rooftop and, as such, is receiving payments in respect of its management contract. CCIC generally does not receive any payment for rooftops under management unless CCIC actually leases space on such rooftops to third parties. As of June 30, 1998, CCIC had 1,217 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers.
- (e) EBITDA is defined as operating income (loss) plus depreciation and amortization. EBITDA is presented as additional information because management believes it to be a useful indicator of CCIC's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CCIC's measure of EBITDA may not be comparable to

similarly titled measures of other companies.

- (f) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes, fixed charges and equity in earnings (losses) of unconsolidated affiliate. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the years ended December 31, 1995, 1996 and 1997 and the six months ended June 30, 1997 and 1998, earnings were insufficient to cover fixed charges by \$21,000, \$0.9 million, \$10.8 million, \$1.9 million and \$13.3 million, respectively.
- (g) Represents (i) the Senior Convertible Preferred Stock privately placed by CCIC in August 1997 and October 1997, all of which has been converted into shares of Common Stock, and (ii) the Series A Convertible Preferred Stock, the Series B Convertible Preferred Stock and the Series C Convertible Preferred Stock privately placed by CCIC in April 1995, July 1996 and February 1997, respectively, all of which will be converted into shares of Common Stock in connection with the consummation of the Offering.

SUMMARY FINANCIAL AND OTHER DATA OF CTI

The summary historical financial data for CTI, which was 34.3% owned by CCIC prior to the Roll-Up, presents (i) summary historical financial data of the BBC Home Service Transmission Business prior to its acquisition by CTI (the "Predecessor") for the year ended March 31, 1996 and the eleven and two months ended February 27, 1997, (ii) summary historical consolidated financial data of CTI after such acquisition for the one month ended March 31, 1997, for the three months ended June 30, 1997 and for the nine months ended December 31, 1997, and (iii) summary historical consolidated financial data of CTI as of and for the six months ended June 30, 1998. The summary historical financial data for the year ended March 31, 1996 and the eleven months ended February 27, 1997 have been derived from the financial statements of the Predecessor, which have been audited by KPMG, Chartered Accountants. The summary financial data for the one month ended March 31, 1997 and the nine months ended December 31, 1997 have been derived from the consolidated financial statements of CTI, which have been audited by KPMG, Chartered Accountants. The summary historical financial data for the two months ended February 27, 1997 have been derived from the unaudited financial statements of the Predecessor, and the summary historical financial data for the three months ended June 30, 1997 and as of and for the six months ended June 30, 1998 have been derived from the unaudited consolidated financial statements of CTI, which include all adjustments that CTI considers necessary for a fair presentation of the financial position and results of operations for that period. The results of operations for the one month ended March 31, 1997, the three months ended June 30, 1997, the nine months ended December 31, 1997 and the six months ended June 30, 1998 are not necessarily indicative of the results of operations of CTI that may be expected for the entire year. This information reflects financial data for CTI as a whole, is not limited to that portion of the financial data attributable to CCIC's percentage ownership of CTI prior to the Roll-Up and is not indicative of any distributions or dividends that CCIC might receive in the future. CTI is subject to significant restrictions on its ability to make dividends and distributions to CCIC. See "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends". The information set forth below should be read in conjunction with "Selected Financial and Other Data of CTI", "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CTI" and the consolidated financial statements and the notes thereto of CTI included elsewhere in this Prospectus.

	PREDECESSOR COMPANY				CTI		
	YEAR ENDED MARCH 31, 1996	ELEVEN MONTHS ENDED FEBRUARY 27, 1997	TWO MONTHS ENDED FEBRUARY 27, 1997	ONE MONTH ENDED MARCH 31, 1997	THREE MONTHS ENDED JUNE 30, 1997	NINE MONTHS ENDED DECEMBER 31, 1997	SIX MONTHS ENDED JUNE 30, 1998
	(POUNDS STERLING IN THOUSANDS)						
STATEMENT OF OPERATIONS DATA (under U.S. GAAP):							
Net revenues:							
Site rental and broadcast transmission....	(Pounds)61,694	(Pounds)65,183	(Pounds)11,761	(Pounds)5,510	(Pounds)16,547	(Pounds)50,438	(Pounds)37,846
Network services and other.....	8,673	5,431	1,044	923	2,064	6,314	5,670
Total net revenues.....	70,367	70,614	12,805	6,433	18,611	56,752	43,516
Costs of operations:							
Site rental and broadcast transmission(b)..	34,577	36,200	5,851	2,483	8,283	24,516	17,205
Network services and other.....	5,472	3,335	745	391	669	2,520	3,564
Total costs of operations.....	40,049	39,535	6,596	2,874	8,952	27,036	20,769
General and administrative...	9,698	4,039	1,048	495	1,357	4,021	2,666
Corporate development(c)...	--	--	--	--	--	--	1,610
Depreciation and amortization.....	9,128	9,045	1,738	1,819	5,533	16,854	11,688
Operating income..	11,492	17,995	3,423	1,245	2,769	8,841	6,783
Other income (expense):							
Interest and other income....	--	--	--	49	119	288	348
Interest expense and amortization of deferred financing							

costs.....	--	--	--	(891)	(5,179)	(11,618)	(6,217)
Income (loss) before income taxes.....	11,492	17,995	3,423	403	(2,291)	(2,489)	914
Provision for income taxes.....	--	--	--	--	--	--	--
Net income (loss).....	(Pounds)11,492	(Pounds)17,995	(Pounds) 3,423	(Pounds) 403	(Pounds)(2,291)	(Pounds)(2,489)	(Pounds) 914

CTI

ONE MONTH ENDED MARCH 31, 1997(A)	NINE MONTHS ENDED DECEMBER 31, 1997(A)	SIX MONTHS ENDED JUNE 30, 1998(A)
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(DOLLARS IN THOUSANDS)

STATEMENT OF
OPERATIONS DATA
(under U.S.
GAAP):

Net revenues:

Site rental and broadcast transmission....	\$ 9,199	\$ 84,206	\$ 63,184
Network services and other.....	1,541	10,540	9,466
Total net revenues.....	10,740	94,746	72,650

Costs of
operations:

Site rental and broadcast transmission(b)..	4,145	40,929	28,724
Network services and other.....	653	4,207	5,950
Total costs of operations.....	4,798	45,136	34,674

General and administrative...	826	6,723	4,451
Corporate development(c)...	--	--	2,688
Depreciation and amortization.....	3,037	28,188	19,513

Operating income..	2,079	14,699	11,324
Other income (expense):			
Interest and other income....	82	481	581
Interest expense and amortization of deferred financing costs.....	(1,488)	(19,395)	(10,379)

Income (loss) before income taxes.....	673	(4,215)	1,526
Provision for income taxes.....	--	--	--

Net income (loss).....	\$ 673	\$ (4,215)	\$ 1,526
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	PREDECESSOR COMPANY			CTI		
YEAR ENDED MARCH 31, 1996	ELEVEN MONTHS ENDED FEBRUARY 27, 1997	TWO MONTHS ENDED FEBRUARY 27, 1997	ONE MONTH ENDED MARCH 31, 1997	THREE MONTHS ENDED JUNE 30, 1997	NINE MONTHS ENDED DECEMBER 31, 1997	SIX MONTHS ENDED JUNE 30, 1998

(POUNDS STERLING IN THOUSANDS)

OTHER DATA (under U.S. GAAP): Site data(d): Towers and revenue producing rooftop sites at end of period...							
EBITDA(e): Site rental and broadcast transmission....	(Pounds)19,359	(Pounds)25,752	(Pounds)4,941	(Pounds)2,574	(Pounds)7,103	(Pounds)22,428	(Pounds)18,377
Network services and other.....	1,261	1,288	220	490	1,199	3,267	1,704
Corporate development expenses(c).....	--	--	--	--	--	--	(1,610)
Total EBITDA....	(Pounds)20,620	(Pounds)27,040	(Pounds)5,161	(Pounds)3,064	(Pounds)8,302	(Pounds)25,695	(Pounds)18,471
Capital expenditures.....	(Pounds)18,079	(Pounds)21,810	(Pounds) 711	(Pounds) 748	(Pounds)3,906	(Pounds)14,361	(Pounds)23,083
Summary cash flow information: Net cash provided by operating activities.....	24,311	28,146	5,161	4,871	7,169	25,555	19,294
Net cash used for investing activities.....	(17,190)	(21,811)	(711)	(52,889)	(4,114)	(14,668)	(22,522)
Net cash provided by (used for) financing activities.....	(7,121)	(6,335)	(4,450)	57,706	(6,792)	(12,423)	4,543

CTI

ONE MONTH ENDED MARCH 31, 1997(A)	NINE MONTHS ENDED DECEMBER 31, 1997(A)	SIX MONTHS ENDED JUNE 30, 1998(A)
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(DOLLARS IN THOUSANDS)

OTHER DATA (under U.S. GAAP): Site data(d): Towers and revenue producing rooftop sites at end of period...		801	808
EBITDA(e): Site rental and broadcast transmission....	\$ 4,298	\$37,444	\$30,680
Network services and other.....	818	5,443	2,845
Corporate development expenses(c).....	--	--	(2,688)
Total EBITDA....	\$ 5,116	\$42,887	\$30,837
Capital expenditures.....	\$ 1,249	\$23,976	\$38,537
Summary cash flow information: Net cash provided by operating activities.....	8,132	42,664	32,211
Net cash used for investing activities.....	(88,298)	(24,488)	(37,600)
Net cash provided by (used for) financing activities.....	96,340	(20,740)	7,585

AS OF JUNE 30, 1998 AS OF JUNE 30, 1998

(POUNDS STERLING (DOLLARS
IN THOUSANDS) IN THOUSANDS)

BALANCE SHEET DATA (under U.S. GAAP):		
Cash and cash equivalents.....	(Pounds)9,467	\$ 15,805
Property and equipment, net.....	220,506	368,135
Total assets.....	288,348	481,397
Total debt.....	148,779	248,387
Redeemable preference shares.....	107,949	180,221
Ordinary shareholders' equity (deficit).....	(4,288)	(7,159)

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- (a) CTI publishes its consolidated financial statements in pounds sterling. For the convenience of the reader, the information set forth above contains translations of pound sterling amounts into U.S. dollars at the Noon Buying Rate on June 30, 1998, of (Pounds)1.00 = \$1.6695. No representation is made that the pound sterling amounts have been, could have been or could be converted into U.S. dollars at the rate indicated or any other rates. On July 31, 1998, the Noon Buying Rate was (Pounds)1.00 = \$1.6388.
- (b) Included in costs of operations for site rental and broadcast transmission for the six months ended June 30, 1998 are non-cash compensation charges for (Pounds)0.8 million (\$1.4 million) related to the issuance of stock options to certain executives and employees.
- (c) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers. Included in corporate development expenses for the six months ended June 30, 1998 are non-cash compensation charges for (Pounds)1.1 million (\$1.8 million) related to the issuance of stock options to certain executives at CTI.
- (d) As of June 30, 1998, CTI's 54 revenue producing rooftop sites were occupied by its transmitters but were not available for leasing to customers.
- (e) EBITDA is defined as operating income (loss) plus depreciation and amortization. EBITDA is presented as additional information because management believes it to be a useful indicator of CTI's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CTI's measure of EBITDA may not be comparable to similarly titled measures of other companies.

RISK FACTORS

Prospective investors should consider carefully the risk factors set forth below, as well as the other information appearing in this Prospectus, before making any investment in the Common Stock.

MANAGING INTEGRATION AND GROWTH

The Company's ability to implement its growth strategy depends, in part, on its successes in integrating its acquisitions, investments, joint ventures and strategic alliances into the Company's operations. The Company has grown significantly over the past 18 months through acquisitions. The Crown Merger in August 1997 was significantly larger than the Company's previous acquisitions and represented a substantial increase in the scope of the Company's business. Crown's revenues for fiscal 1996 were \$19.4 million. In contrast, CCIC's revenues for fiscal 1996 were \$6.2 million. Similarly, the Roll-Up will result in the Company having majority ownership of CTI, which had consolidated revenues in the twelve months ended December 31, 1997 of (Pounds)76.0 million (\$124.5 million). Successful integration of these transactions will depend primarily on the Company's ability to manage their combined operations and to integrate their existing management with and into CCIC's management. There can be no assurance that the Company can successfully integrate these acquired businesses or any future acquisitions into its business or implement its plans without delay and any failure or any inability to do so may have a material adverse effect on the Company's financial condition and results of operations.

Implementation of the Company's acquisition strategy may impose significant strains on the Company's management, operating systems and financial resources. Failure by the Company to manage its growth or unexpected difficulties encountered during expansion could have a material adverse effect on the Company's financial condition and results of operations. The pursuit and integration of acquisitions, investments, joint ventures and strategic alliances will require substantial attention from the Company's senior management, which will limit the amount of time available to devote to the Company's existing operations. Future acquisitions by the Company could result in the incurrence of substantial amounts of debt and contingent liabilities and an increase in amortization expenses related to goodwill and other intangible assets, which could have a material adverse effect upon the Company's financial condition and results of operations.

SUBSTANTIAL LEVERAGE; RESTRICTIONS IMPOSED BY THE TERMS OF THE COMPANY'S INDEBTEDNESS

The Company is highly leveraged. As of June 30, 1998, after giving pro forma effect to the Roll-Up, the Offering and the Senior Preferred Conversion, the Company had total consolidated indebtedness of approximately \$465.3 million and total consolidated stockholders' equity of approximately \$758.3 million. Also, after giving pro forma effect to the Roll-Up, the Company's earnings would have been insufficient to cover fixed charges by \$33.2 million for fiscal 1997. CCIC and its subsidiaries will be permitted to incur additional indebtedness in the future. See "Capitalization", "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Certain Indebtedness".

The degree to which the Company is leveraged could have significant adverse consequences to the Company, including, but not limited to: (i) increasing the Company's vulnerability to general adverse economic and industry conditions, (ii) limiting the Company's ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements, (iii) requiring the dedication of a substantial portion of the Company's cash flow from operations to the payment of principal of, and interest on, its indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures or other general corporate purposes, (iv) limiting the Company's flexibility in planning for, or reacting to, changes in its business and the industry and (v) placing the Company at a competitive disadvantage vis-a-vis less leveraged competitors. See "Capitalization", "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Certain Indebtedness".

The Company's ability to meet its debt service or to fund planned capital expenditures, will depend on its future performance, which, to a certain extent, is subject to general economic, financial, competitive, legislative,

regulatory and other factors that are beyond its control. The Company's business strategy contemplates substantial capital expenditures in connection with the expansion of its tower footprints. Based on the Company's current operations and anticipated revenue growth, management believes that cash flow from operations and available cash, together with the net proceeds of the Offering and available borrowings under the Senior Credit Facility and CTI Credit Facility (as defined), will be sufficient to fund the Company's anticipated capital expenditures for the foreseeable future. However, in the event the Company consummates any significant acquisitions, including any of the significant acquisitions that the Company is currently pursuing, or exceeds its currently anticipated capital expenditures, the Company anticipates that it will need to seek additional equity or debt financing to fund its business plan. Failure to obtain any such financing could require the Company to significantly reduce its planned capital expenditures and forego these acquisition opportunities and could have a material adverse effect on the Company's ability to achieve its business strategy. In addition, the Company may need to refinance all or a portion of its indebtedness on or prior to its scheduled maturity. There can be no assurance that the Company will generate sufficient cash flow from operations in the future, that anticipated revenue growth will be realized or that future borrowings, equity contributions or loans from affiliates will be available in an amount sufficient to service its indebtedness and make anticipated capital expenditures. In addition, there can be no assurance that the Company will be able to effect any required refinancings of its indebtedness on commercially reasonable terms or at all. See "--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends" and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

The terms of the Company's debt instruments contain numerous restrictive covenants, including but not limited to covenants that restrict the ability of the Company and its subsidiaries to incur indebtedness, pay dividends, create liens, sell assets and engage in certain mergers and acquisitions. In addition, some of such indebtedness requires certain of the Company's subsidiaries to maintain certain financial ratios. The ability of the Company to comply with the covenants and other terms of its indebtedness and to satisfy its respective debt obligations will depend on the future operating performance of the Company. In the event the Company fails to comply with the various covenants contained in its debt instruments, it would be in default thereunder, and in certain of such cases, the maturity of substantially all of its long-term indebtedness could be accelerated. See "Description of Certain Indebtedness".

RISKS RELATED TO AGREEMENTS WITH TdF

In connection with the Roll-Up, the Company has entered into certain agreements with TdF that grant TdF certain significant protective rights with respect to the governance of the Company and CTI, the ownership of CTI and the disposition of its shares in the Company and CTI. See "The Roll-Up".

Governance Rights. The Company has granted to TdF certain rights with respect to the governance of the Company, including (i) the ability to prohibit the Company from entering into certain material transactions, (ii) the issuance to TdF of shares of Class A Common Stock, which gives TdF the right to elect up to two of the twelve members of the Company's Board of Directors, and (iii) subject to certain conditions, the inclusion on each of the executive committee, the nominating and corporate governance committee of the Company's Board of Directors of at least one director elected by TdF. In addition to its governance rights with respect to the Company, TdF has significant governance rights with respect to CTI which, after giving pro forma effect to the Roll-Up, would have accounted for approximately 68.8% of the Company's revenues in 1997. Following consummation of the Roll-Up, although TdF will hold only a 20% equity interest in CTI, TdF's rights with respect to CTI will be generally characteristic of the rights of a 50% partner to a joint venture.

While TdF's rights with respect to the governance of the Company and CTI are subject to certain limitations and forfeiture by TdF in certain circumstances, during the period in which such rights are exercisable by TdF, such rights will give TdF (whose ultimate parent is France Telecom) and its affiliates the ability to exert significant control over the governance of the Company and CTI. The exercise of such rights by TdF may be contrary to the interests of the Company's other stockholders generally, and may prevent the Company and/or CTI from entering into transactions that the Company's Board of Directors deems to be in the best interests of the Company and its stockholders. See "--Anti-Takeover Provisions".

CTSH Option. In addition to TdF's governance rights with respect to the Company and CTI described above, in the event of (i) the sale of all or substantially all of the Company's assets, (ii) a merger, consolidation or similar transaction that would result in any person owning more than 50% of the Company's voting power or equity securities, (iii) an unsolicited acquisition by any person of more than 25% (or 30% if the Company elects by notice in writing to TdF) of such securities or (iv) certain other circumstances relating to an acquisition by any person that would give rise to a right of the BBC to terminate the BBC Analog Transmission Contract (as defined) or the BBC Digital Transmission Contract (as defined) (each, a "Triggering Event"), which Triggering Event is not approved by TdF, TdF will have the right, subject to certain conditions, to acquire all of the Company's shares of capital stock of CTSH or to require the Company to purchase all of TdF's shares of capital stock of CTSH, in each case at fair market value. Further, immediately prior to the occurrence of a Triggering Event, TdF will have the right to require the Company to purchase 50% of the Class A Common Stock held by TdF and its affiliates in cash at a price per share equal to the price to be paid upon consummation of the Triggering Event. See "The Roll-Up".

TdF's right to purchase the Company's shares of CTSH upon a Triggering Event may have the effect of preventing a change of control of the Company. If the Company were required to sell its shares in CTSH to TdF, it would no longer own or conduct the CTI business. Alternatively, if the Company were required to purchase all of TdF's shares of CTSH and/or purchase 50% of the Class A Common Stock held by TdF and its affiliates, there can be no assurance that the Company would have the necessary funds to do so or that such purchase would be permitted under the terms of the Company's debt instruments. If the Company did not have sufficient funds to purchase TdF's shares of capital stock of CTSH or TdF's and TdF's affiliates' shares of Class A Common Stock, the Company would need to seek additional financing. There can be no assurance that any such financing could be obtained on terms acceptable to the Company, or at all. In the absence of such financing, the Company could be forced to dispose of other assets under circumstances that might not be favorable to realizing the highest price for such assets in order to obtain the funds to purchase the TdF shares. In addition, the obligation to purchase the TdF shares could result in an event of default under the terms of the Company's outstanding indebtedness.

Liquidity Rights. If on or before the second anniversary of the consummation of the Roll-Up (i) TdF has not exchanged its shares of capital stock of CTSH in accordance with the Governance Agreement (as defined) or (ii) TdF has ceased to be Qualified (as defined) for purposes of the Governance Agreement, TdF will thereafter have the right to require the Company to purchase all of TdF's shares of capital stock of CTSH at their fair market value. The Company may elect to pay for such shares either (i) in cash or (ii) in shares of its Common Stock at a discount of 15% to the market value of such Common Stock. See "The Roll-Up". There can be no assurance that the Company will have sufficient funds to purchase such shares for cash in connection with any put of TdF's shares of capital stock of CTSH. If the Company does not have sufficient funds for such purchase, it would either have to seek additional financing or purchase such shares with its Common Stock. There can be no assurance that any such financing could be obtained on terms acceptable to the Company, if at all. If the Company were to issue shares of its Common Stock to effect the purchase, such issuance would result in substantial dilution of the Company's other stockholders, could adversely affect the market price of the Common Stock and could impair the Company's ability to raise additional capital through the sale of its equity securities. See "--Dilution".

BROAD DISCRETION IN APPLICATION OF PROCEEDS

A substantial portion of the estimated net proceeds from the Offering will be allocated to the Company's working capital and general corporate purposes and may be applied to as yet unidentified acquisitions, investments or joint ventures in the United States or abroad. Due to the number and variability of factors that will be analyzed before the Company determines how to use such net proceeds, the Company will have broad discretion in allocating a significant portion of the net proceeds from the Offering without any action or approval of the Company's stockholders. Accordingly, investors will not have the opportunity to evaluate the economic, financial and other relevant information that will be considered by the Company in determining the application of such net proceeds. See "Use of Proceeds".

HOLDING COMPANY STRUCTURE; DEPENDENCE ON DIVIDENDS TO MEET CASH REQUIREMENTS OR PAY DIVIDENDS

CCIC is a holding company with no business operations of its own. CCIC's only significant asset is the outstanding capital stock of its subsidiaries. CCIC conducts all its business operations through its subsidiaries. Accordingly, CCIC's only source of cash to pay dividends or make other distributions on its capital stock is distributions with respect to its ownership interest in its subsidiaries from the net earnings and cash flow generated by such subsidiaries. CCIC currently expects that the earnings and cash flow of its subsidiaries will be retained and used by such subsidiaries in their operations, including to service their respective debt obligations. Even if CCIC determined to pay a dividend on or make a distribution in respect of the capital stock of its subsidiaries, there can be no assurance that CCIC's subsidiaries will generate sufficient cash flow to pay such a dividend or distribute such funds to CCIC or that applicable state law and contractual restrictions, including negative covenants contained in the debt instruments of such subsidiaries, will permit such dividends or distributions. Furthermore, the terms of the Senior Credit Facility and the Notes place restrictions on CCI's ability, and the terms of the CTI Credit Facility and the CTI Bonds (as defined) place restrictions on CTI's ability, to pay dividends or to make distributions, and in any event, such dividends or distributions may only be paid if no default has occurred under the applicable instrument. In addition, CCIC's subsidiaries will be permitted under the terms of their existing debt instruments to incur certain additional indebtedness that may restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to CCIC. See "-- Substantial Leverage; Restrictions Imposed by the Terms of the Company's Indebtedness" and "Description of Certain Indebtedness".

RISKS ASSOCIATED WITH CONSTRUCTION AND ACQUISITIONS OF TOWERS

The Company's growth strategy depends on its ability to construct, acquire and operate towers in conjunction with the expansion of wireless communications carriers. As of June 30, 1998, the Company had 55 towers under construction and had plans to commence construction on an additional 117 towers by the end of 1998. The Company's ability to construct new towers can be affected by a number of factors beyond its control, including zoning and local permitting requirements and national regulatory approvals, availability of construction equipment and skilled construction personnel and bad weather conditions. In addition, as the concern over tower proliferation has grown in recent years, certain communities have placed restrictions on new tower construction or have delayed granting permits required for construction. There can be no assurance that: (i) the Company will be able to overcome the barriers to new construction; (ii) the number of towers planned for construction will be completed in accordance with the requirements of the Company's customers; or (iii) there will be a significant need for the construction of new towers once the wireless communications carriers complete their tower network infrastructure build-out. Further, the Company competes with certain wireless communications carriers, broadcasters, site developers and other independent tower owners and operators for acquisitions of towers, and expects such competition to increase. Increased competition for acquisitions may result in fewer acquisition opportunities for the Company, as well as higher acquisition prices. The Company regularly explores acquisition opportunities. However, there can be no assurance that the Company will be able to identify suitable towers to acquire in the future. In addition, the Company may need to seek additional debt or equity financing in order to fund properties it seeks to acquire. The availability of additional financing cannot be assured and depending on the terms of proposed acquisitions and financing, could be restricted by the terms of the Company's debt instruments. No assurance can be given that the Company will be able to identify, finance and complete future construction and acquisitions on acceptable terms or that the Company will be able to manage profitably and market under-utilized capacity on additional towers. The extent to which the Company is unable to construct or acquire additional towers, or manage profitably such tower expansion, may have a material adverse effect on the Company's financial condition and results of operation.

In addition, the time frame for the current wireless build-out cycle may be limited to the next few years, and many PCS and PCN networks have already been built out in large markets. A failure by the Company to move quickly and aggressively to obtain growth capital and capture this infrastructure opportunity could have a material adverse effect on the Company's financial condition and results of operations.

DEPENDENCE ON DEMAND FOR WIRELESS COMMUNICATIONS; RISK ASSOCIATED WITH NEW TECHNOLOGIES

Demand for the Company's site rentals is dependent on demand for communication sites from wireless communications carriers, which, in turn, is dependent on the demand for wireless services. Most types of wireless services currently require ground-based network facilities, including communication sites for transmission and reception. The extent to which wireless communications carriers lease such communication sites depends on a number of factors beyond the Company's control, including the level of demand for such wireless services, the financial condition and access to capital of such carriers, the strategy of carriers with respect to owning or leasing communication sites, government licensing of broadcasting rights, changes in telecommunications regulations and general economic conditions.

The wireless communications industry has undergone significant growth in recent years. A slowdown in the growth of, or reduction in, demand in a particular wireless segment could adversely affect the demand for communication sites. For example, the Company anticipates that a significant amount of its revenues over the next several years will be generated from carriers in the PCS and PCN market and, as such, the Company will be subject to downturns in PCS and PCN demand. Moreover, wireless communications carriers often operate with substantial leverage, and financial problems for the Company's customers could result in accounts receivable going uncollected, in the loss of a customer and the associated lease revenue, or in a reduced ability of these customers to finance expansion activities.

Finally, advances in technology, such as the development of new satellite systems, could reduce the need for land-based transmission and reception networks. The occurrence of any of these factors could have a material adverse effect on the Company's financial condition and results of operations.

VARIABILITY IN DEMAND FOR NETWORK SERVICES

Demand for the Company's network services fluctuates from period to period and within periods. These fluctuations are caused by a number of factors, including the timing of customers' capital expenditures, annual budgetary considerations of customers, the rate and volume of wireless communications carriers' tower build-outs, timing of existing customer contracts and general economic conditions. While such demand fluctuates, the Company must incur certain costs, such as maintaining a staff of network services employees in anticipation of future contracts, even when there may be no current business. Consequently, the operating results of the Company's network services businesses for any particular period may vary significantly, and should not be considered as necessarily being indicative of longer-term results. For example, the Company experienced a decline, as compared to the two previous quarters, in demand for its network services business in the fourth quarter of 1997 and the first quarter of 1998. There can be no assurance that the demand for such business will return to the level of the two previous quarters. Furthermore, as wireless communications carriers complete their build-outs, the need for the construction of new towers and the demand for certain network services could decrease significantly and could result in fluctuations and, possibly, significant declines in the Company's operating performance.

COMPETITION

The Company competes for site rental customers with (i) wireless communications carriers that own and operate their own tower footprints and lease, or may in the future decide to lease, antenna space to other carriers, (ii) site development companies which acquire antenna space on existing towers for wireless communications carriers and manage new tower construction, (iii) other independent tower companies and (iv) traditional local independent tower operators. Wireless communications carriers that own and operate their own tower footprints generally are substantially larger and have greater financial resources than the Company. The Company believes that tower location and capacity, price, quality of service and density within a geographic market historically have been and will continue to be the most significant competitive factors affecting the site rental business.

The Company competes for acquisition and new tower construction opportunities with wireless communications carriers, site developers and other independent tower operators. The Company believes that

competition for tower acquisitions will increase and that additional competitors will enter the tower market. These additional competitors may have greater financial resources than the Company.

NTL, which owns the privatized engineering division of the Independent Broadcasting Authority, is the Company's principal competitor in the terrestrial broadcast transmission market in the United Kingdom. There can be no assurance that the Company will not encounter significant competition from NTL for its transmission business with the BBC or BDB following the expiration of the Company's current contracts with such broadcasters. See "--Reliance on Significant Agreements".

RELIANCE ON SIGNIFICANT AGREEMENTS

While the Company generally has a diverse customer base, the BBC, Nextel and NTL accounted for approximately 45.1%, 7.5% and 6.6%, respectively, of the Company's pro forma revenues for the six months ended June 30, 1998.

The Company's broadcast transmission business is substantially dependent on contracts with the BBC. See "Business--U.K. Operations--Significant Contracts". The prices that the Company may charge the BBC for analog television and radio transmission services are subject to regulation by the U.K. Office of Telecommunications ("OFTEL"). See "--Regulatory Compliance and Approval". The BBC Analog Transmission Contract expires on March 31, 2007, and the BBC Digital Transmission Contract will expire 12 years after the date on which the Company commences digital terrestrial transmission services on a commercial basis for the BBC, which is expected to be November 1, 1998. In addition, the BBC Digital Transmission Contract may be terminated by the BBC during the three-month period following the fifth anniversary of the Company's commencement of digital terrestrial transmission services for the BBC if the BBC's Board of Governors determines, in its sole discretion, that DTT in the United Kingdom does not have sufficient viewership to justify continued DTT broadcasts. There can be no assurance that the BBC will renew its contracts with the Company upon expiration of the current contracts, that they will not negotiate terms less favorable to the Company or that they would not seek to obtain from third parties a portion of the transmission services currently provided by the Company. The loss of the BBC contracts would have a material adverse effect on the Company's business, results of operations and financial condition.

As of June 30, 1998, the Company had constructed or purchased 88 towers for Nextel, was in the process of constructing or receiving permits for 30 towers for Nextel and had the option to construct or purchase up to 108 additional towers for Nextel. See "Business--U.S. Operations--Significant Contracts". Nextel may terminate the Nextel Agreement (as defined) if the Company fails to complete the construction of towers within an agreed period or if Nextel exercises its purchase option (following certain construction delays by the Company) for the greater of five towers or 5% of the aggregate number of total sites committed to within a rolling eight-month period. Furthermore, the Nextel Agreement may be terminated by Nextel upon either the insolvency or liquidation of the Company. The Nextel Agreement represents a significant part of the Company's business strategy, and the Company expects Nextel to represent an even larger portion of its business in the future. Termination of the Nextel Agreement could have a material adverse effect on the Company's ability to achieve its business strategy.

In order to optimize service coverage in the United Kingdom and enable viewers to receive all analog UHF television services using one receiving antenna, pursuant to the Site-Sharing Agreement (as defined), CTI and NTL made arrangements to share all UHF television sites. See "Business--U.K. Operations--Significant Contracts". Negotiations are in progress between the Company and NTL to amend the Site-Sharing Agreement to account for the build-out of digital transmission sites and equipment, a new rate card related to site sharing fees for new digital facilities and revised operating and maintenance procedures. The Site-Sharing Agreement may be terminated with five years' prior notice by either of the parties and in certain other circumstances and expires on December 31, 2005 or on any tenth anniversary of that date. Although the Company does not anticipate that the Site-Sharing Agreement will be terminated, there can be no assurance that such a termination will not occur. Termination of the Site-Sharing Agreement could have a material adverse effect on the Company's business, results of operations and financial condition.

REGULATORY COMPLIANCE AND APPROVAL

The Company is subject to a variety of foreign, federal, state and local regulation. In the United States, both the FCC and the Federal Aviation Administration (the "FAA") regulate towers and other sites used for wireless communications transmitters and receivers. Such regulations control siting and marking of towers and may, depending on the characteristics of the tower, require registration of tower facilities. Wireless communications devices operating on towers are separately regulated and independently licensed based upon the regulation of the particular frequency used. Most proposals to construct new antenna structures or to modify existing antenna structures are reviewed by both the FCC and the FAA to ensure that a structure will not present a hazard to aviation. Owners of towers may have an obligation to paint them or install lighting to conform to FCC standards and to maintain such painting or lighting. Tower owners may also bear the responsibility for notifying the FAA of any tower lighting failures. The Company generally indemnifies its customers against any failure to comply with applicable standards. Failure to comply with applicable requirements may lead to civil penalties or require the Company to assume costly indemnification obligations. Local regulations include city or other local ordinances, zoning restrictions and restrictive covenants imposed by community developers. These regulations vary greatly, but typically require tower owners to obtain approval from local officials or community standards organizations prior to tower construction. Local regulations can delay or prevent new tower construction or site upgrade projects, thereby limiting the Company's ability to respond to customers' demands. In addition, such regulations increase the costs associated with new tower construction. There can be no assurance that existing regulatory policies will not adversely affect the timing or cost of new tower construction or that additional regulations will not be adopted which increase such delays or result in additional costs to the Company. Such factors could have a material adverse effect on the Company's financial condition and results of operations.

In the United Kingdom, both OFTEL and the Radiocommunications Agency regulate and monitor telecommunications and frequency licensing for sites used for wireless communications transmitters and receivers. Site rental fees for broadcasting (but not telecommunications) are also subject to price regulation by OFTEL. Regulatory approvals required to construct or materially alter towers include Civil Aviation Authority (the "CAA") approval, to ensure new antenna structures do not present a hazard to aviation, and local government planning authority clearance. In addition, international frequency clearance may be required to avoid any potential European transmission interference. Such regulation may delay, restrict or prevent such construction or alteration, thereby limiting the Company's ability to respond to customers' demands. There can be no assurance that existing regulatory policies will not adversely affect the timing or cost of new tower construction or that additional regulations will not be adopted which increase such delays or result in additional costs to the Company. Such factors could have a material adverse effect on the Company's financial condition and results of operations.

Since the BBC Analog Transmission Contract was signed, the BBC has increased its service requirements to include (i) 24-hour broadcasting on the Company's terrestrial transmission network for the BBC's two national television services and (ii) a requirement for CTI to add a number of filler stations to its network to extend existing BBC services. The BBC has agreed to increases of approximately (Pounds)800,000 (\$1,335,600) per year in the charges payable by the BBC to CTI, as provided under the BBC Analog Transmission Contract, for these service enhancements. The additional charges may necessitate an amendment to CTI's Transmission Telecommunications License. OFTEL, the relevant regulatory authority in the United Kingdom, has confirmed in initial discussions with CTI that it is not OFTEL's intention to prevent the provision of such additional services to the BBC at an additional charge. CTI is discussing with OFTEL the most appropriate way to rectify this situation in order to allow the additional services to be provided to the BBC in return for the additional agreed payments. While the Company expects the license to be amended, there can be no assurance as to the final resolution of these issues with OFTEL.

The Company's customers may also become subject to new regulations or regulatory policies which adversely affect the demand for communication sites. In addition, as the Company pursues international opportunities, it will be subject to regulation in foreign jurisdictions.

The Company is also subject to laws and regulations relating to worker health and safety. Failure to comply with such laws and regulations could have a material adverse effect on the Company's business, results of operation, or financial condition. See "Business--Regulatory Matters".

ENVIRONMENTAL MATTERS

The Company's operations are subject to foreign, federal, state and local laws and regulations regarding the management, use, storage, disposal, emission, release and remediation of, and exposure to, hazardous and nonhazardous substances, materials or wastes ("Environmental Laws"). Under certain Environmental Laws, the Company could be held strictly, jointly and severally liable for the remediation of hazardous substance contamination at its current or former facilities or at third-party waste disposal sites, and also could be subject to personal injury or property damage claims related to such contamination. Although the Company believes that it is in substantial compliance with all applicable Environmental Laws, there can be no assurance that the costs of compliance with existing or future Environmental Laws will not have a material adverse effect on the Company's financial condition and results of operations. See "Business--Environmental Matters".

PERCEIVED HEALTH RISKS ASSOCIATED WITH RADIO FREQUENCY EMISSIONS

The Company and the wireless communications carriers that utilize the Company's towers are subject to government requirements and other guidelines relating to radio frequency ("RF") emissions. The potential connection between RF emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. To date, the results of these studies have been inconclusive. Although the Company has not been subject to any claims relating to RF emissions, there can be no assurance that it will not be subject to such claims in the future. See "--Environmental Matters" and "Business--Environmental Matters".

RISKS ASSOCIATED WITH INTERNATIONAL OPERATIONS

The Company conducts business in countries outside the United States, which exposes the Company to fluctuations in foreign currency exchange rates. In 1997, after giving pro forma effect to the Roll-Up, approximately 68.8% of the Company's consolidated revenues would have originated outside the United States, all of which were denominated in currencies other than U.S. dollars (principally pounds sterling). The Company has not historically engaged in significant hedging activities with respect to its non-U.S. dollar operations.

The Company's international operations are subject to other risks, such as the imposition of government controls, inflation, tariff or taxes and other trade barriers, difficulties in staffing and managing international operations, price, wage and exchange controls, and political, social and economic instability. There can be no assurance that these and other factors will not have a material adverse effect on the Company's financial condition or results of operations.

DEPENDENCE ON PRINCIPAL EXECUTIVE OFFICERS

The Company's existing operations and continued future development are dependent to a significant extent upon the performance and the active participation of certain key individuals, including the senior management of the Company and its subsidiaries. There can be no assurance that the Company will be successful in retaining the services of these, or its other, key personnel. None of the Company's employees are subject to noncompetition agreements with the Company. The loss of the services of one or more of the Company's key personnel could adversely affect the Company's financial condition and results of operations. See "Management--Executive Compensation--Crown Arrangements".

YEAR 2000 COMPLIANCE

The Company is in the process of conducting a comprehensive review of its computer systems to identify which of its systems will have to be modified, upgraded or converted to recognize and process dates after December 31, 1999 (the "Year 2000 Issue"), and is in the initial stages of developing an implementation plan

to resolve the issue. The Company expects to incur internal staff costs, as well as other expenses, related to testing and updating its systems to prepare for the Year 2000. The Company presently believes that, with modifications and upgrades to existing software and successful conversion to new software, the Year 2000 Issue will not pose significant operational problems for the Company's systems as so modified, upgraded or converted. Although the Company is in the initial phases of determining the impact of the Year 2000 Issue, the Company anticipates it will be fully Year 2000 compliant by September 1, 1999; however, any delays or omissions by the Company or its customers, suppliers or contractors to resolve the Year 2000 Issue could materially adversely affect the Company's business, financial condition or results of operations. There can be no assurance that amounts to be spent on addressing the Year 2000 Issue will not be material.

ANTI-TAKEOVER PROVISIONS

Certain provisions of the Certificate of Incorporation, the Amended and Restated Bylaws (the "By-laws") and operative agreements entered into in connection with the Roll-Up could make it more difficult for a third party to acquire, and could discourage a third party from attempting to acquire, control of the Company. These provisions include, but are not limited to, the right of the holders of the Class A Common Stock to elect up to two members of the Board of Directors, a staggered Board of Directors, the authority of the Board of Directors to issue shares of undesignated preferred stock in one or more series without the specific approval of the holders of Common Stock (other than the holders of the Class A Common Stock), the establishment of advance notice requirements for director nominations and actions to be taken at annual meetings and the requirement that the holders of the Class A Common Stock approve certain changes to the Certificate of Incorporation or the By-laws. In addition, the By-laws permit special meetings of the stockholders to be called only upon the request of a majority of the Board of Directors, and deny stockholders the ability to call such meetings. Pursuant to the Governance Agreement, subject to certain conditions, TdF has the right to purchase the Company's equity interest in CTSB upon the occurrence of a Triggering Event that is not approved by TdF. In addition, subject to certain limitations, the BBC Analog Transmission Contract and the BBC Digital Transmission Contract may be terminated upon the occurrence of certain change of control events (as defined in such contracts). Such provisions, as well as the provisions of Section 203 of the Delaware General Corporation Law (to which the Company is subject), could impede a merger, consolidation, takeover or other business combination involving the Company or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company. In certain circumstances, the fact that corporate devices are in place that will inhibit or discourage takeover attempts could reduce the market value of the Common Stock. See "Description of Capital Stock", "--Risks Related to Agreements with TdF" and "The Roll-Up".

SHARES ELIGIBLE FOR FUTURE SALE

Sales of a substantial number of shares of Common Stock after the Offering could adversely affect the market price of the Common Stock and could impair the Company's ability to raise capital through the sale of equity securities. Upon completion of the Offering, the Company will have 82,548,545 shares of Common Stock outstanding (82,803,063 shares if the over-allotment option is exercised in full). In addition, the Company has reserved for issuance 16,182,350 shares of Common Stock upon exercise of outstanding stock options, 1,314,990 shares of Common Stock upon exercise of outstanding warrants and 11,340,000 shares of Common Stock for the conversion of the outstanding Class A Common Stock. The 14,000,000 shares (16,100,000 if the over-allotment option is exercised in full) sold in the Offering will be freely transferable without restriction under the Securities Act, unless they are held by "affiliates" of the Company as that term is used under the Securities Act. The remaining 68,548,545 shares of Common Stock outstanding (66,703,063 if the over-allotment option is exercised in full) will be "restricted securities" as that term is defined in Rule 144 and may only be sold pursuant to a registration statement under the Securities Act or an applicable exemption from registration. Approximately 67,000,000 shares (approximately 99,000,000 including shares issuable upon conversion or exercise of outstanding securities) will be subject to demand and piggyback registration rights. In addition, the Company estimates that upon the expiration of the 180-day lock-up period described below, approximately 36,500,000 shares may be sold under Rule 144, subject to the volume restrictions contained therein.

In connection with the Offering and subject to certain exceptions, the Company and, with certain limited exceptions, all existing stockholders of the Company will be required not to sell any shares of Common Stock (including shares under options and warrants) for a period of 180 days after the date of this Prospectus without the prior written consent of Lehman Brothers Inc. In addition to certain typical exceptions to such "lock-up" agreements, all employees of the Company and its subsidiaries (excluding Mr. Crown, certain executive officers and the directors of the Company) will each be permitted to sell during the 180-day period described above up to 12% of the shares of Common Stock beneficially owned or held under option by such employee as of the date of this Prospectus, subject to compliance with the registration requirements of the Securities Act or pursuant to an exemption therefrom. In addition, the lock-up will not prohibit sales of shares received from the exercise of options granted under the CTSB All Employee Share Option Scheme, which options will be fully vested upon consummation of the Offering and which represent 285,350 shares of Common Stock. Moreover, any shares subject to such lock-up agreements may be released at any time without notice with the consent of Lehman Brothers Inc. See "Underwriting".

DILUTION

Persons purchasing shares of Common Stock in the Offering will incur immediate and substantial dilution in net tangible book value per share. Purchasers of shares in the Offering will experience dilution of \$10.95 per share. In addition, pursuant to the Governance Agreement, until the second anniversary of the closing of the Roll-Up, TdF has the right, and in certain circumstances the Company can require TdF, to exchange its CTSB shares and warrants for CTSB shares for shares of Class A Common Stock (which is convertible into Common Stock) and warrants for Class A Common Stock (which is convertible into Common Stock) of the Company. Such exchange would be based on the Exchange Ratio and, as a result, could result in substantial additional dilution. Furthermore, following the second anniversary of the Roll-Up, unless TdF shall have previously exchanged its shares of capital stock of CTSB in accordance with the Governance Agreement, TdF can require the Company to purchase all of TdF's equity interest in CTSB at its fair market value, which purchase may be made, at the election of the Company, in shares of Common Stock valued at a discount of 15% to its then current market value. See "--Risks Related to Agreements with TdF" and "The Roll-Up." If the Company were to make such an election, it would result in substantial additional dilution. In addition, to the extent that outstanding options and warrants to purchase Common Stock are exercised, there could be substantial additional dilution. See "--Risks Related to Agreements with TdF", "Dilution" and "The Roll-Up".

NO PRIOR MARKET FOR THE COMMON STOCK; POSSIBLE VOLATILITY OF SHARE PRICE

Prior to the Offering, there has been no public market for the Common Stock, and there can be no assurance that an active trading market will develop upon completion of the Offering or, if it does develop, that such market will be sustained. The initial public offering price of the Common Stock will be determined by negotiation among the Company and the representatives of the Underwriters, and may not be representative of the price that will prevail in the open market. See "Underwriting" for a discussion of the factors that were considered in determining the initial public offering price.

The market price of the Common Stock after the Offering may be significantly affected by factors such as quarterly variations in the Company's results of operations, the announcement of new contracts by the Company or its competitors, technological innovation by the Company or its competitors and general market conditions specific to particular industries. Such fluctuations may adversely affect the market price of the Common Stock.

USE OF PROCEEDS

The net proceeds to the Company from the sale of the shares of Common Stock offered hereby are estimated to be approximately \$148.0 million, after deducting estimated underwriting discounts, transaction fees and expenses of the Offering payable by the Company. The net proceeds to the Company of the Offering will be used for working capital and general corporate purposes including (i) acquisitions, investments and joint ventures and (ii) capital expenditures associated with (a) the buildout of new infrastructure in the United Kingdom to support DTT and (b) the construction of new towers. Prior to such application, the net proceeds will be invested in short-term investments.

Due to the number and variability of factors that will be analyzed before the Company determines how to use the net proceeds of the Offering, the Company will have broad discretion in allocating a significant portion of such net proceeds without any action or approval of the Company's stockholders. While the Company is currently pursuing a number of acquisition opportunities, the Company has not entered into any agreements in respect of, and believes that there are a number of competing bidders for, these opportunities. As a result, the Company does not believe that any of these acquisition opportunities have become probable. Therefore, none of the net proceeds have been specifically allocated to any of these opportunities. Accordingly, investors will not have the opportunity to evaluate the economic, financial and other relevant information that will be considered by the Company in determining the application of such net proceeds. See "Risk Factors--Broad Discretion in Application of Proceeds".

DIVIDEND POLICY

No dividends have ever been paid by the Company on the Common Stock, and the Company does not anticipate paying dividends in the foreseeable future. Any determination to pay cash dividends in the future will be at the discretion of the Company's Board of Directors and will depend upon the Company's results of operations, financial condition, contractual restrictions and other factors deemed relevant at that time by the Company's Board of Directors.

The ability of the Company to pay dividends on the Common Stock is dependent upon the ability of its subsidiaries to pay dividends, or otherwise loan, advance or transfer funds, to the Company. The terms of the Company's indebtedness impose limitations on the ability of the Company to pay dividends or make other distributions on its capital stock. See "Risk Factors--Substantial Leverage; Restrictions Imposed by the Terms of the Company's Indebtedness", "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends" and "Description of Certain Indebtedness".

DILUTION

Dilution is the amount by which the offering price paid by the purchasers of the Common Stock offered hereby will exceed the net tangible book value per share of Common Stock after the Offering. Net tangible book value per share is determined at any date by subtracting the total liabilities and minority interests of the Company from the total book value of the tangible assets of the Company and dividing the difference by the number of shares of Common Stock deemed to be outstanding (including shares issuable upon conversion of outstanding shares of Class A Common Stock) at such date.

The net tangible book value of the Company on June 30, 1998, after subtracting the interests of the preferred shareholders, was a deficit of approximately \$121.6 million or negative \$11.10 per share. The net tangible book value of the Company, after giving effect to the Roll-Up and the Senior Preferred Conversion, on June 30, 1998 was approximately \$44.4 million or \$0.54 per share. After giving effect to the receipt of approximately \$148.0 million of estimated net proceeds from the sale by the Company of 12,320,000 shares of Common Stock pursuant to the Offering, the pro forma net tangible book value of the Company at June 30, 1998 would have been approximately \$192.4 million or \$2.05 per share. This represents an immediate increase in pro forma net tangible book value of \$1.51 per share to the existing stockholders and an immediate dilution of \$10.95 per share to new investors purchasing shares of Common Stock in the Offering. The following table illustrates the substantial and immediate per share dilution to new investors:

	PER SHARE

Initial public offering price per share (a).....	\$13.00
Pro forma net tangible book value before the Offering.....	\$0.54
Increase per share attributable to new investors.....	1.51

Pro forma net tangible book value after the Offering.....	2.05

Dilution per share to new investors (b).....	\$10.95
	=====

- - - - -
- (a) Before deducting underwriting discounts and estimated transaction fees and expenses of \$12.1 million to be paid by the Company in connection with the Offering.
- (b) Dilution is determined by subtracting net tangible book value per share after the Offering from the amount assumed paid by a new investor per share of Common Stock.

The following table summarizes the difference among existing stockholders (determined as if the Offering had occurred on June 30, 1998), stockholders receiving shares in the Roll-Up ("Roll-Up stockholders") (determined as if the Roll-Up had occurred on June 30, 1998) and new investors with respect to the number of shares of Common Stock purchased from the Company, the total consideration paid to the Company and the average price paid per share.

	SHARES PURCHASED		TOTAL CONSIDERATION		AVERAGE PRICE PER SHARE
	NUMBER	PERCENTAGE	AMOUNT	PERCENTAGE	
	-----	-----	-----	-----	-----
New investors.....	12,320,000	13.1%	\$160,160,000	35.3%	\$13.00
Roll-Up stockholders....	32,207,700(a)	34.3	76,815,365(b)	16.9	2.39
Existing stockholders...	49,471,490(a)	52.6	216,573,552	47.8	4.38
	-----	-----	-----	-----	-----
Total.....	93,999,190	100.0%	\$453,548,917	100.0%	\$ 4.83
	=====	=====	=====	=====	=====

- - - - -
- (a) Does not include 22,257,360 shares of Common Stock reserved for issuance under the Company's stock option plans or 1,314,990 shares of Common Stock issuable upon the exercise of outstanding warrants. See "Management--Executive Compensation--Stock Option Plans" and "Underwriting".
- (b) Assumes that each of the 4,601,100,000 shares of capital stock of CTSB exchanged in the Roll-Up for shares of Common Stock was acquired by the Roll-Up stockholders for 1 pence per share (or total consideration of (Pounds)46,011,000 (\$76,815,365) at an exchange rate of (Pounds)1.00=\$1.6695).

All of the foregoing computations include the 11,340,000 shares of Class A Common Stock owned by DFI, which are convertible into an aggregate of 11,340,000 shares of Common Stock. See "The Roll-Up". The foregoing tables and discussion assume no exercise of stock options or warrants after June 30, 1998 and exclude (i) 5,280,510 shares issuable upon exercise of stock options outstanding as of June 30, 1998 having a weighted average exercise price of \$5.58 per share under the Company's 1995 Stock Option Plan, (ii) 12,719,490 additional shares authorized for issuance under the Company's 1995 Stock Option Plan, (iii) warrants to purchase 1,314,990 shares of Common Stock at an exercise price of \$7.50 per share and (iv) 17,443,500 additional shares of Common Stock issuable upon exercise of the TdF Put Right or the Company Call Right. In addition, following the second anniversary of the Roll-Up, unless TdF shall have previously exchanged its shares of capital stock of CTSB in accordance with the Governance Agreement, TdF may require the Company to repurchase the shares of capital stock of CTSB held by TdF at fair market value. Pursuant to the Governance Agreement, the Company could elect to pay for such shares in shares of its Common Stock at a discount of 15% to their market value. See "Risk Factors--Risks Related to Agreements with TdF" and "The Roll-Up". If the Company were to issue shares of its Common Stock to effect the purchase, such issuance would result in substantial dilution to the Company's other stockholders. Since June 30, 1998, the Company has granted options to purchase an additional 6,644,480 shares of Common Stock, of which options for 3,054,480 shares have an exercise price of \$7.50 and options for 3,590,000 shares have an exercise price of \$13.00. To the extent that outstanding stock options or warrants are exercised, there will be further dilution to new investors. See "Risk Factors--Risks Related to Agreements with TdF", "Risk Factors--Dilution", "Capitalization", "Management--Executive Compensation--Stock Option Plan" and Notes 7 and 8 of Notes to Consolidated Financial Statements.

CAPITALIZATION

The following table sets forth as of June 30, 1998 (i) the historical capitalization of the Company and (ii) the pro forma capitalization of the Company after giving effect to the Roll-Up, the Offering and the Senior Preferred Conversion. See "The Roll-Up". The information set forth below should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Statements", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the notes thereto included elsewhere in this Prospectus.

	JUNE 30, 1998	
	ACTUAL	PRO FORMA
	(DOLLARS IN THOUSANDS)	
Cash and cash equivalents.....	\$ 51,258	\$ 215,106
Notes payable and current maturities of long-term debt.....	\$ --	\$ --
Long-term debt (less current maturities):		
Senior Credit Facility (a).....	\$ 57,250	\$ 57,250
10 5/8% Senior Discount Notes due 2007.....	159,619	159,619
CTI Credit Facility (a).....	--	46,853
9% Guaranteed Bonds due 2007.....	--	201,534
Total long-term debt.....	216,869	465,256
Minority interests.....	--	37,882
Redeemable preferred stock (\$.01 par value; 6,435,228 shares authorized, actual; 10,000,000 shares authorized, pro forma):		
Senior Convertible Preferred Stock (657,495 shares issued, actual).....	72,080	--
Series A Convertible Preferred Stock (1,383,333 shares issued, actual).....	8,300	--
Series B Convertible Preferred Stock (864,568 shares issued, actual).....	10,375	--
Series C Convertible Preferred Stock (3,529,832 shares issued, actual).....	74,126	--
Total redeemable preferred stock.....	164,881	--
Stockholders' equity:		
Common stock (\$.01 par value; 12,800,000 shares authorized, actual):		
Existing Class A Common Stock (1,041,565 shares issued, actual).....	2	--
Existing Class B Common Stock (9,367,165 shares issued, actual).....	19	--
Common Stock (\$.01 par value; 600,000,000 shares authorized and 82,548,545 shares issued, pro forma).....	--	825
Class A Common Stock (\$.01 par value; 90,000,000 shares authorized and 11,340,000 shares issued, pro forma).....	--	113
Additional paid-in capital.....	58,584	789,291
Cumulative foreign currency translation adjustment.....	2,319	2,319
Accumulated deficit.....	(34,203)	(34,203)
Total stockholders' equity.....	26,721	758,345
Total capitalization.....	\$ 408,471	\$ 1,261,483

(a) As of June 30, 1998, the Company's principal U.S. subsidiary, CCI, had approximately \$27.5 million of unused borrowing availability under the Senior Credit Facility, and the Company's principal U.K. subsidiary, CTI, had approximately (Pounds)35.0 million (\$58.4 million) of unused borrowing availability under the CTI Credit Facility. See "Description of Certain Indebtedness".

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial statements (the "Pro Forma Financial Statements") are based on the historical financial statements of CCIC and the historical financial statements of the entities acquired by CCIC (including TEA and Crown) during the periods presented, adjusted to give effect to the following transactions (collectively, the "Transactions"): (i) the CTI Investment, (ii) the TEA Acquisition, (iii) the acquisition of TeleStructures (the "TeleStructures Acquisition"), (iv) the Crown Merger (together with the acquisitions described in clauses (i), (ii) and (iii), the "Acquisitions"), (v) the 1997 Refinancing, (vi) the Roll-Up, (vii) the Offering and (viii) the Senior Preferred Conversion.

The Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 1997 gives effect to the Transactions as if they had occurred as of January 1, 1997, and the Unaudited Pro Forma Condensed Consolidated Statement of Operations for the six months ended June 30, 1998 gives effect to the Roll-Up, the Offering and the Senior Preferred Conversion as if they had occurred as of January 1, 1998. The Unaudited Pro Forma Condensed Consolidated Balance Sheet gives effect to the Roll-Up, the Offering and the Senior Preferred Conversion as if they had occurred as of June 30, 1998. The pro forma adjustments are described in the accompanying notes and are based upon available information and certain assumptions that management believes are reasonable.

The Pro Forma Financial Statements do not purport to represent what CCIC's results of operations or financial condition would actually have been had the Transactions in fact occurred on such dates or to project CCIC's results of operations or financial condition for any future date or period. The Pro Forma Financial Statements should be read in conjunction with the consolidated financial statements and the notes thereto included elsewhere in this Prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

The Acquisitions and the Roll-Up are accounted for under the purchase method of accounting. The total purchase price for each Acquisition and the Roll-Up have been allocated to the identifiable tangible and intangible assets and liabilities of the applicable acquired business based upon CCIC's preliminary estimate of their fair values with the remainder allocated to goodwill and other intangible assets. The allocations of the purchase prices are subject to revision when additional information concerning asset and liability valuations is obtained; however, the Company does not expect that any such revisions will have a material effect on its consolidated financial position or results of operations. The Company has recorded the purchase price for the Roll-Up based on (i) the number of shares of CCIC's Common Stock and Class A Common Stock exchanged for shares of CTI 's capital stock and (ii) the price per share received by CCIC from the Offering.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1997
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	HISTORICAL				ADJUSTMENTS FOR ACQUISITIONS	PRO FORMA FOR ACQUISITIONS	ADJUSTMENTS FOR 1997 REFINANCING	PRO FORMA FOR ACQUISITIONS AND 1997 REFINANCING	HISTORICAL CTI (K)
	CCIC(A)	TEA(A)	TELE- STRUCTURES(A)	CROWN(A)					
Net revenues:									
Site rental and broadcast transmission.....	\$ 11,010	\$ --	\$ --	\$ 4,550	\$ --	\$ 15,560	\$ --	\$ 15,560	\$110,922
Network services and other.....	20,395	7,615	1,212	13,137	(1,068)(b)	41,291	--	41,291	13,558
Total net revenues.....	31,405	7,615	1,212	17,687	(1,068)	56,851	--	56,851	124,480
Operating expenses:									
Costs of operations:									
Site rental and broadcast transmission.....	2,213	--	--	1,421	--	3,634	--	3,634	53,806
Network services and other.....	13,137	6,454	1,008	5,841	(1,134)(c)	25,306	--	25,306	5,990
General and administrative...	6,824	644	25	3,761	--	11,254	--	11,254	9,124
Corporate development.....	5,731	--	--	--	(2,224)(d)	3,507	--	3,507	--
Depreciation and amortization.....	6,952	52	--	1,006	5,179 (e)	13,189	--	13,189	34,627
	34,857	7,150	1,033	12,029	1,821	56,890	--	56,890	103,547
Operating income (loss).....	(3,452)	465	179	5,658	(2,889)	(39)	--	(39)	20,933
Other income (expense):									
Equity in losses of unconsolidated affiliate.....	(1,138)	--	--	--	(136)(f)	(1,274)	--	(1,274)	--
Interest and other income (expense).....	1,951	9	--	(26)	(1,165)(g)	769	--	769	552
Interest expense and amortization of deferred financing costs..	(9,254)	(18)	--	(925)	(5,291)(h)	(15,488)	(2,347)(i)	(17,835)	(20,473)
Income (loss) before income taxes and minority interests.....	(11,893)	456	179	4,707	(9,481)	(16,032)	(2,347)	(18,379)	1,012
Provision for income taxes.....	(49)	(1)	--	--	--	(50)	--	(50)	--
Minority interests.....	--	--	--	--	--	--	--	--	--
Net income (loss).....	(11,942)	455	179	4,707	(9,481)	(16,082)	(2,347)	(18,429)	1,012
Dividends on Senior Convertible Preferred Stock...	(2,199)	--	--	--	--	(2,199)	(6,134)(j)	(8,333)	--
Net income (loss) after deduction of dividends on Senior Convertible Preferred Stock...	\$(14,141)	\$ 455	\$ 179	\$ 4,707	\$(9,481)	\$(18,281)	\$(8,481)	\$(26,762)	\$ 1,012
Loss per common share--basic and diluted.....	\$ (2.27)								
Common shares outstanding--basic and diluted (in thousands)(r).....	6,238								
		PRO FORMA FOR ACQUISITIONS, 1997							
	ADJUSTMENTS	REFINANCING	ADJUSTMENTS						

	FOR ROLL-UP	AND ROLL-UP	FOR OFFERING	PRO FORMA
Net revenues:				
Site rental and broadcast transmission.....	\$ --	\$126,482	\$ --	\$126,482
Network services and other.....	(395)(1)	54,454	--	54,454
Total net revenues.....	(395)	180,936	--	180,936
Operating expenses:				
Costs of operations:				
Site rental and broadcast transmission.....	--	57,440	--	57,440
Network services and other.....	--	31,296	--	31,296
General and administrative...	(395)(1)	19,983	--	19,983
Corporate development.....	--	3,507	--	3,507 (q)
Depreciation and amortization.....	17,138 (m)	64,954	--	64,954
	16,743	177,180	--	177,180
Operating income (loss).....	(17,138)	3,756	--	3,756
Other income (expense):				
Equity in losses of unconsolidated affiliate.....	1,274(n)	--	--	--
Interest and other income (expense).....	--	1,321	--	1,321
Interest expense and amortization of deferred financing costs..	--	(38,308)	--	(38,308)
Income (loss) before income taxes and minority interests.....	(15,864)	(33,231)	--	(33,231)
Provision for income taxes.....	--	(50)	--	(50)
Minority interests.....	(1,320)(o)	(1,320)	--	(1,320)
Net income (loss).....	(17,184)	(34,601)	--	(34,601)
Dividends on Senior Convertible Preferred Stock...	--	(8,333)	8,333 (p)	--
Net income (loss) after deduction of dividends on Senior Convertible Preferred Stock...	\$(17,184)	\$(42,934)	\$8,333	\$(34,601)
Loss per common share--basic and diluted.....		\$ (0.60)		\$ (0.37)
Common shares outstanding--basic and diluted (in thousands)(r)....		72,039		93,988

See Notes to Unaudited Pro Forma Condensed Consolidated Statements of Operations

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

SIX MONTHS ENDED JUNE 30, 1998
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	HISTORICAL		ADJUSTMENTS FOR ROLL-UP	PRO FORMA	ADJUSTMENTS FOR OFFERING	PRO FORMA
	CCIC	CTI(K)		FOR ROLL-UP		FORMA
Net revenues:						
Site rental and broadcast transmission.....	\$ 10,448	\$ 62,438	\$ --	\$ 72,886	\$ --	\$ 72,886
Network services and other.....	12,919	9,360	(199)(1)	22,080	--	22,080
Total net revenues....	23,367	71,798	(199)	94,966	--	94,966
Operating expenses:						
Costs of operations:						
Site rental and broadcast transmission.....	2,418	28,386 (s)	--	30,804	--	30,804
Network services and other.....	7,155	5,884	--	13,039	--	13,039
General and administrative.....	8,768	4,399	(199)(1)	12,968	--	12,968
Corporate development..	2,022	2,652 (s)	--	4,674	--	4,674 (q)
Depreciation and amortization.....	7,695	19,282	8,569 (m)	35,546	--	35,546
	28,058	60,603	8,370	97,031	--	97,031
Operating income (loss).....	(4,691)	11,195	(8,569)	(2,065)	--	(2,065)
Other income (expense):						
Equity in earnings of unconsolidated affiliate.....	525	--	(525)(n)	--	--	--
Interest and other income.....	1,370	574	--	1,944	--	1,944
Interest expense and amortization of deferred financing costs.....	(10,027)	(10,256)	--	(20,283)	--	(20,283)
Income (loss) before income taxes and minority interests....	(12,823)	1,513	(9,094)	(20,404)	--	(20,404)
Provision for income taxes.....	(209)	--	--	(209)	--	(209)
Minority interests.....	--	--	(685)(o)	(685)	--	(685)
Net income (loss).....	(13,032)	1,513	(9,779)	(21,298)	--	(21,298)
Dividends on Senior Convertible Preferred Stock.....						
	(4,132)	--	--	(4,132)	4,132 (p)	--
Net income (loss) after deduction of dividends on Senior Convertible Preferred Stock.....	\$(17,164)	\$ 1,513	\$(9,779)	\$(25,430)	\$4,132	\$(21,298)
Loss per common share-- basic and diluted.....	\$ (1.57)			\$ (0.35)		\$ (0.23)
Common shares outstanding--basic and diluted (in thousands)(r).....						
	10,954			72,050		93,999

See Notes to Unaudited Pro Forma Condensed Consolidated Statements of Operations

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS)

- (a) The historical results of operations for each of the entities acquired by CCIC in the Acquisitions are included in CCIC's historical results of operations for the period from their respective dates of acquisition through the end of the period presented. The historical results of operations presented for each of the acquired entities are their pre-acquisition results of operations. Set forth below are the respective dates of each Acquisition:

COMPANY -----	DATE ----
TEA.....	May 12, 1997
TeleStructures.....	May 12, 1997
Crown.....	August 15, 1997

- (b) Reflects the following adjustments to net revenues:

	YEAR ENDED DECEMBER 31, 1997 -----
Elimination of intercompany sales between TEA and TeleStructures.....	\$(1,134)
Addition of management fee payable to CCIC from CTI for the portion of the period preceding the CTI Investment(i).....	66
Total adjustments to net revenues.....	\$(1,068) =====

- (i) The CTI Investment was consummated on February 28, 1997. Management fees received by CCIC during the period subsequent to the CTI Investment are reflected in CCIC's historical results of operations.

- (c) Reflects the elimination of intercompany transactions between TEA and TeleStructures.
- (d) Reflects the elimination of (i) nonrecurring cash bonus awards of \$913 paid to certain executive officers in connection with the CTI Investment and (ii) a nonrecurring cash charge of \$1,311 related to the purchase by CCIC of shares of Class B Common Stock from CCIC's former chief executive officer in connection with the CTI Investment. See "Certain Relationships and Related Transactions".
- (e) Reflects the incremental amortization of goodwill and other intangible assets and the incremental depreciation of property and equipment as a result of the Acquisitions. Goodwill is being amortized over twenty years and other intangible assets (primarily existing contracts) are being amortized over ten years.
- (f) Reflects equity accounting adjustments to include CCIC's percentage in CTI's losses for the preinvestment period.
- (g) Reflects the elimination of a nonrecurring success fee received by CCIC in connection with the CTI Investment.
- (h) Reflects additional interest expense attributable to the seller notes issued in connection with the Crown Merger and the TEA Acquisition and borrowings under the Senior Credit Facility prior to October 31, 1997 at interest rates ranging from 8.0% to 11.0%.
- (i) Reflects net increase in interest expense as a result of the issuance of the Notes in connection with the 1997 Refinancing at an interest rate on the Notes of 10.625% per annum. The adjustment also includes the elimination of \$1,920 of nonrecurring financing fees charged to interest expense in September and October of 1997. Such fees related to an unfunded interim loan facility related to the Crown Merger and an unfunded revolving credit facility.
- (j) Reflects additional dividends attributable to the Senior Convertible Preferred Stock prior to the dates of issuance.
- (k) Reflects the historical results of operations of CTI (under U.S. GAAP) for the period. Such results have been translated from pounds sterling to U.S. dollars at the average Noon Buying Rate for the period.
- (l) Reflects the elimination of management fees payable to CCIC from CTI.
- (m) Reflects the incremental amortization of goodwill as a result of the Roll-Up. Goodwill is being amortized over twenty years.
- (n) Reflects the elimination of equity accounting adjustments to include

CCIC's percentage in CTI's earnings and losses.

- (o) Reflects the minority interest in dividends accrued on CTI's Redeemable Preference Shares.
- (p) Reflects decrease in dividends attributable to the conversion of the outstanding shares of Senior Convertible Preferred Stock into shares of Common Stock in the Senior Preferred Conversion.
- (q) CCIC expects to record non-cash compensation charges related to the issuance of stock options to certain employees and executives. Such charges are expected to amount to \$10.6 million in 1998, recognized upon completion of the Offering, and approximately \$1.6 million per year thereafter through 2003.
- (r) The weighted-average numbers of common shares outstanding during the periods for the basic and diluted computations are as follows (in thousands):

	YEAR ENDED DECEMBER 31, 1997	SIX MONTHS ENDED JUNE 30, 1998
	-----	-----
Historical CCIC.....	6,238	10,954
Adjustment for Acquisitions.....	4,705	--
Shares issued for the Roll-Up.....	32,208	32,208
Conversion of the Series A, Series B and Series C Convertible Preferred Stock to Shares of Common Stock.....	28,888	28,888
	-----	-----
Pro Forma for Acquisitions and Roll- Up.....	72,039	72,050
Shares issued for the Senior Preferred Conversion.....	9,629	9,629
Shares issued for the Offering.....	12,320	12,320
	-----	-----
Pro Forma	93,988	93,999
	=====	=====

- (s) Included in CTI's costs of operations for site rental and broadcast transmission, and in CTI's corporate development expenses, are non-cash compensation charges related to the issuance of stock options to certain employees and executives amounting to \$1.4 million and \$1.8 million, respectively, for the six months ended June 30, 1998.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

AS OF JUNE 30, 1998
(DOLLARS IN THOUSANDS)

	HISTORICAL		ADJUSTMENTS FOR ROLL-UP	PRO FORMA FOR ROLL- UP	ADJUSTMENTS FOR OFFERING	PRO FORMA
	CCIC	CTI(A)				
ASSETS:						
Current assets:						
Cash and cash equivalents.....	\$ 51,258	\$ 15,805	\$ --	\$ 67,063	\$148,043(h)	\$ 215,106
Receivables.....	11,540	19,329	(857)(b)	30,012	--	30,012
Inventories.....	1,233	3,327	--	4,560	--	4,560
Prepaid expenses and other current assets.....	1,350	--	--	1,350	--	1,350
Total current assets.....	65,381	38,461	(857)	102,985	148,043	251,028
Property and equipment, net.....	131,492	368,135	--	499,627	--	499,627
Investments in affiliates.....	61,432	--	(59,247)(c)	2,185	--	2,185
Goodwill and other intangible assets, net...	148,336	74,800	342,767 (d)	565,903	--	565,903
Deferred financing costs and other assets, net..	12,189	--	--	12,189	--	12,189
	<u>\$418,830</u>	<u>\$481,396</u>	<u>\$282,663</u>	<u>\$1,182,889</u>	<u>\$148,043</u>	<u>\$1,330,932</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:						
Current liabilities:						
Accounts payable.....	\$ 6,311	\$ 21,996	\$ --	\$ 28,307	\$ --	\$ 28,307
Other current liabilities.....	3,226	33,428	(857)(b)	35,797	--	35,797
Long-term debt, current maturities.....	--	--	--	--	--	--
Total current liabilities.....	9,537	55,424	(857)	64,104	--	64,104
Long-term debt, less current maturities....	216,869	248,387	--	465,256	--	465,256
Other liabilities.....	822	4,523	--	5,345	--	5,345
Total liabilities...	227,228	308,334	(857)	534,705	--	534,705
Minority interests.....	--	--	37,882 (e)	37,882	--	37,882
Redeemable preferred stock.....	164,881	180,221	(273,022)(f)	72,080	(72,080)(i)	--
Stockholders' equity....	26,721	(7,159)	518,660 (g)	538,222	220,123 (j)	758,345
	<u>\$418,830</u>	<u>\$481,396</u>	<u>\$282,663</u>	<u>\$1,182,889</u>	<u>\$148,043</u>	<u>\$1,330,932</u>

See Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
(DOLLARS IN THOUSANDS)

- (a) Reflects the historical amounts from CTI's consolidated balance sheet (under U.S. GAAP) as of June 30, 1998. Such amounts have been translated from pounds sterling to U.S. dollars at the Noon Buying Rate on June 30, 1998 of (Pounds)1.00 = \$1.6695.
- (b) Reflects the elimination of management fees payable to CCIC from CTI.
- (c) Reflects (1) the increase in CCIC's equity investment in CTI resulting from the issuance of 20,867,700 shares of CCIC's Common Stock and 11,340,000 shares of CCIC's Class A Common Stock, with such shares recorded at the price per share to the public in the Offering, and (2) the elimination of CCIC's equity investment in CTI.
- (d) Reflects the incremental goodwill as a result of the Roll-Up. The allocation of the purchase price for the Roll-Up did not result in adjustments to CTI's assets and liabilities other than goodwill and other intangible assets.
- (e) Reflects the 20% minority interest in CTI's Redeemable Preference Shares based on the carrying value, including accrued and unpaid dividends, for those shares.
- (f) Reflects (1) the elimination of CTI's Redeemable Preference Shares (\$180,221) and (2) the conversion of the Series A, Series B and Series C Convertible Preferred Stock to shares of Common Stock (\$92,801).
- (g) Reflects the following adjustments to stockholders' equity:

(1) Increase resulting from the issuance of CCIC's Common Stock and Class A Common Stock in exchange for shares of CTI's capital stock.....	\$418,700	
(2) Increase resulting from the elimination of CTI's Ordinary Shares.....	7,159	
(3) Increase resulting from the conversion of the Series A, Series B and Series C Convertible Preferred Stock to shares of Common Stock.....	92,801	

Total adjustments to stockholders' equity.....	\$518,660	=====

- (h) Reflects the following adjustments to cash and cash equivalents:

Increase resulting from the receipt of proceeds from the Offering.....	\$160,160
Decrease resulting from the payment of underwriting discounts and commissions and other fees and expenses related to the Offering.....	(12,117)

Total adjustments to cash and cash equivalents.....	\$148,043
	=====

- (i) Reflects the conversion of the outstanding shares of Senior Convertible Preferred Stock into shares of Common Stock in the Senior Preferred Conversion.

- (j) Reflects the following adjustments to stockholders' equity:

(1) Increase resulting from the conversion of the outstanding shares of Senior Convertible Preferred Stock into shares of Common Stock in the Senior Preferred Conversion.....	\$ 72,080
(2) Increase resulting from the receipt of proceeds from the Offering.....	160,160
(3) Decrease resulting from the payment of underwriting discounts and commissions and other fees and expenses related to the Offering.....	(12,117)

Total adjustments to stockholders' equity.....	\$220,123
	=====

The following table summarizes the adjustments for the Roll-Up, with increases to liabilities and stockholders' equity balances shown as negative amounts:

	ADJUSTMENT REFERENCE					
	(B)	(C)(1), (G)(1)	(C)(2), (D), (E), (F)(1), (G)(2)	(F)(2)		TOTALS
	-----					-----
Receivables.....	\$(857)	\$ --	\$ --	\$ --	\$	(857)
Investments in affiliates.....	--	418,700	(477,947)	--		(59,247)
Goodwill and other intangible assets, net...	--	--	342,767	--		342,767

Other current liabilities.....	857	--	--	--	857
Minority interests.....	--	--	(37,882)	--	(37,882)
Redeemable preferred stock.....	--	--	180,221	92,801	273,022
Stockholders' equity....	--	(418,700)	(7,159)	(92,801)	(518,660)
	-----	-----	-----	-----	-----
	\$ --	\$ --	\$ --	\$ --	\$ --
	=====	=====	=====	=====	=====

The following table summarizes the adjustments for the Offering, with increases to liabilities and stockholders' equity balances shown as negative amounts:

	ADJUSTMENT REFERENCE			
	(H), (J)(2), (J)(3)	(I), (J)(1)	TOTALS	
	-----	-----	-----	-----
Cash and cash equivalents....	\$ 148,043	\$ --	\$ 148,043	
Redeemable preferred stock...	--	72,080	72,080	
Stockholders' equity.....	(148,043)	(72,080)	(220,123)	
	-----	-----	-----	
	\$ --	\$ --	\$ --	
	=====	=====	=====	

SELECTED FINANCIAL AND OTHER DATA OF CCIC

The selected historical consolidated financial and other data for CCIC set forth below for each of the three years in the period ended December 31, 1997, and as of December 31, 1995, 1996 and 1997, have been derived from the consolidated financial statements of CCIC, which have been audited by KPMG Peat Marwick LLP, independent certified public accountants. The selected historical consolidated financial and other data for CCIC set forth below for the six months ended June 30, 1997 and 1998, and as of June 30, 1998, have been derived from the unaudited consolidated financial statements of CCIC, which include all adjustments that the Company considers necessary for a fair presentation of the financial position and results of operations for those periods. Operating results for the six months ended June 30, 1997 and 1998 are not necessarily indicative of the results that may be expected for the entire year. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CCIC" and the consolidated financial statements and the notes thereto of CCIC included elsewhere in this Prospectus.

	YEARS ENDED DECEMBER 31,			SIX MONTHS ENDED JUNE 30,	
	1995	1996	1997	1997	1998
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)					
STATEMENT OF OPERATIONS DATA:					
Net revenues:					
Site rental.....	\$ 4,052	\$ 5,615	\$ 11,010	\$ 3,341	\$ 10,448
Network services and other..	6	592	20,395	3,424	12,919
Total net revenues.....	4,058	6,207	31,405	6,765	23,367
Costs of operations:					
Site rental.....	1,226	1,292	2,213	605	2,418
Network services and other..	--	8	13,137	2,171	7,155
Total costs of operations...	1,226	1,300	15,350	2,776	9,573
General and administrative...	729	1,678	6,824	1,491	8,768
Corporate development(a).....	204	1,324	5,731	3,782	2,022
Depreciation and amortization.....	836	1,242	6,952	930	7,695
Operating income (loss).....	1,063	663	(3,452)	(2,214)	(4,691)
Equity in earnings (losses) of unconsolidated affiliate.....	--	--	(1,138)	(221)	525
Interest and other income(b).....	53	193	1,951	1,508	1,370
Interest expense and amortization of deferred financing costs.....	(1,137)	(1,803)	(9,254)	(1,196)	(10,027)
Income (loss) before income taxes.....	(21)	(947)	(11,893)	(2,123)	(12,823)
Provision for income taxes...	--	(10)	(49)	(26)	(209)
Net income (loss).....	(21)	(957)	(11,942)	(2,149)	(13,032)
Dividends on Senior Convertible Preferred Stock.....	--	--	(2,199)	--	(4,132)
Net income (loss) after deduction of dividends on Senior Convertible Preferred Stock.....	\$ (21)	\$ (957)	\$ (14,141)	\$ (2,149)	\$ (17,164)
Loss per common share--basic and diluted.....	\$ (.01)	\$ (0.27)	\$ (2.27)	\$ (0.64)	\$ (1.57)
Common shares outstanding--basic and diluted (in thousands).....	3,316	3,503	6,238	3,381	10,954
OTHER DATA:					
Site data (at period end)(c):					
Towers owned.....	126	155	240		361
Towers managed.....	7	7	133		129
Rooftop sites managed (revenue producing)(d).....	41	52	80		66
Total sites owned and managed.....	174	214	453		556
EBITDA(e).....	\$ 1,899	\$ 1,905	\$ 3,500	\$ (1,284)	\$ 3,004
Capital expenditures.....	161	890	18,035	918	52,752
Summary cash flow					

information:					
Net cash provided by (used for) operating activities...	1,672	(530)	(624)	396	(1,972)
Net cash used for investing activities.....	(16,673)	(13,916)	(111,484)	(66,494)	(52,752)
Net cash provided by financing activities.....	15,597	21,193	159,843	70,977	50,904
Ratio of earnings to fixed charges(f).....	--	--	--	--	--
BALANCE SHEET DATA (AT PERIOD END):					
Cash and cash equivalents....	\$ 596	\$ 7,343	\$ 55,078		\$ 51,258
Property and equipment, net..	16,003	26,753	81,968		131,492
Total assets.....	19,875	41,226	371,391		418,830
Total debt.....	11,182	22,052	156,293		216,869
Redeemable preferred stock(g).....	5,175	15,550	160,749		164,881
Total stockholders' equity (deficit).....	619	(210)	41,792		26,721

- - - - -
- (a) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers. For the year ended December 31, 1997, includes (i) nonrecurring cash bonuses of \$0.9 million paid to certain executive officers in connection with the CTI Investment and (ii) a nonrecurring cash charge of \$1.3 million related to the purchase by CCIC of shares of Common Stock from CCIC's former chief executive officer in connection with the CTI Investment. See "Certain Relationships and Related Transactions". CCIC expects to record non-cash compensation charges related to the issuance of stock options to certain employees and executives. Such charges are expected to amount to \$10.6 million in 1998, recognized upon completion of the Offering, and approximately \$1.6 million per year thereafter through 2003.
 - (b) Includes a \$1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI in connection with the CTI Investment.
 - (c) Represents the aggregate number of sites of CCIC as of the end of each period.
 - (d) As of June 30, 1998, CCIC had contracts with 1,283 buildings to manage on behalf of such buildings the leasing of space for antenna on the rooftops of such buildings. A revenue producing rooftop represents a rooftop where CCIC has arranged a lease of space on such rooftop and, as such, is receiving payments in respect of its management contract. CCIC generally does not receive any payment for rooftops under management unless CCIC actually leases space on such rooftops to third parties. As of June 30, 1998, CCIC had 1,217 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers.
 - (e) EBITDA is defined as operating income (loss) plus depreciation and amortization. EBITDA is presented as additional information because management believes it to be a useful indicator of CCIC's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CCIC's measure of EBITDA may not be comparable to similarly titled measures of other companies.
 - (f) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes, fixed charges and equity in earnings (losses) of unconsolidated affiliate. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the years ended December 31, 1995, 1996 and 1997 and the six months ended June 30, 1997 and 1998, earnings were insufficient to cover fixed charges by \$21,000, \$0.9 million, \$10.8 million, \$1.9 million and \$13.3 million, respectively.
 - (g) Represents (i) the Senior Convertible Preferred Stock privately placed by CCIC in August 1997 and October 1997, all of which has been converted into shares of Common Stock, and (ii) the Series A Convertible Preferred Stock, the Series B Convertible Preferred Stock and the Series C Convertible Preferred Stock privately placed by CCIC in April 1995, July 1996 and February 1997, respectively, all of which will be converted into shares of Common Stock in connection with the Offering.

SELECTED FINANCIAL AND OTHER DATA OF CROWN

The selected historical combined financial data for Crown presented below for each of the two years in the period ended December 31, 1996 and the seven months ended July 31, 1997, have been derived from the combined financial statements of Crown, which have been audited by KPMG Peat Marwick LLP, independent certified public accountants. Crown was acquired by CCIC in the Crown Merger in August 1997 and, as a result, twelve-month historical financial data for Crown is not presented. The information set forth below should be read in conjunction with the combined financial statements and the notes thereto of Crown included elsewhere in this Prospectus.

	YEARS ENDED		SEVEN MONTHS ENDED JULY 31, 1997
	DECEMBER 31, 1995	1996	
(DOLLARS IN THOUSANDS)			
STATEMENT OF OPERATIONS DATA:			
Net revenues:			
Site rental.....	\$ 3,632	\$ 5,120	\$ 4,550
Network services and other.....	7,384	14,260	13,137
Total net revenues.....	11,016	19,380	17,687
Costs of operations:			
Site rental.....	763	1,691	1,421
Network services and other.....	3,944	8,632	5,841
Total costs of operations.....	4,707	10,323	7,262
General and administrative.....	2,625	3,150	3,761
Depreciation and amortization.....	568	1,168	1,006
Operating income.....	3,116	4,739	5,658
Interest and other income (expense).....	19	(53)	(26)
Interest expense.....	(785)	(1,175)	(925)
Income before income taxes.....	2,350	3,511	4,707
Provision for income taxes.....	--	--	--
Net income.....	\$ 2,350	\$ 3,511	\$ 4,707
OTHER DATA:			
Site data (at period end)(a):			
Towers owned.....	45	53	61
Towers managed.....	122	127	127
Rooftop sites managed (revenue producing)...	9	16	20
Total sites owned and managed.....	176	196	208
EBITDA(b):			
Site rental.....	\$ 2,589	\$ 3,098	\$ 2,943
Network services and other.....	1,095	2,809	3,721
Total EBITDA.....	\$ 3,684	\$ 5,907	\$ 6,664
EBITDA as a percentage of net revenues(b):			
Site rental.....	71.3%	60.5%	64.7%
Network services and other.....	14.8	19.7	28.3
Total EBITDA as a percentage of net revenues.....	33.4	30.5	37.7
Capital expenditures.....	\$ 5,670	\$ 8,658	\$12,425
Summary cash flow information:			
Net cash provided by operating activities...	2,974	4,162	5,199
Net cash used for investing activities.....	(5,670)	(8,652)	(12,425)
Net cash provided by financing activities...	2,367	4,100	7,018

(a) Represents the aggregate number of sites of Crown as of the end of each period.

(b) EBITDA is defined as operating income plus depreciation and amortization. EBITDA is presented as additional information because management believes it to be a useful indicator of a company's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, Crown's measure of EBITDA may not be comparable to similarly titled measures of other companies.

SELECTED FINANCIAL AND OTHER DATA OF CTI

The selected historical financial data for CTI, which was 34.3% owned by CCIC prior to the Roll-Up, presents (i) selected historical financial data of the BBC Home Service Transmission Business prior to its acquisition by CTI (the "Predecessor") for the year ended March 31, 1996 and the eleven and two months ended February 27, 1997, (ii) selected historical consolidated financial data of CTI after such acquisition for the one month ended March 31, 1997, for the three months ended June 30, 1997 and for the nine months ended December 31, 1997, and (iii) selected historical consolidated financial data of CTI as of and for the six months ended June 30, 1998. The selected historical financial data for the year ended March 31, 1996 and the eleven months ended February 27, 1997 have been derived from the financial statements of the Predecessor, which have been audited by KPMG, Chartered Accountants. The selected financial data for the one month ended March 31, 1997 and the nine months ended December 31, 1997 have been derived from the consolidated financial statements of CTI, which have been audited by KPMG, Chartered Accountants. The selected historical financial data for the two months ended February 27, 1997 have been derived from the unaudited financial statements of the Predecessor, and the selected historical financial data for the three months ended June 30, 1997 and as of and for the six months ended June 30, 1998 have been derived from the unaudited consolidated financial statements of CTI, which include all adjustments that CTI considers necessary for a fair presentation of the financial position and results of operations for that period. The results of operations for the one month ended March 31, 1997, the three months ended June 30, 1997, the nine months ended December 31, 1997 and the six months ended June 30, 1998 are not necessarily indicative of the results of operations of CTI that may be expected for the entire year. This information reflects financial data for CTI as a whole, is not limited to that portion of the financial data attributable to CCIC's percentage ownership of CTI prior to the Roll-Up and is not indicative of any distributions or dividends that CCIC might receive in the future. CTI is subject to significant restrictions on its ability to make dividends and distributions to CCIC. See "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends". The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CTI" and the consolidated financial statements and the notes thereto of CTI included elsewhere in this Prospectus.

	PREDECESSOR COMPANY			CTI		
YEAR ENDED	ELEVEN MONTHS ENDED	TWO MONTHS ENDED	ONE MONTH ENDED	THREE MONTHS ENDED	NINE MONTHS ENDED	
MARCH 31, 1996	FEBRUARY 27, 1997	FEBRUARY 27, 1997	MARCH 31, 1997	ENDED JUNE 30, 1997	DECEMBER 31, 1997	
(POUNDS STERLING IN THOUSANDS)						
STATEMENT OF OPERATIONS DATA:						
Net revenues....	(Pounds) 70,367	(Pounds) 70,614	(Pounds) 12,805	(Pounds) 6,433	(Pounds) 18,611	(Pounds) 56,752
Operating expenses(b)....	62,582	56,612	10,108	5,188	15,842	47,976
Operating income.....	7,785	14,002	2,697	1,245	2,769	8,776
Interest and other income...	--	--	--	49	119	288
Interest expense and amortization of deferred financing costs.....	--	--	--	(969)	(5,400)	(12,419)
Income (loss) before income taxes.....	7,785	14,002	2,697	325	(2,512)	(3,355)
Provision for income taxes...	--	--	--	--	--	--
Net income (loss) under U.K. GAAP.....	7,785	14,002	2,697	325	(2,512)	(3,355)
Adjustments to convert to U.S. GAAP.....	3,707	3,993	726	78	221	866
Net income (loss) under U.S. GAAP.....	(Pounds) 11,492	(Pounds) 17,995	(Pounds) 3,423	(Pounds) 403	(Pounds) (2,291)	(Pounds) (2,489)
OTHER DATA:						
EBITDA (under U.S. GAAP)(c)...	(Pounds) 20,620	(Pounds) 27,040	(Pounds) 5,161	(Pounds) 3,064	(Pounds) 8,302	(Pounds) 25,695
Capital expenditures						

(under U.S. GAAP).....	18,079	21,810	711	748	3,906	14,361
Summary cash flow information (under U.S. GAAP):						
Net cash provided by operating activities.....	24,311	28,146	5,161	4,871	7,169	25,555
Net cash used for investing activities.....	(17,190)	(21,811)	(711)	(52,889)	(4,114)	(14,668)
Net cash provided by (used for) financing activities.....	(7,121)	(6,335)	(4,450)	57,706	(6,792)	(12,423)

CTI

SIX MONTHS ENDED JUNE 30, 1998	ONE MONTH ENDED MARCH 31, 1997(A)	NINE MONTHS ENDED DECEMBER 31, 1997(A)	SIX MONTHS ENDED JUNE 30, 1998(A)
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(DOLLARS IN THOUSANDS)

STATEMENT OF OPERATIONS DATA:

Net revenues....	(Pounds)43,516	\$ 10,740	\$ 94,746	\$ 72,650
Operating expenses(b)....	36,811	8,661	80,096	61,456
Operating income.....	6,705	2,079	14,650	11,194
Interest and other income...	348	82	481	581
Interest expense and amortization of deferred financing costs.....	(7,063)	(1,618)	(20,734)	(11,792)
Income (loss) before income taxes.....	(10)	543	(5,603)	(17)
Provision for income taxes...	--	--	--	--
Net income (loss) under U.K. GAAP.....	(10)	543	(5,603)	(17)
Adjustments to convert to U.S. GAAP.....	924	130	1,388	1,543
Net income (loss) under U.S. GAAP.....	(Pounds) 914	\$ 673	\$ (4,215)	\$ 1,526

OTHER DATA:

EBITDA (under U.S. GAAP)(c)...	(Pounds)18,471	\$ 5,116	\$ 42,887	\$ 30,837
Capital expenditures (under U.S. GAAP).....	23,083	1,249	23,976	38,537
Summary cash flow information (under U.S. GAAP):				
Net cash provided by operating activities.....	19,294	8,132	42,664	32,211
Net cash used for investing activities.....	(22,522)	(88,298)	(24,488)	(37,600)
Net cash provided by (used for) financing activities.....	4,543	96,340	(20,740)	7,585

AS OF JUNE 30, 1998 AS OF JUNE 30, 1998

	(POUNDS STERLING IN THOUSANDS)	(DOLLARS IN THOUSANDS)
BALANCE SHEET DATA (under U.S. GAAP):		
Cash and cash equivalents.....	(Pounds)9,467	\$ 15,805
Property and equipment, net.....	220,506	368,135
Total assets.....	288,348	481,397
Total debt.....	148,779	248,387
Redeemable preference shares.....	107,949	180,221
Ordinary shareholders' equity (deficit).....	(4,288)	(7,159)

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- (a) CTI publishes its consolidated financial statements in pounds sterling. For the convenience of the reader, the information set forth above contains translations of pound sterling amounts into U.S. dollars at the Noon Buying Rate on June 30, 1998, of (Pounds)1.00 = \$1.6695. No representation is made that the pound sterling amounts have been, could have been or could be converted into U.S. dollars at the rate indicated or any other rates. On July 31, 1998, the Noon Buying Rate was (Pounds)1.00 = \$1.6388.
- (b) Included in operating expenses for the six months ended June 30, 1998 are non-cash compensation charges for (Pounds)1.9 million (\$3.2 million) related to the issuance of stock options to certain executives and employees.
- (c) EBITDA is defined as operating income (loss) plus depreciation and amortization. EBITDA is presented as additional information because management believes it to be a useful indicator of CTI's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CTI's measure of EBITDA may not be comparable to similarly titled measures of other companies.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

The following discussion sets forth separately the historical consolidated results of operations of CCIC and CTI and is intended to assist in understanding (i) CCIC's consolidated financial condition as of June 30, 1998 and its consolidated results of operations for the six-month periods ended June 30, 1997 and 1998 and for each year in the three-year period ended December 31, 1997 and (ii) CTI's consolidated results of operations for the three-month periods ended June 30, 1997 and 1998 and for each twelve-month period in the two-year period ended March 31, 1998. The statements in this discussion regarding the industry outlook, the Company's expectations regarding the future performance of its businesses, and the other nonhistorical statements in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the uncertainties relating to capital expenditures decisions to be made in the future by wireless communications carriers and broadcasters and the risks and uncertainties described in "Risk Factors". This discussion should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Statements", "Selected Financial and Other Data of CCIC", "Selected Financial and Other Data of Crown", "Selected Financial and Other Data of CTI" and the consolidated financial statements and the notes thereto included elsewhere in this Prospectus. Results of operations of the acquired businesses which are wholly owned are included in the Company's consolidated financial statements for the periods subsequent to the respective dates of acquisition. As such, the Company's results of operations for the six months ended June 30, 1997 are not comparable to the results of operations for the six months ended June 30, 1998, and the results for the year ended December 31, 1996 are not comparable to the year ended December 31, 1997.

OVERVIEW

Following consummation of the Roll-Up, the continued growth of the Company's business will depend substantially on the condition of the wireless communications and broadcast industries. The Company believes that the demand for communications sites will continue to grow and expects that, due to increased competition, wireless communications carriers will continue to seek operating and capital efficiencies by (i) outsourcing certain network services and the build-out and operation of new and existing infrastructure and (ii) co-locating antennas and transmission equipment on multiple tenant towers. In addition, the Company expects that, in order to free up capital for the growth and management of their customer bases and expansion of their service offerings, wireless communications carriers have begun to seek to sell their wireless communications infrastructure to, or establish joint ventures with, experienced infrastructure providers, such as the Company, that have the ability to manage networks.

Further, the Company believes that wireless communications carriers and broadcasters ultimately will seek to outsource the operation of their towers and transmission networks, including the transmission of their signals. Management believes that the Company's ability to manage towers and transmission networks and its proven track record of providing end-to-end services to the wireless communications and broadcasting industries position it to capture such business.

The willingness of wireless communications carriers to utilize the Company's infrastructure and related services is affected by numerous factors, including consumer demand for wireless services, interest rates, cost of capital, availability of capital to wireless carriers, tax policies, willingness to co-locate equipment, local restrictions on the proliferation of towers, cost of building towers and technological changes affecting the number of communications sites needed to provide wireless communications services to a given geographic area. The Company's revenues that are derived from the provision of transmission services to the broadcasting industry will be affected by the timing of the commencement of digital terrestrial television broadcasts in both the United Kingdom and the United States, as well as in other countries around the world, consumer demand for digital terrestrial broadcasting, interest rates, cost of capital to broadcasters, zoning restrictions on tall towers and the cost of building towers.

As an important part of its business strategy, the Company will continue (i) to take advantage of the operating leverage of its site rental business by increasing the antenna space leased on its owned or managed communications sites, (ii) to leverage its in-house technical and operational expertise, (iii) to expand its tower footprints by partnering with wireless communications carriers to assume ownership of their existing towers and by pursuing build-to-suit opportunities and (iv) to acquire existing transmission networks globally as opportunities arise.

RESULTS OF OPERATIONS

CCIC

CCIC's primary sources of revenues are from (i) the rental of antenna space on towers and rooftop sites and (ii) the provision of network services, which includes network design and site selection, site acquisition, site development and construction and antenna installation.

Site rental revenues are received primarily from wireless communications companies, including cellular, PCS, paging, specialized mobile radio/enhanced specialized mobile radio ("SMR/ESMR") and microwave operators. Site rental revenues are generally recognized on a monthly basis under lease agreements, which typically have original terms of five years (with three or four optional renewal periods of five years each). Average monthly site rental revenues per owned site as of December 31, 1997 were approximately \$3,000 for the towers located in the southwestern United States, \$7,000 for the towers in Puerto Rico, \$12,500 for the towers in and around the greater Pittsburgh area, and \$2,000 for CCIC's other revenue producing towers. Average revenues for CCIC's managed rooftop sites are less than for the owned and managed towers because a substantial portion of the revenues from the tenants at rooftop sites is remitted to the building owner or manager.

Network services revenues consist of revenues from (i) network design and site selection, (ii) site acquisition, (iii) site development and construction, (iv) antenna installation and (v) other services. Network services revenues are received primarily from wireless communications companies. Network services revenues are recognized under service contracts which provide for billings on either a fixed price basis or a time and materials basis. Demand for CCIC's network services fluctuates from period to period and within periods. See "Risk Factors--Variability in Demand for Network Services". Consequently, the operating results of CCIC's network services businesses for any particular period may vary significantly, and should not be considered as indicative of longer-term results. CCIC also derives revenues from the ownership and operation of microwave radio and SMR networks in Puerto Rico where CCIC owns radio wave spectrum in the 2,000 MHz and 6,000 MHz range (for microwave radio) and the 800 MHz range (for SMR). These revenues are generally recognized under monthly management or service agreements. Average monthly revenues as of December 31, 1997 from SMR and microwave services were approximately \$77,000 and \$12,000, respectively.

Costs of operations for site rental primarily consist of land leases, repairs and maintenance, utilities, insurance, property taxes and monitoring costs and, in the case of managed sites, rental payments. For any given tower, such costs are relatively fixed over a monthly or an annual time period. As such, operating costs for owned towers do not generally increase significantly as additional customers are added. However, rental expenses at certain managed towers increase as additional customer antennas are added, resulting in higher incremental revenues but lower incremental margins than on owned towers. Costs of operations for network services consist primarily of employee compensation and related benefits costs, subcontractor services, consulting fees, and other on-site construction and materials costs. CCIC incurs these network services costs (i) to support its internal operations, including construction and maintenance of its owned towers, and (ii) to maintain the employees necessary to provide end-to-end services to third parties regardless of the level of such business at any time. The Company believes that its experienced staff enables it to provide the type of end-to-end services that enhance its ability to acquire access to the infrastructure of wireless communications carriers and to attract significant build-to-suit contracts.

General and administrative expenses consist primarily of employee compensation and related benefits costs, advertising, professional and consulting fees, office rent and related expenses and travel costs. Corporate development expenses represent costs incurred in connection with acquisitions and development of new business

initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers.

Depreciation and amortization charges relate to CCIC's property and equipment (primarily towers, construction equipment and vehicles), goodwill and other intangible assets recorded in connection with business acquisitions. Depreciation of towers and amortization of goodwill are computed with a useful life of 20 years. Amortization of other intangible assets (principally the value of existing site rental contracts at Crown) is computed with a useful life of 10 years. Depreciation of construction equipment and vehicles are generally computed with useful lives of 10 years and 5 years, respectively.

The following information is derived from CCIC's Historical Consolidated Statements of Operations for the periods indicated.

	YEAR ENDED DECEMBER 31, 1995		YEAR ENDED DECEMBER 31, 1996		YEAR ENDED DECEMBER 31, 1997		SIX MONTHS ENDED JUNE 30, 1997		SIX MONTHS ENDED JUNE 30, 1998	
	AMOUNT	PERCENT OF NET REVENUES	AMOUNT	PERCENT OF NET REVENUES	AMOUNT	PERCENT OF NET REVENUES	AMOUNT	PERCENT OF NET REVENUES	AMOUNT	PERCENT OF NET REVENUES
(DOLLARS IN THOUSANDS)										
Net revenues:										
Site rental.....	\$ 4,052	99.9%	\$ 5,615	90.5%	\$ 11,010	35.1%	\$ 3,341	49.4%	\$ 10,448	44.7%
Network services and other.....	6	0.1	592	9.5	20,395	64.9	3,424	50.6	12,919	55.3
Total net revenues....	4,058	100.0	6,207	100.0	31,405	100.0	6,765	100.0	23,367	100.0
Operating expenses:										
Costs of operations:										
Site rental.....	1,226	30.3	1,292	23.0	2,213	20.1	605	18.1	2,418	23.1
Network services and other.....	--	--	8	1.4	13,137	64.4	2,171	63.4	7,155	55.4
Total costs of opera- tions.....	1,226	30.2	1,300	21.0	15,350	48.9	2,776	41.0	9,573	41.0
General and adminis- trative.....	729	18.0	1,678	27.0	6,824	21.7	1,491	22.0	8,768	37.5
Corporate develop- ment.....	204	5.0	1,324	21.3	5,731	18.3	3,782	55.9	2,022	8.7
Depreciation and amor- tization.....	836	20.6	1,242	20.0	6,952	22.1	930	13.8	7,695	32.9
Operating income (loss).....	1,063	26.2	663	10.7	(3,452)	(11.0)	(2,214)	(32.7)	(4,691)	(20.1)
Other income (expense):										
Equity in earnings (losses) of unconsolidated affiliate.....	--	--	--	--	(1,138)	(3.6)	(221)	(3.3)	525	2.2
Interest and other in- come.....	53	1.3	193	3.1	1,951	6.2	1,508	22.3	1,370	5.9
Interest expense and amortization of de- ferred financing costs.....	(1,137)	(28.0)	(1,803)	(29.0)	(9,254)	(29.5)	(1,196)	(17.7)	(10,027)	(42.9)
Loss before income tax- es.....	(21)	(0.5)	(947)	(15.2)	(11,893)	(37.9)	(2,123)	(31.4)	(12,823)	(54.9)
Provision for income taxes.....	--	--	(10)	(0.2)	(49)	(0.1)	(26)	(0.4)	(209)	(0.9)
Net loss.....	\$ (21)	(0.5)%	\$ (957)	(15.4)%	\$(11,942)	(38.0)%	\$(2,149)	(31.8)%	\$(13,032)	(55.8)%

Comparison of Six Months Ended June 30, 1998 and 1997

Consolidated revenues for the six months ended June 30, 1998 were \$23.4 million, an increase of \$16.6 million from the six months ended June 30, 1997. This increase was primarily attributable to (i) a \$7.1 million, or 212.7%, increase in site rental revenues which was primarily attributable to the Crown operations; (ii) \$0.9 million in network services revenues from TEA; and (iii) \$6.8 million in network services revenues from the Crown operations.

Costs of operations for the six months ended June 30, 1998 were \$9.6 million, an increase of \$6.8 million from the six months ended June 30, 1997. This increase was primarily attributable to (i) \$0.4 million of network services costs related to the TEA operations; (ii) \$3.7 million of network services costs related to the Crown operations; and (iii) \$1.8 million in site rental costs attributable to the Crown operations. Costs of operations for site rental as a percentage of site rental revenues increased to 23.1% for the six months ended June 30, 1998

from 18.1% for the six months ended June 30, 1997 because of higher costs attributable to the Crown operations. Costs of operations for network services as a percentage of network services revenues decreased to 55.4% for the six months ended June 30, 1998 from 63.4% for the six months ended June 30, 1997, reflecting higher margins that are inherent in the network services business acquired with the Crown operations in August 1997 as compared to that acquired with the TEA operations in May 1997.

General and administrative expenses for the six months ended June 30, 1998 were \$8.8 million, an increase of \$7.3 million from the six months ended June 30, 1997. This increase was primarily attributable to \$4.9 million of expenses related to the Crown operations and \$0.8 million of expenses related to the TEA operations, along with an increase in costs of \$1.3 million at the Company's corporate office. General and administrative expenses as a percentage of revenues increased for the six months ended June 30, 1998 to 37.5% from 22.0% for the six months ended June 30, 1997 because of higher overhead costs as a percentage of revenues for Crown and the increase in costs at CCIC's corporate office.

Corporate development expenses for the six months ended June 30, 1998 were \$2.0 million, a decrease of \$1.8 million from the six months ended June 30, 1997. Corporate development expenses for the six months ended June 30, 1997 include nonrecurring compensation charges associated with the CTI Investment of (i) \$0.9 million for certain executive bonuses and (ii) the repurchase of shares of CCIC's common stock from a member of its Board of Directors, which resulted in compensation charges of \$1.3 million. Corporate development expenses for the six months ended June 30, 1998 include discretionary bonuses related to CCIC's performance totaling approximately \$0.8 million for certain members of CCIC's management. CCIC expects to record non-cash compensation charges related to the issuance of stock options to certain employees and executives. Such charges are expected to amount to \$10.6 million in 1998, recognized upon completion of the Offering, and approximately \$1.6 million per year thereafter through 2003. See "--Compensation Charges Related to Stock Option Grants".

Depreciation and amortization for the six months ended June 30, 1998 was \$7.7 million, an increase of \$6.8 million from the six months ended June 30, 1997. This increase was primarily attributable to (i) \$6.2 million of depreciation and amortization related to the property and equipment, goodwill and other intangible assets acquired in the Crown Merger; and (ii) \$0.3 million of depreciation and amortization related to the property and equipment and goodwill acquired in the TEA and TeleStructures Acquisitions.

The equity in earnings (losses) of unconsolidated affiliate represents CCIC's 34.3% share of CTI's net earnings (losses) for the periods beginning in March 1997. For the six months ended June 30, 1998, after making appropriate adjustments to CTI's results of operations for such period to conform to generally accepted accounting principles of the United States, CTI had net revenues, operating income, interest expense (including amortization of deferred financing costs) and net income of \$71.8 million, \$11.2 million, \$10.3 million and \$1.5 million, respectively. Included in CTI's results of operations for such period are noncash compensation charges for approximately \$3.2 million related to the issuance of stock options to certain members of CTI's management. If successful, the consummation of a share exchange agreement with certain shareholders of CTI would accelerate the vesting of certain options granted to CTI's management and employees, resulting in additional noncash compensation charges of approximately \$0.7 million.

Interest and other income for the six months ended June 30, 1997 includes a \$1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI. Interest income for the six months ended June 30, 1998 resulted primarily from the investment of excess proceeds from the sale of CCIC's 10 5/8% Senior Discount Notes due 2007 in November 1997.

Interest expense and amortization of deferred financing costs for the six months ended June 30, 1998 was \$10.0 million, an increase of \$8.8 million, or 738.4%, from the six months ended June 30, 1997. This increase was primarily attributable to amortization of the original issue discount on the Notes.

Comparison of Years Ended December 31, 1997 and 1996

Consolidated revenues for 1997 were \$31.4 million, an increase of \$25.2 million from 1996. This increase was primarily attributable to (i) a \$5.4 million, or 96.1%, increase in site rental revenues, of which \$4.2 million

was attributable to the Crown operations and \$0.7 million was attributable to the Puerto Rico operations; (ii) \$10.4 million in network services revenues from TEA; and (iii) \$7.2 million in network services revenues from the Crown operations. The remainder of the increase was largely attributable to higher revenues from SMR and microwave radio services in Puerto Rico and the monthly service fees received from CTI beginning in March 1997.

Costs of operations for 1997 were \$15.4 million, an increase of \$14.1 million from 1996. This increase was primarily attributable to (i) \$8.5 million of network services costs related to the TEA operations; (ii) \$3.9 million of network services costs related to the Crown operations; and (iii) \$0.9 million in site rental costs attributable to the Crown operations. Costs of operations for site rental as a percentage of site rental revenues decreased to 20.1% for 1997 from 23.0% for 1996 because of increased utilization of the towers located in the southwestern United States and Puerto Rico. Costs of operations for network services as a percentage of network services revenues were 64.4% for 1997, reflecting lower margins that are inherent in the network services businesses acquired in 1997.

General and administrative expenses for 1997 were \$6.8 million, an increase of \$5.1 million from 1996. This increase was primarily attributable to \$3.0 million of expenses related to the Crown operations and \$1.4 million of expenses related to the TEA operations, along with an increase in costs of \$0.2 million at CCIC's corporate office. General and administrative expenses as a percentage of revenues decreased for 1997 to 21.7% from 27.0% for 1996 because of lower overhead costs as a percentage of revenues for Crown and TEA.

Corporate development expenses for 1997 were \$5.7 million, an increase of \$4.4 million from 1996. A substantial portion of this increase was attributable to nonrecurring compensation charges associated with the CTI Investment of (i) \$0.9 million for certain executive bonuses and (ii) the repurchase of shares of CCIC's common stock from a member of its Board of Directors, which resulted in compensation charges of \$1.3 million. The remaining \$2.2 million of the increase in corporate development expenses was attributable to a higher allocation of personnel costs, along with an overall increase in such costs, associated with an increase in acquisition and business development activities.

Depreciation and amortization for 1997 was \$7.0 million, an increase of \$5.7 million from 1996. This increase was primarily attributable to (i) \$4.7 million of depreciation and amortization related to the property and equipment, goodwill and other intangible assets acquired in the Crown Merger; (ii) \$0.5 million of depreciation and amortization related to the property and equipment and goodwill acquired in the TEA and TeleStructures Acquisitions; and (iii) \$0.3 million resulting from twelve months of depreciation related to the property and equipment acquired in the Puerto Rico Acquisition.

The equity in losses of unconsolidated affiliate of \$1.1 million represents CCIC's 34.3% share of CTI's net loss for the period from March through December 1997. After making appropriate adjustments to CTI's results of operations for such period to conform to generally accepted accounting principles of the United States, CTI had net revenues, operating income, interest expense (including amortization of deferred financing costs) and net losses of \$103.5 million, \$16.5 million, \$20.4 million and \$3.3 million, respectively.

Interest and other income for 1997 includes a \$1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI, the impact on earnings of which was partially offset by certain executive bonuses related to the CTI Investment and included in corporate development expenses. Interest income for 1997 resulted primarily from the investment of excess proceeds from the sale of CCIC's Series C Convertible Preferred Stock in February 1997.

Interest expense and amortization of deferred financing costs for 1997 was \$9.3 million, an increase of \$7.5 million, or 413.3%, from 1996. This increase was primarily attributable to (i) commitment fees related to an unfunded interim loan facility related to the Crown Merger and an unfunded revolving credit facility; (ii) interest on notes payable to the former stockholders of Crown for a portion of the purchase price of the Crown Business; (iii) amortization of the original issue discount on the Notes; (iv) interest and fees associated with borrowings

under CCIC's bank credit facility which were used to finance the Crown Merger on an interim basis; (v) interest on outstanding borrowings assumed in connection with the Crown Merger; and (vi) interest on borrowings under CCIC's bank credit facility which were used to finance the acquisition of the Puerto Rico System.

Comparison of Years Ended December 31, 1996 and 1995

Consolidated revenues for 1996 were \$6.2 million, an increase of \$2.1 million, or 53.0%, from 1995. This increase was primarily attributable to (i) \$0.6 million in site rental revenues attributable to the Puerto Rico operations; (ii) \$0.6 million in site rental revenues resulting from the effect of a full year's activity for the operations of Spectrum (which was acquired in October 1995); (iii) an increase in site rental revenues of \$0.3 million, or 6.9%, from the towers acquired from PCI; and (iv) \$0.5 million in SMR and microwave radio services revenues attributable to the Puerto Rico operations.

Costs of operations for 1996 were \$1.3 million, an increase of \$0.1 million, or 6.0%, from 1995. Additional costs in 1996 of \$0.3 million attributable to the Puerto Rico operations were largely offset by decreased costs of \$0.2 million associated with the towers acquired from PCI. Such towers were managed by PCI during 1995 under an agreement with CCIC, and the management fees charged to CCIC amounted to \$0.6 million. CCIC began managing the towers on January 1, 1996. As a result of these factors, costs of operations as a percentage of revenues decreased to 21.0% in 1996 from 30.2% in 1995.

General and administrative expenses for 1996 were \$1.7 million, an increase of \$0.9 million from 1995. This increase was primarily attributable to costs of \$0.5 million and \$0.1 million associated with the Spectrum and Puerto Rico Acquisitions, respectively, along with an increase in costs of \$0.3 million, or 41.7%, at CCIC's corporate office. General and administrative expenses at CCIC's corporate office increased because of additional personnel costs and higher overhead resulting from CCIC's internal management of the PCI towers beginning in 1996. As a result of these factors, general and administrative expenses as a percentage of revenues increased to 27.0% in 1996 from 18.0% in 1995.

Corporate development expenses for 1996 were \$1.3 million, an increase of \$1.1 million from 1995. This increase was primarily attributable to a higher allocation of personnel costs, along with an overall increase in such costs associated with an increase in acquisition and business development activities during the last half of 1996.

Depreciation and amortization for 1996 was \$1.2 million, an increase of \$0.4 million from 1995. This increase was primarily associated with depreciation associated with towers purchased in the Puerto Rico Acquisition and goodwill created in the Spectrum Acquisition.

Interest and other income for 1996 was \$0.2 million, an increase of \$0.1 million from 1995, primarily resulting from the investment of excess proceeds from the sale of CCIC's Series B Convertible Preferred Stock in July 1996. Interest expense and amortization of deferred financing costs for 1996 were \$1.8 million, an increase of \$0.7 million, or 58.6%, from 1995, primarily resulting from borrowings under CCIC's bank credit agreement which were used to finance the Puerto Rico Acquisition.

CTI

CTI's primary sources of revenues are from (i) the provision of analog and digital broadcast transmission services to the BBC and commercial broadcasters, (ii) the rental of antenna space on towers and (iii) the provision of network services, which includes broadcast consulting, network design and site selection, site acquisition, site development and antenna installation and site management and other services.

Broadcast transmission services revenues are received for both analog and digital transmission services. Monthly analog transmission revenues of approximately \$6.9 million (as of June 30, 1998) are received from the BBC under a contract with an initial 10-year term through March 31, 2007. Additional monthly analog revenues of \$0.1 million per station (as of June 30, 1998) are received from two national commercial radio stations under contracts with eight year terms that commenced on March 31, 1993 and February 4, 1995, respectively. Digital

transmission services revenues from the BBC and BDB are recognized under contracts with initial terms of 12 years from the date on which the Company commences digital terrestrial transmission services for the BBC and BDB, respectively. Monthly revenues from these digital transmission contracts increase over time as the network rollout progresses, with monthly revenues as of June 30, 1998 of approximately \$0.5 million and \$0.4 million from the BBC and BDB, respectively. See "Business--U.K. Operations--Significant Contracts".

Site rental revenues are received from other broadcast transmission service providers (primarily NTL) and wireless communications companies, including all four U.K. cellular operators (Cellnet, Vodafone, One2One and Orange). Currently, approximately 200 companies rent space on approximately 405 of CTI's 808 towers and rooftops. Site rental revenues are generally recognized on a monthly basis under lease agreements with original terms of three to twelve years. Such lease agreements generally require annual payments in advance, and include rental rate adjustment provisions between one and three years from the commencement of the lease. Monthly revenues from CTI's largest site rental customer, NTL, were (Pounds)551,000 (\$923,752) as of June 30, 1998. Site rental revenues are expected to become an increasing portion of CTI's total U.K. revenue base, and the Company believes that the demand for site rental from communication service providers will increase in line with the expected growth of these communication services in the United Kingdom.

Network services revenues consist of (i) network design and site selection, site acquisition, site development and antenna installation (collectively, "network design and development") and (ii) site management and other services. Network design and development services are provided to (i) a number of broadcasting and related organizations, both in the United Kingdom and other countries; (ii) all four U.K. cellular operators; and (iii) a number of other wireless communications companies, including Dolphin and Highway One. These services are usually subject to a competitive bid, although a significant proportion result from an operator coming onto an existing CTI site. Revenues from such services are recognized on either a fixed price or a time and materials basis. Site management and other services, consisting of both network monitoring and equipment maintenance, are carried out in the United Kingdom for a number of emergency service organizations. Revenues for such services are received under contracts with original terms of between three and five years. They provide for fixed prices with respect to network monitoring and variable pricing dependent on the level of equipment maintenance carried out in a given period.

Costs of operations for broadcast transmission services consist primarily of employee compensation and related benefits costs, utilities, rental payments under the Site-Sharing Agreement with NTL, circuit costs and repairs and maintenance on both transmission equipment and structures.

Site rental operating costs consist primarily of employee compensation and related benefits costs, utilities and repairs and maintenance. The majority of such costs are relatively fixed in nature, with increases in revenue from new installations on existing sites generally being achieved without a corresponding increase in costs.

Costs of operations for network services consist primarily of employee compensation and related benefits costs and on-site construction and materials costs.

General and administrative expenses consist primarily of office occupancy and related expenses, travel costs, professional and consulting fees, advertising, insurance and employee training and recruitment costs. Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of external professional fees related to specific activities and allocated compensation, benefits and overhead costs that are not directly related to the administration or management of CTI's existing lines of business.

Depreciation and amortization charges relate to CTI's property and equipment (primarily towers, broadcast transmission equipment and associated buildings) and goodwill recorded in connection with the acquisition of the Home Service Transmission business from the BBC (the "BBC Home Service Transmission Business"). Depreciation of towers is computed with useful lives of 20 to 25 years; depreciation of broadcast transmission

equipment is computed with a useful life of 20 years; and depreciation of buildings is computed with useful lives ranging from 20 to 50 years. Amortization of goodwill is computed with a useful life of 20 years.

The following information is derived from the Consolidated Profit and Loss Accounts of (i) CTI for periods subsequent to February 28, 1997 (the date of inception of CTI's operations) and (ii) the BBC Home Service Transmission Business for periods prior to that date. For purposes of the following discussion, CTI's results for the month ended March 31, 1997 have been combined with the results of the BBC Home Service Transmission Business for the eleven months ended February 27, 1997, and CTI's results for the nine months ended December 31, 1997 have been combined with its results for the three months ended March 31, 1998. The following discussion presents an analysis of such combined results for the twelve-month periods ended March 31, 1998 and 1997, as well as an analysis of results for the three-month periods ended June 30, 1997 and 1998. Results for CTI are not comparable to results from the BBC Home Service Transmission Business due to differences in the carrying amounts of property and equipment and goodwill. As of December 31, 1997, CTI changed its fiscal year end for financial reporting purposes from March 31 to December 31; as such, the results for the three months ended March 31, 1998 and the three months ended June 30, 1997 and 1998 are unaudited.

CTI uses the U.K. pound sterling as the functional currency for its operations. The following amounts have been translated to U.S. dollars using the average Noon Buying Rate for each period. The average exchange rates for such periods ranged from (Pounds)1.00 = \$1.5841 to (Pounds)1.00 = \$1.6605. In addition, the following amounts reflect certain adjustments to present the results of operations in accordance with generally accepted accounting principles ("GAAP") of the U.S. For the results of the BBC Home Service Transmission Business, such adjustments effect depreciation and amortization expense as a result of differences in the carrying amounts for property and equipment; for CTI, such adjustments effect (i) operating expenses as a result of differences in the accounting for pension costs, and (ii) interest expense as a result of the capitalization of interest costs in connection with constructed assets.

	TWELVE MONTHS ENDED MARCH 31, 1997		TWELVE MONTHS ENDED MARCH 31, 1998		THREE MONTHS ENDED JUNE 30, 1997		THREE MONTHS ENDED JUNE 30, 1998	
	PERCENT OF NET REVENUES	PERCENT OF NET REVENUES	PERCENT OF NET REVENUES	PERCENT OF NET REVENUES	PERCENT OF NET REVENUES	PERCENT OF NET REVENUES	PERCENT OF NET REVENUES	
AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	
(DOLLARS IN THOUSANDS)								
Net revenues:								
Site rental and broadcast transmission.....	\$112,122	91.7%	\$113,558	89.2%	\$27,063	88.9%	\$31,628	84.1%
Network services and other.....	10,090	8.3	13,731	10.8	3,376	11.1	5,978	15.9
Total net revenues..	122,212	100.0	127,289	100.0	30,439	100.0	37,606	100.0
Operating expenses:								
Costs of operations:								
Site rental and broadcast transmission.....	61,339	54.7	53,957	47.5	13,547	50.1	14,649	46.3
Network services and other.....	5,912	58.6	6,075	44.2	1,094	32.4	3,947	66.0
Total costs of operations.....	67,251	55.0	60,032	47.1	14,641	48.1	18,596	49.5
General and administrative.....	7,196	5.9	8,626	6.8	2,219	7.3	2,378	6.3
Corporate development.....	--	--	2,303	1.8	--	--	349	0.9
Depreciation and amortization.....	17,256	14.1	37,382	29.4	9,049	29.7	9,593	25.5
Operating income.....	30,509	25.0	18,946	14.9	4,530	14.9	6,690	17.8
Other income (expense):								
Interest and other income.....	79	0.1	746	0.6	195	0.6	301	0.8
Interest expense and amortization of deferred financing costs.....	(1,434)	(1.2)	(24,201)	(19.0)	(8,470)	(27.8)	(5,075)	(13.5)
Income (loss) before income taxes.....	29,154	23.9	(4,509)	(3.5)	(3,745)	(12.3)	1,916	5.1
Provision for income taxes.....	--	--	--	--	--	--	--	--
Net income (loss).....	\$ 29,154	23.9%	\$ (4,509)	(3.5)%	\$(3,745)	(12.3)%	\$ 1,916	5.1%

Comparison of Three Months Ended June 30, 1998 and Three Months Ended June 30, 1997

Consolidated revenues for the three months ended June 30, 1998 were \$37.6 million, an increase of \$7.2 million from the three months ended June 30, 1997. This increase was primarily attributable to (i) a \$4.6 million increase in broadcast transmission services and site rental revenues and (ii) a \$2.6 million increase in network services and other revenues. Revenues from the BBC for the three months ended June 30, 1998 amounted to \$21.8 million, or 57.8% of total revenues, as compared to \$19.6 million, or 64.5% of total revenues, for the three months ended June 30, 1997. Revenues from NTL for the three months ended June 30, 1998 amounted to \$3.2 million, or 8.6% of total revenues. Network services revenues for the three months ended June 30, 1998 consisted of \$4.5 million from network design and development services and \$1.5 million from site management and other services.

Costs of operations for the three months ended June 30, 1998 were \$18.6 million, an increase of \$4.0 million from the three months ended June 30, 1997. This increase was primarily attributable to a \$1.1 million increase in broadcast transmission services and site rental costs and a \$2.9 million increase in network services and other costs. Costs of operations as a percentage of revenues for broadcast transmission services and site rental were 46.3% for the three months ended June 30, 1998, as compared to 50.1% for the three months ended June 30, 1997. This decrease was attributable to increases in site rental revenues from existing sites with little change in site operating costs. Costs of operations as a percentage of revenues for network services and other were 66.0% for the three months ended June 30, 1998, as compared to 32.4% for the three months ended June 30, 1997. This increase was attributable to high profit margins recognized for a consulting contract during the three months ended June 30, 1997. Costs of operations for site rental and broadcast transmission for the three months ended June 30, 1998 includes non-cash compensation charges for \$0.3 million related to the issuance of stock options to certain employees.

General and administrative expenses for the three months ended June 30, 1998 were \$2.4 million, an increase of \$0.2 million from the three months ended June 30, 1997. As a percentage of revenues, general and administrative expenses were 6.3% and 7.3% for the three months ended June 30, 1998 and 1997, respectively.

Corporate development expenses for the three months ended June 30, 1998 relate primarily to costs incurred in connection with certain projects in Australasia.

Depreciation and amortization for the three months ended June 30, 1998 was \$9.6 million, an increase of \$0.5 million from the three months ended June 30, 1997. This increase resulted from capital expenditures for the period from June 30, 1997 through June 30, 1998.

Interest and other income for the three months ended June 30, 1998 and 1997 resulted primarily from (i) the investment of excess proceeds from amounts drawn under CTI's bank credit facilities in February 1997; and (ii) the investment of cash generated from operations during the period.

Interest expense and amortization of deferred financing costs for the three months ended June 30, 1998 was \$5.1 million. This amount was comprised of (i) \$0.3 million related to amounts drawn under the CTI Credit Facility; (ii) \$4.6 million related to the CTI Bonds; and (iii) \$0.2 million for the amortization of deferred financing costs. Interest expense and amortization of deferred financing costs for the three months ended June 30, 1997 was \$8.5 million. This amount was comprised of (i) \$3.2 million related to amounts drawn under the CTI Credit Facility; (ii) \$2.0 million related to the CTI Bonds; and (iii) \$3.3 million for the amortization of deferred financing costs.

Comparison of Twelve Months Ended March 31, 1998 and Twelve Months Ended March 31, 1997

Consolidated revenues for the twelve months ended March 31, 1998 were \$127.3 million, an increase of \$5.1 million from the twelve months ended March 31, 1997. This increase was primarily attributable to (i) a \$1.4 million increase in broadcast transmission services and site rental revenues and (ii) a \$3.6 million increase in network services and other revenues. Revenues from the BBC for the twelve months ended March 31, 1998

amounted to \$79.5 million, or 62.5% of total revenues, as compared to \$85.5 million, or 70.0% of total revenues, for the twelve months ended March 31, 1997. Revenues from NTL for the twelve months ended March 31, 1998 amounted to \$11.8 million, or 9.2% of total revenues. Network services revenues for the twelve months ended March 31, 1998 consisted of \$10.6 million from network design and development services and \$3.1 million from site management and other services.

Costs of operations for the twelve months ended March 31, 1998 were \$60.0 million, a decrease of \$7.2 million from the twelve months ended March 31, 1997. This decrease was primarily attributable to a \$7.4 million decrease in broadcast transmission services and site rental costs, partially offset by a \$0.2 million increase in network services and other costs. Costs of operations as a percentage of revenues for broadcast transmission services and site rental were 47.5% for the twelve months ended March 31, 1998, as compared to 54.7% for the twelve months ended March 31, 1997. This decrease was attributable to (i) increases in site rental revenues from existing sites with little change in site operating costs; and (ii) the elimination, as of February 28, 1997, of certain costs recharged to the BBC Home Service Transmission Business by the BBC. Costs of operations as a percentage of revenues for network services and other were 44.2% for the twelve months ended March 31, 1998, as compared to 58.6% for the twelve months ended March 31, 1997. This decrease was attributable to (i) a higher proportion of broadcast consulting revenues, which result in higher margins than certain other network design and development services and (ii) the elimination, as of February 28, 1997, of certain costs recharged to the BBC Home Service Transmission Business by the BBC. Costs of operations for site rental and broadcast transmission for the twelve months ended March 31, 1998 includes non-cash compensation charges for \$1.1 million related to the issuance of stock options to certain employees.

General and administrative expenses for the twelve months ended March 31, 1998 were \$8.6 million, an increase of \$1.4 million from the twelve months ended March 31, 1997. As a percentage of revenues, general and administrative expenses were 6.8% and 5.9% for the twelve months ended March 31, 1998 and 1997, respectively. This increase was attributable to costs incurred by CTI as a separate enterprise which were not directly incurred by the BBC Home Service Transmission Business as a part of the BBC.

Corporate development expenses for the twelve months ended March 31, 1998 relate primarily to costs incurred in connection with certain projects in Australasia and non-cash compensation charges for \$1.8 million related to the issuance of stock options to certain executives.

Depreciation and amortization for the twelve months ended March 31, 1998 was \$37.4 million, an increase of \$20.1 million from the twelve months ended March 31, 1997. Monthly charges for depreciation and amortization increased for periods subsequent to February 28, 1997 due to (i) a decrease in the estimated useful lives for certain transmission and power plant equipment from 25 to 20 years; and (ii) the amortization of goodwill recorded in connection with the acquisition of the BBC Home Service Transmission Business.

Interest and other income for the twelve months ended March 31, 1998 resulted primarily from (i) the investment of excess proceeds from amounts drawn under CTI's bank credit facilities in February 1997; and (ii) the investment of cash generated from operations during the period.

Interest expense and amortization of deferred financing costs for the twelve months ended March 31, 1998 was \$24.2 million. This amount was comprised of (i) \$4.9 million related to amounts drawn under the CTI Credit Facility; (ii) \$15.6 million related to the CTI Bonds; and (iii) \$3.7 million for the amortization of deferred financing costs. Interest expense and amortization of deferred financing costs of \$1.4 million for the twelve months ended March 31, 1997 was attributable to amounts drawn under the CTI Credit Facility. The BBC Home Service Transmission Business did not incur any financing costs as a part of the BBC prior to February 28, 1997.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 1998, after giving pro forma effect to the Roll-Up, the Offering and the Senior Preferred Conversion, the Company would have had consolidated cash and cash equivalents of \$215.1 million (including

\$15.8 million at CTI), consolidated long-term debt of \$465.3 million and consolidated stockholders' equity of \$758.3 million.

The Company's business strategy contemplates substantial capital expenditures in connection with (i) the expansion of its tower footprints by partnering with wireless communications carriers to assume ownership of their existing towers and by pursuing build-to-suit opportunities and (ii) to acquire existing transmission networks globally as opportunities arise. The exact amount of such capital expenditures will depend on the number of such opportunities that the Company is able to successfully consummate. The Company is currently pursuing potential significant acquisitions, investments and joint venture opportunities that could require the Company to use all of the proceeds of the Offering and its existing cash on hand prior to the end of 1998. In connection with a site marketing agreement recently entered into between the Company and BellSouth Mobility, the Company and BellSouth have agreed to explore future arrangements relating to the ownership, utilization and management of BellSouth's tower sites throughout the United States. The Company is also intending to submit a bid in connection with an auction by a major Regional Bell Operating Company of its U.S. wireless communications infrastructure. Similarly, the Company has bid on the tower assets, which encompass more than 250 U.S. tower sites, currently being auctioned by Vanguard Cellular. In addition to these U.S. opportunities, the Company is pursuing acquisition opportunities in Australia and New Zealand, including in certain instances together with other partners. For example, the Company, together with Fay Richwhite & Company Limited and Berkshire Partners LLC, has submitted a bid in respect of a wireless communications network, including its tower infrastructure and radio frequency spectrum. If the bid is successful and the transaction is consummated, the Company anticipates that it would invest up to approximately \$50.0 million for a substantial minority interest in the acquired business. The Company is also pursuing acquisition opportunities in connection with privatizations of state-owned networks. Any of the foregoing could result in an agreement with respect to a significant acquisition, investment or joint venture in the near term. However, the Company has not entered into any agreements in respect of, and believes that there are a number of competing bidders for, these opportunities. As a result, the Company does not believe that any of these acquisition opportunities have become probable. Therefore, there can be no assurance that the Company will consummate any of the foregoing transactions in the near term or at all. See "Risk Factors--Broad Discretion in Application of Proceeds" and "Managing Integration and Growth".

In addition, the Company anticipates that it will build or acquire, through the end of 1999, approximately 1,000 towers in the United States at a cost of approximately \$237.0 million and approximately 300 towers in the United Kingdom at a cost of approximately \$33.5 million. The Company also expects that the capital expenditure requirements related to the rollout of digital broadcast transmission in the United Kingdom will be approximately (Pounds)110.0 million (\$183.6 million).

To fund the execution of the Company's business strategy, the Company and its subsidiaries expect to use the net proceeds of the Offering, the borrowings available under the Senior Credit Facility, the borrowings available under the CTI Credit Facility and the remaining net proceeds from the 1997 Notes Offering. Whether the Company utilizes the Senior Credit Facility and the CTI Credit Facility to finance expansion opportunities will depend upon a number of factors, including (i) the attractiveness of the opportunities, (ii) the time frame in which they are identified, (iii) the number of pre-existing projects to which the Company is committed and (iv) the Company's liquidity at the time of any potential opportunity. In the event the Company does not otherwise have cash available (from the net proceeds of the 1997 Notes Offering, the net proceeds of the Offering or otherwise), or borrowings under the Senior Credit Facility or the CTI Credit Facility have otherwise been utilized, when an opportunity arises, the Company would be forced to seek additional debt or equity financing or to forego the opportunity. In the event the Company determines to seek additional debt or equity financing, there can be no assurance that any such financing will be available (on commercially acceptable terms or at all) or permitted by the terms of the Company's existing indebtedness. To the extent the Company is unable to finance future capital expenditures, it will be unable to achieve its currently contemplated business strategy.

For the years ended December 31, 1995, 1996 and 1997, and for the six months ended June 30, 1998, CCIC's net cash provided by (used for) operating activities was \$1.7 million, (\$0.5 million), (\$0.6 million) and

(\$2.0 million), respectively. Since its inception, CCIC has generally funded its activities (other than its acquisitions and investments) through excess proceeds from contributions of equity capital. CCIC has financed its acquisitions and investments with the proceeds from equity contributions, borrowings under the Senior Credit Facility and the issuance of promissory notes to sellers. For the ten months ended December 31, 1997 and for the six months ended June 30, 1998, CTI's net cash provided by operating activities was \$50.8 million and \$32.2 million, respectively. Since its inception, CTI has generally funded its activities (other than the acquisition of the BBC Home Service Transmission Business) through cash provided by operations and borrowings under the CTI Credit Facility. CTI financed the acquisition of the BBC Home Service Transmission Business with the proceeds from equity contributions and the issuance of the CTI Bonds.

On a pro forma basis, capital expenditures (excluding acquisitions) were \$56.5 million for the year ended December 31, 1997 (of which \$3.4 million was for CCIC and TEA, \$27.1 million was for Crown and \$26.0 million was for CTI) and \$91.3 million for the six months ended June 30, 1998 (of which \$1.5 million was for CCIC, \$51.3 million was for Crown and \$38.5 million was for CTI).

In August and October of 1997, CCIC issued shares of its Senior Convertible Preferred Stock for aggregate net proceeds of \$29.3 million and \$36.5 million, respectively. The proceeds from the August issuance were used to make a \$25.0 million payment as part of the cash purchase price for the Crown Merger. On October 31, 1997, the Company entered into an amendment to the Senior Credit Facility. As amended, the Senior Credit Facility provides for available borrowings of \$100.0 million and expires on December 31, 2004. On October 31, 1997, in connection with the October Refinancing, new borrowings under the Senior Credit Facility of \$94.7 million, along with the proceeds from the October issuance of the Senior Convertible Preferred Stock, were used to repay the seller note issued in connection with the Crown Merger, to repay loans outstanding under a credit agreement at CCI and to pay related fees and expenses. The Senior Credit Facility requires the Company to maintain certain financial covenants and places restrictions on the ability of the Company and its subsidiaries to, among other things, incur debt and liens, pay dividends, make capital expenditures, undertake transactions with affiliates and make investments.

CCIC used the net proceeds from the 1997 Notes Offering to repay substantially all of its outstanding indebtedness, including borrowings under the Senior Credit Facility, and to pay related fees and expenses. The balance of the net proceeds from the 1997 Notes Offering is being used for general corporate purposes. As of August 1, 1998, CCIC's subsidiaries had unused borrowing availability under the Senior Credit Facility of approximately \$25.0 million.

On February 28, 1997, CTI used the proceeds from equity contributions and borrowings under the CTI Credit Facility to finance the acquisition of the BBC Home Service Transmission Business. On May 21, 1997, CTI used the net proceeds from the sale of the CTI Bonds to repay substantially all of the outstanding borrowings under the CTI Credit Facility. As of June 30, 1998, CTI had unused borrowing availability under the CTI Credit Facility of approximately (Pounds)35.0 million (\$58.4 million). The CTI Credit Facility requires CTI to maintain certain financial covenants and places restrictions on the ability of CTI to, among other things, incur debt and liens, pay dividends, make capital distributions, make acquisitions, undertake transactions with affiliates and make investments. On July 17, 1998, the lenders (acting through Credit Suisse First Boston, as agent) under the CTI Credit Facility waived a provision in the CTI Credit Facility that would have required the repayment of the CTI Credit Facility concurrently with the listing of the Company's Common Stock.

Prior to May 15, 2003, CCIC's interest expense on the Notes will be comprised solely of the accretion of original issue discount. Thereafter, the Notes will require annual cash interest payments of approximately \$26.7 million. In addition, the Senior Credit Facility, the CTI Credit Facility and the CTI Bonds will require periodic interest payments on amounts borrowed thereunder. The Company's ability to make scheduled payments of principal of, or to pay interest on, its debt obligations, and its ability to refinance any such debt obligations (including the Notes and the CTI Bonds), will depend on its future performance, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond its control. As discussed above, the Company's business strategy contemplates substantial acquisitions and capital

expenditures in connection with the expansion of its tower footprints. There can be no assurance that the Company will generate sufficient cash flow from operations in the future, that anticipated revenue growth will be realized or that future borrowings, equity contributions or loans from affiliates will be available in an amount sufficient to service its indebtedness and make anticipated capital expenditures. The Company anticipates that it may need to refinance all or a portion of its indebtedness (including the Notes and the CTI Bonds) on or prior to its scheduled maturity. There can be no assurance that the Company will be able to effect any required refinancings of its indebtedness (including the Notes and the CTI Bonds) on commercially reasonable terms or at all. See "Risk Factors".

INFLATION

Because of the relatively low levels of inflation experienced in 1995, 1996 and 1997, inflation did not have a significant effect on CCIC's, Crown's or CTI's results in such years.

COMPENSATION CHARGES RELATED TO STOCK OPTION GRANTS

During the period from April 24, 1998 through July 15, 1998, CCIC granted options to employees and executives for the purchase of 3,236,980 shares of its Common Stock at an exercise price of \$7.50 per share. Of such options, options for 1,810,730 shares will vest upon consummation of the Offering and the remaining options for 1,426,250 shares will vest at 20% per year over five years, beginning one year from the date of grant. In addition, CCIC has assigned its right to repurchase shares of its Common Stock from a stockholder (at a price of \$6.26 per share) to two individuals (including an expected director nominee) with respect to 100,000 of such shares. Since the granting of these options and the assignment of these rights to repurchase shares occurred subsequent to the date of the Share Exchange Agreement and at prices substantially below the expected price to the public in the Offering, CCIC will record a non-cash compensation charge related to these options and shares based upon the difference between the respective exercise and purchase prices and the price to the public in the Offering. Such compensation charge will total approximately \$18.4 million, of which approximately \$10.6 million will be recognized upon consummation of the Offering (for such options and shares which vest upon consummation of the Offering), and the remaining \$7.8 million will be recognized over five years (approximately \$1.6 million per year) through the second quarter of 2003.

IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

In February 1997, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 128, Earnings per Share ("SFAS 128"). SFAS 128 establishes new standards for computing and presenting earnings per share ("EPS") amounts for companies with publicly held common stock or potential common stock. The new standards require the presentation of both basic and diluted EPS amounts for companies with complex capital structures. Basic EPS is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period, and excludes the effect of potentially dilutive securities (such as options, warrants and convertible securities) which are convertible into common stock. Dilutive EPS reflects the potential dilution from such convertible securities. SFAS 128 is effective for periods ending after December 15, 1997. The Company has adopted the requirements of SFAS 128 in its financial statements for the year ended December 31, 1997.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income ("SFAS 130"). SFAS 130 establishes standards for the reporting and display of comprehensive income in a company's financial statements. Comprehensive income includes all changes in a company's equity accounts (including net income or loss) except investments by, or distributions to, the company's owners. Items which are components of comprehensive income (other than net income or loss) include foreign currency translation adjustments, minimum pension liability adjustments and unrealized gains and losses on certain investments in debt and equity securities. The components of comprehensive income must be reported in a financial statement that is displayed with the same prominence as other financial statements. SFAS 130 is effective for fiscal years beginning after December 15, 1997. The Company has adopted the requirements of SFAS 130 in its financial statements for the three months ended March 31, 1998.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 131, Disclosures about Segments of an Enterprise and Related Information ("SFAS 131"). SFAS 131 establishes standards for the way that public companies report, in their annual financial statements, certain information about their operating segments, their products and services, the geographic areas in which they operate and their major customers. SFAS 131 also requires that certain information about operating segments be reported in interim financial statements. SFAS 131 is effective for periods beginning after December 15, 1997. The Company will adopt the requirements of SFAS 131 in its financial statements for the year ending December 31, 1998.

In April 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position 98-5, Reporting on the Costs of Start-Up Activities ("SOP 98-5"). SOP 98-5 requires that costs of start-up activities be charged to expense as incurred and broadly defines such costs. The Company has deferred certain costs incurred in connection with potential business initiatives and new geographic markets, and SOP 98-5 will require that such deferred costs be charged to results of operations upon its adoption. SOP 98-5 is effective for fiscal years beginning after December 15, 1998. The Company will adopt the requirements of SOP 98-5 as of January 1, 1999. The cumulative effect of the change in accounting principle for the adoption of SOP 98-5 will result in a charge to results of operations in the Company's financial statements for the three months ended March 31, 1999; it is currently estimated that such charge will amount to approximately \$2,000,000.

YEAR 2000 COMPLIANCE

The Company is in the process of conducting a comprehensive review of its computer systems to identify which of its systems will have to be modified, upgraded or converted to recognize and process dates after December 31, 1999 (the "Year 2000 Issue"), and is in the initial stages of developing an implementation plan to resolve the issue. The Company expects to incur internal staff costs, as well as other expenses, related to testing and updating its systems to prepare for the Year 2000. The Company presently believes that, with modifications and upgrades to existing software and successful conversion to new software, the Year 2000 Issue will not pose significant operational problems for the Company's systems as so modified, upgraded or converted. Although the Company is in the initial phases of determining the impact of the Year 2000 Issue, the Company anticipates it will be fully Year 2000 compliant by September 1, 1999; however, any delays or omissions by the Company or its customers, suppliers or contractors to resolve the Year 2000 Issue could materially adversely affect the Company's business, financial condition or results of operations. There can be no assurance that amounts to be spent on addressing the Year 2000 Issue will not be material.

INDUSTRY BACKGROUND

GENERAL

The Company owns, operates and manages wireless communications and broadcast transmission infrastructure, including towers and other communications sites, and also provides a full range of complementary network support services. Each of the wireless communications and broadcasting industries is currently experiencing a period of significant change.

The wireless communications industry is growing rapidly as new wireless technologies are developed and consumers become more aware of the benefits of wireless services. Wireless technologies are being used in more applications and the cost of wireless services to consumers is declining. A significant number of new competitors in the wireless communications industry have developed as additional frequency spectrum has become available for a wide range of uses, most notably PCS and PCN. This competition, combined with an increasing reliance on wireless communications by consumers and businesses, has led to an increased demand for higher quality, uninterrupted service and improved coverage, which, in turn, has led to increased demand for communications sites as new carriers build out their networks and existing carriers upgrade and expand their networks to maintain their competitiveness. These trends are affecting the wireless communications industry around the world.

As the wireless communications industry has become more competitive, wireless communications carriers have sought operating and capital efficiencies by outsourcing certain network services and the build-out and operation of new and existing infrastructure and by co-locating transmission equipment with other carriers on multiple tenant towers. The need for co-location has also been driven by the growing trend by municipalities to slow the proliferation of towers. Further, the Company believes that there has been a fundamental shift in strategy among established wireless communications carriers relating to infrastructure ownership. The Company believes that in order to free up capital for the growth and management of their customer bases and expansion of their service offerings, such carriers are beginning to seek to sell their wireless communications infrastructure to, or establish joint ventures with, experienced infrastructure providers that have the ability to manage networks. The Company believes that those infrastructure providers with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure.

The television broadcasting industry is experiencing significant change because of the impending widespread deployment of digital terrestrial television. In the United States, the FCC has required the four major networks (ABC, CBS, NBC and Fox) to commence DTV broadcasts in the top ten markets by May 1999 and in the top 30 markets by November 1999. In the United Kingdom, pursuant to the Broadcasting Act 1996, six digital television transmission multiplexes, which permit the holders to transmit digital television broadcasting services, have been allocated with digital transmission expected to commence on a commercial basis in late 1998. Australia, France, Germany, Japan, Spain and Sweden are expected to be the next countries to introduce digital terrestrial television, followed by other European nations and later by developing countries. Many countries are expected to start to establish digital services within the next five years. The shift to digital transmission will require network design, development and engineering services and the significant enhancement of existing broadcast transmission infrastructure, including new transmission and monitoring equipment and the modification, strengthening and construction of towers (including over 1,000 tall towers in the United States). In addition, state-run broadcast transmission networks are continuing to be privatized throughout the world.

The Company expects these trends to continue around the world in both the wireless communications and broadcasting industries. The Company believes that the next logical step in the outsourcing of infrastructure by wireless communications carriers and broadcasters will be the outsourcing of the operation of their towers and transmission networks, including the transmission of their signals, in much the same way as the BBC has done with its transmission network. This outsourcing will allow carriers to realize additional operating and capital efficiencies and to focus on management of their customer bases and expansion of their service offerings. Management believes that such carriers will only entrust the transmission of their signals to those infrastructure providers, such as the Company, that have the ability to manage towers and transmission networks and a proven track record of providing end-to-end services to the wireless communications and broadcasting industries.

DEVELOPMENT OF THE TOWER INDUSTRY

United States. The U.S. wireless communications industry was transformed in the 1970s through the issuance of licenses by the FCC to provide high quality communications services to vehicle-mounted and hand-held portable telephones, pagers and other devices. The licensees built and began operating wireless networks that were supported by communication sites, transmission equipment and other infrastructure. In the early 1980s, the number of towers began to expand significantly with the development of more advanced wireless communications systems, particularly cellular and paging. Nevertheless, as additional towers were built by the wireless communications carriers, they often were built for a single purpose rather than as multiple tenant towers. Further, these towers were generally owned and maintained by carriers and were treated as corporate cost centers operated primarily for the purpose of transmitting or receiving such carriers' signals.

During the mid-to-late 1980s, a number of independent operators of towers began to emerge. These independent tower operators focused on owning and managing towers with multiple tenants by adding lessees to existing and reconstructed towers. The Company believes the majority of these operators were small business owners with a small number of local towers and few services other than site rental. In the last five years, however, several larger independent tower operators have emerged as demand for wireless services has continued to grow and as additional high frequency licenses have been awarded for new wireless services (including PCS, narrowband paging and wireless local loop), each requiring networks with extensive tower infrastructure. These independent tower operators have sought to acquire smaller operators as well as suitable clusters of towers formerly owned by carriers and broadcasters in order to establish regional and national "tower footprints". Carriers expanding or building a network in a geographic area generally seek to lease space for antennas from a tower company with a strategically located cluster of towers and other communication sites in that area in order to efficiently and effectively establish service coverage in a given market.

Today, towers are owned by a variety of companies, including wireless communications carriers, local and long distance telecommunications companies, broadcasting companies, independent tower operators, utilities and railroad companies. Despite the increasing demand for towers, the tower industry in the United States remains highly fragmented, with only a few independent tower operators owning a large number of towers. The pace of consolidation has begun to accelerate, however, as the larger independent operators continue to acquire small local operators and purchase towers from wireless communications companies. In addition, wireless communications carriers are building out new, or filling in existing, tower footprints for new and existing wireless services. Independent operators have also expanded into a number of associated network and communication site services, including the design of communication sites and networks, the selection and acquisition of tower and rooftop sites (including the resolution of zoning and permitting issues) and the construction of towers. Previously, carriers typically handled such services through in-house departments, and local nonintegrated service contractors focused on specific segments such as radio frequency engineering and site acquisition.

Broadcast towers in the United States have typically been owned and operated on a fragmented basis. Typically, each network affiliate in each major market owns and operates its own television broadcasting tower. Local stations often have co-located their transmission equipment on these towers. Radio broadcast towers have also typically been erected by each station in a given market. Both television and radio broadcast towers have generally been constructed only for a single user and would require substantial strengthening to house new digital transmission equipment or other analog transmission equipment. As a result, similar to wireless communications towers, such towers historically have been treated as corporate cost centers operated primarily for the purpose of transmitting such broadcasters' signals.

United Kingdom. The first towers in the United Kingdom were built for the BBC's MF radio services. Additional towers were built in the 1940s to transmit HF radio services around the world. In the 1950s, both the BBC and Independent Television Authority (the predecessor of the Independent Broadcasting Authority) built towers for transmission of VHF television. The BBC used some of these towers and built additional towers in the 1960s for its VHF/FM radio services. UHF television started in 1964 and is now transmitted from some
1,100

towers. These towers have been built at a relatively constant rate (compared with wireless communications towers). The majority of tall towers were built in the 1950s and 1960s. The number of smaller towers built peaked at approximately 80 per year in the 1970s, reducing to approximately 25 per year in the early 1990s. The size and structure of towers varies widely due to location, antenna requirements and wind loading. Towers built primarily for broadcast transmission are often able to carry wireless communications antennas. Those that are currently incapable of doing so can be strengthened or replaced.

Since 1982, the growth of wireless communications in the United Kingdom has led to significant expansion in the number of towers. Historically, there have been four major wireless communications carriers in the United Kingdom, each of which, in general, built towers for its own use, rather than as multiple tenant owners. These towers are owned and maintained by such carriers and, as in the United States, were treated as corporate cost centers operated primarily for the purpose of transmitting or receiving their signals. With the smaller geographic size of the United Kingdom, as compared to the United States, these carriers typically constructed their tower footprint to provide national coverage. Because of this nationwide buildout, independent tower owners have not developed as they have in the United States. In addition to wireless communications providers, towers in the United Kingdom are owned by a variety of companies, such as telecommunications companies, utilities and railroad companies.

Today, tower owners are upgrading their networks to provide more capacity and better service to their customers, while new entrants to the wireless communications market have sought to acquire rapid access to networks that provide national coverage. With the significant costs associated with the approval process for and the construction of new towers, and the significant capital requirements associated with ownership of tower infrastructure, wireless communications carriers have begun to look to third party tower owners to co-locate their antennas on existing towers, to build, own and operate new towers and to acquire such carriers' portfolios of existing towers.

CHARACTERISTICS OF THE TOWER INDUSTRY

Management believes that, in addition to the favorable growth and outsourcing trends in the wireless communications and broadcasting industries and high barriers to entry as a result of regulatory and local zoning restrictions associated with new tower sites, tower operators benefit from several favorable characteristics. The ability of tower operators to provide antenna sites to customers on multiple tenant towers provides them with diversification against the specific technology, product and market risks typically faced by any individual carrier. The emergence of new technologies, carriers, products and markets may allow independent tower operators to further diversify against such risks. Additionally, tower operators face increased "Not-In-My-Backyard" ("NIMBY") sentiment by communities and municipalities, which is reducing the number of opportunities for new towers to be built and driving the trend toward co-location on multiple tenant towers.

The Company believes that independent tower operators also benefit from the contractual nature of the site rental business and the predictability and stability of monthly, recurring revenues. In addition, the site rental business has low variable costs and significant operating leverage. Towers generally are fixed cost assets with minimal variable costs associated with additional tenants. A tower operator can generally expect to experience increasing operating margins when new tenants are added to existing towers.

The site rental business typically experiences low tenant churn as a result of the high costs that would be incurred by a wireless communications carrier were it to relocate an antenna to another site and consequently be forced to re-engineer its network. Moving a single antenna may alter the pre-engineered maximum signal coverage, requiring a reconfigured network at significant cost to maintain the same coverage. Similarly, a television or FM broadcaster would incur significant costs were it to relocate a transmitter because, in order to avoid interruption of its transmissions, it would be necessary for the broadcaster to install and commence operations of a second broadcast site prior to ceasing signal transmission at the first site. In addition, regulatory problems associated with licensing the location of the new antenna with the FCC, in the United States, or being licensed for the location by the Radiocommunications Agency (the "RA") in the United Kingdom, may arise if

the new location is at the edge of the wireless communication carrier's coverage area and if there is a possible adverse impact on other carriers. Municipal approvals are becoming increasingly difficult to obtain and may also affect the carrier's decision to relocate. The costs associated with network reconfiguration and FCC, RA and municipal approval and the time required to complete these activities may not be justified by any potential savings in reduced site rental expense.

TRENDS IN THE WIRELESS COMMUNICATIONS AND BROADCASTING INDUSTRIES

The Company's existing and future business opportunities are affected by the ongoing trends within the two major industries it serves, namely the wireless communications industry and the radio and television broadcasting industry. Each of these industries is currently experiencing a period of significant change that the Company believes is creating an increasing demand for communication sites and related infrastructure and network support services.

Wireless Communications

The wireless communications industry now provides a broad range of services, including cellular, PCS, paging, SMR and ESMR. The industry has benefitted in recent years from increasing demand for its services, and industry experts expect this demand to continue to increase.

The Company believes that more communication sites will be required in the future to accommodate the expected increase in demand for wireless communications services. Further, the Company sees additional opportunities with the development of higher frequency technologies (such as PCS), which have a reduced cell range as a result of signal propagation characteristics that require a more dense network of towers. In addition, network services may be required to service the network build-outs of new carriers and the network upgrades and expansion of existing carriers.

In addition to the increasing demand for wireless services and the need to develop and expand wireless communications networks, the Company believes that other trends influencing the wireless communication industry have important implications for independent tower operators. In order to speed new network deployment or expansion and generate efficiencies, carriers are increasingly co-locating transmission equipment with that of other network operators. The trend towards co-location has been furthered by the NIMBY arguments generated by local zoning/planning authorities in opposition to the proliferation of towers. Further, the number of competitors in wireless communications is increasing due to the auction of new spectrum and the deployment of new technologies. In this increasingly competitive environment, many carriers are dedicating their capital and operations primarily to those activities that directly contribute to subscriber growth, such as marketing and distribution. These carriers, therefore, have sought to reduce costs and increase efficiency through the outsourcing of infrastructure network functions such as communication site ownership, construction, operation and maintenance. Further, the Company believes that these carriers are beginning to seek to move their tower portfolios off their balance sheets through sales to, or joint ventures with, experienced tower operators who have the proven capability to provide end-to-end services to the wireless communications industry.

United States. Current emerging wireless communications systems, such as PCS and ESMR, represent an immediate and sizable market for independent tower operators and network services providers as carriers build out large nationwide and regional networks. While several PCS and ESMR carriers have already built limited networks in certain markets, these carriers still need to fill in "dead zones" and expand geographic coverage. The Cellular Telecommunications Industry Association ("CTIA") estimates that, as of December 31, 1997, there were 51,600 antenna sites in the United States. The Personal Communications Industry Association ("PCIA") estimates that the wireless communications industry will construct at least 100,000 new antenna sites over the next 10 years. As a result of advances in digital technology, ESMR operators, including Nextel, have also begun to design and deploy digital mobile telecommunications networks in competition with cellular carriers. In particular response to the increased competition, cellular operators are re-engineering their networks by increasing the number of sites, locating sites within a smaller radius, filling in "dead zones" and converting

from analog to digital cellular service in order to manage subscriber growth, extend geographic coverage and provide competitive services. The demand for communication sites is also being stimulated by the development of new paging applications, such as e-mail and voicemail notification and two-way paging, as well as other wireless data applications. In addition, as wireless communications networks expand and new networks are deployed, the Company anticipates that demand for microwave transmission facilities that provide "backhaul" of traffic between communications sites to or from a central switching facility will also increase.

Licenses are also being awarded, and technologies are being developed, for numerous new wireless applications that will require networks of communication sites. Future potential applications include those that will be deployed by the winners of licenses auctioned in February and March 1998 for local multi-point distribution services, including wireless local loop, wireless cable television, wireless data and wireless Internet access. Radio spectrum required for these technologies has, in many cases, already been awarded and licensees have begun to build out and offer services through new wireless systems. Examples of these systems include local loop networks operated by WinStar and Teligent, wireless cable networks operated by companies such as Cellular Vision and CAI Wireless, and data networks being constructed and operated by RAM Mobile Data, MTEL and Ardis.

United Kingdom. As in the United States, the development of newer wireless communications technologies, such as PCN and digital Terrestrial Trunked Radio ("TETRA"), provides tower operators with immediate opportunities for site rental and new tower buildout. The four existing national GSM/PCN carriers continue to fill in dead zones and add capacity to their networks. Also, the carrier that is using the TETRA standard, which is similar to GSM and has been adopted throughout Europe, is deploying a network across the United Kingdom. The United Kingdom's newly-licensed wireless local loop operators have the potential to be important site rental customers. Wireless local loop operators provide telephony services that are comparable to the range and quality of services delivered over the fixed wire networks. This technology is being rapidly deployed as a low-cost alternative to fixed networks. To date, a total of seven spectrum licenses have been awarded to companies planning to deploy wireless loop systems. In addition, the deployment of a new national digital PMR system (using the TETRA standard) for the use of the U.K. emergency services and the announced licensing in early 1999 by the U.K. Government of UMTS (Universal Mobile Telecommunications Service) networks, which will be the third generation of cellular, should create additional demand for antenna space and tower sites.

Radio and Television Broadcasting

General. There are currently three main transmission delivery methods for television and radio broadcasts: terrestrial, direct-to-home ("DTH") satellite and cable. Terrestrial technology, the most common delivery method in the United States and many other countries including the United Kingdom, relies on signal transmission by wireless telegraphy from a network of terrestrial transmitters for direct reception by viewers or listeners through an aerial system. Satellite signals are transmitted to satellites that then beam the signal over a target area (satellite footprint) for reception by a customer's satellite dish. A satellite customer must either purchase or rent a dish and a receiver/decoder and pay subscription fees to the relevant provider. A cable television customer typically rents a receiver/decoder and pays a subscription fee to receive services that are distributed to the home through co-axial or fiber optic cable.

Until the 1990s, all three delivery methods used analog technology, which remains the most widespread technology in use today. In the early 1990s, digital technology was developed for radio and television broadcasting and has begun to be introduced for the transmission of radio and television signals. Digital transmission is now possible by terrestrial, satellite and cable methods.

Digital technology allows a number of signals to be compressed and interleaved, using a technical process called "multiplexing", before the combined signal is transmitted within a single frequency channel. This process makes the signal more robust, allowing the use of parts of the spectrum unavailable to analog. A greater quantity

of audio-visual information can be transmitted with the same amount of frequency spectrum allowing higher resolution or multiple channels to be broadcast. At the point of reception, the compression and interleaving are decoded and individual signals recovered.

Some of the principal advantages of digital compared to analog transmission include: (i) greater number, choice and flexibility of broadcasting services offered; (ii) scope for greater interactivity on the part of viewers and listeners; (iii) greater capacity for pay-television (subscription and pay-per-view) as well as free-to-air services; and (iv) enhanced picture quality and sound. The development and timing of implementation of digital transmission technology to the general public is a function of several factors, including technological advancement, cost of equipment and conversion process, quality improvement of visual and sound transmission and demand for terrestrial bandwidth. The transition to digital transmission will involve additional costs to viewers and program and transmission service providers. Viewers will require additional equipment such as set-top boxes or digital televisions. Program providers have begun to re-equip their studios and production facilities with digital technology.

United States. Prior to the introduction of digital transmission, the U.S. broadcasting industry had generally been a mature one in terms of demand for transmission tower capacity, although even then opportunities existed for independent tower operators to purchase transmission networks, manage them on behalf of broadcasters under long-term contracts and lease space on broadcasting towers to wireless communications carriers.

The FCC-mandated introduction of digital television broadcasting will provide new opportunities for independent tower operators. The conversion of broadcasting systems from analog to digital technology will require a substantial number of new towers to be constructed to accommodate the new systems and analog equipment displaced from existing towers. Even with DTV transmissions, television station owners will continue to broadcast the existing analog signals for a number of years. Broadcasters that own their own tower infrastructure may elect to remove third-party tenants from their towers to make room for their own DTV equipment. These displaced tenants, and tower owners that are unable to remove existing third party tenants from their towers, will require new towers to accommodate their transmission equipment. The National Association of Broadcasters projects that by the year 2010 approximately 1,400 tall towers will be required to be built, strengthened or modified to support DTV, with 200 towers required in the top 50 markets within the next five years. Further, because of the need for broadcasters to purchase new transmission equipment to deploy DTV, they will have fewer resources to devote to the buildout of new tower infrastructure. The Company believes that these circumstances, along with the relative scarcity of suitable sites and prevalent NIMBY attitudes, will allow experienced tower operators to build and operate multiple tenant broadcast towers to transmit DTV signals. These towers will also be attractive sites for the distribution of FM radio broadcasts.

United Kingdom. The broadcasting industry in the United Kingdom has generally been a mature one in terms of demand for transmission tower capacity. Existing towers provide almost universal coverage for analog transmission, which remains the primary mode of transmission for television and radio programs in the United Kingdom. Most of the BBC's radio services, three Independent National Radio services and many local services are broadcast by analog terrestrial means. Some radio services are also available by satellite and cable for reception on fixed installations, but not portable or mobile sets.

Digital television services in the United Kingdom will be launched in 1998 from terrestrial transmitters (DTT), satellite (DST) and cable (DCT). The Broadcasting Act of 1996 sets out a framework for the licensing of digital terrestrial multiplexes and an industry interest group has been established to coordinate the establishment of digital television in the United Kingdom. The British Government has allocated six multiplexes for DTT: two and one-half of these multiplexes were reserved for the BBC, ITV, Channel 4, S4C and Channel 5, three were recently awarded to BDB (which is a joint venture of Carlton Communications PLC and Granada Group PLC) and the other one-half was awarded to S4C Digital Network. The Company has been awarded the digital transmission contract for the four multiplexes held by the BBC and BDB, while NTL has been awarded the digital transmission contract for the other two multiplexes.

Build-out of digital terrestrial transmission equipment in the United Kingdom is being based on existing analog terrestrial infrastructure, including transmission sites and towers. In the initial phase of the rollout of digital terrestrial transmission equipment, 81 analog transmission sites and towers will be upgraded with new transmitters and associated systems required to support DTT. Digital broadcasts from these sites are expected to reach approximately 90% of the U.K. population. It is expected that additional sites will continue to be upgraded until the "vast majority" of viewers can receive digital broadcasts.

While no formal timetable has been set for the discontinuation of analog terrestrial television broadcasting, the British Government has announced its intention to review, by 2002, the timing of analog "switch-off". When analog television transmission ceases, large amounts of frequency spectrum will be released. New uses for this spectrum have not yet been defined but applications are likely to include other digital broadcasting applications and mobile communications. The spectrum is inherently suitable for terrestrial transmission, so it is likely that existing towers will be used to provide many of the new services.

In September 1995, the BBC launched the United Kingdom's first digital radio service, which is now broadcast to approximately 60% of the U.K. population from 29 transmission sites. Independent National Radio ("INR") and Independent Local Radio licenses for additional digital radio multiplexes are expected to be issued by the end of 1998.

To date, existing broadcast towers have been used as transmission sites for the BBC's digital radio service, and it is anticipated that existing towers also will be used for the independent services, often sharing the antennas used for the BBC's digital radio service. While digital radio has the advantage of using a single frequency network, which enables expanded geographic coverage as compared with the multiple frequency networks used for analog radio, to replicate the coverage of analog radio it will be necessary to broadcast digital radio from more sites than at present. Although detailed planning has not yet begun, it is expected that existing towers will provide the necessary sites. As with DTT, the Company believes that ownership of key broadcasting sites across the United Kingdom will allow an experienced operator to provide the infrastructure necessary to accommodate the growth in digital radio at minimum cost.

BUSINESS

The Company is a leading U.S. and international provider of wireless communications and broadcast transmission infrastructure and related services. The Company owns, operates and manages towers, rooftop sites and broadcast transmission networks, and provides a full range of complementary services including network design and site selection, site acquisition, site development and construction, antenna installation and network management and maintenance. The Company has 19 years of experience in the ownership, leasing and management of wireless communications sites and a 75-year history of broadcast transmission and network management. Based on its industry position and experience, the Company believes it is positioned to capitalize on global growth opportunities arising from (i) the expansion of existing networks and the introduction of new networks in the wireless communications industry, (ii) the consolidation of tower ownership generally, including the transfer of infrastructure ownership from major wireless communications carriers to independent infrastructure providers, (iii) the ongoing privatization of state-run broadcast transmission networks around the world and (iv) the widespread introduction of digital transmission technology in the broadcasting industry. For the year ended December 31, 1997 and the six months ended June 30, 1998, the Company had pro forma revenues of \$180.9 million and \$95.0 million, respectively.

The Company's site rental business involves leasing antenna space to customers on its owned and managed towers and rooftop sites. The Company generally receives fees for installing a customer's equipment and antennas on a tower and also receives monthly rental payments from customers under site leases that typically range in term from three to five years. The Company's major site rental customers include Aerial Communications, AT&T Wireless, Bell Atlantic Mobile, BellSouth Mobility, Motorola, Nextel, PageNet, Sprint PCS and TSR Wireless in the United States and Cellnet, National Transcommunications Limited, One2One, Orange Personal Communications and Vodafone in the United Kingdom.

The Company's broadcast transmission business includes both the transmission of analog and digital television and radio broadcasts and the construction of new multiple tenant broadcast towers. In the United Kingdom, the Company provides analog transmission services for two national television services, seven national radio services and 37 local radio stations through its network of 3,465 transmitters. These services are provided under long-term contracts with the BBC and two national commercial radio companies. In addition, the Company has long-term contracts to provide digital transmission services to the BBC and BDB, which together are the holders of four of the six multiplexes for digital terrestrial television broadcasting throughout the United Kingdom. In the United States, the Company plans to build new multiple tenant broadcast towers in locations where additional tower capacity is required to accommodate digital transmission equipment and analog transmission equipment displaced from existing towers.

The Company has developed, maintains and deploys primarily for its own use extensive wireless communications and broadcast transmission network design and radio frequency engineering expertise, as well as site acquisition, site development and construction and antenna installation capabilities. The Company has a team of over 300 engineers with state-of-the-art wireless communications and broadcast transmission network design and radio frequency engineering expertise. The Company plans to leverage its technical expertise and operational experience to enter into build-to-suit and purchase contracts with, and to enter into joint ventures to own and operate the wireless communications infrastructure of, various wireless communications carriers around the world. The Company believes the primary criteria of such carriers in selecting a company to construct, own or operate their wireless communications infrastructure will be the company's capability to maintain the integrity of their networks, including their transmission signals. Therefore, the Company believes that those companies with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure.

As of June 30, 1998, the Company owned or managed 1,244 towers and 66 revenue producing rooftop sites. In addition, the Company had 1,217 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers and, in the United Kingdom, the Company had 54 revenue producing rooftop sites that were occupied by the Company's transmitters but were not available for

leasing to customers. The Company's major tower footprints consist of 754 owned and managed towers located across the United Kingdom, 207 owned and managed towers located in western Pennsylvania (primarily in and around the greater Pittsburgh area), 185 owned and managed towers located in the southwestern United States (primarily in Texas), 14 owned towers located on mountaintops across Puerto Rico and 22 towers along I-95 in North Carolina and South Carolina. In addition, the Company is currently constructing 55 new towers on existing sites and has 38 site acquisition projects in process for sites for its own use.

The Company is actively seeking opportunities for strategic acquisitions of communications sites and transmission networks and is currently pursuing a number of potential significant acquisitions, investments and joint venture opportunities. In connection with a site marketing agreement recently entered into between the Company and BellSouth Mobility, the Company and BellSouth have agreed to explore future arrangements relating to the ownership, utilization and management of BellSouth's tower sites throughout the United States. The Company is also intending to submit a bid in connection with an auction by a major Regional Bell Operating Company of its U.S. wireless communications infrastructure. Similarly, the Company has bid on the tower assets, which encompass more than 250 U.S. tower sites, currently being auctioned by Vanguard Cellular. In addition to these U.S. opportunities, the Company is pursuing acquisition opportunities in Australia and New Zealand, including in certain instances together with other partners. For example, the Company, together with Fay Richwhite & Company Limited and Berkshire Partners LLC, has submitted a bid in respect of a wireless communications network, including its tower infrastructure and radio frequency spectrum. If the bid is successful and the transaction is consummated, the Company anticipates that it would invest up to approximately \$50.0 million for a substantial minority interest in the acquired business. The Company is also pursuing acquisition opportunities in connection with privatizations of state-owned networks. Any of the foregoing could result in an agreement with respect to a significant acquisition, investment or joint venture in the near term. However, the Company has not entered into any agreements in respect of, and believes that there are a number of competing bidders for, these opportunities. As a result, the Company does not believe that any of these acquisition opportunities have become probable. Therefore, there can be no assurance that the Company will consummate any of the foregoing transactions in the near term or at all. See "Risk Factors--Broad Discretion in Application of Proceeds" and "Risk Factors--Managing Integration and Growth".

BACKGROUND

Founded in 1994, the Company acquired 127 towers located in Texas, Colorado, New Mexico, Arizona, Oklahoma and Nevada from PCI in 1995. Also in 1995, in order to expand its geographic coverage, scope of services and client base, the Company consummated the Spectrum Acquisition for a leading rooftop management and engineering firm that manages rooftop sites. The Spectrum Acquisition provided the Company with management revenues for 44 rooftop sites, as well as important relationships with carriers, and gave the Company an entry into the market for wireless network services.

In 1996, the Company acquired from Motorola a strategic cluster of 14 towers located on mountaintops across Puerto Rico, as well as one rooftop site and an island-wide microwave and SMR system. The Puerto Rico Acquisition gave the Company a strategic tower footprint, and positioned the Company to be a leading independent tower operator in the Puerto Rican market. In addition, in July 1996, CCIC purchased an option to acquire 36% of TEA, which represented a significant step for the Company towards becoming a full service provider of wireless network services. TEA is a leading site acquisition firm offering carriers specialized expertise in site selection, site acquisition, zoning, permit procurement and project management. In May 1997, CCIC acquired all the outstanding shares of TEA. In June 1997, the Company purchased a minority interest in VISI, which intends to provide computerized geographic information for a variety of business applications (including site acquisition and telecommunication network design).

In February 1997, CCIC, along with Candover Investments plc, TdF and Berkshire, formed CTI to purchase the BBC Home Service Transmission Business. Following the CTI Investment, the Company owned 34.3% of CTI. The BBC Home Service Transmission Business included ownership of approximately 730 towers in the United Kingdom and rights to locate broadcast transmission equipment on an additional 558 towers in the United Kingdom owned by NTL, CTI's primary competitor. In addition, CTI entered into a 10-year contract with the

BBC to provide analog television and analog and digital radio transmission services in the United Kingdom. With the acquisition of the BBC Transmission Business, the Company, through its affiliation with CTI, gained access to an expertise in broadcast transmission upon which the Company believes it can capitalize in other markets.

In August 1997, CCIC expanded its tower footprints and enhanced its network services offering in the United States by consummating the Crown Merger. The assets acquired through the Crown Merger included 61 owned towers and exclusive rights to lease antenna space on 147 other towers and rooftop sites, most of which are located in and around the greater Pittsburgh area, giving the Company a significant presence in that market. The remaining acquired Crown communication sites are located in Pennsylvania, West Virginia, Kentucky, Ohio and Delaware. The Crown assets included engineering and operational expertise and management experience. The Crown Merger also provided the Company with relationships with major wireless communications carriers such as Aerial Communications, AirTouch Cellular, Bell Atlantic Mobile, AT&T Wireless, PageNet, Nextel and Sprint PCS.

THE ROLL-UP

On April 24, 1998, the Company entered into a Share Exchange Agreement pursuant to which, concurrently with the closing of the Offering, (i) all shareholders of CTSH (other than the Company, TdF and DFI) will exchange their shares of capital stock of CTSH for shares of Common Stock of the Company and (ii) DFI will exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company. In connection with such exchanges, the Company will exercise warrants to acquire additional shares of capital stock of CTSH and subscribe for additional shares of capital stock of CTSH. Such transactions are collectively referred to herein as the "Exchange". Upon consummation of the Exchange, the Company will own 80.0% of CTSH and TdF will own the remaining 20.0%. Immediately prior to the Exchange, (i) each share of the Company's Existing Class A Common Stock will be converted into 1.523148 shares of Common Stock, (ii) each share of the Company's Existing Class B Common Stock will be reclassified as one share of Common Stock and (iii) each share of the Company's Existing Preferred Stock will be converted into one share of Common Stock. See "The Roll-Up".

Upon the consummation of the Offering, after giving effect to the Roll-Up: (i) DFI will own all of the outstanding Class A Common Stock (which is convertible into shares of Common Stock and represents a 12.1% beneficial ownership interest in the Company's Common Stock) and DFI and TdF together will (after giving effect to the TdF Conversions) beneficially own 25.9% of the Company's Common Stock; (ii) the Candover Group will beneficially own 12.1% of the Company's Common Stock; (iii) the Berkshire Group will beneficially own 22.0% of the Company's Common Stock; (iv) the Centennial Group will beneficially own 10.5% of the Company's Common Stock; (v) the Crown Parties will beneficially own 7.0% of the Company's Common Stock; and (vi) executive officers of the Company (excluding Mr. Crown) will beneficially own 7.4% of the Company's Common Stock. See "Principal and Selling Stockholders".

Following the Roll-Up, TdF will have certain significant governance and other rights with respect to the Company and the CTI business. Subject to certain conditions, TdF's consent will be required for the Company or CTI to undertake certain actions, including making certain acquisitions or dispositions, entering into strategic alliances with certain parties and engaging in certain business combinations. See "Risk Factors--Risks Related to Agreements with TdF" and "The Roll-Up--Roll-Up Agreements".

In addition, subject to certain conditions, (i) during the two year period following consummation of the Offering, TdF will have the right to exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company at the Exchange Ratio (as defined) and (ii) on the second anniversary of the consummation of the Offering, the Company will have the right to require TdF to exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company at the Exchange Ratio; provided, however, that in each case TdF will retain ownership of one CTSH share and, therefore, will retain its governance rights with respect to CTI until its ownership interest in the Company falls below 5%. See "Risk Factors--Risks Related to Agreements with TdF", "The Roll-Up--Roll-Up Agreements" and "Description of Capital Stock".

BUSINESS STRATEGY

The Company's objective is to become the premier global provider of wireless communications and broadcast transmission infrastructure and related services. The Company's experience in establishing and expanding its existing tower footprints, its experience in owning and operating both analog and digital transmission networks, its significant relationships with wireless communications carriers and broadcasters and its ability to offer customers its in-house technical and operational expertise, uniquely position it to capitalize on global growth opportunities. The key elements of the Company's business strategy are to:

- . **MAXIMIZE UTILIZATION OF TOWER CAPACITY.** The Company is seeking to take advantage of the substantial operating leverage of its site rental business by increasing the number of antenna leases on its owned and managed communications sites. The Company believes that many of its towers have significant capacity available for additional antenna space rental and that increased utilization of its tower capacity can be achieved at low incremental cost. For example, prior to the Company's purchase of the BBC's broadcast transmission network in 1997, the rental of available antenna capacity on the BBC's premier tower sites was not actively marketed to third parties. The Company believes there is substantial demand for such capacity. In addition, the Company believes that the extra capacity on its tower footprints in the United States and the United Kingdom will be highly desirable to new entrants into the wireless communications industry. Such carriers are able to launch service quickly and relatively inexpensively by designing the deployment of their networks based on the Company's attractive existing tower footprints. Further, the Company intends to selectively build and acquire additional towers to improve the coverage of its existing tower footprints to further increase their attractiveness. The Company intends to use targeted sales and marketing techniques to increase utilization of and investment return on its existing, newly constructed and acquired towers.
- . **LEVERAGE EXPERTISE OF CCI AND CTI PERSONNEL TO IMPLEMENT GLOBAL GROWTH STRATEGY.** The Company is seeking to leverage the skills of its personnel in the United States and the United Kingdom. The Company believes that its ability to manage networks, including the transmission of signals, will be an important competitive advantage in its pursuit of global growth opportunities. With its wireless communications and broadcast transmission network design and radio frequency engineering expertise, the Company is well positioned (i) to partner with major wireless communications carriers to assume ownership of their existing towers, (ii) to provide build-to-suit towers for wireless communications carriers and broadcasters and (iii) to acquire existing broadcast transmission networks that are being privatized around the world.
- . **PARTNER WITH WIRELESS COMMUNICATIONS CARRIERS TO ASSUME OWNERSHIP OF THEIR EXISTING TOWERS.** The Company is seeking to partner with major wireless communications carriers to assume ownership of their existing towers directly or through joint ventures. The Company believes the primary criteria of such carriers in selecting a company to own and operate their wireless communications infrastructure will be the company's perceived capability to maintain the integrity of their networks, including their transmission signals. Therefore, the Company believes that those companies with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure. The Company is currently in discussions with major wireless communications carriers in the United States to form joint ventures that would own and operate their towers and believes that similar opportunities will arise globally as the wireless communications industry further expands.
- . **PROVIDE BUILD-TO-SUIT TOWERS FOR WIRELESS COMMUNICATIONS CARRIERS AND BROADCASTERS.** As wireless communications carriers continue to expand and fill-in their service areas, they will require additional communications sites and will have to build new towers where co-location is not available. Similarly, the introduction of DTV in the United States will require the construction of new broadcast towers to accommodate new digital transmission equipment and analog transmission equipment displaced from existing towers. The Company is aggressively pursuing these build-to-suit

opportunities, leveraging on its ability to offer end-to-end services. In addition, the Company intends to pursue build-to-suit opportunities through any joint venture or similar arrangement it establishes in connection with the acquisition of existing towers from wireless communications carriers.

ACQUIRE EXISTING BROADCAST TRANSMISSION NETWORKS. In 1997, CTI successfully acquired the privatized domestic broadcast transmission network of the BBC. In addition, the Company is implementing the roll-out of digital television transmission services throughout the United Kingdom. As a result of this experience, the Company is well positioned to acquire other state-owned analog and digital broadcast transmission networks globally when opportunities arise. These state-owned broadcast transmission networks typically enjoy premier sites giving an acquirer the ability to offer unused antenna capacity to new and existing radio and television broadcasters and wireless communications carriers, as well as to install new technologies such as digital terrestrial transmission services. In addition, the Company's experience in broadcast transmission services allows the Company to consider, when attractive opportunities arise, acquiring wireless transmission networks as well as the acquisition of associated wireless communications infrastructure. The Company is currently pursuing a number of international acquisition and privatization opportunities.

CAPITALIZE ON MANAGEMENT EXPERIENCE. The Company's management team has extensive experience in the tower industry and in the management of broadcast transmission networks. Many of the senior executives have worked together for an extended period, which enables them to leverage their collective strengths in a rapidly changing industry environment. In addition, management is highly motivated to produce strong operating results based on their stock ownership in the Company.

THE COMPANY

CCIC is a holding company that conducts all of its business through its subsidiaries. CCIC's two principal operating subsidiaries are CCI, through which it conducts its U.S. operations, and CTI, through which it conducts its U.K. operations.

U.S. OPERATIONS

The Company's primary business focus in the United States is the leasing of antenna space on multiple tenant towers and rooftops to a variety of wireless communications carriers under long-term lease contracts. Supporting its competitive position in the site rental business, the Company maintains in-house expertise in, and offers its customers, infrastructure and network support services that include network design and communication site selection, site acquisition, site development and construction and antenna installation.

The Company leases antenna space to its customers on its owned and managed towers. The Company generally receives fees for installing customers' equipment and antennas on a tower and also receives monthly rental payments from customers payable under site rental leases that generally range in length from three to five years. The Company's U.S. customers include such companies as Aerial Communications, AirTouch Cellular, Arch Communications, AT&T Wireless, Bell Atlantic Mobile, BellSouth Mobility, Cellular One, Federal Express, Lucent Technologies, Motorola, Nextel, Nokia, PageNet, Skytel, Sprint PCS and TSR Wireless, as well as private network operators and various federal and local government agencies, such as the Federal Bureau of Investigation, the Internal Revenue Service and the U.S. Postal Service.

At June 30, 1998, the Company owned or managed 490 towers and 66 revenue producing rooftop sites in the United States and Puerto Rico. In addition, the Company had 1,217 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers. The Company's major U.S. tower footprints are located in western Pennsylvania (primarily in and around the greater Pittsburgh area), in the southwestern United States (primarily in western Texas), across Puerto Rico and along I-95 in North Carolina and South Carolina. The Company plans to enhance and expand its tower footprints by building and acquiring multiple tenant towers in locations attractive to site rental customers. To that end, the

Company has developed, maintains and deploys for its own use extensive network design and radio frequency engineering expertise, as well as site selection, site acquisition and tower construction capabilities. The Company plans to leverage CCI's expertise and experience in building and acquiring new towers by entering into build-out, purchase or management contracts with various carriers and tower owners. For example, pursuant to an agreement with Nextel, as of June 30, 1998, the Company had constructed or purchased 42 sites, was in the process of constructing or receiving permits for an additional 28 sites and has the option to construct or purchase up to 108 additional multiple tenant towers with Nextel as an anchor tenant along certain interstate corridors. In addition, pursuant to this agreement, the Company purchased 46 of Nextel's existing towers clustered in various markets, including Philadelphia, Houston, Dallas and San Antonio and has the option to purchase four additional towers.

Communication Site Footprints

At June 30, 1998, the Company owned 361 towers and managed an additional 129 towers and 66 revenue producing rooftop sites in the United States and Puerto Rico. The Company is in the process of building 47 towers. The following table indicates, as of June 30, 1998, the type and geographic concentration of CCI's owned and managed towers and revenue producing rooftop sites:

	NUMBER	% OF TOTAL
	-----	-----
Towers:		
Pennsylvania.....	207	37.2%
Texas.....	133	23.9
New Mexico.....	34	6.1
Mississippi.....	21	3.7
Ohio.....	16	2.9
West Virginia.....	16	2.9
Puerto Rico.....	14	2.5
Arizona.....	11	2.0
North Carolina.....	11	2.0
South Carolina.....	11	2.0
All Others.....	16	2.9
	---	----
	490	88.1
Rooftops(a).....	66	11.9
	---	----
Total.....	556	100.0%
	===	=====

(a) CCI manages an additional 1,217 rooftop sites throughout the United States that do not currently produce revenue but are available for leasing to its customers.

The Company expects to significantly broaden its existing U.S. tower footprints and expand into new strategically clustered sites by building additional towers. To that end, the Company, through CCI, has developed and maintains and deploys for its own use extensive network design and radio frequency engineering expertise and tower construction capabilities. The Company plans to leverage CCI's network design expertise to build towers in areas where carriers' signals fail to transmit in their coverage area. The areas, commonly known as "dead zones", are attractive tower locations. Building a tower only after securing an anchor tenant, the Company usually has been able to add additional carriers that have the same "dead zone", the Company also plans to leverage CCI's expertise and experience in building new towers by entering into build-out or purchase contracts with various carriers, such as the Nextel Agreement. As of June 30, 1998, the Company had constructed 42 towers in western Pennsylvania, Ohio, Texas, South Carolina, Virginia and North Carolina to enhance its regional presence in these areas. As part of the Nextel Agreement, the Company had the option to build or purchase up to 250 towers along interstate highways in the midwestern and eastern United States over the next two years. As of June 30, 1998, 42 of these sites had been completed, an additional 28 sites were in various stages of permitting and construction, ten sites had been identified as candidates for purchase and 62 sites had been rejected because they did not meet the Company's investment criteria. See "--Significant Contracts--Nextel Agreement".

The Company plans to use the towers acquired in the Crown Merger as a model for the towers it intends to build when population density and perceived demand are such that the Company believes the economics of constructing such towers are justified. Management believes the Crown towers are superior to those of its competitors because of their capacity and quality engineering. The multiple tenant design of the Crown towers obviates the need for expensive and time consuming modifications to upgrade undersized towers, saving critical capital and time for carriers facing time-to-market constraints. Using only hot dipped galvanized structures exceeding the standards of the American National Standards Institute, Electronics Industry Association and Telecommunications Industry Association, the Company builds towers capable of accommodating a large number of wireless antennas. The towers are also designed to easily add additional customers, and the equipment shelters are built to accommodate another floor for new equipment and air conditioning units when additional capacity is needed. The tower site is zoned for multiple carriers at the time the tower is constructed to allow new carriers to quickly utilize the site. In addition, the towers, equipment shelters and site compounds are engineered to protect and maintain the structural integrity of the site. Tower sites are designed to withstand severe wind, lightning and icing conditions, have shelters with exclusive security card access and are surrounded by ten foot barbed wire fences.

The Company also plans to acquire towers in order to develop new tower footprints or to broaden its existing tower footprints. The Company believes that wireless communications carriers have begun to seek to sell, or establish joint ventures for the ownership of, their tower networks. See "Industry Background". The Company is actively seeking to enter into such arrangements with major wireless communications carriers. On a smaller scale, as part of the Nextel Agreement, the Company has purchased 46 of Nextel's existing towers and has the option to purchase an additional four towers. The Company believes that these towers will provide it with a portfolio of strategic clusters in Philadelphia, Houston, Dallas and San Antonio. The Company plans to continue to acquire additional towers from carriers, such as Nextel, and other independent tower operators as opportunities present themselves, although the Company currently has no agreements with regard to any such acquisitions.

The Company generally believes it has significant capacity on a number of its towers in the United States and Puerto Rico. Many of the towers it acquired prior to the Crown Merger, however, may require significant modifications and improvements to raise them to the quality specifications of the Crown towers or to add additional customers. The Company intends to pursue these upgrades where it believes it can achieve appropriate returns to merit the necessary expenditure.

Products and Services

The Company's products and services can be broadly categorized as either site rental, network services or broadcast site rental and services. Network services provided through CCI include network design and site selection, site acquisition, site development and construction and antenna installation.

Site Rental

In the United States, the Company rents antenna space on its owned and managed towers and rooftops to a variety of carriers operating cellular, PCS, SMR, ESMR, paging and other networks. The Company's U.S. site rental business has its headquarters in Pittsburgh, with sales offices in Houston, Albuquerque, Philadelphia and San Juan.

Tower Site Rental. The Company leases space to its customers on its owned and managed towers. The Company generally receives fees for installing customers' equipment and antennas on a tower (as provided in the Company's network services programs) and also receives monthly rental payments from customers payable under site leases. In the United States, the majority of the Company's outstanding customer leases, and the new leases typically entered into by the Company, have original terms of five years (with three or four optional renewal periods of five years each) and provide for annual price increases based on the Consumer Price Index.

The Company also provides a range of site maintenance services in order to support and enhance its site rental business. The Company believes that by offering services such as antenna, base station and tower maintenance and security monitoring, it is able to offer quality services to retain its existing customers and attract future customers to its communication sites. The Company was the first site management company in the United States selected by a major wireless communications company to exclusively manage its tower network and market the network to other carriers for co-location.

The following table describes the Company's top ten revenue producing towers in the United States and Puerto Rico:

NAME	LOCATION	HEIGHT (FT)	NUMBER OF TENANT LEASES	NUMBER OF ANTENNAS	JUNE 1998 MONTHLY REVENUE
Crane.....	Pennsylvania	450	102	134	\$ 74,327
Bluebell.....	Pennsylvania	300	110	98	52,645
Monroeville.....	Pennsylvania	500	65	91	38,483
Lexington.....	Kentucky	500	89	85	38,354
Sandia Crest.....	New Mexico	140	20	41	27,937
Cranberry.....	Pennsylvania	400	45	86	26,732
Greensburg.....	Pennsylvania	375	39	65	24,641
El Yunque.....	Puerto Rico	200	35	77	24,452
Cerro de Punta.....	Puerto Rico	220	37	58	24,327
Beaver.....	Pennsylvania	500	43	56	24,287
			---	---	-----
Total.....			585	791	\$356,185
			===	===	=====

The Company has entered into master lease agreements with Aerial Communications, AT&T Wireless, Bell Atlantic Mobile, Nextel and Sprint PCS, among others, which provide certain terms (including economic terms) that govern new leases entered into by such parties during the term of their master lease agreements, including the lease of space on towers in the Pittsburgh major trading area ("Pittsburgh MTA"), which includes greater Pittsburgh and parts of Ohio, West Virginia and western Pennsylvania. Each of the Aerial Communications and Sprint PCS agreements has a 10-year master lease term through December 2006, with one 10-year and one five-year renewal period. Rents are adjusted periodically based on the cumulative Consumer Price Index. Nextel's master lease agreement with the Company has a 10-year master lease term through October 2006, with two 10-year renewal options. The Company has also entered into an independent contractor agreement with Nextel. The Bell Atlantic Mobile agreement has a 25-year master lease term through December 2020. The Company has also entered into a master lease agreement with Bell Atlantic whereby the Company has the right to lease antenna space to customers on towers controlled by Bell Atlantic Mobile. See "--Significant Contracts".

The Company has significant site rental opportunities arising out of its agreements with Bell Atlantic Mobile and Nextel. In its lease agreement with Bell Atlantic Mobile, the Company has exclusive leasing rights for 117 existing towers and currently has sublessees on 59 of these towers in the greater Pittsburgh area. The lease agreement provides that CCI may sublet space on any of these towers to another carrier subject to certain approval rights of Bell Atlantic Mobile. To date Bell Atlantic Mobile has never failed to approve a sublease proposed by CCI. In connection with the Nextel Agreement, as of June 30, 1998, the Company has the option to own and operate up to 108 additional towers. See "--Significant Contracts".

Rooftop Site Rental. The Company is a leading rooftop site management company in the United States. Through its subsidiary, Spectrum, the Company develops new sources of revenue for building owners by effectively managing all aspects of rooftop telecommunications, including two-way radio systems, microwave facilities, fiber optics, wireless cable, paging and rooftop infrastructure services. Spectrum's staff includes radio frequency engineers, managers, technicians and licensing personnel with extensive experience.

The Company generally enters into management agreements with building owners and receives a percentage of the revenues generated from the tenant license agreements. Specifically, the Company designs and contracts these sites, actively seeks multiple wireless communications carriers, prepares end-user license agreements, and then manages and enforces the agreements. In addition, the Company handles billing and collections and all calls and questions regarding the site, totally relieving the building's management of this responsibility.

Through Spectrum, the Company focuses on providing electronic compatibility for antennas, and maximization of revenue for building owners. In the United States, radio frequencies are assigned by the FCC but are not coordinated by proposed site. For this reason, Spectrum has developed its own computerized engineering program to determine the electronic compatibility of all users at each site. This program enables Spectrum to maximize site usage. Spectrum surveys each site and evaluates its location, height, physical and electronic characteristics, and its engineers prepare a computer analysis to determine the optimum location for different types of equipment and frequencies. Based on this analysis, potential site users are identified.

In addition to the technical aspects of site management, the Company provides operational support for both wireless communications carriers looking to build out their wireless networks, and building owners seeking to outsource their site rental activities. CCI stores and regularly updates relevant site data, such as the location of communications and broadcast equipment, into a database, which can be utilized to help wireless communications carriers plan and build out their networks.

Network Services

Through designing, building and operating its own communication sites, the Company, through CCI, has developed an in-house expertise in certain value-added services that it offers to the wireless communications and broadcasting industries. Because the Company views CCI as a turnkey provider with "end-to-end" design, construction and operating expertise, it offers its customers the flexibility of choosing between the provision of a full ready-to-operate network infrastructure or any of the component services involved therein. Such services include network design and site selection, site acquisition, site development and construction and antenna installation.

Network Design and Site Selection. The Company has extensive experience in network design and engineering and site selection. While the Company maintains sophisticated network design services primarily to support the location and construction of Company-owned multiple tenant towers, the Company does from time to time provide network design and site selection services to carriers and other customers on a consulting contract basis. The Company's network design and site selection services provide customers with relevant information including recommendations regarding location and height of towers, appropriate types of antennas, transmission power and frequency selection and related fixed network considerations. In 1997, the Company provided network design services primarily for its own footprints and also for certain customers, including Triton Communications, Nextel, Aerial Communications and Sprint. These customers were typically charged on a time and materials basis.

To capitalize on the growing concerns over tower proliferation, the Company has developed a program called "Network Solutions" through which it will attempt to form strategic alliances with local governments to create a single communications network in their communities. To date the Company's efforts have focused on western Pennsylvania, where it has formed alliances with three municipalities. These alliances are intended to accommodate wireless communications carriers and local public safety, emergency services and municipal services groups as part of an effort to minimize tower proliferation. By promoting towers designed for co-location, these alliances will reduce the number of towers in communities while serving the needs of wireless communications carriers and wireless customers.

Site Acquisition. In the United States, the Company is engaged in site acquisition services for its own purposes and for third parties. Based on data generated in the network design and site selection process, a "search ring", generally of a one-mile radius, is issued to the site acquisition department for verification of

possible land purchase or lease deals within the search ring. Within each search ring, Geographic Information Systems ("GIS") specialists select the most suitable sites, based on demographics, traffic patterns and signal characteristics. Once a site is selected and the terms of an option to purchase or lease the site are completed, a survey is prepared and the resulting site plan is created. The plan is then submitted to the local zoning/planning board for approval. If the site is approved, the Company's construction department takes over the process of constructing the site.

The Company provides solutions to the NIMBY dilemma of wireless companies by building more environmentally neutral and aesthetically acceptable towers. Designs have included a clock tower, bell tower and others that will allow communications companies to build in areas that otherwise would not permit a tower to be built.

In 1997, CCI provided site acquisition services to eight customers, including Aerial Communications, AirTouch Cellular, AT&T Wireless, Bell Atlantic Mobile, BellSouth Mobility, GTE Mobilnet, Nextel, Omnipoint, Pagemart, Sprint PCS and Teligent. These customers engage the Company for such site acquisition services on either a fixed price contract or a time and materials basis.

Site Development and Construction and Antenna Installation. The Company has provided site development and construction and antenna installation services to the U.S. communications industry for over 14 years. The Company has extensive experience in the development and construction of tower sites and the installation of antenna, microwave dishes and electrical and telecommunications lines. The Company's site development and construction services include clearing sites, laying foundations and electrical and telecommunications lines, and constructing equipment shelters and towers. The Company has designed and built and presently maintains tower sites for a number of its wireless communications customers and a substantial part of its own tower network. The Company can provide cost-effective and timely completion of construction projects in part because its site development personnel are cross-trained in all areas of site development, construction and antenna installation. A varied inventory of heavy construction equipment and materials are maintained by the Company at its 45-acre equipment storage and handling facility in Pittsburgh, which is used as a staging area for projects in major cities in the eastern region of the United States. The Company generally sets prices for each site development or construction service separately. Customers are billed for these services on a fixed price or time and materials basis and the Company may negotiate fees on individual sites or for groups of sites. The Company has the capability and expertise to install antenna systems for its paging, cellular, PCS, SMR, ESMR, microwave and broadcasting customers. As this service is performed, the Company uses its technical expertise to ensure that there is no interference with other tenants. The Company typically bills for its antenna installation services on a fixed price basis.

The Company's construction management capabilities reflect Crown's extensive experience in the construction of networks and towers. For example, Crown was instrumental in launching networks for Sprint PCS, Nextel and Aerial Communications in the Pittsburgh MTA. In addition, Crown supplied these carriers with all project management and engineering services which included antenna design and interference analyses.

In 1997, the Company provided site development and construction and antenna services to approximately 21 customers in the United States, including Nextel, Sprint PCS, AT&T Wireless, Aerial Communications and Bell Atlantic Mobile.

Broadcast Site Rental and Services

The Company also provides site rental and related services to customers in the broadcasting industry in the United States. The launch of DTV in the United States will require significant expansion and modification of the existing broadcast infrastructure. Because of the significant cost involved in the construction or modification of tall towers, along with the large capital expenditures broadcasters will incur in acquiring digital broadcast equipment, management believes that the television broadcasting industry, which has historically been opposed to co-location and third party ownership of broadcast infrastructure, will seek to outsource tower ownership due to cost constraints. See "Industry Background".

The Company is in the process of forming a joint venture with TdF to pursue tall tower buildout and network ownership opportunities. This entity, which is expected to be approximately 70%-owned by the Company, will seek to capitalize on CTI's and TdF's experience in the broadcast transmission market. Management's objective is to become a leader in the buildout of the approximately 200 tall towers expected to be built in the United States over the next five years. Management believes that the Company's experience in providing digital transmission services in the United Kingdom will make the joint venture an attractive provider of broadcast services to the major networks and their affiliates. In addition, the joint venture will seek to partner with public broadcasting stations that own property zoned for tall towers, but that lack sufficient resources and expertise to build a tower. After reaching agreement with the public broadcasting station, the joint venture will attempt to co-locate on the tower the transmitters of major and medium-sized commercial broadcast television stations and high powered FM radio stations as well as wireless communications carriers.

Electronic news gathering ("ENG") systems benefit from the towers and services offered by the Company. The ENG trucks, often in the form of local television station news vans with telescoping antennas on their roofs, send live news transmission back to the studio from the scene of an important event. Typically, these vans cannot transmit signals beyond about 25 miles. In addition, if they are shielded from the television transmitter site, they cannot make the connection even at close range. The Company has developed an ENG repeater system that can be used on many of its towers in western Pennsylvania and expects to develop similar systems in other markets in which it has or develops tower footprints. This system allows the ENG van to send a signal to one of the Company's local towers where the signal is retransmitted back to the television transmitter site. The retransmission of the signal from the Company's tower to the various television transmitter sites is done via a microwave link. The Company charges the station for the ENG receiver system at the top of its tower and also charges them for the microwave dish they place on its tower. The Company's ENG customers are affiliates of the NBC, ABC, CBS and Fox networks.

The Company also has employees with considerable direct construction experience and market knowledge in the U.S. broadcasting industry, having worked with numerous television networks around the United States, and a number of other local broadcasting companies. The Company has installed master FM and television systems on buildings across the country. It has supervised the construction and operation of the largest master FM antenna facility in the United States and has engineered and installed two 2,000 foot broadcast towers with master FM antennas. Management believes that this experience may help the Company negotiate favorable antenna site lease rates and construction contracts for both tower and rooftop sites, and to gain an expertise in the complex issues surrounding electronic compatibility and RF engineering.

Significant Contracts

The Company has many agreements with telecommunications providers in the United States, including leases, site management contracts and independent contractor agreements. The Company's reciprocal leasing arrangements with Bell Atlantic Mobile, its agreement with Nextel and the BellSouth Site Marketing Agreement present unique opportunities for CCI to (i) acquire clusters of towers in new markets, (ii) expand its existing tower footprints by constructing multiple tenant towers with long-term anchor tenants and (iii) increase utilization of existing towers and rooftop sites.

Bell Atlantic Mobile

On December 29, 1995, the Company and Bell Atlantic Mobile entered into two separate 25-year master lease agreements relating to their towers in the Pittsburgh MTA, one establishing certain terms and conditions of Bell Atlantic Mobile's tenancy on the Company's towers and the other establishing certain terms and conditions of the Company's sale of tenancy to other parties on towers controlled by Bell Atlantic Mobile. In addition to providing site rental revenue to the Company, the master leases allow each of the Company and Bell Atlantic Mobile to sublease space on each other's towers in return for a percentage of the rental revenue generated thereby.

Bell Atlantic Mobile's master lease of space on the Company's towers provides that Bell Atlantic Mobile's monthly site rental payments per tower depend on the size of the equipment installed on the tower, the size of the equipment building and the number of antennas. Rents are adjusted periodically based on the Consumer Price Index. The Company performs all work at Bell Atlantic Mobile's sites for tenants, including antennae installation, grounding and foundations. Both of these master lease agreements included rights of first refusal relating to certain spaces on towers leased by one of the parties for which the other party had received a bona fide offer to buy. In connection with the Crown Merger, the parties amended these master lease agreements to eliminate the rights of first refusal, and Bell Atlantic waived any such rights under these agreements that otherwise would have arisen in connection with the Crown Merger.

The Company also leases space on all of Bell Atlantic Mobile's towers in the Pittsburgh MTA (the "Bell Atlantic Agreement"). The terms and conditions of the Company's master lease of space on towers controlled by Bell Atlantic Mobile are substantially similar to Bell Atlantic Mobile's master lease with the Company. The Company may sublease space on a tower controlled by Bell Atlantic Mobile to another tenant, however, if the subtenant is to be AT&T, the Company must receive the written consent of Bell Atlantic Mobile. To date, the Company has 120 sublease contracts on Bell Atlantic Mobile-controlled towers.

Nextel Agreement

On July 11, 1997, in connection with Nextel's proposed merger with PCI, the Company and Nextel entered into the Nextel Agreement (the "Nextel Agreement"), which establishes the framework under which the Company and Nextel will conduct joint operations for the development of infrastructure within the Nextel markets described below. Under the first part of this agreement, the Company has purchased 46 existing towers from Nextel used in digital or analog transmission in the greater metropolitan areas of Denver and Philadelphia and in certain areas of the states of Texas and Florida, for a purchase price of approximately \$10.0 million.

In addition to the tower purchase, the Nextel Agreement provides that the Company has the exclusive right and option to (i) develop, construct, own and operate or (ii) purchase and operate, up to 250 new towers within selected metropolitan areas, including Dallas and Houston, and parts of the interstate highway corridors traversing the following states: Texas, Oklahoma, Louisiana, Arkansas, Mississippi, Alabama, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Virginia, Pennsylvania, New York, Ohio, Maryland and New Jersey. This option extends from July 1997 until a minimum of 250 potential sites have been tendered to the Company. At June 30, 1998, Nextel had tendered 142 sites to the Company, 80 of which met the Company's criteria for investing in towers and, therefore, were accepted by the Company. Of these 80 sites, 28 sites are in the permitting process, ten sites have been identified as candidates for purchase and 42 sites have been completed. Nextel will perform all site acquisition work, including entering into agreements with the fee owners of sites. If the Company waives its option to construct or purchase new towers for an identified site tendered to it by Nextel, Nextel may construct the tower itself or contract with a third party for the construction. If the Company exercises its option to construct and own a tower, it will reimburse Nextel for all costs of such site acquisition work. If Nextel constructs a tower and the Company elects to purchase the constructed tower, the Company will reimburse Nextel for all site acquisition and construction costs associated with such towers. Following the completion of construction of each tower, Nextel and the Company will, pursuant to Nextel's master lease agreement, enter into a five-year lease contract with four five-year renewal periods, at the option of Nextel. Nextel has a one-time right of first refusal for a five-year period to lease additional space within one designated 20-foot section of each tower.

If the Company elects to construct a new site, construction is to be completed within a 60-day construction period that will not begin prior to receipt of all regulatory permits and approvals (or a shorter period as mutually agreed). In the event that the Company fails to complete any site within the construction period, Nextel will be entitled to receive liquidated damages for each such failure. If the Company fails to commence or complete construction or to complete the installation of towers and related equipment within the construction period, Nextel may exercise its option to purchase such site at cost (after giving the Company an opportunity to cure). Nextel may terminate the Nextel Agreement if the Company fails to complete construction within the prescribed construction period or if Nextel exercises its purchase option following certain construction delays by the

Company for the greater of five towers or 5% of the aggregate number of total sites committed to within a rolling eight-month period. In addition, the Nextel Agreement provides that it may be terminated by Nextel upon the insolvency or liquidation of CCI and it may be terminated by the Company upon the insolvency or liquidation of Nextel. See "Risk Factors--Reliance on Nextel Agreement".

BellSouth Site Marketing Agreement

On June 25, 1998, CCI and BellSouth Mobility entered into a Site Marketing Agreement (the "BellSouth Site Marketing Agreement") pursuant to which CCI was designated as the exclusive marketing agent for BellSouth's tower sites in the State of Kentucky. CCI will facilitate the processing of site leases and customer equipment installation at BellSouth sites. By mutual agreement, CCI and BellSouth may extend the contract to cover other states. The contract has an initial term of 100 days. After expiration of the initial term, unless BellSouth and CCI shall have entered into an agreement to form a permanent entity for the ownership, utilization and management of BellSouth's tower sites, BellSouth may, at its election, either (i) extend the term of the contract for five years or (ii) grant CCI the right to purchase BellSouth's tower sites in Kentucky at their fair market value (but at not less than \$75.0 million). If the contract is not extended or CCI elects not to purchase such tower sites, the contract will expire pursuant to its terms.

Customers

In both its site rental and network services businesses, the Company works with a number of customers in a variety of businesses including PCS, ESMR, paging and broadcasting. The Company works with both large national carriers such as Sprint PCS, Nextel, AT&T/Cellular One, Omnipoint and BellSouth Mobility, and smaller local regional or private operators such as Aerial Communications and Crescent Communications. For the six months ended June 30, 1998, the Company's largest U.S. customers were Sprint PCS and Nextel, together representing 7.7% and 28.7%, respectively, of CCI's site rental revenue and 14.1% and 32.1%, respectively, of CCI's network services revenues. For the six months ended June 30, 1998, no customer accounted for more than 10.0% of CCI's revenues, other than Sprint PCS and Nextel, which accounted for approximately 11.2% and 30.6%, respectively, of CCI's consolidated revenues. Nextel revenues are expected to grow as CCI purchases Nextel towers and builds out Nextel interstate corridor sites. The following is a list of CCI's top ten site rental and network and other services customers, by percentage of revenues for the six months ended June 30, 1998.

CCI'S TOP 10 SITE RENTAL AND NETWORK SERVICES CUSTOMERS

SITE RENTAL	REVENUES FOR SIX MONTHS ENDED JUNE 30, 1998	% OF CCI'S TOTAL SITE RENTAL REVENUES
Nextel.....	\$2,995,989	28.7%
Sprint PCS.....	803,682	7.7
PageNet.....	645,128	6.2
Aerial Communications.....	541,191	5.2
Motorola.....	344,995	3.3
AT&T Wireless.....	262,826	2.5
Bell Atlantic Mobile.....	252,919	2.4
Mobile Communications.....	224,110	2.1
American Paging.....	170,827	1.6
USA Mobile.....	141,348	1.4
Total.....	\$6,383,015	61.1%

NETWORK SERVICES & OTHER	REVENUES FOR SIX MONTHS ENDED JUNE 30, 1998	% OF CCI'S TOTAL NETWORK SERVICES & OTHER REVENUES
Nextel.....	\$4,144,296	32.1%
Sprint PCS.....	1,819,369	14.1
Omnipoint.....	1,374,658	10.6
Itron.....	641,915	5.0
Aerial Communications.....	413,984	3.2
Hawaiian Wireless.....	390,133	3.0
AT&T Wireless.....	298,994	2.3
Bell Atlantic Mobile.....	203,750	1.6
BellSouth.....	197,600	1.5
Pagemart.....	134,100	1.0
Total.....	\$9,618,799	74.4%

As of June 30, 1998, CCI had approximately 3,031 individual leases on its 556 tower and rooftop sites. The following is a list of some of CCI's leading site rental customers by industry segment and the percentage of CCI's June 1998 monthly site rental revenues derived from each industry segment:

CCI'S CUSTOMERS BY INDUSTRY

INDUSTRY	SELECTED CUSTOMERS	NUMBER OF TENANT LEASES	CCI'S JUNE 1998 MONTHLY REVENUES BY INDUSTRY	% OF CCI'S TOTAL JUNE 1998 SITE RENTAL REVENUES
SMR/ESMR.....	Nextel, SMR Direct	341	\$ 558,857	28.8%
Paging.....	AirTouch Cellular, PageNet, TSR Wireless	925	477,211	24.6
PCS.....	Aerial Communications, Sprint PCS, Western Wireless	239	251,462	13.0
Private Industrial Users..	IBM, Phillips Petroleum	837	205,332	10.6
Cellular.....	AT&T Wireless, Bell Atlantic Mobile	148	179,569	9.2
Governmental Agencies.....	FBI, INS, Puerto Rico Police	226	113,818	5.9
Data.....	Ardis, RAM Mobile Data	100	60,874	3.1
Broadcasting.....	Hearst Argyle Television, Trinity Broadcasting	84	48,521	2.5
Utilities.....	Equitable Resources, Nevada Power	49	23,362	1.2
Other.....	WinStar	82	21,287	1.1
Totals.....		3,031	\$1,940,293	100.0%

Sales and Marketing

CCI's sales and marketing personnel, located in Pittsburgh, Houston, Albuquerque, Atlanta, Philadelphia, Albany, San Juan, Puerto Rico and Sao Paulo, Brazil, target carriers expanding their networks, entering new markets, bringing new technologies to market and requiring maintenance or add-on business. All types of wireless service providers are targeted including broadcast, cellular, paging, PCS, microwave and two-way radio. CCI is also interested in attracting 9-1-1, federal, state, and local government agencies, as well as utility and transportation companies to locate on existing sites. CCI's objective is to pre-sell capacity on CCI's towers by promoting sites prior to construction. Rental space on existing towers is also aggressively marketed and sold.

CCI utilizes numerous public and proprietary databases to develop detailed target marketing programs directed at auction block license awardees, existing tenants and specific market groups. Mailings focus on regional buildouts, new sites and services. The use of databases, such as those with information on sites, demographic data, licenses and deployment status, coupled with measured coverage data and RF coverage prediction software, allows CCI's sales and marketing personnel to target specific carriers' needs for specific sites. To foster productive relationships with its major existing tenants and potential tenants, CCI has formed a team of account relationship managers. These managers work to develop build-to-suit, site leasing services and site management opportunities, as well as ensure that customers' emerging needs are translated into new site products and services.

The marketing department maintains CCI's visibility within the wireless communications industry through regular advertising and public relations efforts including actively participating in trade shows and generating regular press releases, newsletters and targeted mailings (including promotional flyers). CCI's promotional activities range from advertisements and site listings in industry publications to maintaining a presence at national trade shows. Potential clients are referred to CCI's Web site, which contains Company information as well as site listings. In addition, CCI's sites are listed on the Cell Site Express Web site. This Web site enables potential tenants to locate existing structures by latitude, longitude or address. Clients can easily contact CCI via e-mail through the Web site or Cell Site Express. CCI's network services capabilities are marketed in conjunction with its tower footprints.

To follow up on targeted mailings and to cold-call on potential clients, CCI has established a telemarketing department. Telemarketers field inbound and outbound calls and forward leads to local sales representatives or relationship managers for closure. Local sales representatives are stationed in each cluster to develop and foster close business relationships with decision-makers in each customer organization. Sales professionals work with marketing specialists to develop sales presentations targeting specific client demands.

In addition to a dedicated, full-time sales and marketing staff, a number of senior managers spend a significant portion of their efforts on sales and marketing activities. These managers call on existing and prospective customers and also seek greater visibility in the industry through speaking engagements and articles in national publications. Furthermore, many of these managers have been recognized as industry experts, are regularly quoted in articles and are called on to testify at local hearings and to draft local zoning ordinances.

Public and community relations efforts include coordinating community events, such as working with amateur radio clubs to supply emergency and disaster recovery communications, charitable event sponsorship, and promoting charitable donations through press releases.

Competition

In the United States, the Company competes with other independent tower owners, some of which also provide site rental and network services; wireless communications carriers, which own and operate their own tower networks; service companies that provide engineering and site acquisition services; and other potential

competitors, such as utilities, outdoor advertisers and broadcasters, some of which have already entered the tower industry. Wireless communications carriers that own and operate their own tower networks generally are substantially larger and have greater financial resources than the Company. The Company believes that tower location, capacity, price, quality of service and density within a geographic market historically have been and will continue to be the most significant competitive factors affecting tower rental companies. The Company also competes for acquisition and new tower construction opportunities with wireless communications carriers, site developers and other independent tower operating companies and believes that competition for tower site acquisitions will increase and that additional competitors will enter the tower market, some of which may have greater financial resources than the Company.

The following is a list of certain of the tower companies that compete with the Company in the United States: American Tower Corporation, Lodestar Communications, Motorola, Specialty Teleconstructors, Pinnacle Tower, SBA Communications, TeleCom Towers (an affiliate of Cox Communications), Unisite and SpectraSite.

The following companies are primarily competitors for the Company's rooftop site management activities in the United States: AAT, APEX, Commsite International, JJS Leasing, Inc., Motorola, Signal One, Subcarrier Communications, Tower Resources Management and Unisite.

The Company believes that the majority of its competitors in the site acquisition business operate within local market areas exclusively, while a small minority of firms appear to offer their services nationally, including SBA Communications Corporation, Whalen & Company and Gearon & Company (a subsidiary of American Tower Corporation). The Company offers its services nationwide and the Company believes it is currently one of the largest providers of site development services to the U.S. and international markets. The market includes participants from a variety of market segments offering individual, or combinations of, competing services. The field of competitors includes site acquisition consultants, zoning consultants, real estate firms, right-of-way consulting firms, construction companies, tower owners/managers, radio frequency engineering consultants, telecommunications equipment vendors (which provide turnkey site development services through multiple subcontractors) and carriers' internal staff. The Company believes that carriers base their decisions on site development services on certain criteria, including a company's experience, track record, local reputation, price and time for completion of a project. The Company believes that it competes favorably in these areas.

U.K. OPERATIONS

The Company, through its 80% interest in CTI, owns and operates one of the world's most established television and radio transmission networks and is expanding its leasing of antenna space on its towers to a variety of wireless communications carriers. The Company provides transmission services for two BBC television services, six national BBC radio services (including the first digital audio broadcast service in the United Kingdom), 37 local BBC radio stations and two national commercial radio services through its network of transmitters, which reach 99.4% of the U.K. population. These transmitters are located on approximately 1,300 towers, more than half of which are Company-owned (or leased or licensed to it by third parties) and the balance of which are licensed to the Company under a site-sharing agreement (the "Site-Sharing Agreement") with NTL, the Company's principal competitor in the United Kingdom. The Company has also secured long-term contracts to provide digital television transmission services to the BBC and BDB. See "--Significant Contracts". In addition to providing transmission services, the Company also leases antenna space on its transmission infrastructure to various communications service providers and provides telecommunications network installation and maintenance services and engineering consulting services.

The Company's core revenue generating activity in the United Kingdom is the analog terrestrial transmission of radio and television programs broadcast by the BBC. CTI's business, which was formerly owned by the BBC, was privatized under the Broadcasting Act 1996 and sold to CTI in February 1997. At the time the BBC Home Service Transmission Business was acquired, CTI entered into a 10-year transmission contract with

the BBC for the provision of terrestrial analog television and analog and digital radio transmission services in the United Kingdom. In the twelve months ended June 30, 1998, approximately 61% of CTI's consolidated revenues were derived from the provision of services to the BBC.

Communication Site Footprints

At June 30, 1998, the Company owned, leased or licensed 749 transmission sites on which it operated 754 towers, was constructing eight new towers on existing sites and had 38 site acquisition projects in process for new tower sites. The Company has 54 revenue producing rooftop sites that are occupied by the Company's transmitters but are not available for leasing to customers. The Company's sites are located throughout England, Wales, Scotland and Northern Ireland. The following table indicates, as of June 30, 1998, the type and geographic concentration of the Company's U.K. towers and rooftop sites.

	NUMBER	% OF TOTAL
	-----	-----
Towers:		
England.....	442	54.7%
Wales.....	128	15.8
Scotland.....	139	17.2
Northern Ireland.....	45	5.6
	---	----
	754	93.3
Rooftops.....	54	6.7
	---	----
Total.....	808	100.0%
	===	=====

The Company expects to significantly expand its existing tower footprints in the United Kingdom by building and acquiring additional towers. The Company believes its existing tower network encompasses many of the most desirable tower locations in the United Kingdom for wireless communications. However, due to the shorter range over which communications signals carry (especially newer technologies such as PCN) as compared to broadcast signals, wireless communications providers require a denser footprint of towers to cover a given area. Therefore, in order to increase the attractiveness of its tower footprints to wireless communications providers, the Company will seek to build or acquire new communications towers. Using its team of over 300 engineers with state-of-the-art network design and radio frequency engineering expertise, the Company locates sites and designs towers that will be attractive to multiple tenants. The Company seeks to leverage such expertise by entering into build-to-suit contracts with various carriers, such as BT, Cable & Wireless Communications, Cellnet, Dolphin, Energis, Highway One, Ionica, One2One, Orange and Scottish Telecom, thereby securing an anchor tenant for a site before incurring capital expenditures for the site buildout. As of June 30, 1998, the Company was building eight towers that it will own. In addition, the Company expects to make strategic acquisitions of existing communications sites (primarily those owned by wireless communications operators) in order to expand its infrastructure and to further leverage its site management experience.

The Company believes that it generally has significant capacity on its towers in the United Kingdom. Although approximately 160 of its towers are poles with limited capacity, the Company typically will be able to build new towers that will support multiple tenants on these sites (subject to the applicable planning process). The Company intends to upgrade these limited capacity sites where it believes it can achieve appropriate returns to merit the necessary capital expenditure. For example, in connection with a contract with Vodafone, the Company is upgrading 68 of these sites with limited capacity. See "--Significant Contracts--Vodafone". Approximately 59 of the Company's sites are used for Medium Frequency ("MF") broadcast transmissions. At this frequency, the entire tower is used as the transmitting antenna and is therefore electrically "live". Such towers are therefore unsuitable for supporting other tenant's communications equipment. However, MF sites generally have substantial ground area available for the construction of new multiple tenant towers.

Products and Services

Transmission Business

Analog. For the three months ended June 30, 1998, CTI generated approximately 57% of its revenues from the provision of analog broadcast transmission services to the BBC. Pursuant to the BBC Analog Transmission Contract, the Company provides terrestrial transmission services for the BBC's analog television and radio programs and certain other related services (including BBC digital radio) for an initial 10-year term through March 31, 2007. See "--Significant Contracts". For the twelve months ended June 30, 1998, the BBC Analog Transmission Contract generated revenues of approximately (Pounds)46.6 million (\$77.8 million) for the Company.

In addition to the BBC Analog Transmission Contract, the Company has separate contracts to provide maintenance and transmission services for two national radio stations, Virgin Radio and Talk Radio. These contracts are for periods of eight years commencing from, respectively, March 31, 1993 and February 4, 1995.

The Company owns all of the transmission equipment used for broadcasting the BBC's domestic radio and television programs, whether located on one of CTI's sites or on an NTL or other third-party site. As of June 30, 1998, CTI had 3,465 transmitters, of which 2,196 were for television broadcasting and 1,269 were for radio. These transmitters could be analyzed by transmission frequency band as follows:

TRANSMITTER FREQUENCY BAND -----	NUMBER -----
UHF television.....	2,196
VHF/FM national radio.....	854
VHF/FM local and regional radio.....	232
MW/LW national and commercial radio*.....	89
MW local radio.....	53
MW regional radio.....	14
DAB.....	27

Total.....	3,465
	=====

* Includes eleven transmitters owned by Virgin Radio and Talk Radio but operated and maintained by CTI.

A few of the Company's most powerful transmitters together cover the majority of the U.K. population. The coverage achieved by the less powerful transmitters is relatively low, but is important to the BBC's ambition of attaining universal coverage in the United Kingdom. This is illustrated by the following analysis of the population coverage of the Company's analog television transmitters:

NUMBER OF SITES (RANKED BY COVERAGE) -----	COMBINED POPULATION COVERAGE -----
1 (Crystal Palace).....	21%
top 16.....	79
top 26.....	86
top 51.....	92
all.....	99.4

All of the Company's U.K. transmitters are capable of unmanned operation and are maintained by mobile maintenance teams from 27 bases located across the United Kingdom. Access to the sites is strictly controlled for operational and security reasons, and buildings at 140 of the sites are protected by security alarms connected to CTI's Technical Operations Centre at Warwick. The Site-Sharing Agreement provides the Company with reciprocal access rights to NTL's broadcast transmission sites on which the Company has equipment.

Certain of the Company's transmitters that serve large populations or important geographic areas have been designated as priority transmitters. These transmitters have duplicated equipment so that a single failure will not

result in total loss of service but will merely result in an output-power reduction that does not significantly degrade the service to most viewers and listeners.

Digital. The Company has entered into contracts with the holders (including the BBC) of four of the six DTT multiplexes allocated by the U.K. government to design, build and operate their digital transmission networks. In connection with the implementation of DTT, new transmission infrastructure will be required. The Company is committed to invest approximately (Pounds)110.0 million (\$183.6 million) for the buildout of new infrastructure to support DTT over the next two years. By the year 2000, 81 transmission sites will need to be upgraded with new transmitters and associated systems to support DTT. Of these sites, 49 are owned by the Company with the remainder owned by NTL. Currently, 24 sites are being upgraded. An arrangement similar to that of the Site-Sharing Agreement is being negotiated to govern the sharing of digital transmission sites between the Company and NTL.

CTI's capital costs are expected to be incurred in connection with the acquisition and development of new transmission equipment.

The Company currently is the sole provider of transmission services for digital radio broadcasts in the United Kingdom. In September 1995, the BBC launched its initial DAB scheme over the Company's transmission network, and this service is now broadcast to approximately 60% of the U.K. population. A new independent national digital radio license is scheduled to be awarded in 1998. The Company's existing infrastructure and its experience with the BBC's DAB network position it well to compete to provide transmission services to the winner of this new radio license. In addition, local digital radio licenses will be allocated in late 1998 or early 1999. The Company believes it is similarly well situated to become the transmission service provider to the winners of such licenses.

Site Rental

The BBC transmission network provides a valuable initial footprint for the creation of wireless communications networks. Currently, approximately 200 companies rent antenna space on approximately 405 of CTI's 808 towers and rooftops. These site rental agreements have normally been for three to 12 years and are generally subject to rent reviews every three years. Site sharing customers are generally charged annually in advance, according to rate cards that are based on the antenna size and position on the tower. The Company's largest site rental customer in the United Kingdom is NTL under the Site-Sharing Agreement. This agreement generated (Pounds)551,000 (\$919,895) of site rental revenue in June 1998.

The Company also provides a range of site maintenance services in order to support and enhance its U.K. site rental business. The Company believes that by offering services such as antenna, base station and tower maintenance and monitoring, it is able to offer quality services to retain its existing customers and attract future customers to its communications sites. The Company complements its U.K. transmission experience with its site management experience in the United States to provide customers with a top-of-the-line package of service and technical support.

The following table describes the Company's top ten revenue producing towers in the United Kingdom:

NAME	LOCATION	HEIGHT (FT)	NUMBER OF TENANT LEASES	CTI'S	
				JUNE 1998 MONTHLY REVENUE	JUNE 1998 MONTHLY REVENUE
Bow Brickhill.....	S. E. England	197	12	(Pounds) 16,092	\$ 26,866
Brookmans Park.....	S. E. England	147	10	15,979	26,677
Mendip.....	S. W. England	924	18	15,600	26,044
Crystal Palace.....	London	653	14	13,289	22,186
Hannington.....	S. England	440	11	11,779	19,665
Waltham.....	C. England	954	10	11,089	18,513
Wrotham.....	S. England	379	13	10,777	17,992
Heathfield.....	S. England	443	16	10,516	17,557
Redruth.....	S. W. England	500	15	9,924	16,568
Oxford.....	C. England	507	14	9,720	16,227
			----	-----	-----
Total.....			133	(Pounds)124,765	\$208,295
			===	=====	=====

Other than NTL, CTI's largest (by revenue) site rental customers consist mainly of wireless communications carriers such as Cellnet, One2One, Orange and Vodafone. Revenues from these non-BBC sources are expected to become an increasing portion of CTI's total U.K. revenue base, as the acquired BBC Home Service Transmission Business is no longer constrained by governmental restrictions on the BBC's commercial activities. The Company believes that the demand for site rental from communication service providers will increase in line with the expected growth of these communication services in the United Kingdom.

The Company has master lease agreements with all of the major U.K. telecommunications site users including BT, Cable & Wireless Communications, Cellnet, Dolphin, Energis, Highway One, Ionica, One2One, Orange, Scottish Telecom and Vodafone. These agreements typically specify the terms and conditions (including pricing and volume discount plans) under which these customers have access to all sites within the Company's U.K. portfolio. Customers make orders for specific sites using the standard terms included in the master lease agreements. There are currently approximately 250 applications in process for installations at existing sites under such agreements.

Network Services

CTI provides broadcast and telecommunications engineering services to various customers in the United Kingdom. All the BBC Home Service Transmission Business employees were retained by the Company upon CTI's acquisition. Accordingly, the Company has engineering and technical staff of the caliber and experience necessary not only to meet the requirements of its current customer base, but also to meet the challenges of developing digital technology. Within the United Kingdom, CTI has worked with several telecommunications operations on design and build projects as they roll-out their networks. CTI has had success in bidding for broadcast consulting contracts, including, over the last three years, in Thailand, Taiwan, Poland and Sri Lanka.

With the expertise of its engineers and technical staff, the Company is a turn-key provider to the wireless communications and broadcast industries. The Company can provide customers with a ready-to-operate network infrastructure or any of the component services involved therein. Such services include network design and site selection, site acquisition, site development and antenna installation.

Network Design and Site Selection. The Company has extensive experience in network design and engineering and site selection. While the Company maintains sophisticated network design services primarily to support the location and construction of Company-owned multiple tenant towers, the Company does from time to time provide network design and site selection services to carriers and other customers on a consulting contract basis. The Company's network design and site selection services provide customers with relevant information including recommendations regarding location and height of towers, appropriate types of antennas, transmission power and frequency selection and related fixed network considerations.

Site Acquisition. In the United Kingdom, the Company is involved in site acquisition services for its own purposes and for third parties. The Company recognizes that the site acquisition phase often carries the highest risk for a project. To ensure the greatest possible likelihood of success and timely acquisition, the Company combines a desktop survey of potential barriers to development with a physical site search that includes initial design analyses, CDM assessments and, where necessary, line-of-sight surveys. The Company leverages off its experience in site acquisition and co-location when meeting with local planning authorities.

Site Development and Antenna Installation. The Company uses a combination of external and internal resources for site construction. The Company's engineers are experienced in both construction techniques and construction management, ensuring an efficient and simple construction phase. Selected civil contractors are managed by CTI staff for the ground works phase. Specialist erection companies, with whom the Company has a long association, are used for tower installation. Final antenna installation is undertaken by the Company's own experienced teams.

Site Management and Other Services. The Company also provides complete site management, preventive maintenance, fault repair and system management services to the Scottish Ambulance Service. It also maintains a mobile radio system for the Greater Manchester Police and provides maintenance and repair services for transmission equipment and site infrastructure.

Significant Contracts

CTI's principal analog broadcast transmission contract is the BBC Analog Transmission Contract. CTI also has entered into two digital television transmission contracts, the BBC Digital Transmission Contract and the BDB Digital Transmission Contract (as defined). CTI also provides facilities to NTL (in its capacity as a broadcast transmission provider to non-CTI customers) under the Site-Sharing Agreement. The Company also has long-term service agreements with broadcast customers such as Virgin Radio and Talk Radio. In addition, CTI has several agreements with telecommunications providers, including leases, site management contracts and independent contractor agreements. The Company has entered into contracts to design and build communications equipment and related infrastructure for customers such as Cellnet, One2One, Orange, Scottish Telecom and Vodafone.

BBC Analog Transmission Contract

CTI entered into a 10-year transmission contract with the BBC for the provision of terrestrial analog television and analog and digital radio transmission services in the United Kingdom at the time the BBC Home Service Transmission Business was acquired, which contract was subsequently amended on July 16, 1998 (the "BBC Analog Transmission Contract"). The BBC Analog Transmission Contract provides for charges of approximately (Pounds)46.5 million (\$77.6 million) to be payable by the BBC to CTI for the year ended March 31, 1998 and each year thereafter to the termination date, adjusted annually at the inflation rate less 1%. In addition, for the duration of the contract an annual payment of (Pounds)300,000 (\$500,850) is payable by the BBC for additional broadcast-related services. At the BBC's request, since October 1997, the number of television broadcast hours has been increased to 24 hours per day for the BBC's two national television services, which has added over (Pounds)500,000 (\$834,750) annually to the payments made by the BBC to the Company.

The BBC Analog Transmission Contract also provides for CTI to be liable to the BBC for "service credits" (i.e., rebates of its charges) in the event that certain standards of service are not attained as a result of what the contract characterizes as "Accountable Faults" or the failure to meet certain "response times" in relation to making repairs at certain key sites. The Company believes that CTI is well-equipped to meet the BBC's service requirements by reason of the collective experience its existing management gained while working with the BBC. Following completion of two formal six-month performance reviews, CTI achieved a 100% "clean sheet" performance, incurring no service credit penalties.

The initial term of the BBC Analog Transmission Contract ends on March 31, 2007. Thereafter, the BBC Analog Transmission Contract may be terminated with 12 months' prior notice by either of the parties, expiring

on March 31 in any contract year, from and including March 31, 2007. It may also be terminated earlier (i) by mutual agreement between CTI and the BBC, (ii) by one party upon the bankruptcy or insolvency of the other party within the meaning of section 123 of the Insolvency Act 1986, (iii) upon certain force majeure events with respect to the contract as a whole or with respect to any site (in which case the termination will relate to that site only), (iv) by the non-defaulting party upon a material breach by the other party and (v) upon the occurrence of certain change of control events (as defined in the BBC Analog Transmission Contract).

BBC Commitment Agreement

On February 28, 1997, in connection with the acquisition of the BBC Home Service Transmission Business, the Company, TdF, TeleDiffusion de France S.A., which is the parent company of TdF and DFI ("TdF Parent"), and the BBC entered into the BBC Commitment Agreement (the "BBC Commitment Agreement"), whereby the Company and TdF agreed (i) not to dispose of any shares in CTSH or any interest in such shares (or enter into any agreement to do so) until February 28, 2000; and (ii) to maintain various minimum indirect ownership interests in CTI and CTSH for periods ranging from three to five years commencing February 28, 1997. These provisions restrict the ability of CCIC and TdF to sell, transfer or otherwise dispose of their respective CTSH shares (and, indirectly, their CTI shares). The restrictions do not apply to disposals of which the BBC has been notified in advance and to which the BBC has given its prior written consent, which, subject to certain exceptions, consent shall not be unreasonably withheld or delayed. The BBC has consented to waive the above restrictions both (i) to enable the Company and TdF to enter into the Governance Agreement and the CTSH Shareholders' Agreement and (ii) to allow the exercise of rights under such agreements.

The BBC Commitment Agreement also required TdF Parent and the Company to enter into services agreements with CTI. The services agreement entered into by the Company and CTI is being terminated pursuant to the CTSH Shareholders' Agreement. The services agreement entered into by TdF Parent and CTI (pursuant to which TdF makes available certain technical consultants, executives and engineers to CTI for a minimum term of three years commencing February 28, 1997) is being amended. Upon consummation of the Offering, the term of such services agreement is expected to be extended for four additional years (to February 28, 2004) and thereafter will be terminable on 12-month's prior notice given by CTI to TdF after February 28, 2003. See "The Roll-Up--Roll-Up Agreements--CTI Services Agreement".

BDB Digital Transmission Contract

In 1997, the Independent Television Commission awarded BDB three of the five available commercial digital terrestrial television multiplexes for new program services. The Company bid for and won the 12 year contract from BDB to build and operate its digital television transmission network (the "BDB Digital Transmission Contract"). The contract provides for approximately (Pounds)20.0 million (\$33.4 million) of revenue per year from 2001 to 2008, with lesser amounts payable before and after these years and with service credits repayable for performance below agreed thresholds.

BBC Digital Transmission Contract

In 1998, the Company bid for and won the 12 year contract from the BBC to build and operate its digital terrestrial television transmission network (the "BBC Digital Transmission Contract"). This contract provides for approximately (Pounds)10.5 million (\$17.5 million) of revenue per year (assuming the BBC commits to the full DTT roll-out contemplated by the BBC Digital Transmission Contract) during the 12 year period, with service credits repayable for performance below agreed thresholds. There is a termination provision during the three-month period following the fifth anniversary of the Company's commencement of digital terrestrial transmission services for the BBC exercisable by the BBC but only if the BBC's Board of Governors determines, in its sole discretion, that DTT in the United Kingdom does not have sufficient viewership to justify continued DTT broadcasts. Under this provision, the BBC will pay the Company a termination fee in cash that substantially recovers the Company's capital investment in the network, and any residual ongoing operating costs and liabilities. Like the BBC Analog Transmission Contract, the contract is terminable upon the occurrence of certain change of control events (as defined in the BBC Digital Transmission Contract).

BT Digital Distribution Contract

Under the BBC Digital Transmission Contract and the BDB Digital Transmission Contract, in addition to providing digital terrestrial transmission services, CTI has agreed to provide for the distribution of the BBC's and BDB's broadcast signals from their respective television studios to CTI's transmission network. Consequently, in May 1998, CTI entered into a distribution contract (the "BT Digital Distribution Contract") with British Telecommunications plc ("BT"), which will expire 12 years after the date on which the Company commences digital terrestrial television transmission services in the United Kingdom (with provisions for extending the term), in which BT has agreed to provide fully duplicated, fiber-based, digital distribution services, with penalties for late delivery and service credits for failure to deliver 99.99% availability.

Site-Sharing Agreement

In order to optimize service coverage and enable viewers to receive all analog UHF television services using one receiving antenna, the BBC, as the predecessor to CTI, and NTL made arrangements to share all UHF television sites. This arrangement was introduced in the 1960s when UHF television broadcasting began in the United Kingdom. In addition to service coverage advantages, the arrangement also minimizes costs and avoids the difficulties of obtaining additional sites.

Under the Site-Sharing Agreement, the party that is the owner, lessee or licensee of each site is defined as the "Station Owner". The other party (the "Sharer") is entitled to request a license to use certain facilities at that site. The Site-Sharing Agreement and each site license provide for the Station Owner to be paid a commercial license fee in accordance with the Site-Sharing Agreement ratecard and for the Sharer to be responsible, in normal circumstances, for the costs of accommodation and equipment used exclusively by it. The Site-Sharing Agreement may be terminated with five years' prior notice by either of the parties and expires on December 31, 2005 or on any tenth anniversary of that date. It may also be terminated (i) following a material breach by either party which, if remediable, is not remedied within 30 days of notice of such breach by the non-breaching party, (ii) on the bankruptcy or insolvency of either party and (iii) if either party ceases to carry on a broadcast transmission business or function.

Negotiations are in progress between the Company and NTL to amend the Site-Sharing Agreement to account for the build-out of digital transmission sites and equipment, a new rate card related to site sharing fees for new digital facilities and revised operating and maintenance procedures related to digital equipment.

Vodafone

On April 16, 1998, under Vodafone's master lease agreement with the Company, Vodafone agreed to locate antennas on 122 of the Company's existing communication sites in the United Kingdom. The first 21 sites are expected to be completed by the end of August 1998. Another 11 sites will require tower strengthening and/or the acquisition of additional land and are expected to take six to nine months to complete. Finally, 68 of the sites presently are composed of a limited capacity tower and will therefore require the construction of new towers, which will require full planning and zoning approvals. These sites are expected to require six to 12 months to complete. After their upgrade, these sites will be able to accommodate additional tenants.

Customers

For the six months ended June 30, 1998, the BBC accounted for approximately 59% of CTI's revenues. This percentage has decreased from 63% in 1997 and is expected to continue to decline as CTI continues to expand its site rental business and as DTT begins to be transmitted. CTI provides all four U.K. PCN/cellular operators (Cellnet, One2One, Orange and Vodafone) with infrastructure services and also provides fixed telecommunications operators, such as BT, Cable & Wireless Communications, Energis, Scottish Telecom and Ionica, with microwave links and backhaul infrastructure. The following is a list of CTI's broadcast service customers and top ten site rental customers by percentage of revenues for the six months ended June 30, 1998:

BROADCAST SERVICES	CTI'S REVENUES FOR SIX MONTHS ENDED JUNE 30, 1998	CTI'S REVENUES FOR SIX MONTHS ENDED JUNE 30, 1998	% OF CTI'S TOTAL BROADCAST SERVICES REVENUES
BBC.....	(Pounds)26,021,000	\$43,442,060	91.6%
British Digital Broadcasting.....	1,507,000	2,515,936	5.3
Commercial radio services.....	885,000	1,477,508	3.1
Total.....	(Pounds)28,413,000	\$47,435,504	100.0%

SITE RENTAL	CTI'S REVENUES FOR SIX MONTHS ENDED JUNE 30, 1998	CTI'S REVENUES FOR SIX MONTHS ENDED JUNE 30, 1998	% OF CTI'S TOTAL SITE RENTAL REVENUES
NTL.....	(Pounds) 3,789,000	\$6,325,735	40.2%
Cellnet.....	910,000	1,519,245	9.6
Vodafone.....	698,000	1,165,311	7.4
Orange.....	667,000	1,113,556	7.1
One2One.....	550,000	918,225	5.8
BBC (non-broadcast).....	264,000	440,748	2.8
BT plc.....	243,000	405,689	2.6
Cable & Wireless Communications.....	193,000	322,214	2.0
Aerial Sites.....	152,000	253,764	1.6
BT Mobile Communications.....	102,000	170,289	1.1
Total.....	(Pounds) 7,568,000	\$12,634,776	80.2%

The following is a list of some of CTI's leading site rental customers by industry segment and the percentage of CTI's June 1998 monthly site rental revenues derived from each industry segment.

INDUSTRY	SELECTED CUSTOMERS	NUMBER OF TENANT LEASES	CTI'S JUNE MONTHLY REVENUES BY INDUSTRY	CTI'S JUNE MONTHLY REVENUES BY INDUSTRY	% OF CTI'S TOTAL JUNE SITE RENTAL REVENUES
Paging.....	Page One, Hutchinson	181	(Pounds) 54,000	\$ 90,153	3.2%
Public Telecommunications..	BT, Cable & Wireless Communications	278	126,000	210,357	7.5
PCN.....	Orange, One2One	304	214,000	357,273	12.8
Cellular.....	Cellnet, Vodafone	362	280,000	467,460	16.7
PMR/TETRA.....	National Band 3, Dolphin	97	39,000	65,110	2.3
Governmental Agencies.....	Ministry of Defense	46	20,000	33,390	1.2
Broadcasting.....	XFM, BBC, NTL	132	820,000	1,368,990	49.0
Data.....	RAM Mobile Data, Cognito	55	15,000	25,043	0.9
Other.....	Aerial Sites, Health Authorities	297	92,000	153,594	5.5
Utilities.....	Welsh Water, Southern Electric	55	15,000	25,042	0.9
Totals.....		1,807	(Pounds)1,675,000	\$2,796,412	100.0%

Sales and Marketing

The Company has 22 sales and marketing personnel in the United Kingdom who identify new revenue-generating opportunities, develop and maintain key account relationships, and tailor service offerings to meet the needs of specific customers. An excellent relationship has been maintained with the BBC, and successful new relationships have been developed with many of the major broadcast and wireless communications carriers in the United Kingdom. The Company has begun to actively cross-sell its products and services so that, for example, site rental customers are also offered build-to-suit services. In addition, the Company recently hired a new Sales & Marketing Director with 10 years of experience in the U.K. and U.S. wireless telecommunications industries.

Competition

NTL, the privatized engineering division of the IBA and now a subsidiary of NTL Inc. (formerly International CableTel Inc.), is CTI's primary competition in the terrestrial broadcast transmission market in the United Kingdom. NTL provides analog transmission services to ITV, Channels 4 and 5, and S4C. It also has been awarded the transmission contract for the new DTT multiplex service from Digital 3 & 4 Limited, and is expected to be awarded a similar contract for the DTT service for SDN (CTI has been awarded similar contracts for the BBC and BDB--serving a total of four multiplexes compared with NTL's two). Since its creation in 1991, NTL has diversified from its core television broadcasting business using its transmission infrastructure to enter into the radio transmission and telecommunications sectors.

Although CTI and NTL are direct competitors, they have reciprocal rights to the use of each others' sites for broadcast transmission usage in order to enable each of them to achieve the necessary country-wide coverage. This relationship is formalized by the Site-Sharing Agreement entered into in 1991, the time at which NTL was privatized.

NTL also offers site rental on approximately 1,000 of its sites (some of which are managed on behalf of third parties). Like CTI, NTL offers a full range of site-related services to its customers, including installation and maintenance. CTI believes its towers to be at least as well situated as NTL's and that it will be able to expand its own third-party site-sharing penetration. CTI also believes that its penetration of this market has to date lagged behind NTL only because of the governmental restrictions on the commercial activities of CTI's business prior to its privatization.

All four U.K. mobile operators own site infrastructure and lease space to other users. Their openness to sharing with direct competitors varies by operator. Cellnet and Vodafone have agreed to cut site costs by jointly developing and acquiring sites in the Scottish Highlands. BT and Cable & Wireless Communications are both major site sharing customers but also compete by leasing their own sites to third-parties. BT's position in the market is even larger when considered in combination with its interest in Cellnet.

Several other companies compete in the market for site rental. These include British Gas, Racal Network Systems, Aerial Sites Plc, Simoco, Relcom Aerial Services and the Royal Automobile Club. Some companies own sites initially developed for their own networks, while others are developing sites specifically to exploit this market.

CTI faces competition from a large number of companies in the provision of network services. The companies include NTL, specialty consultants and equipment manufacturers such as Nortel and Ericsson.

PROPERTIES

In the United States, the Company's interests in its tower sites are comprised of a variety of fee interests, leasehold interests created by long-term lease agreements, private easements and easements, licenses or rights-of-way granted by government entities. In rural areas, a tower site typically consists of a three- to five-acre tract, which supports towers, equipment shelters and guy wires to stabilize the structure. Less than 3,000 square feet

are required for a self-supporting tower structure of the kind typically used in metropolitan areas. The Company's land leases generally have five- or ten-year terms and frequently contain one or more renewal options. Some land leases provide "trade-out" arrangements whereby the Company allows the landlord to use tower space in lieu of paying all or part of the land rent. As of June 30, 1998, the Company had approximately 487 land leases. Pursuant to the Senior Credit Facility, the Company's senior lenders have liens on a substantial number of the Company's land leases and other property interests in the United States.

In the United Kingdom, tower sites range from less than 400 square feet for a small rural TV booster station to over 50 acres for a high-power radio station. As in the United States, the site accommodates the towers, equipment buildings or cabins and, where necessary, guy wires to support the structure. Land is either owned freehold, which is usual for the larger sites, or is held on long-term leases that generally have terms of 21 years or more.

LEGAL PROCEEDINGS

The Company is occasionally involved in legal proceedings that arise in the ordinary course of business. Most of these proceedings are appeals by landowners of zoning and variance approvals of local zoning boards. While the outcome of these proceedings cannot be predicted with certainty, management does not expect any pending matters to have a material adverse effect on the Company's financial condition or results of operations.

EMPLOYEES

At June 30, 1998, the Company employed 836 people worldwide. Other than in the United Kingdom, the Company is not a party to any collective bargaining agreements. In the United Kingdom, the Company is party to a collective bargaining agreement with the Broadcast, Entertainment, Cinematographic and Technicians Union. This agreement establishes bargaining procedures relating to the terms and conditions of employment for all of CTI's non-management staff. The Company has not experienced any strikes or work stoppages, and management believes that the Company's employee relations are good.

REGULATORY MATTERS

United States

Federal Regulations. Both the FCC and FAA regulate towers used for wireless communications transmitters and receivers. Such regulations control the siting and marking of towers and may, depending on the characteristics of particular towers, require registration of tower facilities. Wireless communications devices operating on towers are separately regulated and independently licensed based upon the particular frequency used.

The FCC, in conjunction with the FAA, has developed standards to consider proposals for new or modified antenna structures. These standards mandate that the FCC and the FAA consider the height of proposed antenna structures, the relationship of the structure to existing natural or man-made obstructions and the proximity of the antenna structures to runways and airports. Proposals to construct or to modify existing antenna structures above certain heights are reviewed by the FAA to ensure the structure will not present a hazard to aviation. The FAA may condition its issuance of a no-hazard determination upon compliance with specified lighting and/or marking requirements. The FCC will not license the operation of wireless telecommunications devices on towers unless the tower has been registered with the FCC or a determination has been made that such registration is not necessary. The FCC will not register a tower unless it has been cleared by the FAA. The FCC may also enforce special lighting and painting requirements. Owners of wireless transmissions towers may have an obligation to maintain painting and lighting to conform to FCC standards. Tower owners may also bear the responsibility of notifying the FAA of any tower lighting outage. The Company generally indemnifies its customers against any failure to comply with applicable regulatory standards. Failure to comply with the applicable requirements may lead to civil penalties.

The 1996 Telecom Act preempted certain state and local zoning authorities' jurisdiction over the construction, modification and placement of towers. The new law prohibits any action that would (i) discriminate between different providers of personal wireless services or (ii) ban altogether the construction, modification or placement of radio communications towers. Finally, the 1996 Telecom Act requires the federal government to help licensees for wireless communications services gain access to preferred sites for their facilities. This may require that federal agencies and departments work directly with licensees to make federal property available for tower facilities.

Local Regulations. Local regulations include city and other local ordinances, zoning restrictions and restrictive covenants imposed by community developers. These regulations vary greatly, but typically require tower owners to obtain approval from local officials or community standards organizations prior to tower construction. Local zoning authorities generally have been hostile to construction of new transmission towers in their communities because of the height and visibility of the towers.

Licenses Under the Communications Act of 1934. The Company, through certain of its subsidiaries, holds licenses for radio transmission facilities granted by the FCC, including licenses for common carrier microwave and paging services and commercial mobile radio services ("CMRS"), which are subject to additional regulation by the FCC. The Company is required to obtain the FCC's approval prior to the transfer of control of any of its FCC licenses. Consummation of the Offering and the Roll-Up may result in a transfer of control of the Company under the FCC's rules and policies if, after such transactions, over 50% of the voting stock of the Company would be owned by new stockholders. As a precautionary measure, the Company has therefore applied to the FCC for consent to transfer of control of the Company to the post-Roll-Up and Offering stockholders to the extent such transactions would require prior FCC approval. Because it is unlikely that the FCC will act on these applications prior to the consummation of the Offering and the Roll-Up, the Company requested special temporary authorizations from the FCC to transfer control of its FCC licenses to the post-Roll-Up and Offering stockholders, to the extent required under the FCC's rules and policies, pending the FCC's action on the applications. The FCC has granted such special temporary authorizations to the Company.

The Company, as the parent company of the licensees of common carrier and CMRS facilities, is also subject to Section 310(b)(4) of the Communications Act of 1934, as amended, which would limit the Company to a maximum of 25% foreign ownership absent a ruling from the FCC that foreign ownership in excess of 25% is in the public interest. In light of the World Trade Organization Agreement on Basic Telecommunications Services ("WTO Agreement"), which took effect on February 5, 1998, the FCC has determined that such investments are generally in the public interest if made by individuals and entities from WTO-member nations. Upon consummation of the Offering and the Roll-Up, the Company will be over 25% foreign owned by companies headquartered in France, the United Kingdom and New Zealand. See "Principal and Selling Stockholders". Each of these nations is a signatory to the WTO Agreement. In connection with the Offering, the Company petitioned the FCC for approval of up to 49.9% foreign ownership, at least 25% of which will be from WTO-member nations, and the FCC has ruled favorably upon the Company's request.

United Kingdom

Telecommunications systems and equipment used for the transmission of signals over radio frequencies have to be licensed in the United Kingdom. These licenses are issued on behalf of the British Government by the Secretary of State for Trade and Industry under the Telecommunications Act 1984 and the Wireless Telegraphy Acts 1949, 1968 and 1998. CTI has a number of such licenses under which it runs the telecommunications distribution and transmission systems which are necessary for the provision of its transmission services. CTI's operations are subject to comprehensive regulation under the laws of the United Kingdom.

Licenses under the Telecommunications Act 1984

CTI has the following three licenses under the Telecommunications Act 1984:

Transmission License. The Transmission License is a license to run telecommunications systems for the transmission via wireless telegraphy of broadcasting services. This license is for a period of at least twenty-five years from January 23, 1997, and is CTI's principal license. Its main provisions include:

(i) a price control condition covering the provision of all analog radio and television transmission services to the BBC under the BBC Analog Transmission Agreement (for an initial price of approximately (Pounds)44 million for regulated elements of the services provided by CTI under the BBC Analog Transmission Agreement in the year ended March 31, 1997, subject to an increase cap which is 1% below the rate of increase in the Retail Price Index over the previous calendar year). The current price control condition applies until March 31, 2006;

(ii) a change of control provision which requires notification of acquisitions of interest in CTI of more than 20% by a public telecommunications operator or any Channel 3 or Channel 5 licensee, which acquisitions entitle the Secretary of State to revoke the license;

(iii) a site sharing requirement requiring CTI to provide space on its towers to analog and digital broadcast transmission operators and including a power for the Director General of Telecommunications ("OFTEL"), as the regulator, to determine prices if there is failure between the site owner and the prospective site sharer to agree to a price;

(iv) a fair trading provision enabling OFTEL to act against anti-competitive behavior by the licensee; and

(v) a prohibition on undue preference or discrimination in the provision of the services it is required to provide third parties under the Transmission License.

OFTEL has made a determination with respect to a complaint made by Classic FM and NTL in respect of certain charges, imposed previously by the BBC under the Site-Sharing Agreement with NTL for the use by Classic FM of BBC radio antennas and passed on to Classic FM by NTL. OFTEL's position is that the Site-Sharing Agreement did not cover charges for new services to customers such as Classic FM, thereby enabling OFTEL to intervene and determine the appropriate rate under the "Applicable Rate" mechanism in CTI's Transmission License. This procedure could result in an amendment to the Site-Sharing Agreement and could in turn lead to a diminution of CTI's income of approximately (Pounds)300,000 per annum (equivalent to approximately 0.4% of revenues and 1.0% of EBITDA for the fiscal year ended March 31, 1997). In addition, CTI has made a provision of approximately (Pounds)1.9 million relating to any rate adjustment imposed by OFTEL with respect to previous charges for Classic FM under the Site-Sharing Agreement.

CTI is discussing with OFTEL certain amendments to CTI's Telecommunications Act Transmission License to ensure that the price control condition accommodates the provision by CTI of additional contractually agreed upon services to the BBC in return for additional agreed upon payments. See "Risk Factors--Regulatory Compliance and Approval".

The Secretary of State has designated the Transmission License a public telecommunications operator ("PTO") license in order to reserve to himself certain emergency powers for the protection of national security. The PTO designation is, however, limited to this objective. CTI does not have a full domestic PTO license and does not require one for its current activities. The Department of Trade and Industry has, nevertheless, indicated that it would be willing to issue CTI such a license. As a result CTI would gain wider powers to provide services to third parties including public switched voice telephony and satellite uplink and would grant CTI powers to build out its network over public property (so-called "code powers").

General Telecom License. The General Telecom License is a general license to run telecommunications systems and authorizes CTI to run all the necessary telecommunications systems to convey messages to its transmitter sites (e.g., via leased circuits or using its own microwave links). The license does not cover the provision of public switched telephony networks (which would require a PTO license as described above).

Satellite License. The Satellite License is a license to run telecommunications systems for the provision of satellite telecommunication services and allows the conveyance via satellite of messages, including data and radio broadcasting. The license excludes television broadcasting direct to the home via satellite although distribution via satellite of television broadcasting services which are to be transmitted terrestrially is permitted.

Licenses under the Wireless Telegraphy Acts 1949, 1968 and 1998

CTI has three licenses under the Wireless Telegraphy Acts 1949, 1968 and 1998, authorizing the use of radio equipment for the provision of certain services over allocated radio frequencies:

- (i) a Broadcasting Services License in relation to the transmission services provided to the BBC, Virgin Radio and Talk Radio;
- (ii) a Fixed Point-to-Point Radio Links License; and
- (iii) two DAB Test and Development Licenses.

All the existing licenses under the Wireless Telegraphy Acts 1949, 1968 and 1998 have to be renewed annually with the payment of a significant fee. The BBC is obligated under the BBC Analog Transmission Contract and the BBC Digital Transmission Contract to pay most of those fees.

ENVIRONMENTAL MATTERS

The Company's operations are subject to foreign, federal, state and local laws and regulations relating to the management, use, storage, disposal, emission, and remediation of, and exposure to, hazardous and nonhazardous substances, materials and wastes ("Environmental Laws"). As an owner and operator of real property, the Company is subject to certain Environmental Laws that impose strict, joint and several liability for the cleanup of on-site or off-site contamination relating to existing or historical operations, and also could be subject to personal injury or property damage claims relating to such contamination. The Company is potentially subject to cleanup liabilities in both the United States and the United Kingdom.

The Company also is subject to regulations and guidelines that impose a variety of operational requirements relating to RF emissions. The potential connection between RF emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. To date, the results of these studies have been inconclusive. Although the Company has not been subject to any claims relating to RF emissions, it has established operating procedures designed to reduce employee exposures to RF emissions and is presently evaluating certain of its towers and transmission equipment in the United States and the United Kingdom to determine whether RF emission reductions are possible.

In addition, the Company is subject to licensing, registration and related requirements concerning tower siting, construction and operation. In the United States, the FCC's decision to license a proposed tower may be subject to environmental review pursuant to the National Environmental Policy Act of 1969 ("NEPA"), which requires federal agencies to evaluate the environmental impacts of their decisions under certain circumstances. The FCC regulations implementing NEPA place responsibility on each applicant to investigate any potential environmental effects of a proposed operation and to disclose any significant effects on the environment in an environmental assessment prior to commencing construction. In the event the FCC determines that a proposed tower would have a significant environmental impact, the FCC would be required to prepare an environmental impact statement. This process could significantly delay or prevent the registration or construction of a particular tower, or make tower construction more costly. In certain jurisdictions, local laws or regulations may impose similar requirements.

The Company believes that it is in substantial compliance with all applicable Environmental Laws. Nevertheless, there can be no assurance that the costs of compliance with existing or future Environmental Laws will not have a material adverse effect on the Company's business, results of operations, or financial condition.

THE ROLL-UP

GENERAL

On April 24, 1998, the Company entered into a Share Exchange Agreement pursuant to which, concurrently with the consummation of the Offering, (i) all shareholders of CTSH (other than the Company, TdF and DFI) will exchange their shares of capital stock of CTSH for shares of Common Stock of the Company and (ii) DFI will exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company. In connection with such exchanges, the Company will exercise warrants to acquire additional shares of capital stock of CTSH and subscribe for additional shares of capital stock of CTSH. Such transactions are collectively referred to herein as the "Exchange". Upon consummation of the Exchange, the Company will own 80.0% of CTSH and TdF will own the remaining 20.0%. Immediately prior to the Exchange, (i) each share of the Company's Existing Class A Common Stock will be converted into 1.523148 shares of Common Stock, (ii) each share of the Company's Existing Class B Common Stock will be reclassified as one share of Common Stock and (iii) each share of the Company's Existing Preferred Stock will be converted into one share of Common Stock.

Upon the consummation of the Offering, after giving effect to the Roll-Up: (i) DFI will own all of the outstanding Class A Common Stock (which is convertible into shares of Common Stock and represents a 12.1% beneficial ownership interest in the Company's Common Stock) and DFI and TdF together will beneficially own 25.9% of the Company's Common Stock (which gives effect to TdF (i) exchanging its shares of, and warrants for, capital stock of CTSH for shares of, and warrants for, Class A Common Stock, (ii) exercising such warrants and (iii) converting such shares of Class A Common Stock into, and DFI converting its shares of Class A Common Stock into, shares of Common Stock (the "TdF Conversions")); (ii) the Candover Group will beneficially own 12.1% of the Company's Common Stock; (iii) the Berkshire Group will beneficially own 22.0% of the Company's Common Stock; (iv) the Centennial Group will beneficially own 10.5% of the Company's Common Stock; (v) the Crown Parties will beneficially own 7.0% of the Company's Common Stock; and (vi) executive officers of the Company (excluding Mr. Crown) will beneficially own 7.4% of the Company's Common Stock. See "Principal and Selling Stockholders".

Following the Roll-Up, TdF will have certain significant governance and other rights with respect to the Company and the CTI business. Subject to certain conditions, TdF's consent will be required for the Company or CTI to undertake certain actions, including making certain acquisitions or dispositions, entering into strategic alliances with certain parties and engaging in certain business combinations. See "Risk Factors--Risks Related to Agreements with TdF" and "--Roll-Up Agreements".

In addition, subject to certain conditions, (i) during the two-year period following consummation of the Offering, TdF will have the right to exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company at the Exchange Ratio and (ii) on the second anniversary of the consummation of the Offering, the Company will have the right to require TdF to exchange its shares of capital stock of CTSH for shares of Class A Common Stock of the Company at the Exchange Ratio; provided, however, that in each case TdF will retain its governance rights with respect to CTI until its ownership interest in the Company falls below 5%. See "Risk Factors--Risks Related to Agreements with TdF", "--Roll-Up Agreements" and "Description of Capital Stock".

ROLL-UP AGREEMENTS

The following descriptions of the Share Exchange Agreement, the Governance Agreement, the Stockholders Agreement, the CTSH Shareholders Agreement and the CTI Operating Agreement (each defined below), which are related to the Roll-Up and to which the Company is a party, are qualified in their entirety by reference to the complete texts of the agreements, each of which has been filed as an exhibit to the registration statement of which this Prospectus forms a part. Certain capitalized terms used but not defined below have the meanings assigned to such terms under "--Certain Definitions" below.

Share Exchange Agreement

On April 24, 1998, the Company entered into a Share Exchange Agreement (the "Share Exchange Agreement") with CTSH, TdF, DFI and certain shareholders of CTSH (the "CTSH Shareholders") in order to effect the exchange of certain CTSH ordinary shares, nominal value 1 pence ("CTSH Ordinary Shares"), and CTSH preference shares, nominal value 1 pence each ("CTSH Preference Shares" and, together with the CTSH Ordinary Shares, the "CTSH Shares"), held by DFI and the CTSH Shareholders for shares of Class A Common Stock of the Company, in the case of DFI, and shares of Common Stock of the Company, in the case of the CTSH Shareholders. DFI will exchange 1,620,000,000 CTSH Shares for 11,340,000 shares of Class A Common Stock of the Company and the remaining CTSH Shareholders will exchange, in the aggregate, 2,981,100,000 CTSH Shares for 20,867,700 shares of Common Stock of the Company. The exchange ratio, in the case of each CTSH Shareholder, was 7.0 shares of Common Stock and, in the case of DFI, was 7.0 shares of Class A Common Stock, in each case for one CTSH Ordinary Share together with 999 CTSH Preference Shares. In connection with such exchanges, the Company will exercise warrants for 515,000,000 CTSH Shares at 1 pence per share and subscribe for 10,210,000 CTSH Shares at 2.5 pence per share. Following consummation of the Exchange, the Company and TdF will remain as the only two shareholders of CTSH with the Company and TdF holding 80% and 20%, respectively, of the outstanding capital stock of CTSH.

Governance Agreement

Concurrently with the consummation of the Offering, the Company, TdF and DFI will enter into the Governance Agreement (the "Governance Agreement") to provide for certain rights and obligations of the Company, TdF and DFI with respect to the governance of the Company following the consummation of the Roll-up.

Governance

Subject to certain limitations and conditions described below, super-majority voting requirements or veto rights of TdF may apply in connection with certain actions proposed to be undertaken by the Company as described below.

Super-Majority Voting Requirements. Subject to certain limitations and the termination of such super-majority voting requirements as described in "-- Governance Limitations" below, as long as TdF is Qualified, a Special Majority Vote of the Board is required for the Company or any subsidiary of the Company to take any of the following actions:

(i) the amendment of the Certificate of Incorporation or By-laws;

(ii) any acquisition of any assets, business, operations or securities (other than with respect to any redemption of the Senior Convertible Preferred Stock in accordance with its terms) by the Company or any subsidiary thereof by merger, joint venture or otherwise (whether in one transaction or a series of related transactions) other than any such acquisition by the Company or any of its subsidiaries if the Company's and/or any such subsidiary's pro rata Total Enterprise Value in respect of such acquisition, prior to giving effect thereto, is less than or equal to the greater of \$20.0 million and 2% of the Total Enterprise Value of the Company and its subsidiaries taken as a whole;

(iii) any disposition (other than with respect to asset swaps) of any assets, business, operations or securities by the Company or any subsidiary thereof (whether in one transaction or a series of related transactions) other than a disposition by the Company or any of its subsidiaries where the Company's and/or any such subsidiary's pro rata Total Enterprise Value in the consideration received in respect of such disposition, prior to giving effect thereto, is less than or equal to the greater of \$20.0 million and 2% of the Total Enterprise Value of the Company and its subsidiaries taken as a whole;

(iv) any Strategic Alliance which is material to the Company and its subsidiaries, taken as a whole;

(v) any incurrence, assumption or issuance by the Company or any of its subsidiaries of Indebtedness other than (A) Indebtedness existing on the date of the consummation of the Offering and any Permitted

Indebtedness (including in each case any refinancings which do not increase the principal amount thereof), (B) any other Indebtedness if the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarterly periods of the Company for which internal financial statements are available, would have been no greater than 5.5 to 1.0 and (C) any refinancing of any Indebtedness the incurrence of which was approved by a Special Majority Vote of the Board, which refinancing does not increase the principal amount of such Indebtedness;

(vi) any transaction between (A) the Company or any of its subsidiaries, on the one hand, and (B) any Stockholder (as defined below) or affiliate of the Company (other than any subsidiary of the Company and other than TdF and its affiliates), on the other hand;

(vii) the issuance of any equity security of the Company or any subsidiaries of the Company (subject to certain limitations, including without limitation, the grant or exercise of certain options to purchase Common Stock to employees, directors or consultants of the Company and the issuance of shares of Common Stock issuable upon conversion of, or in respect of dividends on, the Preferred Stock, or upon exercise of the warrants granted in connection with the issuance of the Preferred Stock (the "Senior Preferred Warrants"));

(viii) any Business Combination entered into by the Company;

(ix) the dissolution of the Company, the adoption of a plan of liquidation of the Company or any action by the Company relating to bankruptcy or insolvency; and

(x) any amendment to the Rights Plan other than any such amendment for the purpose of permitting any transaction which is permitted under the terms of the Governance Agreement or required by applicable law.

Veto Rights. Subject to certain limitations and the termination of such rights as described in "--Governance Limitations" below, TdF has a veto right (the "Veto") over the following actions of the Company or any subsidiary of the Company:

(i) (A) the creation or issuance of any new class of security of the Company or any class of security of a subsidiary of the Company (other than where all such subsidiary's securities are issued to the Company), or any right to acquire such security, (B) the issuance of any Class A Common Stock to any person other than TdF or its affiliates (other than the Company) (the "TdF Group") or (C) any amendment to the Certificate of Incorporation or By-laws (other than any amendment required by applicable law or any ruling or order of any court or governmental body) (including without limitation any such amendment to increase the number of directors constituting the entire Board), with, in the case of clause (A) or (B), the intent or effect of materially adversely affecting the legal rights of TdF under the Governance Agreement or the Stockholders Agreement;

(ii) the acquisition in one or a series of related transactions, including without limitation any enforceable right of any other person to require any deferred acquisition (whether by merger, consolidation, joint venture, the purchase of stock or assets or otherwise) of a business, operations, securities or assets not in a Permitted Business Line, which acquisition by the Company or any of its subsidiaries if the Company's and/or any such subsidiary's pro rata Total Enterprise Value in respect of such acquisition, immediately prior to giving effect thereto, would constitute more than 10% of the Total Enterprise Value of the Company and its subsidiaries taken as a whole;

(iii) the acquisition in one or a series of related transactions, including without limitation any enforceable right of any other person to require any deferred acquisition (whether by merger, consolidation, joint venture, the purchase of stock or assets or otherwise) of a business, operations, securities or assets which is (or are) in a Permitted Business Line (other than any part thereof which is not material in relation to the whole of such business, operations, securities or assets), which acquisition, by the Company or any of its subsidiaries if the value of the Company's and/or any such subsidiary's pro rata Total Enterprise Value

in respect of such acquisition, immediately prior to giving effect thereto, would constitute, (A) prior to December 31, 1999, the greater of \$750.0 million and more than 25% of the Total Enterprise Value of the Company and its subsidiaries taken as a whole and (B) following December 31, 1999, more than 25% of the Total Enterprise Value of the Company and its subsidiaries taken as a whole (it being understood that at the time of any subsequent optional purchase relating to such acquisition the value of the Company's and/or any such subsidiary's pro rata Total Enterprise Value will be the pro forma value of the entire interest);

(iv) any Strategic Alliance with certain parties;

(v) the disposition (other than with respect to asset swaps) in one or a series of related transactions, including without limitation any enforceable right of any other person to require any deferred disposition of a business or assets, if the value of the Company's and/or any such subsidiary's pro rata Total Enterprise Value in the consideration received in respect of such disposition, immediately prior to giving effect thereto, (including the assumption of any Indebtedness of the Company in connection therewith) exceeds 10% of the Total Enterprise Value of the Company and its subsidiaries taken as a whole; provided, however, that excluded from the foregoing will be any disposition by the Company or any of its subsidiaries of any specific interest of the Company and/or any of its subsidiaries in certain other permitted acquisitions, which interest the Board, as evidenced by resolution duly adopted by the Board prior to such acquisition, firmly intended to dispose of following such acquisition, and which is disposed of by the Company or any subsidiary of the Company within twelve months of such acquisition;

(vi) any Business Combination, except as permitted pursuant to the exercise of the CTSH Option, as described below; and

(vii) the issuance by the Company to any person in one or more transactions of equity securities or the right to purchase equity securities (other than with respect to the Rights issued under the Rights Plan) representing 25% (or if the Company elects by notice in writing to TdF, 30%) (the "Relevant Percentage") or more of the aggregate amount of the outstanding equity securities of the Company (it being understood that any such issuance the consummation of which would result in a Business Combination will be treated solely under the foregoing clause (vi)).

Governance Limitations. Subject to certain conditions, the super-majority requirements described under "--Super-Majority Voting Requirements" above will not apply if there is a vote of the Board under the following circumstances:

(i) following the second anniversary of the consummation of Roll-Up, six independent directors have been elected to the Board and vote on the proposed action; provided, however, that one existing independent director previously has been replaced (other than the independent director initially nominated by TdF) , (ii) seven independent directors have been elected to the Board and vote on the proposed action; provided, however, that one existing independent director previously has been replaced (other than the independent director initially nominated by TdF) or (iii) any vote of the Board after the fifth anniversary of the consummation of the Roll-Up.

Subject to certain conditions, following the fifth anniversary of the consummation of the Roll-Up, the Company or any of its subsidiaries may take any of the actions set forth in clauses (ii), (iii), (iv) and (v) under "--Veto Rights" above without the prior written consent of TdF, and following the tenth anniversary of the consummation of the Roll-Up, the Company or any of its subsidiaries may take the action set forth in clauses (i), (vi) and (vii) under "--Veto Rights" above without the prior written consent of TdF. Prior to such fifth or tenth anniversary, as applicable, so long as TdF is Qualified, no action by the Company or any subsidiary may be taken without the prior written consent of TdF other than an action described in clauses (iii) and (iv) under "--Veto Rights" above that, to TdF's knowledge (after having made all reasonable inquiries in the circumstances of appropriate management of the members of the TdF Group), is proposed to be entered into by any member of the TdF Group in competition with, or to the exclusion of, the Company or any subsidiary of the Company. In addition, no member of the TdF Group may enter into any transaction falling within a Permitted Business Line that TdF vetoed within six months after the relevant Veto.

Anti-dilution

Except in certain circumstances described below, as long as TdF remains Qualified, the Company will not issue, sell or transfer any equity securities to any person (other than in connection with the Offering but only to the extent that the consolidated percentage ownership interest of the TdF Group is not thereby reduced to less than 20%) unless TdF is offered in writing the right to purchase, at the same cash price and on the same other terms proposed, an amount of such equity securities as is necessary for the TdF Group to maintain its consolidated percentage ownership in the Company.

The anti-dilutive right set forth above does not apply in a number of circumstances, including without limitation, the grant or exercise of certain options to purchase Common Stock to employees, directors or consultants of the Company and the issuance of shares of Common Stock issuable upon conversion of, or in respect of dividends on, the Preferred Stock, or upon exercise of the Senior Preferred Warrants.

Standstill

Subject to certain exceptions and the time limitations described under "--Time Limitations" below, no member of the TdF Group will, without the prior written consent of the Board: (a) acquire, offer to acquire, or agree to acquire, by purchase, gift or otherwise, the beneficial ownership of any voting securities of the Company if the ownership interest of the TdF Group (the "TdF Group Interest") upon the consummation thereof would be greater than the Relevant Percentage; (b) publicly propose that TdF or any member of the TdF Group enter into, directly or indirectly, any Business Combination involving the Company or propose to purchase, directly or indirectly, a material portion of the assets of the Company or any subsidiary of the Company, or make any such proposal privately (other than any such proposal with respect to CTSH and its assets) if it would reasonably be expected to require the Company to make a public announcement regarding such proposal; (c) make, or in any way participate in, directly or indirectly, any "solicitation" of "proxies" (as such terms are used in Regulation 14A promulgated under the Exchange Act) to vote or consent with respect to any voting securities of the Company in opposition to the recommendation of a Special Majority Vote of the Board or become a "participant" in any "election contest" (as such terms are defined or used in Rule 14a-11 under the Exchange Act) in opposition to the recommendation of a Special Majority Vote of the Board; (d) act in concert with any person for the purposes prohibited by subparagraph (a) or (b) above; (e) except in accordance with the terms of the Stockholders Agreement, seek election to or seek to place a representative on the Board or seek the removal of any member of the Board; (f) (i) solicit, seek to effect, negotiate with or provide nonpublic information to any other person with respect to or (ii) otherwise make any public announcement or proposal whatsoever with respect to, any form of business combination (with any person) involving a change of control of the Company or the acquisition of a substantial portion of the voting securities and/or equity securities or assets of the Company or any subsidiary of the Company, including a merger, consolidation, tender offer, exchange offer or liquidation of the Company assets, or any restructuring, recapitalization or similar transaction with respect to the Company or any subsidiary of the Company; or (g) publicly disclose any intention, plan or arrangement, or provide advice or assistance to any person, inconsistent with the foregoing.

Transfer Restrictions

Subject to certain time limitations described under "--Time Limitations" below, TdF is subject to certain transfer restrictions on its voting securities of the Company. Subject to certain limitations, such restrictions do not apply to certain transactions, including without limitation, an underwritten public offering, a sale pursuant to Rule 144(e) and Rule 144(f) under the Securities Act and sales upon five business days' prior notice to the Company pursuant to the terms of any tender or exchange offer for voting securities of the Company made pursuant to the applicable provisions of the Exchange Act or pursuant to any business combination. Subject to certain limited exceptions, TdF or any member of the TdF Group desires to transfer to any person 5% or more of the voting securities of the Company, the Company will have the right to purchase all, or any part in excess of such 5%, of the voting securities of the Company for cash at the price at which they are to be transferred.

Voting

Whenever TdF has the right to vote any voting securities of the Company and any person has initiated, proposed or otherwise solicited stockholders of the Company in a "proxy-contest" or any proposal for the election of any member to the Board has received a negative vote, which in either case, has been recommended by a Special Majority Vote of the Board, TdF will be present and vote or consent with respect to all voting securities of the Company beneficially owned by it in the manner recommended by a Special Majority Vote of the Board or, if so requested by a Special Majority Vote of the Board, vote or cause to be voted all voting securities of the Company beneficially owned by it in the same proportion as the votes cast by or on behalf of the other holders of voting securities of the Company.

Time Limitations

The standstill, transfer restriction and voting provisions described above will cease to apply after the fifth anniversary of the consummation of the Roll-Up or the earlier of: (i) any person (other than Berkshire Fund III, A Limited Partnership, Berkshire Investors LLC and Berkshire Fund IV, Limited Partnership, their affiliates and their respective partners or members (the "Berkshire Group")) who holds, in person or as a group, less than the amount permitted to be held by the Berkshire Group without such person constituting an "Acquiring Person" under the Rights Plan beneficially owns or controls 15% or more of the voting securities and/or 15% or more of the outstanding equity securities (other than certain issuances of preferred stock) of the Company without a standstill agreement (which includes customary standstill provisions and terms no more favorable than those to which TdF is subject under the Governance Agreement) being entered into between the Company and such person; (ii) a business combination or other change in control of the Company has occurred or has been agreed to or acquiesced in by the Board or the consummation of (A) certain events described in the BBC Analog Transmission Contract or the BBC Digital Transmission Contract, (B) any bona fide unsolicited written offer by any person to acquire voting securities and/or equity securities of the Company, which, if consummated, or any acquisition by any person of any such securities which, when consummated, results in such person beneficially owning, directly or indirectly, more than the Relevant Percentage of the voting securities and/or equity securities of the Company (an "Unsolicited Offer") or (C) a bona fide unsolicited written offer to acquire a percentage of the equity securities of the Company which, if it were to be consummated or otherwise allowed to occur without the consent or approval of the BBC, would or might result in the BBC having the right to terminate the BBC Analog Transmission Contract or the BBC Digital Transmission Contract (a "Special Business Combination"); (iii) TdF is no longer Qualified; (iv) no voting security of the Company is publicly traded; or (v) the Company has redeemed the Rights under the Rights Plan.

In addition, the standstill and voting provisions described above will be suspended during any period from the date of the commencement by any person (other than TdF or any member of the TdF Group) of an Unsolicited Offer or a Special Business Combination to the date of closing, abandonment or termination of all such Offers (including any offer commenced by TdF or any member of the TdF Group following such suspension) and will thereafter be reinstated as in effect prior to the commencement of any such Unsolicited Offer or Special Business Combination.

CTSH Option

TdF will have the right to exercise the CTSH Option (as defined below) if TdF is Qualified and (i) the Board has approved a Business Combination by a Special Majority Vote, TdF thereafter vetoes such Business Combination and, subsequent to the exercise of the Veto by TdF, a majority of the entire Board (excluding the two TdF Designees) resolves to override such Veto by TdF; (ii) an Unsolicited Offer by any person (other than any member of the TdF Group) has commenced or occurred; or (iii) a Special Business Combination has been commenced by any person (other than any member of the TdF Group). The CTSH Option is exercisable irrevocably by notice in writing given to the Company within five days following agreement between the parties as to, or receipt of notice of the determination of, the fair market value per share of the CTSH Shares and certain warrants to purchase CTSH Shares (the "CTSH Warrants") (assuming the payment of the exercise price of such

Warrants) (the "CTSH Per Share Value"). Upon exercise, TdF will have the option (the "CTSH Option") to (x) acquire for cash by itself or together with any other person, all, but not less than all, the CTSH Shares beneficially owned by the Company (the "Company CTSH Shares") at such CTSH Per Share Value, (y) sell for cash to the Company the CTSH Shares beneficially owned by TdF (the "TdF CTSH Shares") and the CTSH Warrants beneficially owned by TdF (the "TdF CTSH Warrants") at such CTSH Per Share Value or (z) maintain the TdF CTSH Shares and the TdF CTSH Warrants without regard to the event giving rise to the CTSH Option.

In the case of an Unsolicited Offer or a Special Business Combination, if TdF has elected to exercise the CTSH Option pursuant to clause (x) of the first paragraph under "--CTSH Option" and the satisfaction or waiver of certain specified conditions to such CTSH Option has not been obtained under certain circumstances, TdF will have the option to declare the exercise of the CTSH Option pursuant to such clause (x) to be null and void and to exercise the CTSH Option pursuant to either clause (y) or clause (z) of the first paragraph under "--CTSH Option" in lieu thereof.

If the Business Combination is not consummated (or an Unsolicited Offer or Special Business Combination is abandoned or terminated) by reason primarily of the exercise by TdF of the CTSH Option pursuant to clause (x) above, then the Company may nevertheless require TdF to proceed with the purchase (the "Required Purchase") of the Company CTSH Shares at the CTSH Per Share Value, subject to the satisfaction or waiver of certain specified conditions and the non-occurrence prior to the closing of the Required Purchase of (i) any event or development of a state of circumstances or facts which has had or is reasonably likely to have, individually or in the aggregate, a material adverse effect on CTSH and its subsidiaries taken as a whole or (ii)(A) a suspension of trading in the Company's Common Stock by the Commission or Nasdaq or the establishment of limited or minimum prices in trading of securities generally on the New York Stock Exchange, Inc., or Nasdaq or (B) banking moratoriums having been declared either by Federal or New York State authorities. If TdF exercises the CTSH Option pursuant to clause (x) in the first paragraph of this section, TdF may pay all or any part of the purchase price therefor by surrendering to the Company on the closing of such exercise shares of Class A Common Stock (which will be valued at the offer price per share of Common Stock pursuant to the Business Combination, Unsolicited Offer, or Special Business Combination, as applicable, giving rise to the CTSH Option).

Immediately prior to the consummation of any Business Combination, Unsolicited Offer or Special Business Combination, TdF will have the right to require the Company to purchase one-half of the shares of Class A Common Stock held by the TdF Group, as applicable, for cash in an amount equal to the product of (x) the offer price per share of Common Stock pursuant to the Business Combination, Unsolicited Offer or Special Business Combination, as applicable, and (y) one-half of the number of such shares of Class A Common Stock held by the TdF Group.

Put and Call Rights

TdF Put Right. From the date of the Governance Agreement and continuing until the second anniversary of the consummation of the Roll-Up, TdF will have the right in its sole discretion, upon the delivery of a notice (the "TdF Put Notice") by TdF to the Company, to require the Company, subject to the satisfaction of certain specified conditions, (A) subject to proviso (B) in "--Put and Call Limitations" below, to purchase all, but not less than all (except for one CTSH Ordinary Share), of the TdF CTSH Shares beneficially owned by the TdF Group in exchange for that number of shares of Class A Common Stock which is equal to the product of (x) the Exchange Ratio and (y) the number of all (but one CTSH Ordinary Share) of such TdF CTSH Shares (the "TdF Put Shares") and (B) to issue in exchange for the TdF CTSH Warrants (i) the warrants for Company Stock issued to TdF upon exercise of the TdF Put Right (the "TdF CCIC Warrants") for a number of shares of Class A Common Stock which is equal to the product of (x) the Exchange Ratio and (y) the number of TdF CTSH Shares represented by the TdF CTSH Warrants and (ii) 100,000 shares of Class A Common Stock, subject to adjustment in certain circumstances.

Company Call Right. On the second anniversary of the consummation of the Roll-Up (or, if an Unsolicited Offer or Special Business Combination is outstanding on such date, such date as is five days following the termination or abandonment of such Unsolicited Offer or Special Business Combination) unless (i) the closing of the TdF Put Right has previously been consummated, (ii) the weighted average price per share of Common Stock over the five trading days immediately preceding the second anniversary of the date of the consummation of the Roll-Up (the "Common Stock Call Price") is less than or equal to \$12 (as adjusted for any stock split, stock dividend, rights offering, recapitalization, reclassification or other similar transaction), or (iii) a Business Combination has been consummated, or an Unsolicited Offer or a Special Business Combination is outstanding or has been consummated and TdF has exercised the CTSB Option pursuant to clause (x) of the first paragraph in CTSB Option section above, the Company will have the right in its sole discretion, upon the delivery of a notice (the "Company Call Notice") by the Company to TdF on such date, to require, subject to the satisfaction of certain specified conditions, subject to proviso (B) in "--Put and Call Limitations" below, TdF to transfer and deliver to the Company all, but not less than all (except for one CTSB Ordinary Share), of the TdF CTSB Shares and the TdF CTSB Warrants beneficially owned by the TdF Group in exchange for the TdF Put Shares, the TdF CCIC Warrants and 100,000 shares of Class A Common Stock, subject to adjustment in certain circumstances.

Put and Call Limitations. Subject to certain conditions, the closing of the Company Call Right or the TdF Put Right, as the case may be, shall take place on the tenth business day after the date on which TdF received the Company Call Notice or the TdF Put Notice, as the case may be. Notwithstanding the foregoing, if (A) (i) a legal prohibition prevents consummation of the Company Call Right or the TdF Put Right, as the case may be, and TdF uses its reasonable best efforts to remove any such legal prohibition, TdF will be deemed to be Qualified for purposes of the Governance Agreement for the lesser of (x) the first anniversary of the date of the Company Call Notice or the TdF Put Notice, as the case may be, and (y) the closing of the Company Call Right or the TdF Put Right, as the case may be, or (ii) the BBC has not approved the exercise of the Company Call Right or the TdF Put Right, as the case may be, or has approved the Company Call Right or the TdF Put Right, as the case may be, subject to conditions which are reasonably deemed by the Company or TdF to be onerous and TdF uses its reasonable best efforts to obtain such BBC approval and to permit the Company to consummate the Company Call Right or the TdF Put Right, as the case may be, TdF will be deemed to be Qualified for purposes of the Governance Agreement for so long as (x) TdF continues to exercise its reasonable best efforts to obtain such removal or approval and (y) the TdF Consolidated Group Interest is not less than 10.5%; or (B) if the BBC does not approve the exercise of the Company Call Right or the TdF Put Right in whole, as the case may be, or has approved the Company Call Right or the TdF Put Right in whole subject to conditions that are reasonably deemed by the Company or TdF to be onerous, the Company shall be permitted to consummate the Company Call Right or the TdF Put Right in respect of so many of the TdF CTSB Shares and TdF CTSB Warrants as do not require the consent of the BBC, and TdF shall be deemed to be Qualified for purposes of the Governance Agreement for so long as (x) TdF continues to exercise its reasonable best efforts to obtain such removal or approval and (y) the TdF Consolidated Group Interest is not less than 10.5%.

Stockholders Agreement

Concurrently with the consummation of the Offering, the Company will enter into the Stockholders Agreement (the "Stockholders Agreement") with certain stockholders of the Company (the "Stockholders") to provide for the certain rights and obligations of the Company and the Stockholders with respect to the governance of the Company and the Stockholders' shares of Common Stock or Class A Common Stock, as the case may be, following the consummation of the Exchange.

General Restrictions On Transfers

Each Stockholder has agreed that it will not, directly or indirectly, sell or otherwise transfer any shares of Common Stock (and Class A Common Stock in the case of TdF and DFI) (the "Shares") held by such Stockholder to any of its affiliates or permitted transferees, unless, prior to the consummation of any such sale or

transfer, the affiliate or permitted transferee executes the Stockholders Agreement and makes certain specified representations and warranties regarding its ability to execute the Stockholders Agreement.

Subject to certain exceptions, if a sale or transfer of Shares is made by a Stockholder to a third party, such Shares will immediately cease to be subject to the Stockholders Agreement. If a sale or transfer of Shares results in the selling stockholder or its permitted transferees ceasing to own any Shares, such selling stockholder shall cease to be a party to the Stockholders Agreement.

Governance

Board of Directors. The Board will consist of 12 members.

Board Representation. (i) So long as TdF is Qualified, TdF will have the right to appoint two directors pursuant to the terms of the Class A Common Stock set forth in the charter (the "TdF Designees"); provided, however, that if TdF is not Qualified, such members of the TdF Group shall, so long as the ownership interest of the TdF Group is at least 5.0%, have the right to appoint a director pursuant to the terms of such Class A Common Stock (the "TdF Designee"); (ii) so long as the ownership interest of Robert A. Crown, Barbara Crown and their permitted transferees (the "Crown Parties") has a market value of at least \$10.0 million, the members of the Crown Parties holding in the aggregate a majority of the aggregate number of Shares held of record by the Crown Parties will have the right to designate one nominee for election as a director (the "Crown Designee"); (iii) so long as the Ted B. Miller, Jr. and his permitted transferees (the "Initial Stockholder Group") maintains an ownership interest, the members of the Initial Stockholder Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Initial Stockholder Group will have the right to designate one nominee for election as a director (the "Initial Stockholder Designee"); (iv) the Chief Executive Officer of the Company will have the right to designate one nominee for election as a director (the "CEO Designee"); (v) so long as the ownership interest of Centennial Fund IV, L.P., Centennial Fund V, L.P., Centennial Entrepreneurs Fund V, L.P., their affiliates and respective partners (the "Centennial Group") is at least 5.0%, members of the Centennial Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Centennial Group will have the right to designate one nominee for election as a director (the "Centennial Designee"); (vi) so long as the ownership interest of the Berkshire Group is at least 5.0%, the members of the Berkshire Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Berkshire Group will have the right to designate one nominee for election as a director (the "Berkshire Designee"); (vii) so long as the ownership interest of Nassau Capital Partners II, L.P., NAS Partners I, L.L.C., their affiliates and their respective partners (the "Nassau Group") is not less than the ownership interest of the Nassau Group immediately following the closing of the Offering, the members of the Nassau Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Nassau Group will have the right to designate one nominee for election as a director (the "Nassau Designee"); and (viii) all directors other than the Designees ("General Directors") will be nominated in accordance with the Certificate of Incorporation and By-laws.

Solicitation and Voting of Shares. With respect to each meeting of stockholders of the Company at which directors are to be elected, the Company will use its best efforts to solicit from the stockholders of the Company eligible to vote in the election of directors proxies in favor of the nominees selected in accordance with the provisions of the Stockholders Agreement (including without limitation the inclusion of each director nominee in management's slate of nominees and in the proxy statement prepared by management of the Company in respect of each annual meeting, vote or action by written consent).

Each Stockholder will vote or act by written consent with respect to (or cause to be voted or acted upon by written consent) (i) all Shares held of record or beneficially owned by such Stockholder at the time of such vote or action by written consent and (ii) all Shares as to which such Stockholder at the time of such vote or action by written consent has voting control, in each case (A) in favor of the election of the persons nominated pursuant to the provisions described in "--Board Representation" above to serve on the Board and (B) against the election of any other person nominated to be a director.

Committees of the Board. Each of the Nominating and Corporate Governance Committee and the Executive Committee will contain, so long as TdF is Qualified, at least one TdF Designee.

Registration Rights

Subject to certain exceptions, limitations and the suspension of such rights by the Company under certain conditions, the Stockholders have been granted certain piggy-back registration rights, demand registration rights, S-3 registration rights and tag-along rights with respect to their shares of Common Stock.

Tag-Along Rights. Subject to certain exceptions, including without limitation in the case of the Offering, any registered sale of securities under the Securities Act or any other sales of securities on the market, if at any time Stockholders holding at least 2% of the voting securities of the Company (the "Initiating Stockholder(s)") determine to sell or transfer 2% or more of the voting securities then issuable or outstanding in one or a series of bona fide arm's-length transactions to a third party who is not an affiliate of any of the Initiating Stockholders, Stockholders may have the opportunity and the right to sell to the purchasers in such proposed transfer (upon the same terms and conditions as the Initiating Stockholders) up to that number of Shares owned by such Stockholder equaling the product of (i) a fraction, the numerator of which is the number of Shares owned by such Stockholder as of the date of such proposed transfer and the denominator of which is the aggregate number of Shares owned by the Initiating Stockholders and by all Stockholders exercising tag-along rights multiplied by (ii) the number of securities to be offered.

Certain Definitions

"Business Combination" shall mean any of the following: (i) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), of all or substantially all of the assets of the Company and its Subsidiaries, taken as whole, to any person or (ii) any transaction (including, without limitation, any merger or consolidation) the consummation of which would result in any person (other than any person which becomes a holding company of the Company, all shares in which (other than shares not exceeding the Relevant Percentage) are held by the same persons as were stockholders in the Company prior to such person becoming a holding company of the Company) becoming, directly or indirectly, the beneficial owner of more than 50% of the Voting Securities and/or Equity Securities (other than Customary Preferred Stock) of the Company (measured in the case of Voting Securities by Voting Power rather than number of shares).

"Consolidated Cash Flow" shall mean, with respect to any person for any period, the consolidated net income of such person for such period plus (i) provision for taxes based on income or profits of such person and its Subsidiaries for such period, to the extent that such provision for taxes was included in computing such consolidated net income, plus (ii) consolidated interest expense of such person and its Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with capital lease obligations, imputed interest with respect to attributable Indebtedness, commissions, discounts and other fees and charges incurred in respect of letters of credit or bankers acceptance financings, and net payments (if any) pursuant to hedging obligations), to the extent that any such expense was deducted in computing such consolidated net income, plus (iii) depreciation, amortization (including amortization of goodwill and other intangibles and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period) of such person and its Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such consolidated net income, minus (iv) non-cash items increasing such consolidated net income for such period (excluding any items that were accrued in the ordinary course of business), in each case on a consolidated basis and determined in accordance with U.S. generally accepted accounting principles.

"Debt to Adjusted Consolidated Cash Flow Ratio" shall mean, as of any date of determination, the ratio of (a) the Indebtedness of the Company as of such date to (b) the sum of (1) the Consolidated Cash Flow of the Company for the four most recent full fiscal quarters ending immediately prior to such date for which internal

financial statements are available, less the Company's Tower Cash Flow for such four-quarter period, plus (2) the product of four times the Company's Tower Cash Flow for the most recent quarterly period (such sum being referred to as "Adjusted Consolidated Cash Flow"), in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above, (i) acquisitions that have been made by the Company or any of its Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the calculation date shall be deemed to have occurred on the first day of the reference period and Consolidated Cash Flow for such reference period shall be calculated, and (ii) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with U.S. generally accepted accounting principles, and operations or businesses disposed of prior to the calculation date, shall be excluded.

"Indebtedness" shall mean all obligations, without duplication, (including without limitation hedging obligations), contingent and otherwise, which should, in accordance with U.S. generally accepted accounting principles consistently applied, be classified upon the obligor's consolidated balance sheet as liabilities, including, without limitation, liabilities secured by any mortgage on property owned or acquired subject to such mortgage, and also including, without limitation, (i) all guaranties, endorsements and other contingent obligations, in respect of Indebtedness of others, whether or not the same are or should be so reflected in the said balance sheet, except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business, (ii) a preferred share which is mandatorily redeemable for cash or exchangeable for debt securities and (iii) the present value of any lease payments due under leases required to be capitalized in accordance with applicable Statements of Financial Accounting Standards, determined in accordance with applicable Statements of Financial Accounting Standards; provided that the foregoing shall not include any such obligations with respect to trade payables under 90 days old.

"Permitted Business Line" shall mean (i) the ownership, operation or management (for third party owners or otherwise) of terrestrial wireless communication (including without limitation voice, data and video) infrastructure (including equipment and facilities principally related thereto) and (ii) the provision of infrastructure services principally relating thereto, including but not limited to network transmission and services (it being understood for the avoidance of doubt that the transmission of radio and television broadcasting shall be within the foregoing definition).

"Permitted Indebtedness" shall mean any of the following items of Indebtedness of the Company or any of its Subsidiaries: (i) any Indebtedness under the Senior Credit Facility up to an aggregate principal amount of \$100.0 million outstanding at any one time; (ii) Indebtedness represented by the Notes; (iii) Indebtedness under the CTI Credit Facility up to an aggregate principal amount of (Pounds)85.0 million outstanding at any one time; or (iv) Indebtedness represented by the CTI Bonds.

"permitted transferee" of any person shall mean (a) if the transferor is a natural person, (i) in the case of the death of such person, such person's executors, administrators, testamentary trustees, heirs, devisees and legatees, (ii) such person's current or future spouse, parents, siblings or descendants or such parents', siblings' or descendants' spouses (each a "Family Member"), (iii) any trust for the benefit of any Family Member and (iv) any charitable organization described in Section 501(c)(3) of the Code and any charitable income or lead trust for which, under the Code and regulations thereunder and Internal Revenue Service interpretations thereof, an income, gift or estate tax charitable deduction is available to the grantor of the trust, (b) whether or not the transferor is a natural person, a corporation or corporations and a partnership or partnerships (or other entity for collective investment, such as a fund or a limited liability company) which at the date of transfer are directly or indirectly controlled by, controlling or under common control with such person and the officers, employees, general partners and limited partners of such person, and (c) if the transferor, whether or not a natural person, itself received the transferred interest as a permitted transferee as to the original transferor, a permitted transferee of such person is any person, whether or not a natural person, who would be a permitted transferee under

subparagraph (a) or (b) above, as to the original transferor; provided that any such transferee shall agree in writing with the Company and the other parties to the Stockholders Agreement to be bound by all of the provisions of the Stockholders Agreement to the same extent as if such transferee were the individual.

TdF will be "Qualified" for purposes of the Governance Agreement if (i) during the period from the date of the consummation of the Roll-Up to (and including) the second anniversary of such date, (A) the TdF Consolidated Group Interest is not at any time less than 10.5%, (B) a Business Combination has not at any time been consummated and (C) there has not occurred a TdF Change of Control and (ii) following the occurrence of such second anniversary without any loss of Qualification by TdF under clauses (i)(A), (B) or (C) preceding, (A) the TdF Put Right has been exercised by TdF on or prior to the second anniversary of the Closing, or the Company Call Right has been exercised by the Company on such second anniversary, (B) the TdF Group Interest is not at any time less than 10.5%, (C) a Business Combination has not at any time been consummated and (D) there has not occurred a TdF Change of Control. Notwithstanding the foregoing, TdF shall also be deemed to be Qualified for purposes of the Governance Agreement in certain circumstances relating to exercise of the TdF Put Right and the Company Call Right as described under "--Governance Agreement--Put and Call Rights--Put and Call Limitations" above.

"Special Majority Vote of the Board" shall mean (i) approval by two-thirds of the entire Board (it being understood that in the event that two-thirds shall not be a whole number, such two-thirds number shall be rounded up to the next integral number) or (ii) at such time as one existing independent director (other than the independent director initially appointed by TdF pursuant to the Stockholders Agreement) is replaced and five independent directors shall have been duly elected and shall have qualified and shall be present, in person or by proxy, and voting, approval by two-thirds of the entire Board (it being understood that in the event that such two-thirds number shall not be a whole number, such two-thirds number shall be rounded down to the next integral number); provided, however, that so long as the number of directors constituting the entire Board is 12, (a) under the circumstances in clause (i) above, "Special Majority Vote of the Board" shall mean the approval of nine directors and (b) under the circumstances in clause (ii) above, "Special Majority Vote of the Board" shall mean the approval of eight directors.

"Strategic Alliance" shall mean any merger, consolidation, joint venture, cooperative agreement or arrangement or co-ownership with, or investment by or in any person. Strategic Alliance shall not, however, include any purchase, lease or disposition for cash to or from any such person of all but not part of certain of the assets (other than securities or other interests in any person) of such person. If such Strategic Alliance also constitutes a Business Combination, such Strategic Alliance shall be deemed to be only a Business Combination for all purposes of the Governance Agreement.

"TdF Change of Control" shall occur if (i) TeleDiffusion de France S.A., which is the parent company of TdF and DFI ("TdF Parent"), does not own, directly or indirectly, at least 30% of TdF, and any other person owns, directly or indirectly, 30% or more of TdF or (ii) France Telecom does not own, directly or indirectly, at least 30% of TdF Parent, and any other person owns, directly or indirectly, 30% or more of TdF Parent and, in each case, such other person conducts a core business in the Company's Permitted Business Line in a geographic area in which the Company conducts more than de minimis business in its Permitted Business Line at the time of the occurrence of the circumstances described in the preceding clauses (i) and (ii).

"TdF Consolidated Group Interest" means the percentage of voting power that is controlled directly or indirectly by the TdF Group or would be controlled directly or indirectly by the TdF Group on the exercise of the TdF Put Right (assuming the exercise of the TdF CTSH Warrants).

"Total Enterprise Value" of any person shall mean, as of any date of determination, the sum (without duplication) of (i) the Total Equity Market Capitalization of such person and (ii) the Indebtedness of such person.

"Total Equity Market Capitalization" of any person shall mean, as of any day of determination, the sum of (i) the product of (A) the aggregate number of outstanding shares of Equity Securities of such person on such

day (which shall include any options or warrants on, or securities convertible or exchangeable into, shares of Equity Securities of such person) multiplied by (B) the average closing price of such common stock listed on the New York Stock Exchange, the American Stock Exchange or Nasdaq over the 20 consecutive Business Days immediately preceding such day, plus (ii) the liquidation value of any outstanding shares of preferred stock of such Person on such day, which preferred stock does not constitute Indebtedness for purposes of the Governance Agreement.

"Tower Cash Flow" means the Consolidated Cash Flow of the Company and its subsidiaries that is directly attributable to site rental revenue or license fees paid to lease or sublease space on communications sites owned or leased by the Company, excluding revenue or expenses attributable to non-site rental services provided by the Company or its subsidiaries to lessees of communications sites or revenues derived from the sale of assets.

CTSH Shareholders' Agreement

Concurrently with the consummation of the Offering, CCIC, TdF and CTSH will enter into a Shareholders' Agreement to govern the relationship between CCIC and TdF as shareholders of CTSH (the "CTSH Shareholders' Agreement").

Corporate Governance. The CTSH Shareholders' Agreement establishes that the Board of CTSH will be comprised of six directors, of which CCIC and TdF will each have the right to appoint and remove two directors with the remaining two directors to be mutually agreed upon by CCIC and TdF. Immediately following consummation of the Offering, the Board will consist of Ted B. Miller, Jr., who will serve as Chairman of the Board, Charles C. Green III, Michel Azibert, Michel Combes, George Reese and Alan Rees. CCIC has the right to nominate the chairman, chief executive officer, chief operating officer and chief financial officer of CTSH, subject to approval by a Special Majority Vote of the Board of CCIC.

The affirmative vote of a majority of the Board, including a director nominated by CCIC and a director nominated by TdF, is necessary for the adoption of a resolution. Further, the prior written consent of each of CCIC and TdF, in their capacities as shareholders, is required for the following actions, among others, significant acquisitions and dispositions; issuances of new shares; entry into transactions with shareholders, except pursuant to the CTI Services Agreement and/or the CTI Operating Agreement; entry into new lines of business; capital expenditures outside the budget; entry into banking and other financing facilities; entry into joint venture arrangements; payment of dividends, except for (i) dividends payable in respect of CTSH's redeemable preferred shares and (ii) dividends permitted by CTSH's financing facilities; and establishing a public market for CTSH shares. Similar governance arrangements also apply to CTSH's subsidiaries.

If either CCIC or TdF vetoes a transaction (either at Board or shareholder level), the other shareholder is entitled to pursue that transaction in its own right and for its own account.

Transfer Provisions. Subject to certain exceptions, neither CCIC nor TdF may transfer any interest in shares held in CTSH to a third party. Transfers of shares to affiliated companies are permitted, subject to certain conditions. No shares may be transferred if such transfer would (a) entitle the BBC to terminate either of the BBC contracts, (b) subject CTSH to possible revocation of its licenses under the Telecommunications Act 1984 or the Wireless Telegraphy Acts 1949, 1968 and 1998 or (c) cause CCIC or TdF to be in breach of the Commitment Agreement between the Company, TdF, TdF Parent and the BBC (under which the Company and TdF have agreed to maintain certain minimum ownership levels in CTSH for a period of five years). See "Business--U.K. Operations--Significant Contracts--BBC Commitment Agreement".

In addition, shares may be sold to a third party, subject to a right of first refusal by the other party, after the later of (a) the second anniversary of the closing of the Roll-up, and (b) the expiration of the period for the completion of the TdF Put Right (as defined) or the Company Call Right (as defined). If CCIC purchases TdF's shares pursuant to such right of first refusal, it may elect (instead of paying the consideration in cash) to discharge the consideration by issuing its Common Stock at a discount of 15% to its market value. If the right of first

refusal is not exercised, the selling shareholder must procure an offer on the same terms for the shares held by the other party. If the Company elects to issue Common Stock to TdF pursuant to the right of first refusal, TdF will be entitled to certain demand registration rights and tag along rights.

TdF Put Right. TdF has the right to put its shares of CTSH to CCIC for cash (the "TdF Put Right") if there is a change of control of CCIC. Such right is exercisable if (a) TdF has not exchanged its shares pursuant to the Governance Agreement by the second anniversary of the closing of the Roll-Up, or (b) prior to the second anniversary of the closing of the Roll-Up, if TdF has ceased to be Qualified for the purposes of the Governance Agreement.

The consideration payable on the exercise of the TdF Put Right will be an amount agreed between CCIC and TdF or, in the absence of agreement, the fair market value as determined by an independent appraiser.

TdF Exit Right. TdF also has the right after the earlier of (a) the second anniversary of the closing of the Roll-Up, or (b) TdF ceasing to be Qualified for purposes of the Governance Agreement, to require CCIC, upon at least six months' notice, to purchase all, but not less than all, of the shares it beneficially owns in CTSH (the "TdF Exit Right").

The consideration to be paid to TdF, and the manner in which it is calculated, upon exercise of the TdF Exit Right is substantially the same as described upon exercise of the TdF Put Right.

CCIC is entitled to discharge the consideration payable on the exercise of the TdF Exit Right either in cash or by issuing Common Stock to TdF at a discount of 15% to its market value. If CCIC elects to issue Common Stock to TdF on the exercise of the TdF Exit Right, TdF will be entitled to certain demand registration rights and tag-along rights.

CCIC Deadlock Right. CCIC has the right to call TdF's shares of CTSH, subject to certain procedural requirements, for cash if, after the third anniversary of the closing of the Roll-Up, TdF refuses on three occasions during any consecutive six-month period to agree to the undertaking by CTSH of certain types of transactions (including acquisitions and disposals) that would fall within CTSH's core business (the "CCIC Deadlock Right"). The consideration due on the exercise of the CCIC Deadlock Right is payable in cash, the fair market value of the TdF interest to be determined in the same manner described above upon exercise of the TdF Put or Exit Rights.

CCIC Shotgun Right. Provided that TdF has not, pursuant to the Governance Agreement, exchanged its share ownership in CTSH for shares of CCIC, CCIC may (a) by notice expiring on the fifth anniversary of the closing of the Roll-Up, or (b) at any time within 45 days of CCIC becoming aware of a TdF Change of Control (as defined in the Governance Agreement) offer to purchase TdF's shares in CTSH. TdF is required to either sell its shares or agree to purchase CCIC's shares in CTSH at the same price contained in CCIC's offer for TdF's shares of CTSH.

The consummation of any transfer of shares between CCIC and TdF pursuant to any of the transfer provisions described above is subject to the fulfillment of certain conditions precedent, including obtaining all necessary governmental and regulatory consents.

Termination. The Shareholders' Agreement terminates if either CCIC or TdF ceases to be qualified. CCIC remains qualified on the condition that it holds at least 10% of the share capital of CTSH.

CTI Services Agreement

On February 28, 1997, CTI and TdF Parent entered into a Services Agreement (the "CTI Services Agreement") pursuant to which TdF Parent agreed to provide certain consulting services to CTI in consideration for a minimum annual fee of (Pounds)400,000 (\$667,800) and reimbursement for reasonable out-of-pocket expenses. TdF Parent has agreed to, among other things, provide the services of ten executives or engineers to CTI on a

part-time basis and to provide a benchmarking review of CTI. In addition, TdF Parent has agreed to provide additional services relating to research, development and professional training on terms (including as to price) to be determined.

Upon consummation of the Offering, the term of the CTI Services Agreement is expected to be extended for four additional years (to February 28, 2004) and thereafter will be terminable on 12-month's prior notice given by CTI to TdF after February 28, 2003.

CTI Operating Agreement

The following is a summary of the terms of the CTI Operating Agreement is subject to the negotiation of definitive documentation, although the Company expects such agreement to have the general terms described herein. Under the CTI Operating Agreement (the "CTI Operating Agreement"), the Company will be permitted to develop business opportunities relating to terrestrial wireless communications (including the transmission of radio and television broadcasting) anywhere in the world except the United Kingdom. CTI will be permitted to develop such business opportunities solely in the United Kingdom. The Company and TdF also intend to establish, pursuant to the CTI Operating Agreement, a joint venture to develop digital terrestrial transmission services in the United States. See "Business--U.S. Operations--Network Services--Broadcast Site Rental and Services".

The CTI Operating Agreement will also establish a framework for the provision of business support and technical services to the Company and its subsidiaries (other than CTI) in connection with the development of any international business by the Company. TdF will have the right, if called upon to do so by the Company or CTSH, to provide all or part of such services to the Company and its subsidiaries (other than CTI) in connection with the provision of broadcast transmission services.

MANAGEMENT

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth certain information with respect to persons who are expected to serve as directors or executive officers and other key personnel of the Company upon consummation of the Offering:

NAME ----	AGE ---	POSITIONS WITH THE COMPANY -----
Ted B. Miller, Jr.....	47	Chief Executive Officer and Vice Chairman of the Board of Directors
David L. Ivy.....	51	President and Director
Charles C. Green, III.....	52	Executive Vice President and Chief Financial Officer
John L. Gwyn.....	50	Executive Vice President
Wesley D. Cunningham.....	38	Vice President, Corporate Controller and Chief Accounting Officer
John Kelly.....	40	Executive Vice President and Chief Operating Officer of CCI
Alan Rees.....	55	Chief Operating Officer and Director of CTSH
George E. Reese.....	47	Chief Financial Officer, Secretary and Director of CTSH
Michel Azibert.....	42	Director
Bruno Chetaille.....	44	Director
Robert A. Crown.....	43	Director
Carl Ferenbach.....	56	Chairman of the Board of Directors
Randall A. Hack.....	50	Director
Edward C. Hutcheson, Jr.....	52	Director
J. Landis Martin.....	52	Director
Robert F. McKenzie.....	54	Director
William A. Murphy.....	30	Director
Jeffrey H. Schutz.....	46	Director

Pursuant to the Certificate of Incorporation and By-laws of the Company, the Board of Directors, other than those directors who may be elected by holders of any series of Preferred Stock or holders of the Class A Common Stock, will be classified into three classes of directors, denoted as Class I, Class II and Class III. Messrs. Ferenbach, Schutz and McKenzie will be Class I directors. Messrs. Crown, Murphy and Ivy will be Class II directors, and Messrs. Hack, Hutcheson, Martin and Miller will be Class III directors. The terms of Class I, Class II and Class III directors expire at the annual meetings of stockholders to be held in 1999, 2000 and 2001, respectively. See "Description of Capital Stock--Certificate of Incorporation and Bylaws--Classified Board of Directors and Related Provisions". Messrs. Azibert and Chetaille are expected to be elected to the Board of Directors by the holders of the Class A Common Stock upon consummation of the Roll-Up and the Offering.

TED B. MILLER, JR. has been the Chief Executive Officer since November 1996, Vice Chairman of the Board of Directors since August 1997 and a director of the Company since 1995. Mr. Miller co-founded CTC in 1994. He was the President of the Company and CTC from November 1996 to August 1997. Since February 1997, Mr. Miller has been the Managing Director, Chief Executive Officer and a director of CTI. Mr. Miller is a founding member of InterComp Technologies, L.C., a company providing payroll tax services in the former Soviet Union, and has served on its Board of Managers since 1994. In 1986, Mr. Miller founded Interstate Realty Corporation ("Interstate"), a real estate development and consulting company, and has been its President and Chief Executive Officer since inception. Mr. Miller is a director and/or an officer of each wholly owned subsidiary of the Company.

DAVID L. IVY has been the President of the Company since August 1997, and was elected as a director of the Company in June 1997. From October 1996 to August 1997, he served as Executive Vice President and Chief Financial Officer of the Company. Since 1995, he has been the President of DLI, Inc., a real estate consulting company. From 1993 to 1995, Mr. Ivy was a senior executive with, and later the President and Chief Operating Officer of, J.E. Robert Companies, where he managed a joint venture with Goldman, Sachs & Co. that was established to acquire distressed assets from financial institutions. From 1987 to 1993, Mr. Ivy served as Chairman of the Board of Directors of Interstate. Mr. Ivy is a director of each wholly owned subsidiary of the Company.

CHARLES C. GREEN, III has been an Executive Vice President and Chief Financial Officer of the Company since September 1997. Mr. Green was the President and Chief Operating Officer of Torch Energy Advisors Incorporated ("Torch"), a major energy asset management and outsourcing company, from 1993 to 1995, and Vice Chairman of the Board of Directors and Chief Investment Officer from 1995 to 1996. From 1992 to September 1997, he was an officer, and later the Executive Vice President and Chief Financial Officer, of Bellwether Exploration Company, an oil and gas exploration and production company and an affiliate of Torch. From 1982 to 1992, Mr. Green was President, Chief Operating Officer and Chief Financial Officer of Treptow Development Company, a real estate development company. Mr. Green currently serves on the Board of Directors of Teletouch Communications, Inc. He has been a Chartered Financial Analyst since 1974. Mr. Green is a director and/or officer of each wholly owned subsidiary of the Company.

JOHN L. GWYN has been an Executive Vice President of the Company since August 1997. From February to August 1997, Mr. Gwyn served as Senior Vice President of the Company and CTC. From 1994 to February 1997, Mr. Gwyn was a Vice President and Director of Commercial Real Estate Asset Management of Archon Group, L.P., a real estate asset management company and a wholly owned subsidiary of Goldman, Sachs & Co. From 1989 to 1993, he was a Senior Vice President of The Robert C. Wilson Company, a mortgage banking company.

WESLEY D. CUNNINGHAM has been a Vice President and Chief Accounting Officer of the Company since April 1998. He has been the Corporate Controller of the Company since February 1997. Mr. Cunningham was the Assistant Corporate Controller of Drilex International Inc., an oilfield services company, from 1996 to January 1997. From 1990 to 1996, he was the Manager of Financial Reporting of Maxxam Inc., an aluminum, forest products and real estate company. He has been a Certified Public Accountant since 1984. Mr. Cunningham is an officer of each wholly owned subsidiary of the Company.

JOHN KELLY has been the Executive Vice President and Chief Operating Officer of CCI since July 1998. From January 1990 to July 1998, Mr. Kelly was the President and Chief Operating Officer of Atlantic Cellular Company L.P. ("Atlantic Cellular"). From December 1995 to July 1998, Mr. Kelly was also President and Chief Operating Officer of Hawaiian Wireless, Inc., an affiliate of Atlantic Cellular. Mr. Kelly has served on the board of directors of the Cellular Association of California as well as the Vermont Telecommunications Application Center.

ALAN REES has been the Chief Operating Officer of CTSH and each of its wholly owned subsidiaries since February 1997. He was elected as a director of CTSH and each of its wholly owned subsidiaries in May 1997. From 1994 to 1997, Mr. Rees served as the General Manager of Transmission for the broadcast transmission division of the BBC.

GEORGE E. REESE has been the Chief Financial Officer and Secretary of CTSH and each of its wholly owned subsidiaries since February 1997. He was elected as a director of CTSH and each of its wholly owned subsidiaries in May 1997. Since April 1995, Mr. Reese has served as President of Reese Ventures, Inc., an international investment consulting firm, which he established in 1995. From 1972 to 1995, Mr. Reese was employed by Ernst & Young, L.L.P. where he was named Partner In Charge of the Houston office's energy department and was appointed Managing Partner of the firm's operations in the former Soviet Union. Mr. Reese was a founder of the Council on Foreign Investment in Russia and was a founding member of the American Chamber of Commerce in Russia.

MICHEL AZIBERT is expected to be elected as a director of the Company upon consummation of the Roll-Up. Mr. Azibert has been International Director of TdF Parent since 1989 and Chief Executive Officer of TdF since 1994. Mr. Azibert took an active role in the preparation of the Media Law enacted in France in 1986. Pursuant to the Governance Agreement, Mr. Azibert is expected to be one of the two directors elected by the holders of the Class A Common Stock.

BRUNO CHETAÏLLE is expected to be elected as a director of the Company upon consummation of the Roll-Up. Mr. Chetaille has been Chairman and Chief Executive Officer of TdF Parent since 1992. Prior to 1992, Mr. Chetaille was a technical advisor to the President of the French Republic for four years. Pursuant to the Governance Agreement, Mr. Chetaille is expected to be one of the two directors elected by the holders of the Class A Common Stock.

ROBERT A. CROWN founded the Crown Business in 1980 and has been the President since its inception. Mr. Crown is the Chief Executive Officer of Crown Communication and was elected as a director of the Company in August 1997. Mr. Crown has been responsible for the initial construction in Pittsburgh of the Cellular One system, as well as a substantial portion of the Bell Atlantic Mobile system in Pittsburgh. He also negotiated one of the first complete end-to-end build-outs for Nextel for the Pittsburgh MTA. Pursuant to the Stockholders Agreement, Mr. Crown was the nominee of the Crown Parties for election as a director of the Company. Mr. Crown is a director and officer of CCI and each of its wholly owned subsidiaries.

CARL FERENBACH was elected as the Chairman of the Board of Directors of the Company in April 1997. Since its founding in 1986, Mr. Ferenbach has been a Managing Director of Berkshire Partners LLC, a private equity investment firm that manages four investment funds with approximately \$750.0 million of capital. Mr. Ferenbach has also served as: a Managing Director of Berkshire Investors LLC ("Berkshire Investors") since its formation in 1996; a Managing Director of Third Berkshire Managers LLC ("Third Berkshire Managers"), the general partner of Third Berkshire Associates Limited Partnership ("Third Berkshire Associates"), the general partner of Berkshire Fund III, A Limited Partnership (Berkshire Fund III), since its formation in 1997 (and was previously an individual general partner of Berkshire Fund III since its formation in 1992); and a Managing Director of Fourth Berkshire Associates LLC ("Fourth Berkshire Associates") the general partner of Berkshire Fund IV, Limited Partnership ("Berkshire Fund IV, collectively with Berkshire Fund III and Berkshire Investors, the "Berkshire Group") since formation in 1996. In addition, Mr. Ferenbach serves as the Chairman of the Board of Directors of CTI, and currently serves on the Board of Directors of Wisconsin Central Transportation Corporation, Tranz Rail Limited, English, Welsh & Scottish Railway Limited, Australian Transport Network Limited and U.S. Can Corporation. Pursuant to the Stockholders Agreement, Mr. Ferenbach was the nominee of Berkshire Group for election as a director of the Company.

RANDALL A. HACK was elected as a director of the Company in February 1997. Since January 1995, Mr. Hack has been a member of Nassau Capital L.L.C., an investment management firm. From 1990 to 1994, he was the President and Chief Executive Officer of Princeton University Investment Company, which manages the endowment for Princeton University. Mr. Hack also serves on the Board of Directors of several private companies. Pursuant to the Stockholders Agreement, Mr. Hack was the nominee of Nassau Group for election as a director of the Company.

EDWARD C. HUTCHESON, JR. has been a director of the Company since 1995, was the Chief Executive Officer of the Company from its inception to October 1996 and was the Chairman of the Board of Directors of the Company from its inception to March 1997. Mr. Hutcheson co-founded CTC in 1994. Since 1997, Mr. Hutcheson has been a principal with HWG Capital, an affiliate of the Houston investment banking firm of Harris Webb & Garrison. During 1994, he was involved in private investment activities leading to the creation of the Company. From 1990 to 1993, he was the President, Chief Operating Officer and a director of Baroid Corporation ("Baroid"), a company engaged the petroleum services business. Mr. Hutcheson also serves on the Board of Directors of Trico Marine Services and Titanium Metals Corporation ("Timet").

J. LANDIS MARTIN was elected as a director of the Company in 1995. Mr. Martin has been Chairman of Timet since 1987 and Chief Executive Officer of Timet since January 1995. Mr. Martin has served as President and Chief Executive Officer of NL Industries, Inc. ("NL"), a manufacturer of specialty chemicals, since 1987 and as a director of NL since 1986. Mr. Martin has served as Chairman of Tremont Corporation ("Tremont") since 1990 and as Chief Executive Officer and a director of Tremont since 1988, a holding company which primarily owns stock in Timet and NL. From 1990 until its acquisition by Dresser Industries, Inc. ("Dresser") in 1994, Mr. Martin served as Chairman of the Board and Chief Executive Officer of Baroid. In addition to Tremont and NL, Mr. Martin is a director of Dresser, which is engaged in the petroleum services, hydrocarbon processing and engineering industries, and Apartment Investment Management Corporation, a real estate investment trust.

ROBERT F. MCKENZIE was elected as a director of the Company in 1996. From 1990 to 1994, Mr. McKenzie was the Chief Operating Officer and a director of OneComm, Inc., a mobile communications provider that he helped found in 1990. From 1980 to 1990, he held general management positions with Northern Telecom, Inc. and was responsible for the marketing and support of its Meridian Telephone Systems and Distributed Communications networks to businesses throughout the western United States. Mr. McKenzie also serves on the Board of Directors of Centennial Communications Corporation.

WILLIAM A. MURPHY is expected to be elected as a director of the Company upon consummation of the Roll-up. Mr. Murphy has been a Director of Mergers & Acquisitions at Salomon Smith Barney since 1997. From 1990 to 1997, Mr. Murphy held various positions in Mergers & Acquisitions with Salomon Smith Barney.

JEFFREY H. SCHUTZ was elected as a director of the Company in 1995. Mr. Schutz has been a General Partner of Centennial Fund IV and Centennial Fund V, each a venture capital investing fund, since 1994 and 1996, respectively. Mr. Schutz also serves on the Board of Directors of Preferred Networks, Inc. and several other private companies. Pursuant to the Stockholders Agreement, Mr. Schutz was the nominee of Centennial Group for election as a director of the Company.

BOARD COMMITTEES

The Company's Board of Directors has an Executive Committee, a Compensation Committee, a Finance and Audit Committee and a Nominating and Corporate Governance Committee. The Executive Committee, composed of Messrs. Azibert, Crown, Ferenbach, Hack, Miller and Schutz, acts in lieu of the full Board in emergencies or in cases where immediate and necessary action is required and the full Board cannot be assembled. The Compensation Committee, to be composed of Messrs. Ferenbach, Martin, McKenzie and Schutz, establishes salaries, incentives and other forms of compensation for executive officers and administers incentive compensation and benefit plans provided for employees. The Finance and Audit Committee, to be composed of Messrs. Hack, Hutcheson, McKenzie and Murphy, reviews the Company's audit policies and oversees the engagement of the Company's independent auditors, as well as developing financing strategies for the Company and approving outside suppliers to implement these strategies. The Nominating and Corporate Governance Committee, to be composed of Messrs. Azibert, Hutcheson, Martin and Miller, is responsible for nominating new Board members and for an annual review of Board performance. Pursuant to the Stockholders Agreement, the holders of the Class A Common Stock have the right to appoint at least one member to each of the Executive and Nominating and Corporate Governance Committees.

DIRECTORS' COMPENSATION AND ARRANGEMENTS

All non-management directors of the Company receive compensation for their service as directors (\$15,000 and options for 5,000 shares of Common Stock per year), and are reimbursed for expenses incidental to attendance at such meetings. In September 1997, CCIC's Board of Directors approved a fee of \$150,000 per annum to the Berkshire Group (half of which is to be paid by CTI) for general consulting services and for the services of Mr. Ferenbach as Chairman of the Board. In addition, Mr. McKenzie received approximately \$10,000 in 1996 for specific consulting assignments requested by the Chief Executive Officer. Messrs. Ferenbach and Schutz are indemnified by the respective entities which they represent on CCIC's Board of Directors.

EXECUTIVE COMPENSATION

The following table sets forth the cash and non-cash compensation paid by or incurred on behalf of the Company to its Chief Executive Officer and the four other executive officers (collectively, the "named executive officers") for each of the three years ended December 31, 1997.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		LONG TERM COMPENSATION AWARDS	ALL OTHER COMPENSATION (\$)
		SALARY (\$)	BONUS (\$)	NUMBER OF SECURITIES UNDERLYING OPTIONS/ SARS (#)(A)	
Ted B. Miller, Jr..... Chief Executive Officer and Vice Chairman of the Board of Directors	1997	\$281,575	\$ 626,250	625,000	\$ --
	1996	152,600	75,000	--	--
	1995	146,154	--	345,000	--
David L. Ivy..... President and Director	1997	200,000	300,000	250,000	--
	1996	37,500(b)	--	175,000	35,000(c)
	1995	--	--	--	--
Charles C. Green, III.... Executive Vice President and Chief Financial Officer	1997	75,000(d)	--	250,000	--
	1996	--	--	--	--
	1995	--	--	--	--
John L. Gwyn..... Executive Vice President	1997	160,424(e)	--	225,000	--
	1996	--	--	--	--
	1995	--	--	--	--
Robert A. Crown..... Director and Chief Executive Officer of Crown Communication	1997	109,961(f)	--	--	--
	1996	--	--	--	--
	1995	--	--	--	--

- (a) All awards are for options to purchase the number of shares of Common Stock indicated.
- (b) Mr. Ivy began working for CCIC on October 1, 1996, at an annual salary of \$150,000.
- (c) Mr. Ivy worked as a consultant to CCIC from May 1996 to September 1996 before joining the Company as an employee in October 1996.
- (d) Mr. Green began working for CCIC on September 1, 1997, at an annual salary of \$225,000.
- (e) Mr. Gwyn began working for CCIC on February 3, 1997, at an annual salary of \$175,000.
- (f) Mr. Crown began working for the Company upon consummation of the Crown Merger on August 15, 1997, at an annual salary of \$275,000.

OPTION/SAR GRANTS IN LAST FISCAL YEAR

NAME	INDIVIDUAL GRANTS				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM (A)	
	NUMBER OF SECURITIES UNDERLYING OPTIONS/ SARS GRANTED (#)	% OF TOTAL OPTIONS/ SARS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$/SH)	EXPIRATION DATE	5% (\$)	10% (\$)
Ted B. Miller, Jr.....	625,000	20.5%	\$4.20	5/31/07	\$1,650,848	\$4,183,574
David L. Ivy.....	250,000	8.2	4.20	5/31/07	660,339	1,673,430
Charles C. Green, III...	250,000	8.2	4.20	8/3/07	660,339	1,673,430
John L. Gwyn.....	225,000	7.4	4.20	5/31/07	594,305	1,506,087
Robert A. Crown.....	--	--	--	--	--	--

- (a) The potential realizable value assumes a per-share market price at the time of the grant to be approximately equal to the exercise price with an assumed rate of appreciation of 5% and 10%, respectively, compounded annually for 10 years.

The following table details the December 31, 1997 year end estimated value of each named executive officer's unexercised stock options. All unexercised options are to purchase the number of shares of Common Stock indicated.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR
AND YEAR-END OPTION/SAR VALUES

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED (\$)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS/ SARS AT YEAR-END(##)		VALUE OF UNEXERCISED IN-THE- MONEY OPTIONS/ SARS AT YEAR-END (\$)	
			EXERCISABLE (E)/ UNEXERCISABLE (U)(A)	UNEXERCISABLE (U)(A)	EXERCISABLE (E)/ UNEXERCISABLE (U)(B)	UNEXERCISABLE (U)(B)
Ted B. Miller, Jr.....	--	--	407,500(E)		\$2,659,010(E)	
			562,500(U)		1,860,750(U)	
David L. Ivy.....	--	--	68,750(E)		306,175(E)	
			356,250(U)		1,414,725(U)	
Charles C. Green, III...	--	--	-- (E)		-- (E)	
			250,000(U)		827,000(U)	
John L. Gwyn.....	--	--	-- (E)		-- (E)	
			225,000(U)		744,300(U)	
Robert A. Crown.....	--	--	-- (E)		-- (E)	
			-- (U)		-- (U)	

- - - - -
- (a) Fifty percent of the options to purchase Common Stock granted in 1994, 1995 and 1996 become exercisable at 10% per year from the date of grant. The other fifty percent of the options vest upon achievement of a stated internal rate of return.
- (b) The estimated value of exercised in-the-money stock options held at the end of 1997 assumes a per-share fair market value of \$7.50 and per-share exercise prices of \$.40, \$2.40 and \$4.20, as applicable.

Severance Agreements

The Company has entered into severance agreements (the "Severance Agreements") with Messrs. Miller, Ivy, Green, Gwyn, Rees and Reese (the "Executives"). Pursuant to the Severance Agreements, the Company is required to provide severance benefits to the Executives if they are terminated by the Company without Cause (as defined in the Severance Agreements) or the Executives terminate with Good Reason (as defined in the Severance Agreements) (collectively, a "Qualifying Termination"). The Severance Agreements provide for enhanced severance benefits if the Executives incur a Qualifying Termination within the two-year period following a Change in Control (as defined in the Severance Agreements) of the Company (the "Change in Control Period"). Upon a Qualifying Termination that does not occur during the Change in Control Period, an eligible Executive is entitled to (i) a lump sum payment equal to two times the sum of his base salary and annual bonus, (ii) continued coverage under specified welfare benefit programs for two years and (iii) immediate vesting of any outstanding options and restricted stock awards. Upon a Qualifying Termination during the Change in Control Period, an eligible Executive is entitled to (i) receive a lump sum payment equal to three times the sum of his base salary and annual bonus, (ii) continued coverage under specified welfare benefit programs for three years and (iii) immediate vesting of any outstanding options and restricted stock awards.

Crown Arrangements

In connection with the implementation of a management transition at CCI intended to develop and promote the existing management team of CCI and to reduce the dependence on Mr. Crown for day-to-day management at CCI, the Company and Mr. Crown have entered into a Memorandum of Understanding and a related Services Agreement with respect to, among other things, the sale by the Crown Parties of Common Stock in the Offering, the management transition at CCI, continuing service by a designee of the Crown Parties on the Company's Board of Directors and compensation and severance arrangements for Mr. Crown following such time as a successor President and Chief Executive Officer of CCI is appointed. Pursuant to the Services Agreement, Mr. Crown has agreed to continue to serve in a consulting capacity to (and as Chairman of) CCI for a two-year period following the appointment of his successor, and the Company has agreed, for such two-year period, to pay Mr. Crown cash compensation of \$300,000 annually, along with certain executive perquisites. At the end of

such two-year period, the Company will pay Mr. Crown a severance benefit of \$300,000. The Company also agreed to vest all of Mr. Crown's existing stock options, to immediately grant Mr. Crown options to purchase 50,000 shares of Common Stock at \$7.50 per share and, upon the closing of the Offering, to grant Mr. Crown options to purchase 625,000 shares of Common Stock at the price to public in the Offering.

Stock Option Plans

1995 Stock Option Plan

The Company has adopted the 1995 Stock Option Plan, which was reamended on July 1, 1998 (the "1995 Stock Option Plan"). The purpose of the 1995 Stock Option Plan is to advance the interests of the Company by providing additional incentives and motivations which help the Company to attract, retain and motivate employees, directors and consultants. The description set forth below summarizes the general terms of the 1995 Stock Option Plan and the options granted pursuant to the 1995 Stock Option Plan.

Pursuant to the 1995 Stock Option Plan, the Company can grant options to purchase up to 18,000,000 shares of Common Stock. Options granted under the 1995 Stock Option Plan may either be incentive stock options ("ISOs") under Section 422 of the Code or nonqualified stock options. The price at which a share of Common Stock may be purchased upon exercise of an option granted under the 1995 Stock Option Plan will be determined by the Board of Directors and, in the case of nonqualified stock options, may be less than the fair market value of the Common Stock on the date that the option is granted. The exercise price may be paid in cash, in shares of Common Stock (valued at fair market value at the date of exercise), in option rights (valued at the excess of the fair market value of the Common Stock at the date of exercise over the exercise price) or by a combination of such means of payment, as may be determined by the Board.

Employees, directors or consultants of the Company (including its subsidiaries and affiliates) are eligible to receive options under the 1995 Stock Option Plan (although only certain employees are eligible to receive ISOs). The 1995 Stock Option Plan is administered by the Board and the Board is authorized to interpret and construe the 1995 Stock Option Plan. Subject to the terms of the 1995 Stock Option Plan, the Board is authorized to select the recipients of options from among those eligible, to establish the number of shares that may be issued under each option and to take any actions specifically contemplated or necessary or advisable for the administration of the 1995 Stock Option Plan.

No options may be granted under the 1995 Stock Option Plan after July 31, 2005, which is ten years from the date the 1995 Stock Option Plan was originally adopted and approved by the Board and stockholders of the Company. The 1995 Stock Option Plan will remain in effect until all options granted under the 1995 Stock Option Plan have been exercised or expired. The Board, in its discretion, may terminate the 1995 Stock Option Plan at any time with respect to any shares of Common Stock for which options have not been granted. The 1995 Stock Option Plan may be amended by the Board without the consent of the stockholders of the Company, other than as to a material increase in benefits, an increase in the number of shares that may be subject to options under the 1995 Stock Option Plan or a change in the class of individuals eligible to receive options under the 1995 Stock Option Plan. However, no change in any option previously granted under the 1995 Stock Option Plan may be made which would impair the rights of the holder of such option without the approval of the holder.

Pursuant to the 1995 Stock Option Plan, options are exercisable during the period specified in each option agreement; provided, however, that no option is exercisable later than ten years from the date the option is granted. Options generally have been exercisable over a period of ten years from the grant date and vested in equal installments over a four or five year period of service with the Company as an employee, director or consultant. A change in control generally accelerates the vesting of options granted to employees and some of the options vest upon an initial public offering or the achievement of specific business goals or objectives. An option generally must be exercised within 12 months of a holder ceasing to be involved with the Company as an employee, director or consultant as a result of death and within three months if the cessation is for other reasons; however, these periods can be extended by decision of the Board of Directors (other than in the case of an ISO).

Shares of Common Stock subject to forfeited or terminated options again become available for option awards. The Board may, subject to certain restrictions in the 1995 Stock Option Plan (and, in the case of an ISO, in Section 422 of the Code), extend or accelerate the vesting or exercisability of an option or waive restrictions in an option agreement.

The 1995 Stock Option Plan provides that the total number of shares covered by the 1995 Stock Option Plan, the number of shares covered by each option, and the exercise price per share under each option will be proportionately adjusted in the event of a recapitalization, stock split, dividend, or a similar transaction.

No grant of any option will constitute realized taxable income to the grantee. Upon exercise of a nonqualified option, the holder will recognize ordinary income in an amount equal to the excess of the fair market value of the stock received over the exercise price paid therefor and the tax basis in any shares of Common Stock received pursuant to the exercise of such option will be equal to the fair market value of the shares on the exercise date if the exercise price is paid in cash. The Company will generally have a deduction in parity with the amount realized by the holder. The Company has the right to deduct and withhold applicable taxes relating to taxable income realized by the holder upon exercise of a nonqualified option and may withhold cash, shares or any combination in order to satisfy or secure its withholding tax obligation. An ISO is not subject to taxation as income to the employee at the date of grant or exercise and the Company does not get a business deduction as to an ISO; provided, the stock is not sold within two years after the ISO was granted and one year after the ISO was exercised. The ISO is effectively taxed at capital gain rates upon the sale of the stock by the employee. However, if the stock acquired upon exercise of an ISO is sold within two years of the ISO grant date or one year exercise of the date, then it is taxed the same as a Nonqualified Option. Upon the exercise of an ISO, the difference between the value of the stock and the exercise price is recognized as a preference item for alternative minimum tax purposes.

As of July 15, 1998, options to purchase a total of 12,450,615 shares of Common Stock have been granted. Options for 363,125 shares of Common Stock have been exercised, options for 162,500 shares have been forfeited and options for 11,924,990 shares remain outstanding. The outstanding options are for (i) 345,000 shares with an exercise price of \$0.40 per share, (ii) 93,750 shares with an exercise price of \$1.20 per share, (iii) 50,000 shares with an exercise price of \$1.60 per share, (iv) 175,000 shares with an exercise price of \$2.40 per share, (v) 1,680,625 shares with an exercise price of \$4.20 per share, (vi) 23,135 shares with an exercise price of \$4.76 per share, (vii) 200,000 shares with an exercise price of \$6.00 per share, (viii) 5,767,480 shares with an exercise price of \$7.50 per share and (ix) 3,590,000 shares with an exercise price equal to the price to public in the Offering. The options exercisable at \$0.40 per share are fully vested and held by Ted B. Miller, Jr. Upon consummation of the Offering, vested and exercisable options also include options for (i) 63,750 shares at \$1.20 per share, (ii) 50,000 shares at \$1.60 per share, (iii) 175,000 shares at \$2.40 per share, (iv) 1,483,625 shares at \$4.20 per share, (v) 23,125 shares at \$4.76 per share, (vi) 200,000 shares at \$6.00 per share, (vii) 2,704,480 shares at \$7.50 per share and (viii) 75,000 shares at the price to public in the Offering. Except for the options for 23,135 shares with an exercise price of \$4.76 per share and options for 3,036,250 shares with an exercise price of \$7.50, the exercise prices for all of the options were equal to or in excess of the estimated fair value of the Common Stock at the dates on which the numbers of shares and the exercise prices were determined; as such, in accordance with the "intrinsic value based method" of accounting for stock options, the Company did not recognize compensation cost related to the grant of these options. The options for 23,135 shares with an exercise price of \$4.76 were issued in 1998 in exchange for services received from nonemployees; as such, the Company will account for the issuance of these options in 1998 based on the fair value of the services received. Options for 3,036,250 shares granted at an exercise price of \$7.50 per share (which is below the estimated fair market value at the date of grant) are included in the group of options vesting upon consummation of the Offering. The Company will account for these options in 1998 based upon the fair market value of services received. The remaining options for 2,731,230 shares granted at an exercise price of \$7.50 per share (which is below the estimated fair market value at the date of grant) were granted in 1998 and generally are taken into account and vest over five years. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Compensation Charges Related to Stock Option Grants".

Since January 1, 1998, the Company has granted to its executive officers and directors options for a total of 2,545,500 shares at an exercise price of \$7.50 and 2,985,000 shares at an exercise price of \$13.00 under the 1995 Stock Option Plan. Mr. Miller received options for 928,000 shares, Mr. Ivy received options for 560,000 shares, Mr. Green received options for 425,000 shares, Mr. Gwyn received options for 75,000 shares, Mr. Crown received options for 137,500 shares and Messrs. Hutcheson, Martin and McKenzie each received 25,000 shares, in each case at an exercise price of \$7.50 per share. In connection with the Offering, Mr. Miller received options for 1,035,000 shares, Mr. Ivy received options for 545,000 shares, Mr. Green received options for 515,000 shares, Mr. Gwyn received options for 175,000 shares, Mr. Crown received options for 625,000 shares, Messrs. Ferenbach, Hack and Schutz each received options for 25,000 shares and Messrs. Azibert, Chetaille and Murphy each received options for 5,000 shares, in each case at an exercise price of \$13.00 per share.

CTSH Stock Option Plans

CTSH has established certain stock option plans for the benefit of its employees (the "CTSH Stock Option Plans"). Upon consummation of the Roll-Up, all of the outstanding options to purchase shares of capital stock of CTSH ("CTSH Options") granted pursuant to the CTSH Stock Option Plans will be converted into and replaced by options to purchase shares of the Company's Common Stock ("CCIC Options"). The Company's Board of Directors has adopted each of the CTSH Option Plans. Options granted under the CTSH Stock Options Plans may be adjusted at the discretion of the Company or, in the case of options granted under the CTSH Share Bonus Plan (as defined), the CTSH Trustee (as defined) to take into account any variation of the share capital of the Company subject to the written confirmation of the auditors of the Company that the adjustment in their opinion is fair and reasonable. The description set forth below summarizes the general terms of each of the various plans that constitute the CTSH Stock Options Plans.

Included in CTI's operating expenses for the six months ended June 30, 1998 are noncash compensation charges for (Pounds)1.9 million (\$3.2 million) related to the issuance of stock options to certain executives and employees.

CTSH All Employee Share Option Scheme. All outstanding options granted pursuant to the Castle Transmission Services (Holdings) Ltd. All Employee Share Option Scheme (the "CTSH All Employee Plan") vest upon the consummation of the Offering. Once vested, these options may only be exercised in full and on one occasion. Outstanding options granted pursuant to the CTSH All Employee Plan will lapse if not exercised by the earlier of (i) the first anniversary of the option holder's death, (ii) six months following the termination of the option holder's employment with the Company, (iii) six months following the earlier of (a) a change of control of the Company, (b) the sanctioning by the U.K. courts of a compromise or arrangement pursuant to U.K. Companies Act 1985 section 425 that affects the Common Stock of the Company, (c) a person becoming bound or entitled to acquire the Common Stock of the Company under U.K. Companies Act 1985 sections 428-430 or (d) notice of a general meeting of the stockholders of the Company at which a resolution will be proposed for the purpose of a voluntary winding-up of the Company (each of the foregoing, a "Corporate Event"), (iv) the option holder being adjudicated bankrupt under U.K. law, (v) the surrender of the option or (vi) the seventh anniversary of the grant. There are currently outstanding options to purchase 285,250 shares of Common Stock at a price of (Pounds)1.43 (\$2.39) per share, of which an initial refundable deposit of (Pounds)0.715 (\$1.20) per share has already been paid by each participant. No additional options will be granted under the CTSH All Employee Plan in the future.

CTSH Management Plan. All outstanding options granted pursuant to the Castle Transmission Services (Holdings) Ltd. Unapproved Share Option Scheme (the "CTSH Management Plan") will vest on the earlier of (i) March 1, 2000 or, if the option holder was not an Eligible Employee (as defined in the CTSH Management Plan) on March 1, 1997, the third anniversary of the date on which the option was granted, (ii) the death of the option holder, (iii) the termination of the option holder's employment with the Company (other than a termination for cause, or the voluntary resignation of the option holder), (iv) a Corporate Event or (v) the sale of the subsidiary or business of the Company in which the option holder is employed. Once vested, these options may be exercised in whole or in part at the discretion of the option holder prior to the lapsing of the option. All

options granted pursuant to the CTS Management Plan will lapse on the earlier of (i) the first anniversary of the option holder's death, (ii) six months after the termination of the option holder's employment with the Company (other than a termination for cause, or the voluntary resignation of the option holder), (iii) immediately upon any other termination of employment, (iv) six months following a Corporate Event, (v) the option holder being adjudicated bankrupt under U.K. law, (vi) the surrender of the option, (vii) failure to satisfy any performance condition established by the board of directors of CTI or (viii) the seventh anniversary of the grant of the option. Currently, there are outstanding options to purchase 1,649,844 shares of Common Stock at prices ranging from (Pounds)1.43 (\$2.39) to (Pounds)6.04 (\$10.08) per share. No additional options will be granted under the CTS Management Plan in the future.

CTSH Bonus Share Plan. In connection with the Castle Transmission Services (Holdings) Ltd. Bonus Share Plan (the "CTSH Bonus Share Plan"), CTSH has executed the Employee Benefit Trust (the "CTSH Trust"), a discretionary settlement for the benefit of past and present CTI employees, directors and their families. CTI employees and directors are able to participate in the CTS Bonus Share Plan by foregoing a portion of their annual bonuses awarded by the Company in consideration for options to purchase shares of the Company's Common Stock held by the CTSH Trust at predetermined prices per share depending upon the year in which the investment is made. The predetermined price for 1997 investment was (Pounds)13.00 (\$21.70) per unit (each of which will be converted into seven shares of Common Stock upon consummation of the Roll-Up), and the CTI board has determined that the predetermined price for any investment in 1998 and 1999 will be (Pounds)16.90 (\$28.21) and (Pounds)21.97 (\$36.68) respectively.

All outstanding options granted pursuant to the CTS Bonus Share Plan are vested and may be exercised in whole or in part at the discretion of the option holder prior to the lapsing of the option. All options will lapse on the earlier of (i) the first anniversary of the option holder's death, (ii) six months after the termination of the option holder's employment with the Company, (iii) six months following a Corporate Event, (iv) the option holder being adjudicated bankrupt under U.K. law, (v) the surrender of the option or (vi) the seventh anniversary of the grant of the option. In order to satisfy the demand created by the exercise of options granted pursuant to the CTS Bonus Share Plan, the CTSH Trustee has been granted a call option by the Company ("the U.K. Option Agreement") to purchase up to 149,709 shares of Common Stock from the Company at a price of (Pounds)1.86 (\$3.11) per share, the funds for which are to be contributed to the CTSH Trust by CTSH (which has already provided for such payment in its financial statements). Currently there are outstanding options to purchase 149,709 shares of Common Stock from the CTSH Trustee for a nominal sum upon exercise. Following the Offering, CTI employees and directors will continue to be able to effectively invest a proportion of their annual bonuses in Common Stock of the Company under the CTS Bonus Share Plan for the fiscal years 1998 and 1999. Thereafter, no additional options will be granted under the CTS Share Bonus Plan. Grants under the CTS Bonus Share Plan are determined by converting monetary awards into options to purchase shares at predetermined prices.

CTSH Option Grants to Certain Executives. In January and April of 1998, CTSH granted options to purchase a total of 300,000 ordinary shares and 299,700,000 preference shares of CTSH to Ted B. Miller, Jr., David L. Ivy and George E. Reese. Upon consummation of the Offering, these options will vest in full and convert into options to purchase 1,890,000 shares of the Company's Common Stock at an exercise price of (Pounds)1.43 (\$2.39) and 210,000 shares of the Company's Common Stock at an exercise price of (Pounds)3.57 (\$5.96). In addition, the exercise prices of such options will be set in U.S. dollars, converted from pounds sterling at the Noon Buying Rate on the date of the consummation of the Offering.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

1995 INVESTMENTS

On January 11, 1995, Ted B. Miller, Jr. and Edward C. Hutcheson, Jr. (collectively, the "Initial Stockholders") acquired 1,350,000 shares of CTC Class A Common Stock, par value \$.01 per share, for \$270,000. Also, on January 11, 1995, pursuant to a Securities Purchase and Loan Agreement, dated as of January 11, 1995, among CTC, Centennial Fund IV, Berkshire Fund III, A Limited Partnership (via Berkshire Fund III Investment Corp.), and certain trusts and natural persons which are now members of Berkshire Investors LLC (collectively, the "Berkshire Fund III Group") and J. Landis Martin (collectively, the "CTC Purchasers"), CTC issued to the CTC Purchasers (i) 1,350,000 shares of CTC Class B Common Stock, par value \$.01 per share, for \$270,000, (ii) 730,380 shares of CTC Series A Convertible Preferred Stock, par value \$.01 per share, for \$4,382,280 and (iii) \$3,867,720 principal amount of CTC Convertible Secured Subordinated Notes for \$3,867,720. As of February 1997, all the CTC Convertible Secured Subordinated Notes had been converted into 644,620 shares of Company Series A Convertible Preferred Stock. The proceeds received on January 11, 1995 were used by the Company for the acquisition of towers and ancillary assets from PCI and for working capital.

Pursuant to a Securities Exchange Agreement (the "Securities Exchange Agreement"), dated as of April 27, 1995, among the Company, CTC, the Initial Stockholders and the CTC Purchasers, such parties effectively made CCIC the holding company of CTC and converted some of the obligations of CTC into capital stock of CCIC. Transactions pursuant to the Securities Exchange Agreement included (i) Centennial Fund IV transferring 208,334 shares of CTC Series A Convertible Preferred Stock to Berkshire Fund III Group in exchange for \$1,250,004 principal amount of CTC Convertible Secured Subordinated Notes, (ii) Berkshire Fund III Group and J. Landis Martin converting all remaining CTC Convertible Secured Subordinated Notes held by them (\$742,452 principal amount) into 123,742 shares of CTC Series A Convertible Preferred Stock, (iii) each of the outstanding shares of capital stock of CTC being exchanged for one share of similar stock of CCIC and (iv) the remaining CTC Convertible Secured Subordinated Notes (\$3,125,268 principal amount) becoming convertible into shares of CCIC Series A Convertible Preferred Stock, par value \$.01 per share ("Series A Convertible Preferred Stock") (all of which notes were subsequently converted in February 1997).

As a result of the exchange of CTC capital stock for CCIC capital stock, each Initial Stockholder received 675,000 shares of Existing Class A Common Stock, par value \$.01 per share, of CCIC, Centennial Fund IV received 1,080,000 shares of Common Stock and 145,789 shares of Series A Convertible Preferred Stock, Mr. Martin received 41,666 shares of Series A Convertible Preferred Stock and Berkshire Fund III Group received 270,000 shares of Common Stock and 666,667 shares of Series A Convertible Preferred Stock. In July 21, 1995, Robert F. McKenzie became a party by amendment to the Securities Exchange Agreement and received 8,333 shares of Series A Preferred Stock.

1996 INVESTMENTS

Pursuant to a Securities Purchase Agreement, dated as of July 15, 1996, among the Company, Berkshire Fund III Group, Centennial Fund IV, J. Landis Martin, Edward C. Hutcheson, Jr. and Robert F. McKenzie, the Company privately placed 864,568 shares of its Series B Convertible Preferred Stock, par value \$.01 per share ("Series B Convertible Preferred Stock"), for an aggregate purchase price of \$10,374,816. Berkshire Fund III Group paid \$6,000,000 for 500,000 shares, Centennial Fund IV paid \$3,724,812 for 310,401 shares, Mr. Martin paid \$500,004 for 41,667 shares, Mr. Hutcheson paid \$99,996 for 8,333 shares and Mr. McKenzie paid \$50,004 for 4,167 shares. The proceeds received on July 15, 1996 were used for (i) the purchase of the towers and microwave and SMR businesses from Motorola in Puerto Rico, (ii) an option payment relating to the acquisition of TEA and TeleStructures and (iii) working capital.

1997 INVESTMENTS

Pursuant to a Securities Purchase Agreement, dated as of February 14, 1997, among the Company, Centennial Fund V and Centennial Entrepreneurs Fund V, L.P. (collectively, the "Centennial Fund V Investors"), Berkshire Fund IV, Limited Partnership (via Berkshire Fund IV Investment Corp.), and certain trusts

and natural persons which are members of Berkshire Investors LLC (collectively, the "Berkshire Fund IV Group" and, together with Berkshire Fund III Group, the "Berkshire Partners Group"), PNC Venture Corp., Nassau Capital Partners II L.P. ("Nassau Capital"), NAS Partners I L.L.C. ("NAS Partners"), Fay, Richwhite Communications Limited ("Fay Richwhite"), J. Landis Martin and Robert F. McKenzie, the Company privately placed 3,529,832 shares of its Series C Convertible Preferred Stock, par value \$.01 per share ("Series C Convertible Preferred Stock"), for an aggregate purchase price of \$74,126,472. Centennial Fund V Investors paid \$15,464,001 for 736,381 shares, Berkshire Fund IV Group paid \$21,809,991 for 1,038,571 shares, PNC Venture Corp. paid \$6,300,000 for 300,000 shares, Nassau Group paid an aggregate of \$19,499,991 for 928,571 shares, Fay Richwhite paid \$9,999,990 for 476,190 shares, Mr. Martin paid \$999,999 for 47,619 shares and Mr. McKenzie paid \$52,500 for 2,500 shares. The proceeds received on February 14, 1997 were used by the Company to fund a portion of its investment in CTI.

In March 1997, Edward C. Hutcheson, Jr. exercised stock options for 345,000 shares of Common Stock. The Company repurchased these shares and 308,435 shares of his Existing Class A Common Stock for \$3,422,118.

In May 1997, in connection with the Company's acquisition of the stock of TeleStructures, TEA and TeleShare, Inc. (the "TEA Companies"), the Company issued 535,710 shares of Common Stock to the shareholders of the TEA Companies: 241,070 shares to Bruce W. Neurohr, 241,070 shares to Charles H. Jones and 53,570 shares to Terrel W. Pugh.

In June 1997, Messrs. Miller and Ivy received special bonuses, related to their services in structuring and negotiating the CTI Investment, including arranging the consortium partners who participated with the Company in the CTI transaction, of \$600,000 and \$300,000, respectively.

In August 1997, Robert A. Crown and Barbara Crown sold the assets of Crown Communications to, and merged CNSI and CMSI with, subsidiaries of the Company. As consideration for these transactions, the Crowns received a cash payment of \$25.0 million, a promissory note of the Company aggregating approximately \$76.2 million, approximately \$2.3 million to pay certain taxes (part of which amount was paid in September 1997 as a dividend to stockholders of record of CNSI on August 14, 1997), and 7,325,000 shares of Common Stock. In addition, the Company assumed approximately \$26.0 million of indebtedness of the Crown Business. The Company repaid the Seller Note in full on October 31, 1997. Robert A. Crown and Barbara Crown are both parties to the Stockholders Agreement and are subject to its restrictions.

Pursuant to a Securities Purchase Agreement, dated as of August 13, 1997, among the Company, American Home Assurance Company ("AHA"), New York Life Insurance Company ("New York Life"), The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), PNC Venture Corp., J. Landis Martin and affiliates of AHA, the Company privately placed of 292,995 shares of its Senior Convertible Preferred Stock for an aggregate purchase price of \$29,299,500, together with warrants to purchase 585,990 shares of Common Stock at \$7.50 per share (subject to adjustment, including weighted average antidilution adjustments). AHA and its affiliates paid \$15,099,500 for 150,995 shares and warrants to purchase 301,990 shares of Common Stock. New York Life and Northwestern Mutual each paid \$6,000,000 for 60,000 shares and warrants to purchase 120,000 shares of Common Stock. PNC Venture Corp. paid \$2,000,000 for 20,000 shares and warrants to purchase 40,000 shares of Common Stock. Mr. Martin paid \$200,000 for 2,000 and warrants to purchase 4,000 shares of Common Stock. The proceeds received on August 13, 1997 were used by the Company to fund a portion of the Crown Merger and working capital.

Pursuant to a Securities Purchase Agreement, dated as of October 31, 1997, among the Company, Berkshire Partners Group, Centennial Fund V Investors, Nassau Group, Fay Richwhite, Harvard Private Capital Holdings, Inc. ("Harvard"), Prime VIII, L.P. ("Prime") and the prior purchasers of Senior Convertible Preferred Stock (other than affiliates of AHA), an additional 364,500 shares of Senior Convertible Preferred Stock were issued for an aggregate purchase price of \$36,450,000, together with warrants to purchase 729,000 shares of Common

Stock at \$7.50 per share (subject to adjustment, including weighted average antidilution adjustments). Berkshire Partners Group paid \$3,500,000 for 35,000 shares and warrants to purchase 70,000 shares of Common Stock. Centennial V Investors paid \$1,000,000 for 10,000 shares and warrants to purchase 20,000 shares of Common Stock. Nassau Group and Fay Richwhite each paid \$2,500,000 for 25,000 shares and warrants to purchase 50,000 shares of Common Stock. Harvard paid \$14,950,000 for 149,500 shares and warrants to purchase 299,000 shares of Common Stock. Prime paid \$5,000,000 for 50,000 shares and warrants to purchase 100,000 shares of Common Stock. AHA paid \$1,500,000 for 15,000 shares and warrants to purchase 30,000 shares of Common Stock. New York Life paid \$300,000 for 3,000 shares and warrants to purchase 6,000 shares of Common Stock. Northwestern Mutual paid \$4,000,000 for 40,000 shares and warrants to purchase 80,000 shares of Common Stock. PNC Venture Corp. paid \$1,000,000 for 10,000 shares and warrants to purchase 20,000 shares of Common Stock. J. Landis Martin paid \$200,000 for 2,000 shares and warrants to purchase 4,000 shares of Common Stock.

OTHER TRANSACTIONS

Robert J. Coury, a director of Crown Communication, and Crown Communication have entered into a management consulting agreement beginning in October 1997. Pursuant to a Memorandum of Understanding dated July 3, 1998, the compensation payable pursuant to such consulting agreement was increased to \$20,000 per month and Mr. Coury was granted options to purchase 60,000 shares of Common Stock at \$7.50 per share. See "Management--Executive Compensation--Crown Arrangements". The Company expects to record a noncash compensation charge of \$0.3 million related to the issuance of these stock options. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Compensation Charges Related to Stock Option Grants". In addition, pursuant to a Memorandum of Understanding Regarding Management and Governance of CCIC and Crown Communication, dated as of August 15, 1997, Mr. Coury received options for 75,000 shares of Common Stock. Upon consummation of the Offering, all of these options will have vested. In connection with the Crown Merger, Mr. Coury acted as financial advisor to the Crowns and received a fee for such services, paid by the Crowns.

The Company leases office space in a building formerly owned by its Vice Chairman and Chief Executive Officer. Lease payments for such office space amounted to \$130,000, \$50,000 and \$22,000 for the years ended December 31, 1997, 1996 and 1995, respectively. The amount of space leased increased from 6,497 square feet at \$23.80 per square foot (or \$154,836 in annual rent) to 19,563 square feet at \$16.00 per square foot (or \$313,008 in annual rent) pursuant to a lease agreement effective November 1, 1997. The lease term is for a period of five years with an option to terminate in the third year or to renew at \$18.40 per square foot. The lease also provides the Company a right of first refusal on the entire fifth floor of the building. Interstate Realty Corporation, a company owned by the Company's Vice Chairman and Chief Executive Officer, received a commission of \$62,000 in connection with this new lease.

Crown Communication leases its equipment storage and handling facility in Pittsburgh from Idlewood Road Property Company ("Idlewood"), a Pennsylvania limited partnership. HFC Development Corp., a Pennsylvania corporation owned by Mr. Crown's parents, is the general partner of Idlewood. The annual rent for the property is \$180,000.

On August 10, 1998, Michel Azibert, who is expected to be elected as a director of the Company upon consummation of the Roll-Up, acquired 50,000 shares of Common Stock from an existing stockholder of the Company for \$6.26 per share pursuant to a purchase right assigned to him by the Company. The Company expects to record a noncash compensation charge of \$0.3 million related to the transfer of the purchase right. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Compensation Charges Related to Stock Option Grants".

On February 28, 1997, CTI and TdF Parent entered into the CTI Services Agreement pursuant to which TdF Parent agreed to provide certain consulting services to CTI in consideration for a minimal annual fee of (Pounds)400,000 (\$670,000) and reimbursement for reasonable out-of-pocket expenses. TdF Parent has agreed to, among

other things, provide the services of ten executives or engineers to CTI on a part-time basis and to provide a benchmarking review of CTI. In addition, TdF Parent has agreed to provide additional services relating to research, development and professional training on terms (including as to price) to be determined.

Upon consummation of the Offering, the term of the CTI Services Agreement is expected to be extended for four additional years (to February 28, 2004) and thereafter will be terminable on 12-month's prior notice given by CTI to TdF after February 28, 2003.

PRINCIPAL AND SELLING STOCKHOLDERS

The table below sets forth, after giving effect to the Roll-Up, certain information with respect to the beneficial ownership of Capital Stock by (i) each person who is known by the Company to be the beneficial owner of more than 5% of any class or series of Capital Stock of the Company, (ii) each of the directors and executive officers of the Company and all directors and executive officers as a group and (iii) each of the Selling Stockholders. This table also gives effect to shares that may be acquired pursuant to options and warrants, as described in the footnotes below.

EXECUTIVE OFFICERS AND DIRECTORS(A)	TITLE OF CLASS	SHARES BENEFICIALLY OWNED PRIOR TO THE OFFERING		NUMBER OF SHARES OFFERED	SHARES BENEFICIALLY OWNED AFTER THE OFFERING		PERCENTAGE OF TOTAL VOTING POWER AFTER THE OFFERING(C)
		NUMBER(B)	PERCENT		NUMBER(B)	PERCENT	
Ted B. Miller, Jr.	Common Stock(d)	4,051,125	5.5%	--(e)	4,051,125	4.7%	4.2%
David L. Ivy.....	Common Stock(f)	1,380,000	1.9	--(e)	1,380,000	1.6	1.5
Charles C. Green, III...	Common Stock(g)	675,000	1.0	--(e)	675,000	*	*
John L. Gwyn.....	Common Stock(h)	132,500	*	--(e)	132,500	*	*
Robert A. Crown(i).....	Common Stock	7,462,500	10.6	1,680,000	5,782,500	7.0	6.1
Michel Azibert(j).....	Common Stock	50,000	*	--	50,000	*	*
Bruno Chetaille(k).....	Common Stock	--	--	--	--	--	--
Carl Ferenbach(l).....	Common Stock(m)	20,735,455	29.5	--	20,735,455	25.1	22.1
Garth A. Greimann(n)....	Common Stock(o)	20,710,455	29.5	--	20,710,455	25.1	22.0
Randall A. Hack(p).....	Common Stock(q)	5,080,080	7.2	--	5,080,080	6.1	5.4
David C. Hull, Jr.(r)...	Common Stock(s)	9,812,040	14.0	--	9,812,040	11.9	10.4
Edward C. Hutcheson, Jr.(t).....	Common Stock(u)	650,000	*	--	650,000	*	*
J. Landis Martin(v)....	Common Stock(w)	844,035	1.2	--	844,035	1.0	*
Robert F. McKenzie(x)...	Common Stock(y)	197,500	*	--	197,500	*	*
William A. Murphy(z)....	Common Stock	--	--	--	--	--	--
Jeffrey H. Schutz(aa)...	Common Stock(bb)	9,837,040	14.0	--	9,837,040	11.9	10.5
Directors and Executive Officers as a group (16 persons total).....	Common Stock(cc)	51,095,235	67.4	1,680,000	49,415,235	56.1	49.7
BERKSHIRE(dd) Berkshire Fund III, A Limited Partnership....	Common Stock(ee)	6,095,450	8.7	--	6,095,450	7.4	6.5
Berkshire Fund IV, Limited Partnership....	Common Stock(ff)	12,996,055	18.5	--	12,996,055	15.7	13.8
Berkshire Investors LLC.....	Common Stock(gg)	1,619,300	2.3	--	1,619,300	2.0	1.7
CANDOVER(hh) Candover Investments, plc.....	Common Stock	2,329,318	3.3	--	2,329,318	2.8	2.5
Candover (Trustees) Limited.....	Common Stock	208,317	*	--	208,317	*	*
Candover Partners Limited.....	Common Stock	8,792,565	12.5	--	8,792,565	9.0	8.1
CENTENNIAL(ii) Centennial Fund IV, L.P.(jj).....	Common Stock	5,965,340	8.5	--(e)	5,965,340	7.2	6.4
Centennial Fund V, L.P.(kk).....	Common Stock	3,731,285	5.3	--(e)	3,731,285	4.5	4.0
Centennial Entrepreneurs Fund V, L.P.(ll).....	Common Stock	115,415	*	--(e)	115,415	*	*
NASSAU(mm) Nassau Capital Partners II, L.P.(nn).....	Common Stock	5,023,825	7.1	--(e)	5,023,825	6.1	5.3
NAS Partners I, L.L.C.(oo).....	Common Stock	31,255	*	--(e)	31,255	*	*
Digital Future Investments B.V.(pp)...	Class A Common Stock	11,340,000	100.0	--	11,340,000	100.0	12.1

* Less than 1%.

(a) Except as otherwise indicated, the address of each person in this table is c/o Crown Castle International Corp., 510 Bering Drive, Suite 500, Houston, TX 77057.

(b) In determining the number and percentage of shares beneficially owned by each person, shares that may be acquired by such person pursuant to options, warrants or convertible stock exercisable or convertible within 60 days of the date hereof are deemed outstanding for purposes of determining the total number of outstanding shares for such person and are not deemed outstanding for such purpose for all other stockholders. To the best of the Company's knowledge, except as otherwise indicated, beneficial ownership includes sole voting and dispositive power with respect to all shares.

(c) In determining Percentage of Total Voting Power After the Offering, shares of Common Stock that may be acquired upon conversion of the Class A Common Stock into shares of Common Stock are taken into account.

(footnotes continued from preceding page)

- (d) Includes 175,000 shares of Common Stock received pursuant to the Share Exchange Agreement and options for 2,848,000 shares of Common Stock that will be vested upon consummation of the Roll-Up and the Offering. A trust for the benefit of Mr. Miller's children holds 99,995 shares of Common Stock, and a trust for the benefit of Mr. Miller and his two brothers holds 70,000 shares of Common Stock after the exchange pursuant to the Share Exchange Agreement.
- (e) Messrs. Miller, Ivy, Green, Gwyn, Hutcheson, Martin and McKenzie and Centennial Fund IV, L.P., Centennial Fund V, L.P., Centennial Entrepreneurs Fund V, L.P., Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C. are Selling Stockholders and have granted the U.S. Underwriters an option to purchase 269,100, 97,776, 79,968, 32,088, 43,680, 56,720, 13,272, 262,482, 164,052, 5,180, 221,569 and 1,378 shares of Common Stock, respectively, solely to cover over-allotments. If the U.S. Underwriters' over-allotment option is exercised in full, Messrs. Miller, Ivy, Green, Gwyn, Hutcheson, Martin and McKenzie and Centennial Fund IV, L.P., Centennial Fund V, L.P., Centennial Entrepreneurs Fund V, L.P., Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C. will beneficially own 4.4%, 1.5%, *, *, *, *, *, *, 6.8%, 4.2%, *, 5.7% and *, respectively, of the Common Stock after consummation of the Offering. In addition, the following table sets forth certain information regarding other stockholders of the Company who have granted the U.S. Underwriters an option to purchase shares of Common Stock solely to cover over-allotments:

BENEFICIAL OWNER(A) -----	SHARES		
	SHARES BENEFICIALLY OWNED BEFORE THE OFFERING	NUMBER OF SHARES OFFERED	SHARES BENEFICIALLY OWNED AFTER THE OFFERING(XI)
Tod Bettenhausen.....	75,000	15,120	59,880
Kathy Broussard.....	46,500	9,408	37,092
Bill Cordell.....	123,330	12,320	111,010
Wesley D. Cunningham.....	49,000	9,742	39,258
Angela Dennehy.....	99,165	14,137	85,028
Allyn Easter.....	75,000	11,760	63,240
Martin Ellen.....	99,165	14,137	85,028
Alan Rees.....	304,970	38,760	266,210
George Reese.....	920,000	61,824	858,176
Michael Schueppert.....	80,980	12,729	68,251
Jimmy Taylor.....	25,000	8,400	16,600
Nigel Turner.....	99,165	14,137	85,028
Mark Uminski.....	50,000	8,400	41,600
Ed Wallander.....	50,000	10,080	39,920
John Ward.....	99,165	14,137	85,028
Terry Wing.....	93,775	13,681	80,094
American Home Assurance Company(i)....	2,774,040	121,743	2,652,297
Fay, Richwhite Communications Limited(ii).....	2,793,985	122,620	2,671,365
Harvard Private Capital Holdings, Inc. (iii).....	2,164,745	95,003	2,069,742
New York Life Insurance Company(iv)...	1,060,180	46,528	1,013,652
The Northwestern Mutual Life Insurance Company(v).....	1,669,815	73,282	1,596,533
PNC Venture Corp.(vi).....	2,002,765	87,895	1,914,870
Prime VIII, L.P.(vii).....	823,765	36,152	787,613
Win J. Neuger(viii).....	8,420	370	8,050
David B. Pinkerton(ix).....	3,365	148	3,217
Peter F. Smith(x).....	5,050	222	4,828

- (i) American Home Assurance Company's principal business address is 175 Water Street, 24th Floor, New York, NY 10038.
- (ii) Fay, Richwhite Communications Limited's principal business address is 151 Queen Street, Auckland, New Zealand.
- (iii) Harvard Private Capital Holdings, Inc.'s principal business address is 600 Atlantic Avenue, Boston, MA 02210-2203.
- (iv) New York Life Insurance Company's principal business address is 51 Madison Avenue, New York, NY 10010.
- (v) The Northwestern Mutual Life Insurance Company's principal business address is 720 East Wisconsin Avenue, Milwaukee, Wisconsin 53202-4797.
- (vi) PNC Venture Corp.'s principal business address is 3150 CNG Tower, 625 Liberty Avenue, Pittsburgh, PA 15222.
- (vii) Prime VIII, L.P.'s principal business address is 600 Congress Avenue, Suite 3000, Austin, TX 78701.
- (viii) Mr. Neuger's principal business address is c/o American Home Assurance Company, 175 Water Street, New York, NY 10038.
- (ix) Mr. Pinkerton's principal business address is c/o American Home Assurance Company, 175 Water Street, New York, NY 10038.

(x) Mr. Smith's principal business address is c/o American Home Assurance Company, 175 Water Street, New York, NY 10038.

(footnotes continued from preceding page)

- (xi) If the U.S. Underwriters' over-allotment option is exercised in full, American Home Assurance Company, Fay, Richwhite Communications Limited, Harvard Private Capital Holdings, Inc., New York Life Insurance Company, The Northwestern Mutual Life Insurance Company and PNC Venture Corp. will beneficially own 3.1%, 3.2%, 2.5%, 1.2%, 1.9% and 2.3%, respectively, of the Common Stock after consummation of the Offering. Each other selling stockholder listed in this table will beneficially own less than 1% of the Common Stock after consummation of the Offering.
- (f) Includes 70,000 shares of Common Stock received pursuant to the Share Exchange Agreement and options for 1,260,000 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering.
- (g) Represents options for 675,000 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering.
- (h) Includes options for 130,000 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering.
- (i) Includes 2,779,375 shares of Common Stock owned by Mr. Crown, 2,589,375 shares of Common Stock owned by his spouse, over which she has sole voting and dispositive power, 125,000 shares of Common Stock that are jointly owned, 915,625 shares of Common Stock owned by a grantor retained annuity trust for Mr. Crown, 915,625 shares of Common Stock owned by a grantor retained annuity trust for Ms. Crown and options for 137,500 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering. Mr. Crown's principal business address is c/o Crown Communication Inc., 375 Southpointe Blvd., Canonsburg, PA 19317.
- (j) Mr. Azibert's principal business address is c/o TeleDiffusion de France International S.A., 10 Rue d'Oradour sur Glane, 75732 Paris 15 France.
- (k) Mr. Chetaille's principal business address is c/o TeleDiffusion de France International S.A., 10 Rue d'Oradour sur Glane, 75732 Paris 15 France.
- (l) Mr. Ferenbach's principal business address is c/o Berkshire Partners LLC, One Boston Place, Suite 3300, Boston, MA 02108.
- (m) Represents options for 25,000 shares of Common Stock that will vest upon consummation of the Offering and 20,710,455 shares of Common Stock beneficially owned by members of the Berkshire Group. Mr. Ferenbach disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein.
- (n) Mr. Greimann's principal business address is c/o Berkshire Partners LLC, One Boston Place, Suite 3300, Boston, MA 02108.
- (o) Represents shares of Common Stock beneficially owned by members of the Berkshire Group. Mr. Greimann disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein.
- (p) Mr. Hack's principal business address is c/o Nassau Capital LLC, 22 Chambers St., Princeton, NJ 08542.
- (q) Represents options for 25,000 shares of Common Stock that will vest upon consummation of the Offering and 5,055,080 shares of Common Stock beneficially owned by members of the Nassau Group. Mr. Hack disclaims beneficial ownership of such shares.
- (r) Mr. Hull's principal business address is c/o The Centennial Funds, 1428 Fifteenth Street, Denver, CO 80202-1318. Mr. Hull is a general partner of each of Centennial Holdings IV, L.P. (which is, in turn, the general partner of Centennial Fund IV, L.P.) ("Holdings IV") and Centennial Holdings V, L.P. (which is, in turn, the general partner of Centennial Fund V, L.P. and Centennial Entrepreneurs Fund V, L.P.) ("Holdings V"). However, neither Mr. Hull nor any other general partner of either Holdings IV or Holdings V, acting alone, has voting or investment power with respect to the Company's securities directly beneficially held by Centennial Fund IV, Centennial Fund V and Centennial Entrepreneurs Fund, and, as a result, Mr. Hull disclaims beneficial ownership of the Company's securities directly beneficially owned by such Funds, except to the extent of his pecuniary interest therein.
- (s) Represents shares of Common Stock beneficially owned by members of the Centennial Group. Mr. Hull disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein.
- (t) A trust for the benefit of Mr. Hutcheson's children holds 50,000 shares. Mr. Hutcheson is a limited partner of Centennial Entrepreneurs Fund V, L.P., but disclaims beneficial ownership of the Company's securities directly beneficially held but such fund. Mr. Hutcheson's principal business address is 5599 San Felipe, Suite 301, Houston, TX 77056.
- (u) Includes options for 50,000 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering.
- (v) A trust for the benefit of Mr. Martin's children holds 30,000 shares. Mr. Martin is a limited partner of each of Centennial Fund IV and Centennial Entrepreneurs Fund V, but disclaims beneficial ownership of the Company's securities directly beneficially held by such funds. Mr. Martin's principal business address is c/o Titanium Metals Corporation, 1999 Broadway, Suite 4300, Denver, CO 80202.
- (w) Includes options for 122,500 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering, and warrants for 8,000 shares of Common Stock.
- (x) Mr. McKenzie's principal business address is P.O. Box 1133, 1496 Bruce Creek Road, Eagle, CO 81631.
- (y) Includes options for 104,375 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering.
- (z) Mr. Murphy's principal business address is c/o Salomon Smith Barney, Victoria Plaza, 111 Buckingham Palace Road, London, England.
- (aa) Mr. Schutz's principal business address is c/o The Centennial Funds, 1428 Fifteenth Street, Denver, CO 80202-1318. Mr. Schutz is a general partner of each of Holdings IV and Holdings V. However, neither Mr. Schutz nor

any other general partner of either Holdings IV or Holdings V, acting alone, has voting or investment power with respect to the Company's securities directly beneficially held by Centennial Fund IV, Centennial Fund V and Centennial Entrepreneurs Fund, and, as a result, Mr. Schutz disclaims beneficial ownership of the Company's securities directly beneficially owned by such funds, except to the extent of his pecuniary interest therein.

- (bb) Represents options for 25,000 shares of Common Stock that will vest upon consummation of the Offering and 9,812,040 shares of Common Stock beneficially owned by members of the Centennial Group. Mr. Schutz disclaims beneficial ownership of such shares.
- (cc) Includes options for 5,402,375 shares of Common Stock that will vest upon consummation of the Roll-Up and the Offering and warrants for 78,000 shares of Common Stock.
- (dd) Berkshire Group has approximately 22.0% of the total voting power of Common Stock. Carl Ferenbach, Chairman of the Board of Directors of the Company and a director of the Company, is a Managing Director of Berkshire Investors; a Managing Director of Third Berkshire Managers the general partner of Third Berkshire Associates, the general partner of Berkshire Fund III; and a Managing Director of Fourth Berkshire Associates, the general partner of Berkshire Fund IV. The principal business address of the Berkshire Group is c/o Berkshire Partners LLC, One Boston Place, Suite 3300, Boston, MA 02108-4401.

(footnotes continued from preceding page)

- (ee) Includes warrants for 35,935 shares of Common Stock.
- (ff) Includes warrants for 29,255 shares of Common Stock.
- (gg) Includes warrants for 4,810 shares of Common Stock.
- (hh) Candover Group has approximately 12.1% of the total voting power of Common Stock. G. Douglas Fairservice is a Director of each entity in the Candover Group. The principal business address of Candover Partners is 20 Old Bailey, London EC4M 7LM, United Kingdom.
- (ii) Centennial Fund IV, Centennial Fund V and Centennial Entrepreneurs Fund collectively have has approximately 10.5% of the total voting power of Common Stock.
- (jj) Holdings IV is the sole general partner of Centennial Fund IV, and, accordingly, Holdings IV may be deemed to control Centennial Fund IV and possess indirect beneficial ownership of the securities of the Company directly beneficially held by Fund IV. The principal business address of Centennial Fund IV and Holdings IV is 1428 Fifteenth Street, Denver, Colorado 80202-1318.
- (kk) Holdings V is the sole general partner of Centennial Fund V, and, accordingly, Holdings V may be deemed to control Centennial Fund V and possess indirect beneficial ownership of the securities of the Company directly beneficially held by Centennial Fund V. The Common Stock indicated as held by Centennial Fund V includes 19,400 shares obtainable upon exercise of warrants. The principal business address of Centennial Fund V and Holdings V is 1428 Fifteenth Street, Denver, Colorado 80202-1318.
- (ll) Holdings V is the sole general partner of Centennial Entrepreneurs Fund V, and, accordingly, may be deemed to control Centennial Entrepreneurs Fund V and possess indirect beneficial ownership of the securities of the Company directly beneficially held by Centennial Entrepreneurs Fund V. The Common Stock indicated as held by Centennial Entrepreneurs Fund V includes 600 shares obtainable upon exercise of warrants. The principal business address of Centennial Entrepreneurs V is 1428 Fifteenth Street, Denver, Colorado 80202-1318.
- (mm) Nassau Group has approximately 5.3% of the total voting power of Common Stock. Randall Hack, a director of the Company, is a member of Nassau Capital L.L.C., an affiliate of Nassau Group. The principal business address of Nassau Capital Partners II, L.P. is 22 Chambers Street, Princeton, NJ 08542.
- (nn) Includes warrants for 49,690 shares of Common Stock.
- (oo) Includes warrants for 310 shares of Common Stock.
- (pp) Digital Future Investments B.V. is an affiliate of TeleDiffusion de France International S.A. Upon consummation of the Roll-Up, TdF will retain ownership of 20% of the shares of capital stock of CTSH. Pursuant to the Share Exchange Agreement and subject to certain conditions, TdF will have the right to exchange its shares of capital stock of CTSH for 17,443,500 shares of Class A Common Stock of the Company (which is convertible into 17,443,500 shares of Common Stock). DFI currently has 12.1% of the total voting power of Common Stock. Combined, TdF and DFI would have 25.9% of the Voting Power of Common Stock. The principal business address of DFI is c/o TeleDiffusion de France International S.A., 10 Rue d'Oradour sur Glane, 75732 Paris 15 France.

DESCRIPTION OF CAPITAL STOCK

The following summary does not purport to be complete and is subject to the detailed provisions of, and qualified in its entirety by reference to, the Certificate of Incorporation, the By-laws, the Governance Agreement, the CTSH Shareholders Agreement and the Stockholders' Agreement that will be in effect upon consummation of this Offering, forms of which have been filed as exhibits to this Registration Statement, and to the applicable provisions of the Delaware General Corporation Law (the "DGCL").

GENERAL

Upon consummation of the Roll-Up, the authorized capital stock of the Company will consist of 600,000,000 shares of Common Stock, par value \$.01 per share (the "Common Stock"), 90,000,000 shares of Class A Common Stock, par value \$.01 per share (the "Class A Common Stock"), and 10,000,000 shares of Preferred Stock, par value \$.01 per share. Upon consummation of the Roll-Up and the Offering, after giving effect to the five-for-one stock split, there will be 82,548,545 shares of Common Stock outstanding and 11,340,000 shares of Class A Common Stock outstanding.

COMMON STOCK

Voting Rights

Each share of Common Stock is entitled to one vote. The Common Stock votes together as a single class on all matters presented for a vote of the stockholders, except as provided under the DGCL. All the outstanding shares of Common Stock are held by directors, executive officers, other employees and affiliates of the Company or its subsidiaries.

Dividends

Each share of Common Stock is entitled to receive dividends if, as and when declared by the Board of Directors out of funds legally available therefor, subject to approval of certain holders of the Senior Convertible Preferred Stock.

Liquidation Rights

In the event of the dissolution of the Company, after satisfaction of amounts payable to creditors and distribution to the holders of outstanding Senior Convertible Preferred Stock, if any, of amounts to which they may be preferentially entitled, holders of Common Stock are entitled to share ratably in the assets available for distribution to the stockholders.

Other Provisions

There are no preemptive rights to subscribe for any additional securities which the Company may issue, and there are no redemption provisions or sinking fund provisions applicable to the Common Stock. All outstanding shares of Common Stock are legally issued, fully paid and nonassessable.

CLASS A COMMON STOCK

Voting Rights

Each share of Class A Common Stock is entitled to one vote for each such share on all matters presented to the stockholders, except with respect to the election of directors. The holders of the shares of Class A Common Stock vote, except as provided under the DGCL, together with the holders of the Common Stock and any other class or series of stock of the Company accorded such general voting rights, as a single class.

So long as TdF is Qualified, holders of shares of Class A Common Stock voting as a separate class have the right to elect two directors to the Board of Directors of the Company; provided, however, that if TdF is not

Qualified, so long as the ownership interest of the TdF Group is at least 5%, holders of Class A Common Stock voting as a separate class have the right to elect one director.

The holders of Class A Common Stock, subject to certain limitations described in "The Roll-Up--Governance Agreement--Governance--Governance Limitations", have a Veto over certain significant actions, described in "Governance--Veto Rights", taken by the Company.

Convertibility

Each share of Class A Common Stock is convertible, at the option of its record holder, into one share of Common Stock at any time.

In the event of any transfer of any share of Class A Common Stock to any Person other than an Affiliate (as defined in Rule 12b-2 of the Exchange Act), such share of Class A Common Stock automatically converts, without any further action, into one share of Common Stock; provided, however, and subject to certain conditions described in the Certificate of Incorporation, that a holder of shares of Class A Common Stock may pledge such holder's shares to a financial institution pursuant to a bona fide pledge of such shares of Class A Common Stock as collateral security for any indebtedness or other obligation of any Person due to the pledgee or its nominee.

Further, each share of Class A Common Stock automatically converts into one share of Common Stock on the first date on which the ownership interest of TdF Group is less than 5%.

Other Provisions

Pursuant to the Governance Agreement, so long as it remains Qualified, TdF has anti-dilutive rights in connection with maintaining a certain percentage of voting power in the Company and, accordingly, the Company may not, subject to certain exceptions relating primarily to compensation of directors and employees, issue, sell or transfer additional securities (except for the Offering) unless TdF is offered the right to purchase, at the same price, an amount such that it would maintain such percentage of voting power in the Company. All outstanding shares of Class A Common Stock are legally issued, fully paid and nonassessable.

PREFERRED STOCK

Pursuant to the Certificate of Incorporation, the Company may issue up to 10,000,000 shares of Preferred Stock in one or more series. The Board of Directors has the authority, without any vote or action by the stockholders (other than any rights of TdF under the Governance Agreement), to create one or more series of Preferred Stock up to the limited of the Company's authorized but unissued shares of Preferred Stock and to fix the designations, preferences, rights, qualifications, limitations and restrictions thereof, including the voting rights, dividend rights, dividend rate, conversion rights, terms of redemption (including sinking fund provisions), redemption price or prices, liquidation preferences and the number of shares constituting any series. Upon completion of the Offering, there will be no shares of Preferred Stock outstanding. See "Risk Factors--Anti-Takeover Provisions".

SENIOR PREFERRED WARRANTS

In connection with the offering of the Senior Convertible Preferred Stock in August 1997 and October 1997, the Company issued warrants to purchase an aggregate of 1,314,990 shares of Common Stock at a price of \$7.50 per share, provided that the price per share shall be reduced to 85% of the price per share to the public if the Company consummates an initial registered public offering of Common Stock with a price below \$8.832 per share. The exercise price is subject to weighted average antidilution protection. These warrants are exercisable at any time prior to August 16, 2007, in the case of the warrants issued in August 1997, and October 31, 2007, in the case of the warrants issued in October 1997.

CERTIFICATE OF INCORPORATION AND BY-LAWS

Stockholders' rights and related matters are governed by the DGCL, the Certificate of Incorporation and the By-laws. Certain provisions of the Certificate of Incorporation and By-laws, which are summarized below, may have the effect, either alone or in combination with each other, of discouraging or making more difficult a tender offer or takeover attempt that is opposed by the Company's Board of Directors but that a stockholder might consider to be in its best interest. Such provisions may also adversely affect prevailing market prices for the Common Stock. The Company believes that such provisions are necessary to enable the Company to develop its business in a manner that will foster its long-term growth without disruption caused by the threat of a takeover not deemed by the Board of Directors to be in the best interests of the Company and its stockholders.

Classified Board of Directors and Related Provisions

The Certificate of Incorporation provides that the directors of the Company, other than those directors who may be elected by holders of any series of Preferred Stock or holders of the Class A Common Stock, initially are to be divided into three classes of directors, initially consisting of three, three and four directors. One class of directors, initially consisting of three directors, will be elected for a term expiring at the annual meeting of shareholders to be held in 1999, another class initially consisting of three directors will be elected for a term expiring at the annual meeting of stockholders to be held in 2000, and another class initially consisting of four directors shall be initially elected for a term expiring at the annual meeting of stockholders in 2001. The classified board provisions will prevent a party who acquires control of a majority of the outstanding Voting Stock of the Company from obtaining control of the Board of Directors until the second annual stockholders meeting following the date such party obtains the controlling interest. The provisions of the Certificate of Incorporation relating to the classified nature of the Company's Board of Directors may not be amended without the affirmative vote of the holders of at least 80% of the voting power of the Company's outstanding Voting Stock. "Voting Stock" is defined in the Certificate of Incorporation as the outstanding shares of capital stock of the Company entitled to vote in a general vote of stockholders of the Corporation as a single class with shares of Common Stock of the Company, which shares of capital stock include the shares of Class A Common Stock.

No Stockholder Action by Written Consent; Special Meeting

The Certificate of Incorporation prohibits stockholders (other than holders of Class A Common Stock with respect to matters upon which such holders are entitled to vote as a separate class) from taking action by written consent in lieu of an annual or special meeting and, thus, stockholders may only take action at an annual or special meeting called in accordance with the By-laws. The By-laws provide that special meetings of stockholders may only be called by the Secretary of the Company at the direction of the Board of Directors pursuant to a resolution adopted by the Board.

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

Advance Notice Requirements for Stockholder Proposals and Director Nominations

The By-laws establish advance notice procedures with regard to stockholder proposals and the nomination, other than by or at the direction of the Board of Directors, of candidates for election as directors. These procedures provide that the notice of stockholder proposals and stockholder nominations for the election of directors at an annual meeting must be in writing and received by the Secretary no less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that with respect to the annual meeting to be held in 1999, the anniversary date shall be deemed to be April 1, 1999; provided further that in the event that the date of the annual meeting is advanced by more than 30 days, or delayed by more than 90 days, from such anniversary date, notice by the stockholder to be timely must be

delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public disclosure of the date of the annual meeting was made. The notice of nominations for the election of directors must set forth certain information with respect to the stockholder giving the notice and with respect to each nominee.

By requiring advance notice of nominations by stockholders, the foregoing procedures will afford the Board of Directors an opportunity to consider the qualifications of the proposed nominees and, to the extent deemed necessary or desirable by the Board of Directors, to inform stockholders about such qualifications. By requiring advance notice of other proposed business, such procedures will provide the Board of Directors with an opportunity to inform stockholders, prior to such meetings, of any business proposed to be conducted at such meetings, together with any recommendations as to the Board of Directors' position regarding action to be taken with respect to such business, so that stockholders can better decide whether to attend such a meeting or to grant a proxy regarding the disposition of any such business.

Dilution

The Certificate of Incorporation provides that the Board of Directors is authorized to create and issue, whether or not in connection with the issuance and sale of any of its stock or other securities or property, rights entitling the holders to purchase from the Company shares of stock or other securities of the Company or any of other corporation, recognizing that, under certain circumstances, the creation and issuance of such rights could have the effect of discouraging third parties from seeking, or impairing their right to seek, to acquire a significant portion of the outstanding securities of the Company, to engage in any transaction which might result in a change of control of the corporation or to enter into any agreement, arrangement or understanding with another party to accomplish the foregoing or for the purpose of acquiring, holding, voting or disposing of any securities of the Company.

Indemnification

The Certificate of Incorporation and By-laws provide that the Company shall indemnify each director or officer of the Company to the fullest extent permitted by law.

Amendments

The Certificate of Incorporation and By-laws provide that the Company may at any time and from time to time, amend, alter, change or repeal any provision contained in the Certificate of Incorporation or a Preferred Stock designation; provided, however, the affirmative vote of the holders of at least 80% of the voting power of the then outstanding Voting Stock, voting together as a single class, is required to amend, repeal or adopt any provision inconsistent with certain provisions of the Certificate of Incorporation, including the provisions referred to above relating to the classification of the Board of Directors, prohibiting stockholder action by written consent, and prohibiting the calling of special meetings by stockholders.

The By-laws may be amended by either the holders of 80% of the voting power of the Voting Stock or by the majority of the Board; provided that the Board may alter, amend or repeal or adopt new By-laws in conflict with certain provisions thereof by a two-thirds vote of the entire Board.

RIGHTS PLAN

Rights

The Board of Directors of the Company has declared a dividend of one right (the "Rights") for each outstanding share of Common Stock and each outstanding share of Class A Common Stock. The Rights will be issued to the holders of record of Common Stock and Class A Common Stock outstanding on the date of the

consummation of the Offering (the "Issuance Date"), and with respect to Common Stock and Class A Common Stock issued thereafter until the Distribution Date (as defined below), and, in certain circumstances, with respect to Common Stock and Class A Common Stock issued after the Distribution Date. Each Right, when it becomes exercisable as described below, will entitle the registered holder to purchase from the Company one one-thousandth (1/1000th) of a share of Series A Participating Cumulative Preferred Stock (the "Preferred Shares") at a price of \$110.00 per (1/1000th) of a share, subject to adjustment in certain circumstances (the "Purchase Price"). The description and terms of the Rights are set forth in a Rights Agreement (the "Rights Agreement") between the Company and the Rights Agent named therein. The Rights will not be exercisable until the Distribution Date and will expire on the tenth annual anniversary of the Rights Agreement (the "Expiration Date"), unless earlier redeemed by the Company. Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of the Company, including, without limitation, the right to vote or to receive dividends with respect to the Rights or the Preferred Shares relating thereto.

Distribution Date

Under the Rights Agreement, the Distribution Date is the earlier of (i) such time as the Company learns that a person or group (including any affiliate or associate of such person or group) has acquired, or has obtained the right to acquire, beneficial ownership of more than 15% of the outstanding voting securities of the Company (such person or group being an "Acquiring Person"), subject to the exceptions relating to the TdF Group and the Berkshire Group described in the paragraph below, unless provisions preventing accidental triggering of the distribution of the Rights apply, and (ii) the close of business on such date, if any, as may be designated by the Board of Directors following the commencement of, or first public disclosure of an intent to commence, a tender or exchange offer for more than 15% or more of the outstanding shares of Voting Securities.

Each member of the TdF Group will not otherwise be considered an Acquiring Person if (a) during the first five years following the adoption of the Rights Agreement, the aggregate ownership interest of the TdF Group does not exceed 25% (or 30% if the Board so elects) of the outstanding Voting Securities or (b) thereafter, the aggregate ownership interest of the TdF Group does not exceed the lesser of (i) 25% or 30%, as applicable, of the Voting Securities then outstanding and (ii) the greater of (x) the aggregate interest of the TdF Group as of the fifth anniversary of the Rights Agreement and (y) 15% of the then outstanding Voting Securities. Each member of the Berkshire Group will not otherwise be deemed an Acquiring Person if the aggregate ownership interest of the Berkshire Group does not exceed the greater of (a) the aggregate ownership interest of the Berkshire Group upon the execution of the Rights Agreement, reduced by an amount equal to any disposition of Voting Securities following the date the Rights Agreement is executed and (b) 15% of the outstanding Voting Securities.

Triggering Event and Effect of Triggering Event

At such time as there is an Acquiring Person, the Rights will entitle each holder (other than such Acquiring Person) of a Right to purchase, at the Purchase Price, that number of one-thousandths (1/1000ths) of a Preferred Share equivalent to the number of shares of Common Stock that at the time of such event would have a market value of twice the Purchase Price.

In the event the Company is acquired in a merger or other business combination by an Acquiring Person or an affiliate or associate of an Acquiring Person that is a publicly traded corporation or 50% or more of the Company's assets or assets representing 50% or more of the Company's revenues or cash flow are sold, leased, exchanged or otherwise transferred (in one or more transactions) to an Acquiring Person or an affiliate or associate of an Acquiring Person that is a publicly traded corporation, each Right will entitle its holder (other than Rights beneficially owned by such Acquiring Person or its affiliates or associates) to purchase, for the Purchase Price, that number of common shares of such corporation which at the time of the transaction would have a market value or, in certain circumstances, book value of twice the Purchase Price. In the event the Company is acquired in a merger or other business combination by an Acquiring Person or an affiliate or associate of an Acquiring Person that is not a publicly traded entity or 50% or more of the Company's assets or assets representing 50% or more of the Company's revenues or cash flow are sold, leased, exchanged or

otherwise transferred (in one or more transactions) to an Acquiring Person or affiliate or associate of an Acquiring Person that is not a publicly traded entity, each right will entitle its holder (subject to the next paragraph) to purchase, for the Purchase Price, at such holder's option, (i) that number of shares of the surviving corporation in the transaction with such entity (which surviving corporation could be the Company) which at the time of the transaction would have a book value of twice the Purchase Price, (ii) that number of shares of the ultimate parent of or entity controlling such surviving corporation which at the time of the transaction would have a book value of twice the Purchase Price or (iii) if such entity has an affiliate which has publicly traded common shares, that number of common shares of such affiliate which at the time of the transaction would have market value of twice the Purchase Price.

Any Rights that are at any time beneficially owned by an Acquiring Person (or any affiliate or associate of an Acquiring Person) will be null and void and nontransferable and any holder of any such right (including any purported transferee or subsequent holder) will be unable to exercise or transfer any such Right.

Redemption

At any time prior to the earlier of (i) such time as a person or group becomes an Acquiring Person and (ii) the Expiration Date, the Board of Directors may redeem the Rights in whole, but not in part, at a price (in cash or Common Stock or other securities of the Company deemed by the Board of Directors to be at least equivalent in value) of \$.01 per Right (which amount shall be subject to adjustment as provided in the Rights Agreement) (the "Redemption Price"). Immediately upon the action of the Board of Directors ordering the redemption of the Rights, and without any further action and without any notice, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

In addition, at any time after there is an Acquiring Person, the Board of Directors may elect to exchange each Right for consideration per Right consisting of one-half of the securities that would be issuable at such time upon exercise of one Right pursuant to the terms of the Rights Agreement.

Amendment

At any time prior to the Distribution Date, the Company may, without the approval of any holder of any Rights, supplement or amend any provision of the Rights Agreement (including, without limitation, the date on which the Expiration Date or Distribution Date shall occur, the definition of Acquiring Person, the time during which the Rights may be redeemed or the terms of the Preferred Shares), except that no supplement or amendment shall be made which reduces the Redemption Price (other than pursuant to certain adjustments therein).

Certain Effects of the Rights Plan

The Rights plan is designed to protect stockholders of the Company in the event of unsolicited offers to acquire the Company and other coercive takeover tactics which, in the opinion of the Board of Directors, could impair its ability to represent stockholder interests. The provisions of the Rights Plan may render an unsolicited takeover of the Company more difficult or less likely to occur or might prevent such a takeover, even though such takeover may offer the Company's stockholders the opportunity to sell their stock at a price above the prevailing market rate and may be favored by a majority of the stockholders of the Company.

SECTION 203 OF THE DELAWARE GENERAL CORPORATION LAW

Section 203 of the DGCL prohibits certain transactions between a Delaware corporation and an "interested stockholder", which is defined as a person who, together with any affiliates and/or associates of such person, beneficially owns, directly or indirectly, 15% or more of the outstanding voting shares of a Delaware corporation. This provision prohibits certain business combinations (defined broadly to include mergers, consolidations, sales or other dispositions of assets having an aggregate value of 10% or more of the consolidated assets of the corporation, and certain transactions that would increase the interested stockholder's proportionate share

ownership in the corporation) between an interested stockholder and a corporation for a period of three years after the date the interested stockholder acquired its stock, unless: (i) the business combination is approved by the corporation's Board of Directors prior to the date the interested stockholder acquired shares; (ii) the interested stockholder acquired at least 85% of the voting stock of the corporation in the transaction in which it became an interested stockholder; or (iii) the business combination is approved by a majority of the Board of Directors and by the affirmative vote of two-thirds of the outstanding voting stock owned by disinterested stockholders at an annual or special meeting. A Delaware corporation, pursuant to a provision in its certificate of incorporation or by-laws, may elect not to be governed by Section 203 of the DGCL. The Certificate of Incorporation does not exclude the Company from the restrictions imposed by Section 203 of the DGCL and, as a result, the company will be subject to its provisions upon consummation of the Offering.

Under certain circumstances, Section 203 of the DGCL makes it more difficult for a person who could be an "interested stockholder" to effect various business combinations with a corporation for a three-year period, although the stockholders may elect to exclude a corporation from the restrictions imposed thereunder. The Certificate of Incorporation of the Company does not exclude the Company from the restrictions imposed under Section 203 of the DGCL. It is anticipated that the provisions of Section 203 of the DGCL may encourage companies interested in acquiring the Company to negotiate in advance with the Board of Directors, since the stockholder approval requirement would be avoided if a majority of the directors then in office approves, prior to the date on which a stockholder becomes an interested stockholder, either the business combination or the transaction which results in the stockholder becoming an interested stockholder.

LIMITATIONS OF DIRECTORS' LIABILITY

The Certificate of Incorporation provides that no director of the Company will be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability: (1) for any breach of the director's duty of loyalty to the Company or its stockholders, (2) for acts of omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit. The effect of these provisions will be to eliminate the rights of the Company and its stockholders (through stockholders' derivatives suits on behalf of the Company) to recover monetary damages against a director for breach of fiduciary duty as a director (including breaches resulting from grossly negligent behavior), except in the situations described above. These provisions will not limit the liability of directors under federal securities laws and will not affect the availability of equitable remedies such as an injunction or rescission based upon a director's breach of his duty of care.

TRANSFER AGENT

The Transfer Agent and Registrar for the Common Stock is ChaseMellon Shareholder Services, L.L.C.

DESCRIPTION OF CERTAIN INDEBTEDNESS

SENIOR CREDIT FACILITY

Pursuant to the Amended and Restated Loan Agreement dated as of July 10, 1998, two wholly owned subsidiaries of CCIC, CCI and Crown Castle International Corp. de Puerto Rico ("CCIC(PR)") (collectively, the "Borrowers"), have entered into the Senior Credit Facility with a group of banks and other financial institutions led by Key Corporate Capital Inc. ("KeyCorp") and PNC Bank, National Association, as arrangers and agents. The following summary of certain provisions of the Senior Credit Facility does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Senior Credit Facility.

The Senior Credit Facility provides for revolving credit loans in an aggregate principal amount not to exceed \$100.0 million, for working capital needs, acquisitions and general corporate purposes. The Senior Credit Facility includes a \$5.0 million sublimit available for the issuance of letters of credit. As of June 30, 1998, the Borrowers had unused borrowing availability under the Senior Credit Facility of approximately \$27.5 million.

The loan commitment under the Senior Credit Facility reduces by \$5.0 million commencing March 31, 2001 and by \$5.0 million each calendar quarter thereafter until December 31, 2004, when the Senior Credit Facility matures. In addition, the Senior Credit Facility provides for mandatory reduction of the loan commitment and mandatory prepayment with the (i) net proceeds of certain asset sales, (ii) net proceeds of certain required capital contributions to CCI by CCIC relating to the proceeds from the sale of equity, convertible or debt securities, subject to certain exceptions, (iii) net proceeds of any unused insurance proceeds and (iv) a percentage of the excess cash flow of the Borrowers, commencing with the calendar year ending December 31, 2000.

The Borrowers' obligations under the Senior Credit Facility are guaranteed by each direct and indirect majority owned subsidiary of CCI and are also secured by (i) a pledge by the Borrowers of all of the outstanding capital stock of each of their respective direct subsidiaries and (ii) a perfected first priority security interest in substantially all of the personal property of the Borrowers and their subsidiaries. In addition, the Senior Credit Facility is guaranteed on a limited recourse basis by CCIC, limited in recourse to the collateral pledged by CCIC (the capital stock of CCI). The capital stock of CTSH will not be pledged to secure the Senior Credit Facility.

The loans under the Senior Credit Facility will bear interest, at the Borrowers' option, at either (A) a "base rate" equal to KeyCorp's prime lending rate plus an applicable spread ranging from 0% to 1.5% (determined based on a leverage ratio) or (B) a "LIBOR rate" plus an applicable spread ranging from 1.0% to 3.25% (determined based on a leverage ratio). Following the occurrence and during the continuance of an event of default under the Senior Credit Facility, the loans will bear interest at the "base rate" plus 3.5%.

The Senior Credit Facility contains a number of covenants that, among other things, restrict the ability of the Borrowers and their respective subsidiaries to dispose of assets, incur additional indebtedness, incur guaranty obligations, repay subordinated indebtedness except in accordance with the subordination provisions, pay dividends or make capital distributions, create liens on assets, enter into leases, make investments, make acquisitions, engage in mergers or consolidations, make capital expenditures, engage in certain transactions with subsidiaries and affiliates and otherwise restrict corporate activities. In addition, the Senior Credit Facility will require compliance with certain financial covenants, including requiring the Borrowers and their respective subsidiaries to maintain a maximum ratio of indebtedness to operating cash flow, a minimum ratio of operating cash flow to fixed charges, a minimum ratio of operating cash flow to projected debt service and a minimum ratio of operating cash flow to interest expense. CCIC does not expect that such covenants will materially impact the ability of the Borrowers and their respective subsidiaries to operate their respective businesses.

Pursuant to the terms of the Senior Credit Facility, CCI is entitled to pay dividends or make distributions to CCIC in order to permit CCIC to pay its out-of-pocket costs for corporate development and overhead and to pay cash interest on certain indebtedness of CCIC (including the Notes); provided that the amount of such

dividends or distributions does not exceed (i) \$6.0 million in any year ending on or prior to October 31, 2002 or (ii) \$33.0 million in any year thereafter. The Senior Credit Facility also allows CCI to pay dividends or distribute cash to CCIC to the extent required to pay taxes allocable to the Borrowers and their respective subsidiaries. All of the above-mentioned dividends or distributions, however, including dividends or distributions that are intended to pay interest on the Notes, may not be made by CCI so long as any default or event of default exists under the Senior Credit Facility.

The Senior Credit Facility contains customary events of default, including the failure to pay principal when due or any interest or other amount that becomes due within two days after the due date thereof, any representation or warranty being made by the Borrowers that is incorrect in any material respect on or as of the date made, a default in the performance of any negative covenants or a default in the performance of certain other covenants or agreements for a period of thirty days, default in certain other indebtedness, certain insolvency events and certain change of control events. In addition, a default under the Indenture will result in a default under the Senior Credit Facility.

CTI CREDIT FACILITY

Pursuant to the Loan Amendment Agreement dated May 21, 1997 (the "CTI Credit Facility"), among CTI, as borrower, CTSH, as guarantor, Credit Suisse First Boston, as arranger and agent ("CSFB"), and J.P. Morgan Securities Ltd., as co-arranger ("JPM"), CTI's (Pounds)162.5 million term and revolving loan facilities (the "Old Facilities") were amended to a (Pounds)64.0 million revolving loan facility. The following summary of certain provisions of the CTI Credit Facility does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the CTI Credit Facility.

The CTI Credit Facility provides for revolving credit loans in an aggregate principal amount not to exceed (Pounds)64.0 million to finance capital expenditures in respect of digital terrestrial television with up to (Pounds)46.5 million of such amount available for working capital needs and for general corporate purposes. As of June 30, 1998, CTI had unused borrowing availability under the CTI Credit Facility of approximately (Pounds)35.0 million (\$58.4 million).

The loan commitment under the CTI Credit Facility will be automatically reduced to zero in three equal semi-annual installments commencing on May 31, 2001 and ending on May 31, 2002, when the CTI Credit Facility matures. In addition, the CTI Credit Facility provides for mandatory cancellation of all or part of the loan commitment and mandatory prepayment (i) with an amount equal to the net proceeds of certain asset sales and (ii) upon the consummation of an initial public offering or the listing on any stock exchange of the shares of CTI, CTSH or CCIC.

CTI's and CTSH's obligations under the CTI Credit Facility are secured by fixed and floating charges over all of their respective assets. The loans under the CTI Credit Facility will bear interest at a "LIBOR rate" plus 0.85% and a spread related to the lenders' cost of making the CTI Credit Facility available to CTI.

The CTI Credit Facility contains a number of covenants that, among other things, restrict the ability of CTI to dispose of assets, incur additional indebtedness, incur guaranty obligations, repay subordinated indebtedness except in accordance with the subordination provisions, pay dividends or make capital distributions, create liens on assets, make investments, make acquisitions, engage in certain transactions with subsidiaries and affiliates and otherwise restrict corporate activities. In addition, the CTI Credit Facility will require compliance with certain financial covenants, including requiring CTI to maintain a maximum ratio of indebtedness to EBITDA, a minimum ratio of EBITDA to interest expense, and a minimum tangible net worth. CCIC does not expect that such covenants will materially impact the ability of CTI to operate its business.

The CTI Credit Facility contains customary events of default, including the failure to pay principal or any interest or any other amount that becomes due within three business days after the due date thereof, any representation or warranty being made by CTI that is untrue or misleading on the date made, a default in the

performance of any of its covenants under the CTI Credit Facility (unless, if such default is capable of remedy, such default is cured within 14 days of CTI becoming aware of such default), default in certain other indebtedness, certain insolvency events and certain change of control events.

On July 17, 1998, the lenders (acting through Credit Suisse First Boston, as agent) under the CTI Credit Facility waived a provision in the CTI Credit Facility that would have required the repayment of the CTI Credit Facility concurrently with the listing of the Company's Common Stock.

THE NOTES

On November 20, 1997, the Company privately placed \$251.0 million principal amount at maturity (\$150,010,150 initial accreted value) of its 10 5/8% Senior Discount Notes due 2007 (the "Notes"). The following is a summary of certain terms of the Notes and is qualified in its entirety by reference to the Indenture (the "Indenture") relating to the Notes. A copy of the Indenture has been filed with the Registration Statement of which this Prospectus forms a part.

The Notes are unsecured senior obligations of the Company, and will rank pari passu in right of payment with all existing and future senior indebtedness of the Company and will be senior to future subordinated indebtedness of the Company. The Notes mature on November 15, 2007. The Notes will accrete in value until November 15, 2002. Thereafter, cash interest will accrue on the Notes at the rate of 10.625% per annum and will be payable semi-annually, commencing on May 15, 2003.

Except as stated below, the notes are not redeemable prior to November 15, 2002. Thereafter, the Notes are redeemable at the option of the Company, in whole or in part, at any time or from time to time, at a premium which is at a fixed percentage that declines to par on or after November 15, 2005, in each case together with accrued and unpaid interest, if any, to the date of redemption. In the event the Company consummates a public equity offering or certain strategic equity investments prior to November 15, 2000, the Company may, at its option, use all or a portion of the proceeds from such offering to redeem up to 35% of the original aggregate principal amount at maturity of the Notes at a redemption price equal to 110.625% of the accreted value of the Notes to be redeemed, plus accrued and unpaid interest, if any, thereon to the redemption date, provided at least 65% of the original aggregate principal amount at maturity of the Notes remains outstanding after each such redemption.

Upon the occurrence of a Change of Control (as defined in the Indenture), each holder of Notes has the right to require the Company to purchase all or a portion of such holder's Notes at a price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest to the date of purchase.

The Indenture contains certain covenants, including covenants that limit (i) indebtedness, (ii) restricted payments, (iii) distributions from restricted subsidiaries, (iv) transactions with affiliates, (v) sales of assets and subsidiary stock (including sale and leaseback transactions), (vi) dividend and other payment restrictions affecting restricted subsidiaries, and (vii) mergers or consolidations.

THE CTI BONDS

On May 21, 1997, a subsidiary of CTSH issued (Pounds)125.0 million aggregate principal amount of its 9% Guaranteed Bonds due 2007 (the "CTI Bonds"). The CTI Bonds are listed on the Luxembourg Stock Exchange. The following is a summary of certain terms of the Bonds and is qualified in its entirety by reference to the trust deed dated May 21, 1997 (the "Trust Deed") relating to the Bonds. A copy of the Trust Deed has been filed with the Registration Statement of which this Prospectus forms a part.

The Bonds constitute direct, general and unconditional guaranteed obligations of the subsidiary of CTSH and rank pari passu with all other present and future unsecured and unsubordinated obligations of such subsidiary. The CTI Bonds are guaranteed jointly and severally by CTI and CTSH. The CTI Bonds will mature on March 30, 2007. Interest on the Bonds is payable annually in arrears on March 30 in each year, the first payment having been made on March 30, 1998.

The CTI Bonds may be redeemed at the option of the Company in whole or in part, at any time or from time to time, at the greater of their principal and such price as will provide a gross redemption yield 0.5% per annum above the gross redemption yield of the benchmark gilt plus, in either case, accrued and unpaid interest.

Upon the occurrence of a Put Event (as defined in the Trust Deed), each holder of CTI Bonds has the right to require such subsidiary to purchase all or a portion of such holder's CTI Bonds at a price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest to the date of purchase.

The Trust Deed contains certain covenants, including covenants that limit (i) indebtedness, (ii) restricted payments, (iii) distributions from restricted subsidiaries, (iv) transactions with affiliates, (v) sales of assets and subsidiary stock, (vi) dividend and other payment restrictions affecting restricted subsidiaries, and (vii) mergers or consolidations.

SHARES ELIGIBLE FOR FUTURE SALE

Upon completion of the Offering, the Company will have outstanding 82,548,545 shares of Common Stock (82,803,063 shares if the over-allotment option is exercised in full). Of these shares, the 14,000,000 shares of Common Stock (16,100,000 if the over-allotment option is exercised in full) sold in the Offering will be freely tradeable without restriction or further registration under the Securities Act, unless held by an "affiliate" of the Company as that term is defined in Rule 144 promulgated under the Securities Act ("Rule 144"), which shares will be subject to the resale limitation of Rule 144. The remaining 68,548,545 shares of Common Stock (66,703,063 if the over-allotment option is exercised in full) have not been registered under the Securities Act and may not be sold unless they are registered or unless an exemption from registration, such as the exemption provided by Rule 144 or Rule 701 under the Securities Act ("Rule 701"), is available. As a result of the contractual restrictions described below and the provisions of Rule 144 and Rule 701, approximately 36,500,000 shares will be eligible for sale upon expiration of the lock-up agreements 180 days after the date of this Prospectus and approximately 32,000,000 shares will be eligible for sale upon expiration of their respective one-year holding periods.

The Company has agreed, during the period beginning from the date of this Prospectus and continuing to and including the date 180 days after the date of this Prospectus, not to offer, sell, contract to sell or otherwise dispose of any securities of the Company that are substantially similar to the Common Stock, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, Common Stock or any such substantially similar securities, without the prior written consent of Lehman Brothers Inc. In addition, the Company's directors and executive officers and, with certain limited exceptions, all other existing stockholders of the Company who represent in the aggregate approximately 83.0% of the outstanding Common Stock after the Offering, will be required, during the period beginning from the date of this Prospectus and continuing to and including the date 180 days after the date of this Prospectus, not to, directly or indirectly, offer, pledge, sell, contract to sell or otherwise dispose of any securities of the Company outstanding as of the date of this Prospectus, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive any Common Stock or substantially similar securities, or enter into any swap or other arrangement that transfers, in whole or in part, the economic consequences of ownership of any securities of the Company, without the prior written consent of Lehman Brothers Inc. In addition to certain typical exceptions to such "lock-up" agreements, each employee of the Company or its subsidiaries (excluding Mr. Crown, certain executive officers and the directors of the Company) that is a party to such an agreement is permitted to sell during the 180-day period described above up to 12% of the shares of Common Stock beneficially owned or held under option by such employee as of the date of this Prospectus; provided that such sales must be made in compliance with the registration requirements of the Securities Act or pursuant to an exemption therefrom; provided further that if any such employee has granted an option to the U.S. Underwriters to sell additional shares to cover over-allotments, then such employee's eligibility for this additional exception is reduced by the number of shares sold upon exercise of the over-allotment option. See "Underwriting".

In general, under Rule 144 as currently in effect, a stockholder, including an "affiliate", who has beneficially owned his or her restricted securities (as that term is defined in Rule 144) for at least one year from the later of the date such securities were acquired from the Company or (if applicable) the date they were acquired from an affiliate, is entitled to sell, within any three-month period, a number of such shares that does not exceed the greater of 1% of the then outstanding shares of Common Stock (which will equal approximately 825,000 shares immediately after the Offering) or the average weekly trading volume in the Common Stock during the four calendar weeks preceding the date on which notice of such sale was filed under Rule 144, provided certain requirements concerning availability of public information, manner of sale and notice of sale are satisfied. In addition, under Rule 144(k), if a period of at least two years has elapsed between the later of the date restricted securities were acquired from the Company or (if applicable) the date they were acquired from an affiliate of the Company, a stockholder who is not an affiliate of the Company at the time of sale and has not been an affiliate of the Company for at least three months prior to the sale is entitled to sell the shares immediately without compliance with the foregoing requirements under Rule 144.

Subject to certain limitations on the aggregate offering price of a transaction and other conditions, Rule 701 may be relied upon with respect to the resale of securities originally purchased from the Company by its employees, directors, officers, consultants or advisors prior to the date the issuer becomes subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), pursuant to written compensatory benefit plans or written contracts relating to the compensation of such persons. In addition, the SEC has indicated that Rule 701 will apply to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options (including exercises after the date of the Offering). Securities issued in reliance on Rule 701 are restricted securities and commencing 90 days after the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, subject to the contractual restrictions described above, may be sold (i) by persons other than affiliates, subject only to the manner of sale provisions of Rule 144, and (ii) by affiliates, under Rule 144 without compliance with its one-year minimum holding period requirements.

Following consummation of the Offering, the Company expects to file a registration statement on Form S-8 covering approximately 22,500,000 shares of Common Stock that are subject to outstanding options or reserved for issuance under the Company's stock option plans.

Approximately 67,000,000 shares of Common Stock (approximately 99,000,000 including shares issuable upon conversion or exercise of outstanding securities) will be subject to demand and piggyback registration rights. In addition, the Company estimates that upon the expiration of the 180-day lockup period described above, approximately 36,500,000 shares may be sold under Rule 144, subject to the volume restrictions contained therein.

Except as indicated above, the Company is unable to estimate the amount, timing and nature of future sales of outstanding Common Stock. Prior to the Offering, there has been no public market for the Common Stock, and no prediction can be made as to the effect, if any, that market sales of shares of Common Stock or the availability of shares for sale will have on the market price of the Common Stock prevailing from time to time. Nevertheless, sales of significant numbers of shares of Common Stock in the public market could adversely affect the market price of the Common Stock and could impair the Company's ability to raise capital through an offering of its equity securities. See "Risk Factors--Shares Eligible for Future Sale" and "Underwriting".

CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES
TO NON-UNITED STATES HOLDERS

The following is a general summary of the material United States Federal income and estate tax considerations to a Non-U.S. Holder (as defined below) relevant to the ownership and disposition of shares of Common Stock. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), final, temporary and proposed United States Treasury regulations promulgated thereunder, Internal Revenue Service (the "IRS") rulings, official pronouncements and judicial decisions, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect, or different interpretations. This summary does not discuss all the tax consequences that may be relevant to a particular Non-U.S. Holder in light of the holder's particular circumstances and it is not intended to be applicable in all respects to all categories of Non-U.S. Holders, some of whom may be subject to special rules not discussed below. In addition, this summary does not address any state, local or foreign tax considerations that may be relevant to a Non-U.S. Holder's decision to purchase shares of Common Stock.

For purposes of this discussion, a "Non-U.S. Holder" is a person or entity that, for U.S. Federal income tax purposes, is either a non-resident alien individual, a foreign corporation, a foreign partnership or a foreign estate or trust in each case not subject to U.S. Federal income tax on a net income basis in respect of income or gain with respect to Common Stock. An individual may be deemed to a resident alien (as opposed to a non-resident alien) by virtue of being present in the United States on at least 31 days during the calendar year and for an aggregate of 183 days during the calendar year and the two preceding calendar years (counting, for such purposes all the days present in the current year, one-third of the days present in the immediately preceding year and one sixth of the days present in the second preceding year). In addition to the "substantial presence test" described in the immediately preceding sentence, an individual may be treated as a resident alien if he or she (i) meets the lawful permanent residence test (a so-called "green card" test) or (ii) elects to be treated as a U.S. resident and meets the "substantial presence test" in the immediately following year. Generally, resident aliens are subject to U.S. Federal income and estate tax in the same manner as U.S. citizens and residents.

ALL NON-U.S. HOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF SHARES OF COMMON STOCK IN LIGHT OF THEIR OWN PARTICULAR CIRCUMSTANCES.

DIVIDENDS ON COMMON STOCK

Generally, any dividends paid on Common Stock will be subject to United States Federal withholding tax at a rate of 30% of the amount of the dividend, or at a lower applicable treaty rate. However, if the dividend is effectively connected with a United States trade or business of a Non-U.S. Holder (and is attributable to a U.S. permanent establishment of such holder, if an applicable income tax treaty so requires as a condition for the Non-U.S. Holder to be subject to U.S. income tax on a net income basis in respect of such dividends) it will be subject to United States Federal income tax on a net basis at ordinary Federal income tax rates (in which case the branch profits tax at 30% (or such lower rate as may be specified in an applicable treaty) may also apply if such holder is a foreign corporation), and assuming certain certification requirements are met, will not be subject to the 30% withholding tax.

Under current Treasury regulations, a holder's status as a Non-U.S. Holder and eligibility for a tax treaty reduced rate of withholding will be determined by reference to the holder's address and to any outstanding certificates or statements concerning eligibility for a reduced rate of withholding, unless facts and circumstances indicate that reliance on such address, certificates or statements is not warranted. However, subject to certain transitional rules, recently issued Treasury regulations require a Non-U.S. Holder to provide certifications under penalties of perjury in order to obtain treaty benefits for payments made after December 31, 1999.

SALE OR EXCHANGE OF COMMON STOCK

Subject to the discussion of backup withholding below, any capital gain realized upon a sale or exchange of Common Stock by a beneficial owner who is a Non-U.S. Holder ordinarily will not be subject to United States Federal income tax unless (i) such gain is effectively connected with a trade or business conducted by such Non-U.S. Holder within the United States (in which case the branch profits tax at 30% (or such lower rate as may be specified in an applicable treaty) may also apply if the holder is a foreign corporation), (ii) in the case of a Non-U.S. Holder that is an individual, such holder is present in the United States for a period or periods aggregating 183 days or more in the taxable year of the sale or exchange and either (a) has a "tax home" for Federal income tax purposes in the United States or (b) has an office or other fixed place of business in the United States to which the gain is attributable or (iii) the Company is or has been a "United States real property holding corporation" (a "USRPHC") for Federal income tax purposes within the lesser of (a) the five-year period ending on the date of the sale or exchange and (b) the Non-U.S. Holder's holding period, and, in each case, no treaty exception is applicable. The Company does not believe that it is currently a USRPHC. Moreover, even if the Company were to become a USRPHC, any gain recognized by a Non-U.S. Holder still would not be subject to U.S. tax if the shares were to be "regularly traded" (within the meaning of applicable Treasury regulations) on an established securities market (such as, for example, the Nasdaq Stock Market) and the Non-U.S. Holder did not own, directly or constructively, more than 5% of the outstanding Common Stock.

FEDERAL ESTATE TAXES

Common Stock that is beneficially owned by an individual who is neither a citizen nor a resident of the United States at the time of death will be included in such individual's gross estate for United States Federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

BACKUP WITHHOLDING AND INFORMATION REPORTING

Generally, dividends on Common Stock paid to Non-U.S. Holders that are subject to the 30% or a reduced treaty rate of United States Federal withholding tax will be exempt from backup withholding tax. Otherwise, backup withholding of United States Federal income tax at a rate of 31% may apply to dividends paid with respect to Common Stock to holders that are not "exempt recipients" and that fail to provide certain information (including the holder's taxpayer identification number) in the manner required by United States law and applicable regulations.

Payments of the proceeds from the sale by a Non-U.S. Holder of shares of Common Stock made to or through a foreign office of a broker will not be subject to information reporting or backup withholding except that if the broker is a United States person, a controlled foreign corporation for United States tax purposes or a foreign person 50% or more of whose gross income is effectively connected with a United States trade or business for a specified three-year period, information reporting may apply to such payments. Payments of the proceeds from the sale of shares of Common Stock to or through the United States office of a broker will be subject to information reporting and backup withholding unless the holder certifies as to its non-United States status or otherwise establishes an exemption from information reporting and backup withholding. Subject to certain transitional rules, recently adopted Treasury regulations change information reporting requirements for Non-U.S. Holders for payments made after December 31, 1999. Accordingly, a Non-U.S. Holder should consult its tax advisor regarding the effects on it, if any, of these new regulations.

UNDERWRITING

Under the terms of, and subject to the conditions contained in, the U.S. Underwriting Agreement (the "U.S. Underwriting Agreement"), the form of which is filed as an Exhibit to the Registration Statement, the underwriters named below (the "U.S. Underwriters"), for whom Lehman Brothers Inc., Credit Suisse First Boston Corporation, Goldman, Sachs & Co. and Smith Barney Inc. are acting as representatives (the "U.S. Representatives"), have severally agreed, subject to the terms and conditions of the U.S. Underwriting Agreement, to purchase from the Company and the Selling Stockholder, and the Company and the Selling Stockholder have agreed to sell to each U.S. Underwriter, the aggregate number of shares of Common Stock set forth opposite the name of each such U.S. Underwriter below:

U.S. UNDERWRITERS	NUMBER OF SHARES
Lehman Brothers Inc.	2,079,750
Credit Suisse First Boston Corporation.....	2,079,750
Goldman, Sachs & Co.	2,079,750
Smith Barney Inc.	2,079,750
ABN AMRO Incorporated.....	134,000
BancAmerica Robertson Stephens.....	134,000
Bear, Stearns & Co. Inc.	134,000
BT Alex. Brown Incorporated.....	134,000
Donaldson, Lufkin & Jenrette Securities Corporation.....	134,000
A.G. Edwards & Sons, Inc.	134,000
Everen Securities, Inc.	134,000
ING Baring Furman Selz LLC.....	134,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated.....	134,000
J.P. Morgan Securities Inc.	134,000
NationsBanc Montgomery Securities Inc.	134,000
Prudential Securities Incorporated.....	134,000
SG Cowen Securities Corporation.....	134,000
TD Securities (USA) Inc.	134,000
Warburg Dillon Read LLC.....	134,000
Harris Webb & Garrison Inc.	134,000
Fahnestock & Co. Inc.	67,000
Gabelli & Company, Inc.	67,000
Edward D. Jones & Co., L.P.	67,000
Legg Mason Wood Walker, Incorporation.....	67,000
Loewenbaum & Company Incorporated.....	67,000
Needham & Company, Inc.	67,000
Brad Peery Inc.	67,000
Raymond James & Associates, Inc.	67,000
Sanders Morris Mundy Inc.	67,000
Sands Brothers & Co., Ltd.	67,000
Wheat First Securities, Inc.	67,000
Total.....	11,200,000
	=====

Under the terms of, and subject to the conditions contained in, the International Underwriting Agreement (the "International Underwriting Agreement"), the form of which is filed as an Exhibit to the Registration Statement, the managers named below of the concurrent offering of the shares of Common Stock outside the U.S. and Canada (the "International Managers") for whom Lehman Brothers International (Europe), Credit Suisse First Boston (Europe) Limited, Goldman Sachs International and Smith Barney Inc. are acting as lead managers (the "Lead Managers" and, together with the U.S. Representatives, the "Representatives"), have

severally agreed, subject to the terms and conditions of the International Underwriting Agreement, to purchase from the Company, and the Company has agreed to sell to each International Manager, the aggregate number of shares of Common Stock set forth opposite the name of each International Manager below:

INTERNATIONAL MANAGERS -----	NUMBER OF SHARES -----
Lehman Brothers International (Europe).....	700,000
Credit Suisse First Boston (Europe) Limited.....	700,000
Goldman Sachs International.....	700,000
Smith Barney Inc.....	700,000

Total.....	2,800,000
	=====

The U.S. Underwriting Agreement and the International Underwriting Agreement (collectively, the "Underwriting Agreements" provide that the obligations of the U.S. Underwriters and the International Managers to purchase shares of Common Stock are subject to certain conditions, and that if any of the foregoing shares of Common Stock are purchased by the U.S. Underwriters pursuant to the U.S. Underwriting Agreement or by the International Managers pursuant to the International Underwriting Agreement, then all the shares of Common Stock agreed to be purchased by the U.S. Underwriters and the International Managers, as the case may be, pursuant to their respective Underwriting Agreement, must be so purchased. The offering price and underwriting discounts and commissions per share for the U.S. Offering and the International Offering are identical. The closing of the U.S. Offering is a condition to the closing of the International Offering and the closing of the International Offering is a condition to the closing of the U.S. Offering.

The Company, the Selling Stockholder and certain additional stockholders identified below who may participate in the over-allotment option (as described herein) have been advised by the Representatives that the U.S. Underwriters and the International Managers propose to offer the shares of Common Stock directly to the public at the public offering price set forth on the cover page of this Prospectus, and to certain selected dealers (who may include the U.S. Underwriters and the International Managers) at such public offering price less a selling concession not in excess of \$0.44 per share. The selected dealers may reallow a concession not in excess of \$0.10 per share to certain brokers and dealers. After the Offering, the public offering price, the concession to selected dealers and the reallowance may be changed by the U.S. Underwriters and the International Managers.

The Company and the Selling Stockholder have agreed to indemnify, under certain circumstances, the U.S. Underwriters and, in the case of the Company, the International Managers against certain liabilities, including liabilities under the Securities Act, and to contribute, under certain circumstances, to payments that the U.S. Underwriters and, in the case of the Company, the International Managers may be required to make in respect thereof.

The following Stockholders of the Company have granted to the U.S. Underwriters options to purchase up to an aggregate of 2,100,000 additional shares of Common Stock, exercisable solely to cover over-allotments, at the public offering price less the underwriting discounts and commissions shown on the cover page of this Prospectus: (i) Messrs. Miller, Ivy, Green, Gwyn, Rees and Reese, each of whom is an executive of the Company or CTSH (the "Executives"), have granted to the U.S. Underwriters options to purchase up to an aggregate of 579,516 shares of Common Stock; (ii) Messrs. and Mes. Bettenhausen, Broussard, Cordell, Cunningham, Dennehy, Easter, Ellen, Schueppert, Taylor, Turner, Uminski, Wallander, Ward and Wing, each of whom is a member of management of the Company, CCI or CTSH (the "Employees"), have granted to the U.S. Underwriters options to purchase up to an aggregate of 168,188 shares of Common Stock; and (iii) American Home Assurance Company, Centennial Fund IV, L.P., Centennial Entrepreneurs Fund V, L.P., Centennial Fund V, Fay, Richwhite Communications Limited, Harvard Private Capital Holdings, Inc., Nassau Capital Partners II, L.P., NAS Partners I, L.L.C., New York Life Insurance Company, The Northwestern Mutual Life Insurance Company, PNC Venture Corp., Prime VIII, L.P., and Messrs. Neuger, Pinkerton and Smith, each of which is an investor in the Company (the "Investors"), and Messrs. Hutcheson, Martin and McKenzie each of whom is a director of the Company (the "Directors" and together with the Investors, the "Sponsors"), have granted to the U.S. Underwriters options to purchase up to an aggregate of 1,352,296 shares of Common Stock. Such options

may be exercised at any time until 30 days after the date of the U.S. Underwriting Agreement. To the extent that the over-allotment option is exercised, each U.S. Underwriter or International Manager, as the case may be, will be committed, subject to certain conditions, to purchase a number of additional shares of Common Stock proportionate to such U.S. Underwriter's or International Manager's initial commitment as indicated in the preceding tables.

The Executives, the Employees and the Sponsors have agreed to indemnify, under certain circumstances, the U.S. Underwriters against certain liabilities, including liabilities under the Securities Act, and to contribute, under certain circumstances, to the payments that the U.S. Underwriters may be required to make in respect thereof.

Prior to the Offering, there has been no public market for the shares of Common Stock. The initial public offering price was negotiated between the Company and the Representatives. Among the factors considered in determining the initial public offering price of the shares of Common Stock, in addition to prevailing market conditions, were the Company's historical performance and capital structure, estimates of business potential and earning prospects of the Company, an overall assessment of the Company, an assessment of the Company's management and the consideration of the above factors in relation to market valuation of companies in related businesses.

The U.S. Underwriters and the International Managers have entered into an Agreement Between U.S. Underwriters and International Managers pursuant to which each U.S. Underwriter has agreed that, as part of the distribution of the shares of Common Stock offered in the U.S. Offering, (i) it is not purchasing any such shares for the account of anyone other than a U.S. or Canadian Person (as defined below), and (ii) it has not offered or sold, will not offer, sell, resell or deliver, directly or indirectly, any such shares or distribute any prospectus relating to the U.S. Offering to anyone other than a U.S. or Canadian Person. In addition, pursuant to such Agreement, each International Manager has agreed that, as part of the distribution of the shares of Common Stock offered in the International Offering, (i) it is not purchasing any such shares for the account of a U.S. or Canadian Person, and (ii) it has not offered or sold, and will not offer, sell, resell or deliver, directly or indirectly, any of such shares or distribute any prospectus relating to the International Offering to any U.S. or Canadian Person.

The foregoing limitations do not apply to stabilization transactions or to certain other transactions specified in the Underwriting Agreements and the Agreement Between U.S. Underwriters and International Managers, including (i) certain purchases and sales between U.S. Underwriters and the International Managers, (ii) certain offers, sales, resales, deliveries or distributions to or through investment advisors or other persons exercising investment discretion, (iii) purchases, offers or sales by a U.S. Underwriter who is also acting as an International Manager or by an International Manager who is also acting as a U.S. Underwriter and (iv) other transactions specifically approved by the U.S. Representatives and the Lead Managers. As used herein, the term "U.S. or Canadian Person" means any resident or citizen of the United States or Canada, any corporation, partnership or other entity created or organized in or under the laws of the United States or Canada or any political subdivision thereof, or any estate or trust the income of which is subject to United States or Canadian federal income taxation regardless of the source, the term "United States" means the United States of America (including the District of Columbia) and its territories, its possessions and other areas subject to its jurisdiction, and the term "Canada" means Canada, its provinces, its territories, its possessions and other areas subject to its jurisdiction.

Pursuant to the Agreement Between the U.S. Underwriters and the International Managers, sales may be made between the U.S. Underwriters and the International Managers of such a number of shares of Common Stock as may be mutually agreed. The price of any shares so sold shall be the public offering price as then in effect for the shares of Common Stock being sold by the U.S. Underwriters and the International Managers less an amount equal to the selling concession allocable to such shares of Common Stock, unless otherwise determined by mutual agreement. To the extent that there are sales between the U.S. Underwriters and the International Managers pursuant to the Agreement Between the U.S. Underwriters and the International Managers the number of shares of Common Stock available for sale by the U.S. Underwriters or by the International Managers may be more or less than the amount specified on the cover page of this Prospectus.

Until the distribution of the Common Stock is completed, rules of the Commission may limit the ability of the U.S. Underwriters and certain selling group members to bid for and purchase shares of Common Stock. As an exception to these rules, the Representatives are permitted to engage in certain transactions that stabilize the price of the Common Stock. Such transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Common Stock.

If the U.S. Underwriters create a short position in the Common Stock in connection with the Offering (i.e., if they sell more shares of Common Stock than are set forth on the cover page of this Prospectus), the U.S. Representatives may reduce that short position by purchasing Common Stock in the open market. The U.S. Representatives also may elect to reduce any short position by exercising all or part of the over-allotment option described herein.

The U.S. Representatives may also impose a penalty bid on certain U.S. Underwriters and selling group members. This means that, if the U.S. Representatives purchase shares of Common Stock in the open market to reduce the U.S. Underwriters' short position or to stabilize the price of the Common Stock, they may reclaim the amount of the selling concession from the U.S. Underwriters and selling group members who sold those shares as part of the Offering.

In general, purchases of a security for the purpose of stabilization or to reduce a syndicate short position could cause the price of the security to be higher than it might otherwise be in the absence of such purchases. The imposition of a penalty bid might have an effect on the price of a security to the extent that it were to discourage resales of the security by purchasers in the Offering.

Neither the Company nor any of the U.S. Underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Common Stock. In addition, neither the Company nor any of the U.S. Underwriters makes any representation that the U.S. Representatives will engage in such transactions or that such transactions, once commenced, will not be discontinued without notice.

Each International Manager has represented and agreed that (i) it has not offered or sold and, prior to the date six months after the date of issue of the shares of Common Stock, will not offer or sell any shares of Common Stock to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995, (ii) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 with respect to anything done by it in relation to the shares of Common Stock in, from or otherwise involving the United Kingdom, and (iii) it has only issued or passed on, and will only issue or pass on to any person in the United Kingdom any document received by it in connection with the issue of the shares of Common Stock if that person is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996.

The Common Stock has been approved for listing, subject to notice of issuance, on The Nasdaq Stock Market's National Market under the symbol "TWRS".

The Company, all executive officers and directors of the Company and, subject to certain limited exceptions, all other existing stockholders of the Company have agreed that they will not, subject to certain limited exceptions, for a period of 180 days from the date of this Prospectus, directly or indirectly, offer for sale, sell or otherwise dispose of any shares of Common Stock or any securities convertible into or exchangeable or exercisable for any such shares of Common Stock or enter into any derivative transaction with similar effect as a sale of Common Stock, without the prior written consent of Lehman Brothers Inc. The restrictions described in this paragraph do not apply to (i) the sale of Common Stock to the Underwriters, (ii) the issuance by the Company of shares of Common Stock upon the exercise of an option or a warrant or the conversion of a security outstanding on the date of this Prospectus or (iii) transfers, without consideration, of the Common Stock to family members or to one or more trusts established for the benefit of one or more family members. Furthermore, an

additional exception was made for each employee of the Company or its subsidiaries (excluding Mr. Crown, the Executives and the directors of the Company) that is a party to a lock-up agreement to permit each such employee to sell during the 180-day period described above up to 12% of the shares of Common Stock beneficially owned by such employee as of the date of this Prospectus; provided that such sales must be made in compliance with the registration requirements of the Securities Act or pursuant to an exemption therefrom; provided further that if any such employee is an Employee participating in the over-allotment option described above, then such Employee's eligibility for this additional exception is reduced by the number of shares sold upon exercise of the over-allotment option.

Any offer of the shares of Common Stock in Canada will be made only pursuant to an exemption from the prospectus filing requirement and an exemption from the dealer registration requirement (where such an exemption is not available, offers shall be made only by a registered dealer) in the relevant Canadian jurisdiction where such offer is made.

Purchasers of the shares of Common Stock offered hereby may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase, in addition to the offering price set forth on the cover hereof.

The U.S. Underwriters and the International Managers have informed each of the Company, the Selling Stockholders, the Executives, the Employees and the Sponsors that they do not intend to sell to, and therefore will not confirm the sales of shares of Common Stock to discretionary accounts to exceed five percent of the total number of shares of Common Stock offered by them.

Lehman Brothers Inc. has provided investment banking, financial advisor and other services to the Company, for which services Lehman Brothers Inc. has received fees. In addition, Credit Suisse First Boston Corporation and its affiliates has provided investment banking services to the Company and CTI, for which it has received fees, and Credit Suisse First Boston, an affiliate of Credit Suisse First Boston Corporation, has acted as arranger and agent of the CTI Credit Facility in connection with which it has received fees. Salomon Smith Barney, an affiliate of Smith Barney Inc., has acted as advisor to TdF in connection with the negotiation of the Roll-Up, for which Salomon Smith Barney received fees, and William A. Murphy, a Director of Mergers & Acquisitions at Salomon Smith Barney, is expected to be elected as a director of the Company upon consummation of the Roll-Up.

VALIDITY OF COMMON STOCK

The validity of the Common Stock offered hereby will be passed upon for the Company by Cravath, Swaine & Moore, New York, New York, and for the Underwriters by Latham & Watkins, New York, New York.

EXPERTS

The consolidated financial statements and schedule of the Company at December 31, 1996 and 1997, and for each of the three years in the period ended December 31, 1997, the combined financial statements of Crown for each of the two years in the period ended December 31, 1996 and the seven months ended July 31, 1997, the financial statements of the Home Service Transmission business of the BBC at March 31, 1996 and for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 and the consolidated financial statements of CTI at March 31, 1997 and December 31, 1997 and for the period from February 28, 1997 to March 31, 1997 and the period from April 1, 1997 to December 31, 1997, and the financial statements of TEA Group Incorporated at December 31, 1996 and for the year then ended, have been included herein in reliance upon the report of KPMG Peat Marwick LLP, independent certified public accountants, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The financial statements of TEA Group Incorporated at December 31, 1995 and for the year then ended, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon appearing elsewhere herein and are included in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

AVAILABLE INFORMATION

The Company has filed with the Commission a Registration Statement on Form S-1 under the Securities Act with respect to the Common Stock offered hereby (the "Registration Statement"). This Prospectus, which constitutes a part of the Registration Statement, does not contain all the information set forth in the Registration Statement, certain parts of which have been omitted from this Prospectus in accordance with the rules and regulations of the Commission. For further information with respect to the Company and the Common Stock offered hereby, reference is made to the Registration Statement, including the exhibits and schedules filed therewith. Statements made in this Prospectus concerning the contents of any document referred to herein are not necessarily complete. With respect to each such document filed with the Commission as an exhibit to the Registration Statement, reference is made to the exhibit for a more complete description of the matter involved, and each such document filed with the Commission as an exhibit to the Registration Statement, reference is made to the exhibit for a more complete description of the matter involved, and each such statement shall be deemed qualified in its entirety by such reference.

The Registration Statement, including the exhibits and scheduled thereto, such reports and other information can be inspected and copied at the Public Reference Section of the Commission at Room 1024, 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549 and at the regional offices of the Commission located at 7 World Trade Center, 13th Floor, Suite 1300, New York, New York 10048 and Suite 1400, Citicorp Center, 14th Floor, 500 West Madison Street, Chicago, Illinois 60661. Copies of such material can also be obtained at prescribed rates by writing to the Public Reference Section of the Commission at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549 and its public reference facilities in New York, New York and Chicago, Illinois. The Commission also maintains a Web site that contains reports, proxy and information statements and other information regarding registrants, such as the Company, that file electronically with the Commission. The address of such site is <http://www.sec.gov>.

INDEX TO FINANCIAL STATEMENTS

CROWN CASTLE INTERNATIONAL CORP.

Unaudited Financial Statements:

Consolidated Balance Sheet as of June 30, 1998 (unaudited).....	F-3
Consolidated Statement of Operations and Comprehensive Loss for the three and six month periods ended June 30, 1997 and 1998 (unaudited).....	F-4
Consolidated Statement of Cash Flows for the six month periods ended June 30, 1997 and 1998 (unaudited).....	F-5
Condensed Notes to Consolidated Financial Statements for the six month period ended June 30, 1998 (unaudited).....	F-6

Audited Financial Statements:

Report of KPMG Peat Marwick LLP, Independent Certified Public Accountants.....	
Consolidated Balance Sheet as of December 31, 1996 and 1997.....	F-11
Consolidated Statement of Operations for each of the three years in the period ended December 31, 1997.....	F-12
Consolidated Statement of Cash Flows for each of the three years in the period ended December 31, 1997.....	F-13
Consolidated Statement of Stockholders' Equity (Deficit) for each of the three years in the period ended December 31, 1997.....	F-14
Notes to Consolidated Financial Statements for each of the three years in the period ended December 31, 1997.....	F-15
CROWN COMMUNICATIONS	
Report of KPMG Peat Marwick LLP, Independent Certified Public Accountants.....	
Combined Statement of Income for each of the two years in the period ended December 31, 1996 and for the seven month period ended July 31, 1997.....	F-34
Combined Statement of Cash Flows for each of the two years in the period ended December 31, 1996 and for the seven month period ended July 31, 1997.....	F-35
Notes to Combined Financial Statements for each of the two years in the period ended December 31, 1996 and for the seven month period ended July 31, 1997.....	F-36
TEA GROUP INCORPORATED	
Report of Ernst & Young LLP, Independent Auditors.....	
Report of KPMG Peat Marwick LLP, Independent Certified Public Accountants.....	
Balance Sheet as of December 31, 1995 and 1996.....	F-41
Statement of Income for each of the two years in the period ended December 31, 1996, and for each of the three month periods ended March 31, 1996 and 1997 (unaudited).....	F-42
Statement of Shareholders' Equity for each of the two years in the period ended December 31, 1996.....	F-43
Statement of Cash Flows for each of the two years in the period ended December 31, 1996, and for each of the three month periods ended March 31, 1996 and 1997 (unaudited).....	F-44
Notes to Financial Statements for each of the two years in the period ended December 31, 1996.....	F-45
CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND THE BBC HOME SERVICE TRANSMISSION BUSINESS	
Report of KPMG, Chartered Accountants.....	
Profit and Loss Accounts of the BBC Home Service Transmission business for the Year ended March 31, 1996 and the Period from April 1, 1996 to February 27, 1997 and the Consolidated Profit and Loss Accounts of Castle Transmission Services (Holdings) Ltd for the Period from February 28, 1997 to March 31, 1997 and for the Period from April 1, 1997 to December 31, 1997.....	F-49
Balance Sheet of the BBC Home Service Transmission business at March 31, 1996 and Consolidated Balance Sheets of Castle Transmission Services (Holdings) Ltd at March 31, 1997 and at December 31, 1997.....	F-50

Cash Flow Statements of the BBC Home Service Transmission business for the Year ended March 31, 1996 and the Period from April 1, 1996 to February 27, 1997 and the Consolidated Cash Flow Statements of Castle Transmission Services (Holdings) Ltd for the Period from February 28, 1997 to March 31, 1997 and for the Period from April 1, 1997 to December 31, 1997..... F-51

Reconciliation of Movements in Corporate Funding of the BBC Home Service Transmission business for the Year ended March 31, 1996 and the Period from April 1, 1996 to February 27, 1997 and Consolidated Reconciliation of Movements in Shareholders' Funds of Castle Transmission Services (Holdings) Ltd for the Period from February 28, 1997 to March 31, 1997 and for the Period from April 1, 1997 to December 31, 1997..... F-52

Notes to the Consolidated Financial Statements..... F-53

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(IN THOUSANDS OF DOLLARS, EXCEPT SHARE AMOUNTS)

ASSETS	DECEMBER 31, 1997	JUNE 30, 1998
	-----	-----
		(UNAUDITED)
Current assets:		
Cash and cash equivalents.....	\$ 55,078	\$ 51,258
Receivables:		
Trade, net of allowance for doubtful accounts of \$177 and \$212 at December 31, 1997 and June 30, 1998, respectively.....	9,264	10,150
Other.....	811	1,390
Inventories.....	1,322	1,233
Prepaid expenses and other current assets.....	681	1,350
	-----	-----
Total current assets.....	67,156	65,381
Property and equipment, net of accumulated depreciation of \$4,852 and \$7,882 at December 31, 1997 and June 30, 1998, respectively.....	81,968	131,492
Investments in affiliates.....	59,082	61,432
Goodwill and other intangible assets, net of accumulated amortization of \$3,997 and \$8,574 at December 31, 1997 and June 30, 1998, respectively....	152,541	148,336
Deferred financing costs and other assets, net of accumulated amortization of \$743 and \$1,134 at December 31, 1997 and June 30, 1998, respectively ...	10,644	12,189
	-----	-----
	\$371,391	\$418,830
	=====	=====
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable.....	\$ 7,760	\$ 6,311
Accrued compensation and related benefits.....	1,792	847
Other accrued liabilities.....	2,398	2,379
	-----	-----
Total current liabilities.....	11,950	9,537
Long-term debt.....	156,293	216,869
Other liabilities.....	607	822
	-----	-----
Total liabilities.....	168,850	227,228
	-----	-----
Commitments and contingencies		
Redeemable preferred stock, \$.01 par value; 6,435,228 shares authorized:		
Senior Convertible Preferred Stock; 657,495 shares issued (stated at redemption value; aggregate liquidation value of \$68,916 and \$74,866, respectively).....	67,948	72,080
Series A Convertible Preferred Stock; 1,383,333 shares issued (stated at redemption and aggregate liquidation value).....	8,300	8,300
Series B Convertible Preferred Stock; 864,568 shares issued (stated at redemption and aggregate liquidation value).....	10,375	10,375
Series C Convertible Preferred Stock; 3,529,832 shares issued (stated at redemption and aggregate liquidation value).....	74,126	74,126
	-----	-----
Total redeemable preferred stock.....	160,749	164,881
	-----	-----
Stockholders' equity:		
Common stock, \$.01 par value; 12,800,000 shares authorized:		
Class A Common Stock; 1,041,565 shares issued.....	2	2
Class B Common Stock; 9,367,165 shares issued.....	19	19
Additional paid-in capital.....	58,248	58,584
Cumulative foreign currency translation adjustment..	562	2,319
Accumulated deficit.....	(17,039)	(34,203)
	-----	-----
Total stockholders' equity	41,792	26,721
	-----	-----
	\$371,391	\$418,830
	=====	=====

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)

(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1997	1998	1997	1998
Net revenues:				
Site rental.....	\$ 1,674	\$ 5,387	\$ 3,341	\$ 10,448
Network services and other.....	3,097	6,143	3,424	12,919
	4,771	11,530	6,765	23,367
Operating expenses:				
Costs of operations (exclusive of depreciation and amortization):				
Site rental.....	347	1,246	605	2,418
Network services and other.....	2,166	2,734	2,171	7,155
General and administrative.....	980	4,965	1,491	8,768
Corporate development.....	1,677	691	3,782	2,022
Depreciation and amortization	522	4,091	930	7,695
	5,692	13,727	8,979	28,058
Operating loss.....	(921)	(2,197)	(2,214)	(4,691)
Other income (expense):				
Equity in earnings (losses) of uncon- solidated affiliate.....	(418)	624	(221)	525
Interest and other income.....	207	664	1,508	1,370
Interest expense and amortization of deferred financing costs.....	(570)	(5,321)	(1,196)	(10,027)
Loss before income taxes.....	(1,702)	(6,230)	(2,123)	(12,823)
Provision for income taxes.....	(4)	(196)	(26)	(209)
Net loss.....	(1,706)	(6,426)	(2,149)	(13,032)
Dividends on Senior Convertible Preferred Stock.....	--	(2,077)	--	(4,132)
Net loss after deduction of dividends on Senior Convertible Preferred Stock.....	\$(1,706)	\$(8,503)	\$(2,149)	\$(17,164)
Net loss.....	\$(1,706)	\$(8,503)	\$(2,149)	\$(17,164)
Other comprehensive income:				
Foreign currency translation adjustments.....	693	1,086	1,078	1,757
Comprehensive loss.....	\$(1,013)	\$(7,417)	\$(1,071)	\$(15,407)
Loss per common share--basic and diluted.....	\$ (0.51)	\$ (0.78)	\$ (0.64)	\$ (1.57)
Common shares outstanding--basic and diluted (in thousands).....	3,362	10,954	3,381	10,954

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

(IN THOUSANDS OF DOLLARS)

	SIX MONTHS ENDED JUNE 30,	
	1997	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss.....	\$ (2,149)	\$ (13,032)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:		
Amortization of deferred financing costs and discount on long-term debt	67	8,538
Depreciation and amortization.....	930	7,695
Equity in losses (earnings) of unconsolidated affiliate.....	221	(525)
Changes in assets and liabilities, excluding the effects of acquisitions:		
Increase (decrease) in other liabilities.....	(212)	411
Decrease in accounts payable.....	(2,109)	(1,449)
Decrease (increase) in receivables.....	4,134	(1,465)
Increase in inventories, prepaid expenses and other assets.....	(421)	(2,145)
Decrease in accrued interest.....	(65)	--
Net cash provided by (used for) operating activities..	396	(1,972)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures.....	(918)	(52,752)
Investments in affiliates.....	(59,482)	--
Acquisition of business, net of cash acquired.....	(6,094)	--
Net cash used for investing activities.....	(66,494)	(52,752)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings under revolving credit agreements.....	1,920	52,550
Incurrence of financing costs.....	(553)	(1,646)
Proceeds from issuance of capital stock.....	74,183	--
Principal payments on long-term debt.....	(2,441)	--
Purchase of capital stock.....	(2,132)	--
Net cash provided by financing activities.....	70,977	50,904
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	4,879	(3,820)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	7,343	55,078
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	\$ 12,222	\$ 51,258
	=====	=====
SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Conversion of stockholder's Convertible Secured Subordinated Notes to Series A Convertible Preferred Stock.....	\$ 3,657	\$ --
Amounts recorded in connection with acquisition:		
Fair value of net assets acquired, including goodwill...	10,216	--
Issuance of long-term debt.....	1,872	--
Issuance of Class B Common Stock.....	2,250	--
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid.....	\$ 1,179	\$ 1,464
Income taxes paid.....	9	249

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The information contained in the following notes to the consolidated financial statements is condensed from that which would appear in the annual consolidated financial statements; accordingly, the consolidated financial statements included herein should be reviewed in conjunction with the consolidated financial statements for the fiscal year ended December 31, 1997, and related notes thereto, of Crown Castle International Corp. included elsewhere herein. All references to the "Company" include Crown Castle International Corp. and its subsidiary companies unless otherwise indicated or the context indicates otherwise.

The consolidated financial statements included herein are unaudited; however, they include all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to present fairly the consolidated financial position of the Company at June 30, 1998, the consolidated results of operations for the three and six months ended June 30, 1997 and 1998 and consolidated cash flows for the six months ended June 30, 1997 and 1998. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the entire year.

Recent Accounting Pronouncements

In February 1997, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 128, Earnings per Share ("SFAS 128"). SFAS 128 establishes new standards for computing and presenting earnings per share ("EPS") amounts for companies with publicly held common stock or potential common stock. The new standards require the presentation of both basic and diluted EPS amounts for companies with complex capital structures. Basic EPS is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period, and excludes the effect of potentially dilutive securities (such as options, warrants and convertible securities) which are convertible into common stock. Dilutive EPS reflects the potential dilution from such convertible securities. SFAS 128 is effective for periods ending after December 15, 1997. The Company has adopted the requirements of SFAS 128 in its financial statements for the year ended December 31, 1997.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income ("SFAS 130"). SFAS 130 establishes standards for the reporting and display of comprehensive income in a company's financial statements. Comprehensive income includes all changes in a company's equity accounts (including net income or loss) except investments by, or distributions to, the company's owners. Items which are components of comprehensive income (other than net income or loss) include foreign currency translation adjustments, minimum pension liability adjustments and unrealized gains and losses on certain investments in debt and equity securities. The components of comprehensive income must be reported in a financial statement that is displayed with the same prominence as other financial statements. SFAS 130 is effective for fiscal years beginning after December 15, 1997. The Company has adopted the requirements of SFAS 130 in its financial statements for the three months ended March 31, 1998.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 131, Disclosures about Segments of an Enterprise and Related Information ("SFAS 131"). SFAS 131 establishes standards for the way that public companies report, in their annual financial statements, certain information about their operating segments, their products and services, the geographic areas in which they operate and their major customers. SFAS 131 also requires that certain information about operating segments be reported in interim financial statements. SFAS 131 is effective for periods beginning after December 15, 1997. The Company will adopt the requirements of SFAS 131 in its financial statements for the year ending December 31, 1998.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

In April 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position 98-5, Reporting on the Costs of Start-Up Activities ("SOP 98-5"). SOP 98-5 requires that costs of start-up activities be charged to expense as incurred and broadly defines such costs. The Company has deferred certain costs incurred in connection with potential business initiatives and new geographic markets, and SOP 98-5 will require that such deferred costs be charged to results of operations upon its adoption. SOP 98-5 is effective for fiscal years beginning after December 15, 1998. The Company will adopt the requirements of SOP 98-5 as of January 1, 1999. The cumulative effect of the change in accounting principle for the adoption of SOP 98-5 will result in a charge to results of operations in the Company's financial statements for the three months ended March 31, 1999; it is currently estimated that such charge will amount to approximately \$2,000,000.

2. ACQUISITIONS

On May 12, 1997, the Company acquired all of the common stock of TEA Group Incorporated and TeleStructures, Inc. (collectively, "TEA"). On August 15, 1997, the Company acquired (i) substantially all of the assets, net of outstanding liabilities, of Crown Communications ("CCM") and (ii) all of the outstanding common stock of Crown Network Systems, Inc. ("CNS") and Crown Mobile Systems, Inc. ("CMS") (collectively, "Crown"). These business acquisitions were accounted for using the purchase method. Results of operations and cash flows of the acquired businesses are included in the consolidated financial statements for the periods subsequent to the respective dates of acquisition. On a pro forma basis as if the TEA and Crown acquisitions and the investment in Castle Transmission Services (Holdings) Ltd ("CTI") had been consummated as of January 1, 1997, the Company had consolidated net revenues and a consolidated net loss for the six months ended June 30, 1997 of \$30,362,000 and \$4,487,000 (a loss of \$0.41 per common share), respectively. Such pro forma results reflect appropriate adjustments for depreciation and amortization, interest expense, amortization of deferred financing costs, income taxes and certain nonrecurring income and expenses recorded by the Company in connection with the investment in CTI. The pro forma information does not necessarily reflect the actual results that would have been achieved, not is it necessarily indicative of future consolidated results for the Company.

3. LONG-TERM DEBT

Long-term debt consists of the following:

	DECEMBER 31, 1997	JUNE 30, 1998
----- (IN THOUSANDS OF DOLLARS)		
Senior Credit Facility.....	\$ 4,700	\$ 57,250
10 5/8% Senior Discount Notes due 2007, net of discount.....	151,593	159,619
	-----	-----
	\$ 156,293	\$ 216,869
	=====	=====

Reporting Requirements Under the Indenture Governing the 10 5/8% Senior Discount Notes due 2007 (the "Indenture")

As of June 30, 1998, the Company does not have any Unrestricted Subsidiaries (as defined in the Indenture). The following information (as such capitalized terms are defined in the Indenture) is presented solely for the purpose of measuring compliance with respect to the terms of the Indenture; such information is not intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

generally accepted accounting principles). Furthermore, the Company's measure of the following information may not be comparable to similarly titled measures of other companies.

	(IN THOUSANDS OF DOLLARS)

Tower Cash Flow, for the three months ended June 30, 1998.....	\$ 3,792
	=====
Consolidated Cash Flow, for the twelve months ended June 30, 1998.....	\$ 9,240
Less: Tower Cash Flow, for the twelve months ended June 30, 1998.....	(14,212)
Plus: four times Tower Cash Flow, for the three months ended June 30, 1998.....	15,168

Adjusted Consolidated Cash Flow, for the twelve months ended June 30, 1998.....	\$ 10,196
	=====

4. PER SHARE INFORMATION

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

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

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	-----	-----	-----	-----
	1997	1998	1997	1998

	(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)			
Net loss.....	\$ (1,706)	\$ (6,426)	\$(2,149)	\$(13,032)
Dividends on Senior Convertible Preferred Stock.....	--	(2,077)	--	(4,132)
	-----	-----	-----	-----
Net loss applicable to common stock for basic and diluted computations...	\$ (1,706)	\$ (8,503)	\$(2,149)	\$(17,164)
	=====	=====	=====	=====
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands).....	3,362	10,954	3,381	10,954
	=====	=====	=====	=====
Loss per common share--basic and di- luted.....	\$ (0.51)	\$ (0.78)	\$ (0.64)	\$ (1.57)
	=====	=====	=====	=====

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares as of June 30, 1998: (i) options to purchase 5,280,510 shares of common stock at exercise prices ranging from \$.40 to \$7.50 per share; (ii) warrants to purchase 1,314,990 shares of common stock at an exercise price of \$7.50 per share; (iii) shares of Senior Convertible Preferred Stock which are convertible into 9,600,430 shares of common stock; and (iv) shares of Series A Convertible Preferred Stock, Series B Convertible Preferred Stock and Series C Convertible Preferred Stock which are convertible into 28,888,665 shares of common stock. The inclusion of such potential common shares in the diluted per share computations would be antidilutive since the Company incurred net losses for all periods presented.

5. CONTINGENCIES

The Company is involved in various claims, lawsuits and proceedings arising in the ordinary course of business. While there are uncertainties inherent in the ultimate outcome of such matters and it is impossible to

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

presently determine the ultimate costs that may be incurred, management believes the resolution of such uncertainties and the incurrence of such costs should not have a material adverse effect on the Company's consolidated financial position or results of operations.

6. SUBSEQUENT EVENTS

On April 24, 1998, the Company entered into a share exchange agreement with certain shareholders of CTI pursuant to which certain of CTI's shareholders have agreed to exchange their shares of CTI for shares of the Company. Upon the consummation of the exchange, the Company's ownership of CTI will increase from approximately 34.3% to approximately 80%. Consummation of the share exchange is subject to a number of significant conditions, including certain third party consents and the consummation of an initial public offering of common stock by the Company.

In connection with the share exchange, the Company intends to offer shares of its common stock in an underwritten initial public offering during the summer of 1998. On June 19, 1998, a registration statement in respect of such initial public offering was filed with the Securities and Exchange Commission (as amended, the "Registration Statement") and any securities offered in such initial public offering will only be offered by means of a prospectus forming a part of such Registration Statement.

In anticipation of such initial public offering, the Company (i) amended and restated the 1995 Stock Option Plan to, among other things, authorize the issuance of up to 18,000,000 shares of common stock pursuant to awards made thereunder and (ii) approved an amendment to its certificate of incorporation to increase the number of authorized shares of common and preferred stock to 690,000,000 shares and 10,000,000 shares, respectively, and to effect a five-for-one stock split for the shares of common stock then outstanding. The effect of the stock split has been presented retroactively in the Company's consolidated financial statements for all periods presented.

During the period from April 24, 1998 through July 15, 1998, the Company granted options to employees and executives for the purchase of 3,236,980 shares of its common stock at an exercise price of \$7.50 per share. Of such options, options for 1,810,730 shares will vest upon consummation of the initial public offering and the remaining options for 1,426,250 shares will vest at 20% per year over five years, beginning one year from the date of grant. In addition, the Company has assigned its right to repurchase shares of its common stock from a stockholder (at a price of \$6.26 per share) to two individuals (including an expected director nominee) with respect to 100,000 of such shares. Since the granting of these options and the assignment of these rights to repurchase shares occurred subsequent to the date of the share exchange agreement with CTI's shareholders and at prices substantially below the expected price to the public in the initial public offering, the Company will record a non-cash compensation charge related to these options and shares based upon the difference between the respective exercise and purchase prices and the price to the public in the initial public offering. Such compensation charge will total approximately \$18.4 million, of which approximately \$10.6 million will be recognized upon consummation of the initial public offering (for such options and shares which vest upon consummation of the initial public offering), and the remaining \$7.8 million will be recognized over five years (approximately \$1.6 million per year) through the second quarter of 2003.

In July 1998, all of the holders of the Company's Senior Convertible Preferred Stock converted such shares into an aggregate of 9,629,200 shares of the Company's common stock.

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated balance sheets of Crown Castle International Corp. and subsidiaries as of December 31, 1996 and 1997, and the related consolidated statements of operations, cash flows and stockholders' equity (deficit) for each of the three years in the period ended December 31, 1997. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Crown Castle International Corp. and subsidiaries as of December 31, 1996 and 1997, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP

Houston, Texas
February 20, 1998 (July 24, 1998 as to Note 14)

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(IN THOUSANDS OF DOLLARS, EXCEPT SHARE AMOUNTS)

ASSETS	DECEMBER 31,	
	1996	1997
Current assets:		
Cash and cash equivalents.....	\$ 7,343	\$ 55,078
Receivables:		
Trade, net of allowance for doubtful accounts of \$32 and \$177 at December 31, 1996 and 1997, respectively.....	840	9,264
Other.....	1,081	811
Inventories.....	--	1,322
Prepaid expenses and other current assets.....	149	681
Total current assets.....	9,413	67,156
Property and equipment, net.....	26,753	81,968
Investments in affiliates.....	2,101	59,082
Goodwill and other intangible assets, net of accumulated amortization of \$47 and \$3,997 at December 31, 1996 and 1997, respectively.....	820	152,541
Deferred financing costs and other assets, net of accumulated amortization of \$153 and \$743 at December 31, 1996 and 1997, respectively	2,139	10,644
	<u>\$41,226</u>	<u>\$371,391</u>
	=====	=====
 LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable.....	\$ 1,048	\$ 7,760
Accrued interest.....	49	--
Accrued compensation and related benefits.....	--	1,792
Other accrued liabilities.....	508	2,398
Long-term debt, current maturities.....	140	--
Total current liabilities.....	1,745	11,950
Accrued interest.....	729	--
Long-term debt, less current maturities.....	21,912	156,293
Site rental deposits and other liabilities.....	1,500	607
Total liabilities.....	25,886	168,850
Commitments and contingencies (Note 11)		
Redeemable preferred stock, \$.01 par value; 6,435,228 shares authorized:		
Senior Convertible Preferred Stock; shares issued: December 31, 1996--none and December 31, 1997--657,495 (stated at redemption value; aggregate liquidation value of \$0 and \$68,916, respectively).....	--	67,948
Series A Convertible Preferred Stock; shares issued: December 31, 1996--862,455 and December 31, 1997--1,383,333 (stated at redemption and aggregate liquidation value).....	5,175	8,300
Series B Convertible Preferred Stock; 864,568 shares issued (stated at redemption and aggregate liquidation value).....	10,375	10,375
Series C Convertible Preferred Stock; shares issued: December 31, 1996--none and December 31, 1997--3,529,832 (stated at redemption and aggregate liquidation value)..	--	74,126
Total redeemable preferred stock.....	15,550	160,749
Stockholders' equity (deficit):		
Common stock, \$.01 par value; 11,511,109 shares authorized:		
Class A Common Stock; shares issued: December 31, 1996--1,350,000 and December 31, 1997--1,041,565	3	2
Class B Common Stock; shares issued: December 31, 1996--1,488,330 and December 31, 1997 -- 9,367,165	3	19
Additional paid-in capital.....	762	58,248
Cumulative foreign currency translation adjustment.....	--	562
Accumulated deficit.....	(978)	(17,039)
Total stockholders' equity (deficit)	(210)	41,792
	<u>\$41,226</u>	<u>\$371,391</u>
	=====	=====

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS

(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
Net revenues:			
Site rental.....	\$ 4,052	\$ 5,615	\$ 11,010
Network services and other.....	6	592	20,395
	-----	-----	-----
	4,058	6,207	31,405
	-----	-----	-----
Operating expenses:			
Costs of operations (exclusive of depreciation and amortization):			
Site rental.....	1,226	1,292	2,213
Network services and other.....	--	8	13,137
General and administrative.....	729	1,678	6,824
Corporate development.....	204	1,324	5,731
Depreciation and amortization.....	836	1,242	6,952
	-----	-----	-----
	2,995	5,544	34,857
	-----	-----	-----
Operating income (loss).....	1,063	663	(3,452)
Other income (expense):			
Equity in losses of unconsolidated affiliate.....	--	--	(1,138)
Interest and other income.....	53	193	1,951
Interest expense and amortization of deferred financing costs.....	(1,137)	(1,803)	(9,254)
	-----	-----	-----
Loss before income taxes.....	(21)	(947)	(11,893)
Provision for income taxes.....	--	(10)	(49)
	-----	-----	-----
Net loss.....	(21)	(957)	(11,942)
Dividends on Senior Convertible Preferred Stock.....	--	--	(2,199)
	-----	-----	-----
Net loss after deduction of dividends on Senior Convertible Preferred Stock.....	\$ (21)	\$ (957)	\$(14,141)
	=====	=====	=====
Loss per common share--basic and diluted.....	\$ (0.01)	\$(0.27)	\$ (2.27)
	=====	=====	=====
Common shares outstanding--basic and diluted (in thousands).....	3,316	3,503	6,238
	=====	=====	=====

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

(IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss.....	\$ (21)	\$ (957)	\$(11,942)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Depreciation and amortization.....	836	1,242	6,952
Amortization of deferred financing costs and discount on long-term debt.....	36	55	2,159
Equity in losses of unconsolidated affiliate.....	--	--	1,138
Changes in assets and liabilities, excluding the effects of acquisitions:			
Increase in accounts payable.....	406	323	1,824
Decrease (increase) in receivables.....	(226)	(1,695)	1,353
Increase in inventories, prepaid expenses and other assets.....	(63)	(23)	(1,472)
Increase (decrease) in accrued interest.....	472	306	(396)
Increase (decrease) in other liabilities.....	232	219	(240)
Net cash provided by (used for) operating activities.....	1,672	(530)	(624)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investments in affiliates.....	--	(2,101)	(59,487)
Acquisitions of businesses, net of cash acquired..	(16,512)	(10,925)	(33,962)
Capital expenditures.....	(161)	(890)	(18,035)
Net cash used for investing activities.....	(16,673)	(13,916)	(111,484)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of long-term debt.....	6,168	--	150,010
Proceeds from issuance of capital stock.....	5,072	10,503	139,867
Principal payments on long-term debt.....	--	(130)	(113,881)
Incurrence of financing costs.....	(343)	(180)	(7,798)
Net borrowings (payments) under revolving credit agreements.....	4,700	11,000	(6,223)
Purchase of capital stock.....	--	--	(2,132)
Net cash provided by financing activities.....	15,597	21,193	159,843
NET INCREASE IN CASH AND CASH EQUIVALENTS.....	596	6,747	47,735
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	--	596	7,343
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 596	\$ 7,343	\$ 55,078
SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Conversion of stockholder's Convertible Secured Subordinated Notes to Series A Convertible Preferred Stock.....	\$ 743	\$ --	\$ 3,657
Amounts recorded in connection with acquisitions (see Note 2):			
Fair value of net assets acquired, including goodwill and other intangible assets.....	17,801	10,958	197,235
Issuance of long-term debt.....	762	--	78,102
Assumption of long-term debt.....	295	--	27,982
Issuance of Class B Common Stock.....	--	--	57,189
Amounts due to seller.....	232	33	--
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Interest paid.....	\$ 628	\$ 1,442	\$ 7,533
Income taxes paid.....	--	--	26

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
(IN THOUSANDS OF DOLLARS, EXCEPT SHARE AMOUNTS)

	CLASS A COMMON STOCK		CLASS B COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	CUMULATIVE FOREIGN CURRENCY TRANSLATION ADJUSTMENT	ACCUMULATED DEFICIT	TOTAL
	SHARES	(\$.01 PAR)	SHARES	(\$.01 PAR)				
Balance, January 1, 1995.....	--	\$ --	--	\$ --	\$ --	\$ --	\$ --	\$ --
Issuances of capital stock.....	1,350,000	3	1,433,330	3	634	--	--	640
Net loss.....	--	--	--	--	--	--	(21)	(21)
Balance, December 31, 1995.....	1,350,000	3	1,433,330	3	634	--	(21)	619
Issuances of capital stock.....	--	--	55,000	--	128	--	--	128
Net loss.....	--	--	--	--	--	--	(957)	(957)
Balance, December 31, 1996.....	1,350,000	3	1,488,330	3	762	--	(978)	(210)
Issuances of capital stock.....	--	--	8,228,835	17	57,696	--	--	57,713
Purchase of capital stock.....	(308,435)	(1)	(350,000)	(1)	(210)	--	(1,920)	(2,132)
Foreign currency translation adjustments.....	--	--	--	--	--	562	--	562
Dividends on Senior Convertible Preferred Stock.....	--	--	--	--	--	--	(2,199)	(2,199)
Net loss.....	--	--	--	--	--	--	(11,942)	(11,942)
Balance, December 31, 1997.....	1,041,565	\$ 2	9,367,165	\$ 19	\$58,248	\$562	\$(17,039)	\$41,792

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Crown Castle International Corp. and its wholly owned subsidiaries, collectively referred to herein as the "Company." All significant intercompany balances and transactions have been eliminated in consolidation. Certain reclassifications have been made to the prior year's financial statements to be consistent with the presentation in the current year.

The Company (a Delaware corporation) was organized on April 20, 1995. On April 27, 1995, the stockholders of Castle Tower Corporation ("CTC") contributed all of the outstanding shares of CTC's stock to the Company in exchange for shares of the Company's stock. CTC (a Delaware corporation) was organized on December 21, 1994 and began operations on January 1, 1995. The Company and CTC have treated this exchange of securities as a reorganization of entities under common control. As such, the transaction has been accounted for as if it were a pooling of interests on January 1, 1995.

The Company owns, operates and manages wireless transmission towers and rooftop sites, and also provides an array of related infrastructure and network support services to the wireless communications and radio and television broadcasting industries. The Company's primary business focus is the leasing of antenna space on multiple tenant towers and rooftops to a variety of wireless communications carriers under long-term lease contracts. The Company's transmission towers and rooftop sites are located throughout the United States and in Puerto Rico.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash Equivalents

Cash equivalents consist of highly liquid investments with original maturities of three months or less.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Depreciation is computed utilizing the straight-line method at rates based upon the estimated useful lives of the various classes of assets. Additions, renewals and improvements are capitalized, while maintenance and repairs are expensed. Upon the sale or retirement of an asset, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is recognized.

In March 1995, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of ("SFAS 121"). SFAS 121 requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

an asset may not be recoverable. SFAS 121 was effective for fiscal years beginning after December 15, 1995. The adoption of SFAS 121 by the Company in 1996 did not have a material impact on its consolidated financial statements.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets represents the excess of the purchase price for an acquired business over the allocated value of the related net assets (see Note 2). Goodwill is amortized on a straight-line basis over a twenty year life. Other intangible assets (principally the value of existing site rental contracts at Crown Communications) are amortized on a straight-line basis over a ten year life. The carrying value of goodwill and other intangible assets will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the acquired assets may not be recoverable. If the sum of the estimated future cash flows (undiscounted) expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset.

Deferred Financing Costs

Costs incurred to obtain financing are deferred and amortized over the estimated term of the related borrowing. At December 31, 1997, other accrued liabilities includes \$1,160,000 of such costs related to the issuance of the Company's 10 5/8% Senior Discount Notes.

Revenue Recognition

Site rental revenues are recognized on a monthly basis under lease or management agreements with terms ranging from 12 months to 25 years.

Network services revenues from site development, construction and antennae installation activities are recognized under a method which approximates the completed contract method. This method is used because these services are typically completed in three months or less and financial position and results of operations do not vary significantly from those which would result from use of the percentage-of-completion method. These services are considered complete when the terms and conditions of the contract or agreement have been substantially completed. Costs and revenues associated with installations not complete at the end of a period are deferred and recognized when the installation becomes operational. Any losses on contracts are recognized at such time as they become known.

Network services revenues from site selection and acquisition activities are recognized under service contracts with customers which provide for billings on a time and materials, cost plus profit, or fixed price basis. Such contracts typically have terms from six months to two years. Revenues are recognized as services are performed with respect to the time and materials contracts. Revenues are recognized using the percentage-of-completion method for cost plus profit and fixed price contracts, measured by the percentage of contract costs incurred to date compared to estimated total contract costs. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined.

Corporate Development Expenses

Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives.

Income Taxes

The Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

have been recognized in the Company's financial statements or tax returns. Deferred income tax assets and liabilities are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates.

Per Share Information

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

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

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
	(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)		
Net loss.....	\$ (21)	\$ (957)	\$ (11,942)
Dividends on Senior Convertible Preferred Stock...	--	--	(2,199)
Net loss applicable to common stock for basic and diluted computations.....	\$ (21)	\$ (957)	\$ (14,141)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands).....	3,316	3,503	6,238
Loss per common share--basic and diluted.....	\$ (0.01)	\$ (0.27)	\$ (2.27)

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares as of December 31, 1997: (i) options to purchase 3,694,375 shares of common stock at exercise prices ranging from \$.40 to \$7.50 per share; (ii) warrants to purchase 1,314,990 shares of common stock at an exercise price of \$7.50 per share; (iii) shares of Senior Convertible Preferred Stock which are convertible into 9,050,060 shares of common stock; and (iv) shares of Series Preferred Stock (see Note 7) which are convertible into 28,888,665 shares of common stock. The inclusion of such potential common shares in the diluted per share computations would be antidilutive since the Company incurred net losses for each of the three years in the period ended December 31, 1997.

Financial Instruments

The carrying amount of cash and cash equivalents approximates fair value for these instruments. The estimated fair value of the 10 5/8% Senior Discount Notes is based on quoted market prices, and the estimated fair value of the Convertible Secured Subordinated Notes is based on the most recent price at which shares of the Company's stock were sold (see Note 5). The estimated fair value of the other long-term debt is determined based on the current rates offered for similar borrowings. The estimated fair value of the interest rate swap agreement is based on the amount that the Company would receive or pay to terminate the agreement at the balance sheet date. The estimated fair values of the Company's financial instruments, along with the carrying amounts of the related assets (liabilities), are as follows:

	DECEMBER 31, 1996		DECEMBER 31, 1997	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
	(IN THOUSANDS OF DOLLARS)			
Cash and cash equivalents.....	\$ 7,343	\$ 7,343	\$ 55,078	\$ 55,078
Long-term debt.....	(22,052)	(25,736)	(156,293)	(161,575)
Interest rate swap agreement.....	--	--	--	(97)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

The Company's interest rate swap agreement is used to manage interest rate risk. The net settlement amount resulting from this agreement is recognized as an adjustment to interest expense. The Company does not hold or issue derivative financial instruments for trading purposes.

Stock Options

In October 1995, the FASB issued Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation ("SFAS 123"). SFAS 123 establishes alternative methods of accounting and disclosure for employee stock-based compensation arrangements. The Company has elected to continue the use of the "intrinsic value based method" of accounting for its employee stock option plan (see Note 8). This method does not result in the recognition of compensation expense when employee stock options are granted if the exercise price of the options equals or exceeds the fair market value of the stock at the date of grant. See Note 8 for the disclosures required by SFAS 123.

Recent Accounting Pronouncements

In February 1997, the FASB issued Statement of Financial Accounting Standards No. 128, Earnings per Share ("SFAS 128"). SFAS 128 establishes new standards for computing and presenting earnings per share ("EPS") amounts for companies with publicly held common stock or potential common stock. The new standards require the presentation of both basic and diluted EPS amounts for companies with complex capital structures. Basic EPS is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period, and excludes the effect of potentially dilutive securities (such as options, warrants and convertible securities) which are convertible into common stock. Dilutive EPS reflects the potential dilution from such convertible securities. SFAS 128 is effective for periods ending after December 15, 1997. The Company has adopted the requirements of SFAS 128 in its financial statements for the year ended December 31, 1997.

In February 1997, the FASB issued Statement of Financial Accounting Standards No. 129, Disclosure of Information about Capital Structure ("SFAS 129"). SFAS 129 establishes standards for disclosing information about a company's outstanding debt and equity securities and eliminates exemptions from such reporting requirements for nonpublic companies. SFAS 129 is effective for periods ending after December 15, 1997. The Company has adopted the requirements of SFAS 129 in its financial statements for the year ended December 31, 1996.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income ("SFAS 130"). SFAS 130 establishes standards for the reporting and display of comprehensive income in a company's financial statements. Comprehensive income includes all changes in a company's equity accounts (including net income or loss) except investments by, or distributions to, the company's owners. Items which are components of comprehensive income (other than net income or loss) include foreign currency translation adjustments, minimum pension liability adjustments and unrealized gains and losses on certain investments in debt and equity securities. The components of comprehensive income must be reported in a financial statement that is displayed with the same prominence as other financial statements. SFAS 130 is effective for fiscal years beginning after December 15, 1997. The Company will adopt the requirements of SFAS 130 in 1998.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 131, Disclosures about Segments of an Enterprise and Related Information ("SFAS 131"). SFAS 131 establishes standards for the way that public companies report, in their annual financial statements, certain information about their operating segments, their products and services, the geographic areas in which they operate and their major customers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

SFAS 131 also requires that certain information about operating segments be reported in interim financial statements. SFAS 131 is effective for periods beginning after December 15, 1997. The Company will adopt the requirements of SFAS 131 in its financial statements for the year ending December 31, 1998.

2. ACQUISITIONS

During the three years in the period ended December 31, 1997, the Company consummated a number of business acquisitions which were accounted for using the purchase method. Results of operations and cash flows of the acquired businesses are included in the consolidated financial statements for the periods subsequent to the respective dates of acquisition.

Pittencrieff Communications, Inc. ("PCI")

From January 9, 1995 through November 1, 1995, the Company acquired 127 telecommunications towers and related assets, net of certain outstanding liabilities, from PCI. The total purchase price of \$16,179,000 consisted of \$15,122,000 in cash, a note payable to PCI for \$762,000 and the assumption of a note payable to a third party for \$295,000.

The Company entered into a license agreement with PCI under which PCI leases space on certain of the towers for its telecommunications equipment. This license agreement was assumed by Nextel Communications, Inc. ("Nextel") upon its acquisition of PCI in 1997. The license agreement commenced on January 1, 1995 and expires on December 31, 2008, at which time Nextel has the option to renew the license agreement for an additional three year term.

The Company also entered into a management agreement with PCI under which PCI managed the towers for the Company. The term of this management agreement was for one year commencing on January 1, 1995. The Company paid a management fee to PCI equal to 15% of the revenues generated by the towers. Such management fees amounted to \$553,000 for the year ended December 31, 1995. The Company began managing the towers on January 1, 1996.

Spectrum Engineering Company ("Spectrum")

On October 30, 1995, the Company acquired substantially all of the property and equipment of Spectrum for \$1,185,000 in cash. Spectrum provides management services for building rooftop antenna sites. The Company recognized goodwill of \$870,000 in connection with this acquisition.

Motorola, Inc. ("Motorola")

On June 28, 1996, the Company acquired fifteen telecommunications towers and related assets, and assets related to specialized mobile radio and microwave services, from Motorola in Puerto Rico. The purchase price consisted of \$9,919,000 in cash. Motorola provided certain management services related to these assets for a period of ninety days after the closing date. Management fees for such services amounted to \$57,000 for the year ended December 31, 1996.

Other Acquisitions

During 1995 and 1996, the Company acquired a number of other telecommunications towers and related equipment from various sellers. The aggregate total purchase price for these acquisitions of \$1,476,000 consisted of \$1,211,000 in cash and a \$265,000 payable to a seller.

TEA Group Incorporated and TeleStructures, Inc. (collectively, "TEA")

On May 12, 1997, the Company acquired all of the common stock of TEA. TEA provides telecommunications site selection, acquisition, design and development services. The purchase price of

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

\$14,215,000 consisted of \$8,120,000 in cash (of which \$2,001,000 was paid in 1996 as an option payment), promissory notes payable to the former stockholders of TEA totaling \$1,872,000, the assumption of \$1,973,000 in outstanding debt and 535,710 shares of the Company's Class B Common Stock valued at \$2,250,000 (the estimated fair value of such common stock on that date). The Company recognized goodwill of \$9,568,000 in connection with this acquisition. The Company repaid the promissory notes with a portion of the proceeds from the issuance of its 10 5/8% Senior Discount Notes (see Note 5).

Crown Communications ("CCM"), Crown Network Systems, Inc. ("CNS") and Crown Mobile Systems, Inc. ("CMS") (collectively, "Crown")

On July 11, 1997, the Company entered into an asset purchase and merger agreement with the owners of Crown. On August 15, 1997, such agreement was amended and restated, and the Company acquired (i) substantially all of the assets, net of outstanding liabilities, of CCM and (ii) all of the outstanding common stock of CNS and CMS. Crown provides network services, which includes site selection and acquisition, antenna installation, site development and construction, network design and site maintenance, and owns and operates telecommunications towers and related assets. The purchase price of \$185,021,000 consisted of \$27,843,000 in cash, a short-term promissory note payable to the former owners of Crown for \$76,230,000, the assumption of \$26,009,000 in outstanding debt and 7,325,000 shares of the Company's Class B Common Stock valued at \$54,939,000 (the estimated fair value of such common stock on that date). The Company recognized goodwill and other intangible assets of \$146,103,000 in connection with this acquisition. The Company financed the cash portion of the purchase price with proceeds from the issuance of redeemable preferred stock (see Note 7), and repaid the promissory note with proceeds from the issuance of additional redeemable preferred stock and borrowings under the Senior Credit Facility (see Note 5).

In 1997, the Company organized Crown Communication Inc. ("CCI," a Delaware corporation) as a wholly owned subsidiary to own the net assets acquired from CCM and the common stock of CNS and CMS. In January 1998, the Company merged CTC with and into CCI, establishing CCI as the principal operating subsidiary of the Company.

Pro Forma Results of Operations (Unaudited)

The following unaudited pro forma summary presents consolidated results of operations for the Company as if (i) the Motorola and other acquisitions had been consummated on January 1, 1996 and (ii) the TEA and Crown acquisitions and the investment in Castle Transmission Services (Holdings) Ltd ("CTI") had been consummated as of January 1 for both 1996 and 1997. Appropriate adjustments have been reflected for depreciation and amortization, interest expense, amortization of deferred financing costs, income taxes and certain nonrecurring income and expenses recorded by the Company in connection with the investment in CTI (see Note 4). The pro forma information does not necessarily reflect the actual results that would have been achieved, nor is it necessarily indicative of future consolidated results for the Company.

YEARS ENDED DECEMBER 31,		
	1996	1997

(IN THOUSANDS OF DOLLARS,
EXCEPT PER SHARE AMOUNTS)

Net revenues.....	\$	45,480	\$	56,851
Net loss.....		(14,475)		(16,082)
Loss per common share--basic and diluted.....		(4.13)		(1.47)

Agreement with Nextel

On July 11, 1997, the Company entered into an agreement with Nextel (the "Nextel Agreement") whereby the Company has the option to purchase up to 50 of Nextel's existing towers which are located in Texas, Florida

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

and the metropolitan areas of Denver, Colorado and Philadelphia, Pennsylvania. As of February 20, 1998, the Company had purchased 36 of such towers for an aggregate price of \$8,383,000 in cash. In addition, the Nextel Agreement provides the Company with the option to construct or purchase up to 250 new towers for Nextel in various geographic corridors.

3. PROPERTY AND EQUIPMENT

The major classes of property and equipment are as follows:

ESTIMATED USEFUL LIVES	DECEMBER 31,	
	1996	1997
(IN THOUSANDS OF DOLLARS)		
Land.....	\$ 125	\$ 1,053
Telecommunications towers	24,295	72,834
Transportation and other equip- ment.....	--	4,379
Telecommunications equipment.....	3,690	4,013
Office furniture and equipment....	612	4,541
	28,722	86,820
Less: accumulated depreciation....	(1,969)	(4,852)
	\$ 26,753	\$ 81,968
	=====	=====

Depreciation expense for the years ended December 31, 1996 and 1997 was \$1,151,000 and \$2,886,000, respectively. Accumulated depreciation on telecommunications towers and related equipment was \$1,820,000 and \$3,850,000 at December 31, 1996 and 1997, respectively. At December 31, 1997, minimum rentals receivable under existing operating leases for towers are as follows: years ending December 31, 1998--\$15,307,000; 1999--\$13,614,000; 2000--\$12,270,000; 2001--\$10,108,000; 2002--\$3,442,000; thereafter--\$3,195,000.

4. INVESTMENTS IN AFFILIATES

Investment in Castle Transmission Services (Holdings) Ltd ("CTI")

On February 28, 1997, the Company used a portion of the net proceeds from the sale of the Series C Convertible Preferred Stock (see Note 7) to purchase an ownership interest of approximately 34.3% in CTI (a company incorporated under the laws of England and Wales). The Company led a consortium of investors which provided the equity financing for CTI. The funds invested by the consortium were used by CTI to purchase, through a wholly owned subsidiary, the domestic broadcast transmission division of the British Broadcasting Corporation (the "BBC"). The cost of the Company's investment in CTI amounted to approximately \$57,542,000. The Company accounts for its investment in CTI utilizing the equity method of accounting.

In March 1997, as compensation for leading the investment consortium, the Company received a fee from CTI amounting to approximately \$1,165,000. This fee was recorded as other income by the Company when received. In addition, the Company received approximately \$1,679,000 from CTI as reimbursement for costs incurred prior to the closing of the purchase from the BBC. At December 31, 1996, approximately \$953,000 of such reimbursable costs are included in other receivables on the Company's consolidated balance sheet.

The Company receives a monthly service fee from CTI of approximately \$33,000 as compensation for certain management services. This fee is included in network services and other revenues on the Company's consolidated statement of operations.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

CTI uses the British pound as the functional currency for its operations. The Company translates its equity in the earnings and losses of CTI using the average exchange rate for the period, and translates its investment in CTI using the exchange rate at the end of the period. The cumulative effect of changes in the exchange rate is recorded as a translation adjustment in stockholders' equity.

In June 1997, as compensation for the successful completion of the investment in CTI and certain other acquisitions and investments, the Company paid bonuses to two of its executive officers totaling \$913,000. These bonuses are included in corporate development expenses on the Company's consolidated statement of operations.

Summarized financial information for CTI is as follows:

	DECEMBER 31, 1997
----- (IN THOUSANDS OF DOLLARS)	
Current assets.....	\$ 37,510
Property and equipment, net.....	341,737
Goodwill, net.....	76,029

	\$455,276
	=====
Current liabilities.....	\$ 48,103
Long-term debt.....	237,299
Other liabilities.....	3,453
Redeemable preferred stock.....	174,944
Stockholders' equity (deficit).....	(8,523)

	\$455,276
	=====
TEN MONTHS ENDED DECEMBER 31, 1997	
----- (IN THOUSANDS OF DOLLARS)	
Net revenues.....	\$103,531
Operating expenses.....	86,999

Operating income.....	16,532
Interest income.....	553
Interest expense and amortization of deferred financing costs.....	(20,404)
Provision for income taxes.....	--

Net loss.....	\$ (3,319)
	=====

Investment in Visual Intelligence Systems, Inc. ("VISI")

On June 23, 1997, the Company made an investment in VISI of \$2,000,000 (of which \$100,000 was paid in 1996). VISI intends to provide computerized geographic information for a variety of business applications, including the acquisition and design of telecommunications sites. The Company's investment was made in the form of 15,000 shares of VISI's common stock at a price of \$2.00 per share, along with a Convertible Subordinated Note for \$1,970,000 (the "VISI Note"). The VISI Note is convertible (at the option of the Company) into shares of VISI's common stock at a conversion price of \$2.00 per share, bears interest at 7.11% per year and is due on May 31, 2007. The 15,000 shares of common stock purchased by the Company represent an ownership interest of approximately 1.14% in VISI. The Company accounts for its investment in VISI's common stock utilizing the cost method of accounting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

5. LONG-TERM DEBT

Long-term debt consists of the following:

	DECEMBER 31,	
	1996	1997
	(IN THOUSANDS OF DOLLARS)	
Senior Credit Facility.....	\$ --	\$ 4,700
Bank Credit Agreement:		
Revolving Credit Facility.....	15,700	--
Term Note.....	2,300	--
10 5/8% Senior Discount Notes due 2007, net of discount..	--	151,593
Promissory Note payable to PCI.....	632	--
Convertible Secured Subordinated Notes payable to stockholder.....	3,125	--
Other.....	295	--
	22,052	156,293
Less: current maturities.....	(140)	--
	\$21,912	\$156,293
	=====	=====

Bank Credit Agreement and Senior Credit Facility

On April 26, 1995, CTC entered into a credit agreement with a bank (as amended, the "Bank Credit Agreement"). The Bank Credit Agreement consisted of secured revolving lines of credit (the "Revolving Credit Facility") and a \$2,300,000 term note (the "Term Note"). On January 17, 1997, the Bank Credit Agreement was amended to: (i) increase the available borrowings under the Revolving Credit Facility to \$50,000,000; (ii) repay the Term Note, along with accrued interest thereon, with borrowings under the Revolving Credit Facility; and (iii) extend the termination date for the Bank Credit Agreement to December 31, 2003. Available borrowings under the Revolving Credit Facility were generally to be used to construct new towers and to finance a portion of the purchase price for towers and related assets. The amount of available borrowings was determined based on the current financial performance (as defined) of: (i) the assets to be acquired; and (ii) assets acquired in previous acquisitions. In addition, up to \$5,000,000 of borrowing availability under the Revolving Credit Facility could be used for letters of credit.

In October 1997, the Bank Credit Agreement was amended to (i) increase the available borrowings to \$100,000,000; (ii) include the lending bank under Crown's bank credit agreement as a participating lender; and (iii) extend the maturity date to December 31, 2004 (as amended, the "Senior Credit Facility"). On October 31, 1997, additional borrowings under the Senior Credit Facility, along with the proceeds from the October issuance of Senior Preferred Stock (see Note 7), were used to repay (i) the promissory note payable to the former stockholders of Crown and (ii) the outstanding borrowings under Crown's bank credit agreement (see Note 2). The Company repaid all of the outstanding borrowings under the Senior Credit Facility with a portion of the proceeds from the issuance of its 10 5/8% Senior Discount Notes (as discussed below). As of December 31, 1997, approximately \$93,600,000 of borrowings was available under the Senior Credit Facility, of which \$5,000,000 was available for letters of credit. There were no letters of credit outstanding as of December 31, 1997. Upon the merger of CTC into CCI in January 1998, CCI became the primary borrower under the Senior Credit Facility.

The amount of available borrowings under the Senior Credit Facility will decrease by \$5,000,000 at the end of each calendar quarter beginning on March 31, 2001 until December 31, 2004, at which time any remaining borrowings must be repaid. Under certain circumstances, CCI may be required to make principal prepayments

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

under the Senior Credit Facility in an amount equal to 50% of excess cash flow (as defined), the net cash proceeds from certain asset sales or the net cash proceeds from certain sales of equity or debt securities by the Company.

The Senior Credit Facility is secured by substantially all of the assets of the Company's subsidiaries and the Company's pledge of the capital stock of its subsidiaries. In addition, the Senior Credit Facility is guaranteed by the Company. As of December 31, 1997, borrowings under the Senior Credit Facility bear interest at a rate per annum, at the Company's election, equal to the bank's prime rate plus 1.5% or a Eurodollar interbank offered rate (LIBOR) plus 3.25% (10.0% and 8.98%, respectively, at December 31, 1997). The interest rate margins may be reduced by up to 2.25% (non-cumulatively) based on a financial test, determined quarterly. As of December 31, 1997, the financial test permitted a reduction of 1.5% in the interest rate margin for prime rate borrowings and 2.25% in the interest rate margin for LIBOR borrowings. Interest on prime rate loans is due quarterly, while interest on LIBOR loans is due at the end of the period (from one to three months) for which such LIBOR rate is in effect. The Senior Credit Facility requires CCI to maintain certain financial covenants and places restrictions on CCI's ability to, among other things, incur debt and liens, pay dividends, make capital expenditures, dispose of assets, undertake transactions with affiliates and make investments.

10 5/8% Senior Discount Notes due 2007 (the "Notes")

On November 25, 1997, the Company issued \$251,000,000 aggregate principal amount of the Notes for cash proceeds of \$150,010,000 (net of original issue discount). The Company used a portion of the net proceeds from the sale of the Notes to (i) repay all of the outstanding borrowings, including accrued interest thereon, under the Senior Credit Facility; (ii) repay the promissory notes payable, including accrued interest thereon, to the former stockholders of TEA (see Note 2); (iii) repay the Promissory Note payable, including accrued interest thereon, to PCI; and (iv) repay outstanding installment debt assumed in connection with the Crown acquisition (see Note 2).

The Notes will not pay any interest until May 15, 2003, at which time semi-annual interest payments will commence and become due on each May 15 and November 15 thereafter. The maturity date of the Notes is November 15, 2007. The Notes are net of unamortized discount of \$99,407,000 at December 31, 1997.

The Notes are redeemable at the option of the Company, in whole or in part, on or after November 15, 2002 at a price of 105.313% of the principal amount plus accrued interest. The redemption price is reduced annually until November 15, 2005, after which time the Notes are redeemable at par. Prior to November 15, 2000, the Company may redeem up to 35% of the aggregate principal amount of the Notes, at a price of 110.625% of the accreted value thereof, with the net cash proceeds from a public offering of the Company's common stock.

The Notes are senior indebtedness of the Company; however, they are unsecured and effectively subordinate to the liabilities of the Company's subsidiaries, which include outstanding borrowings under the Senior Credit Facility. The indenture governing the Notes (the "Indenture") places restrictions on the Company's ability to, among other things, pay dividends and make capital distributions, make investments, incur additional debt and liens, issue additional preferred stock, dispose of assets and undertake transactions with affiliates. As of December 31, 1997, the Company was precluded from paying dividends on its capital stock under the terms of the Indenture.

Reporting Requirements Under the Indenture (Unaudited)

As of December 31, 1997, the Company does not have any Unrestricted Subsidiaries (as defined in the Indenture). The following information (as such capitalized terms are defined in the Indenture) is presented solely

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

for the purpose of measuring compliance with respect to the terms of the Indenture; such information is not intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, the Company's measure of the following information may not be comparable to similarly titled measures of other companies.

	(IN THOUSANDS OF DOLLARS) -----
Tower Cash Flow, for the three months ended December 31, 1997....	\$ 3,118 =====
Consolidated Cash Flow, for the twelve months ended December 31, 1997.....	\$ 13,150
Less: Tower Cash Flow, for the twelve months ended December 31, 1997.....	(10,625)
Plus: four times Tower Cash Flow, for the three months ended De- cember 31, 1997.....	12,472 -----
Adjusted Consolidated Cash Flow, for the twelve months ended De- cember 31, 1997.....	\$ 14,997 =====

Promissory Note Payable to PCI

This note bore interest at a rate of 8% per annum, called for equal annual payments of principal and interest and was secured by the tower sites purchased from PCI. The Company repaid this note with a portion of the proceeds from the issuance of its 10 5/8% Senior Discount Notes (as discussed above).

Convertible Secured Subordinated Notes Payable to Stockholder

These notes accrued interest at a rate of 8% per annum, payable at maturity, and were secured by substantially all of CTC's assets. The notes provided that the holder had the option, at any time, to convert such notes, in whole or in part, into shares of the Company's Series A Convertible Preferred Stock at a conversion price of \$6.00 per share. On April 27, 1995, a portion of the notes with aggregate principal balances of \$743,000 was converted into 123,742 shares of the Company's stock and the related accrued interest was paid to the holder. On February 24, 1997, the remaining \$3,125,000 principal amount of the notes was converted into 520,878 shares of the Company's stock and, by mutual agreement with the holder, the related accrued interest was forfeited. Upon conversion of the notes, the principal amount and the forfeited interest were accounted for as increases to redeemable preferred stock and additional paid-in capital, respectively.

Restricted Net Assets of Subsidiaries

Under the terms of the Senior Credit Facility, the Company's subsidiaries are limited in the amount of dividends which can be paid to the Company. The amount of such dividends is limited to (i) \$6,000,000 per year until October 31, 2002, and \$33,000,000 per year thereafter, and (ii) an amount to pay income taxes attributable to the Company's subsidiaries. The restricted net assets of the Company's subsidiaries totaled \$232,229,000 at December 31, 1997.

Interest Rate Swap Agreement

The interest rate swap agreement has an outstanding notional amount of \$17,925,000 at January 29, 1997 (inception) and terminates on February 24, 1999. The Company pays a fixed rate of 6.28% on the notional amount and receives a floating rate based on LIBOR. This agreement effectively changes the interest rate on \$17,925,000 of borrowings under the Senior Credit Facility from a floating rate to a fixed rate of 6.28% plus the applicable margin. The Company does not believe there is any significant exposure to credit risk due to the creditworthiness of the counterparty. In the event of nonperformance by the counterparty, the Company's loss would be limited to any unfavorable interest rate differential.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

6. INCOME TAXES

The provision for income taxes consists of the following:

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
	(IN THOUSANDS OF DOLLARS)		
Current:			
Puerto Rico.....	\$ --	\$ 10	\$ 49
	=====	=====	=====

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

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
	(IN THOUSANDS OF DOLLARS)		
Benefit for income taxes at statutory rate...	\$ (7)	\$ (322)	\$ (4,044)
Amortization of intangible assets	--	--	478
Puerto Rico taxes.....	--	10	49
Expenses for which no federal tax benefit was recognized.....	5	5	28
Changes in valuation allowances.....	2	315	3,650
Other.....	--	2	(112)
	-----	-----	-----
	\$ --	\$ 10	\$ 49
	=====	=====	=====

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

	DECEMBER 31,	
	1996	1997
	(IN THOUSANDS OF DOLLARS)	
Deferred income tax liabilities:		
Property and equipment.....	\$ 1,307	\$ 2,487
Intangible assets.....	49	276
Puerto Rico earnings.....	--	75
Other.....	--	38
	-----	-----
Total deferred income tax liabilities.....	1,356	2,876
	-----	-----
Deferred income tax assets:		
Net operating loss carryforwards.....	1,639	6,800
Noncompete agreement.....	19	37
Receivables allowance.....	15	6
Valuation allowances.....	(317)	(3,967)
	-----	-----
Total deferred income tax assets, net.....	1,356	2,876
	-----	-----
Net deferred income tax liabilities.....	\$ --	\$ --
	=====	=====

Valuation allowances of \$317,000 and \$3,967,000 were recognized to offset net deferred income tax assets as of December 31, 1996 and 1997, respectively.

At December 31, 1997, the Company has net operating loss carryforwards of approximately \$20,000,000 which are available to offset future federal taxable income. These loss carryforwards will expire in 2010 through 2012. The utilization of the loss carryforwards is subject to certain limitations.

7. REDEEMABLE PREFERRED STOCK

In August 1997, the Company issued 292,995 shares of its Senior Convertible Preferred Stock (the "Senior Preferred Stock") at a price of \$100 per share. The net proceeds received by the Company from the sale of such shares amounted to approximately \$29,266,000, most of which was used to pay the cash portion of the purchase price for Crown (see Note 2). In October 1997, the Company issued an additional 364,500 shares of its Senior Preferred Stock at a price of \$100 per share. The net proceeds received by the Company from the sale of such shares amounted to \$36,450,000. This amount, along with borrowings under the Senior Credit Facility, was used to repay the promissory note from the Crown acquisition (see Note 2).

The holders of the Senior Preferred Stock are entitled to receive cumulative dividends at the rate of 12.5% per share, compounded annually. At December 31, 1997, such accrued and unpaid dividends amounted to \$2,199,000. Any payment of such dividends would be in the form of additional shares of Senior Preferred Stock until such time as the Company is permitted to pay cash dividends on its capital stock under the terms of the Indenture (see Note 5). At the option of the holder, each share of Senior Preferred Stock (plus any accrued and unpaid dividends) is convertible, at any time, into shares of the Company's Class B Common Stock at a conversion price of \$7.50 (subject to adjustment in the event of an underwritten public offering of the Company's common stock). At the date of issuance of the Senior Preferred Stock, the Company believes that its conversion price represents the estimated fair value of the Class B Common Stock on that date. The holders of the Senior Preferred Stock are entitled to vote together with the holders of the Company's other preferred stock on an as-converted basis.

The Company has the one-time right, within one year from the date of issuance, to redeem 50% of the outstanding shares of Senior Preferred Stock at a price per share which represents an annualized cumulative rate of return of 18%. If not earlier converted or redeemed, the shares of Senior Preferred Stock are subject to mandatory redemption by the Company, at a price per share of \$100 plus any accrued and unpaid dividends through that date, upon the earlier of (i) 91 days after the tenth anniversary date of the issuance of the Notes; or (ii) May 15, 2008. The Senior Preferred Stock also calls for a preference, in the event of a liquidation or a change in voting control, equal to a price per share which represents an annualized cumulative rate of return of 18%. With respect to dividend, redemption and liquidation preferences, the rights of the holders of the Senior Preferred Stock are senior to the Company's other preferred and common stock.

The purchasers of the Senior Preferred Stock were also issued warrants to purchase an aggregate 1,314,990 shares of the Company's Class B Common Stock at an exercise price of \$7.50 per share (subject to adjustment in the event of an underwritten public offering of the Company's common stock). The warrants are exercisable, in whole or in part, at any time until August and October of 2007. At the date of issuance of the warrants, the Company believes that the exercise price represents the estimated fair value of the Class B Common Stock on that date. As such, the Company has not assigned any value to the warrants in its consolidated financial statements.

The holders of the Company's Series A Convertible Preferred Stock (the "Series A Preferred Stock"), the Series B Convertible Preferred Stock (the "Series B Preferred Stock") and the Series C Convertible Preferred Stock (the "Series C Preferred Stock") (collectively, the "Series Preferred Stock") are generally entitled to one vote per share on all matters presented to a vote of the Company's stockholders. The holders of the Series Preferred Stock are also entitled to receive dividends, if and when declared, at the same rate as dividends are declared and paid with respect to the Company's common stock. At the option of the holder, each share of Series Preferred Stock is convertible, at any time, into five shares of the Company's Class B Common Stock. Each of the outstanding shares of Series Preferred Stock will automatically convert into five shares of Class B Common Stock in the event of an underwritten public offering of the Company's common stock, subject to certain conditions.

Upon the earlier of (i) 91 days after the tenth anniversary date of the issuance of the Notes; or (ii) May 15, 2008, the outstanding shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock are redeemable, at the option of the holder, at a price per share of \$6.00, \$12.00 and \$21.00, respectively, plus any accrued and unpaid dividends through the date of redemption. The Series Preferred Stock also call for liquidation preferences equal to such respective redemption prices. With respect to redemption and liquidation preferences, the rights of the holders of the Series C Preferred Stock and the Series B Preferred Stock are senior to the Series A Preferred Stock and the common stock, and the rights of the holders of the Series A Preferred Stock are senior to the common stock.

In February and April of 1997, the Company issued 3,529,832 shares of its Series C Preferred Stock at a price of \$21.00 per share. The net proceeds received by the Company from the sale of the Series C Preferred Stock amounted to approximately \$74,024,000. A portion of this amount was used to purchase the ownership interest in CTI (see Note 4).

8. STOCKHOLDERS' EQUITY (DEFICIT)

Common Stock

At the option of the holder, each share of the Company's Class A Common Stock is convertible, at any time, into 1.52315 shares of the Company's Class B Common Stock. The holders of the Class B Common Stock are entitled to one vote per share on all matters presented to a vote of the Company's stockholders, and the holders of the Class A Common Stock are entitled to a number of votes equivalent to the number of shares of Class B Common Stock into which their shares of Class A Common Stock are convertible. The holders of the Class A Common Stock are also entitled to receive dividends, if and when declared, on an equivalent basis with the holders of the Class B Common Stock. In the event of an underwritten public offering of its common stock which results in the conversion of the Preferred Stock (see Note 7), the Company may, at its option, require that all outstanding shares of Class A Common Stock be converted into Class B Common Stock.

In March 1997, the Company repurchased, and subsequently retired, 814,790 shares of its common stock from a member of the Company's Board of Directors at a cost of approximately \$3,422,000. Of this amount, \$1,311,000 was recorded as compensation cost and is included in corporate development expense on the Company's consolidated statement of operations.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

Stock Options

In 1995, the Company adopted the Crown Castle International Corp. 1995 Stock Option Plan (as amended, the "1995 Stock Option Plan"). Up to 5,765,000 shares of the Company's Class B Common Stock are reserved for awards granted to certain employees, consultants and non-employee directors of the Company and its subsidiaries or affiliates. These options generally vest over periods of up to five years from the date of grant (as determined by the Company's Board of Directors) and have a maximum term of ten years from the date of grant. A summary of awards granted under the 1995 Stock Option Plan is as follows for the years ended December 31, 1995, 1996 and 1997:

	1995		1996		1997	
	NUMBER OF SHARES	WEIGHTED-AVERAGE EXERCISE PRICE	NUMBER OF SHARES	WEIGHTED-AVERAGE EXERCISE PRICE	NUMBER OF SHARES	WEIGHTED-AVERAGE EXERCISE PRICE
Options outstanding at beginning of year.....	--	--	825,000	\$.53	1,050,000	.89
Options granted.....	825,000	\$.53	225,000	2.22	3,042,500	5.46
Options exercised.....	--	--	--	--	(363,125)	.53
Options forfeited.....	--	--	--	--	(35,000)	1.20
Options outstanding at end of year.....	825,000	.53	1,050,000	.89	3,694,375	4.69
Options exercisable at end of year.....	--	--	721,250	\$.43	728,875	2.49

In November 1996, options which were granted in 1995 for the purchase of 690,000 shares were modified such that those options became fully vested. A summary of options outstanding as of December 31, 1997 is as follows:

EXERCISE PRICE	NUMBER OF OPTIONS OUTSTANDING	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE	NUMBER OF OPTIONS EXERCISABLE
\$.40	345,000	8.0 years	345,000
1.20	93,750	7.9 years	38,750
1.60	50,000	8.4 years	12,500
2.40	175,000	8.8 years	43,750
4.20	1,718,125	9.5 years	126,375
6.00	325,000	9.8 years	162,500
7.50	987,500	9.9 years	--
	3,694,375	9.4 years	728,875

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

The weighted-average fair value of options granted during the years ended December 31, 1995, 1996 and 1997 was \$0.09, \$0.50 and \$1.30, respectively. The fair value of each option was estimated on the date of grant using the Black-Scholes option-pricing model and the following weighted-average assumptions about the options (the minimum value method):

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
Risk-free interest rate.....	5.3%	6.4%	6.1%
Expected life.....	3.2 years	4.0 years	4.5 years
Expected volatility.....	0%	0%	0%
Expected dividend yield.....	0%	0%	0%

The exercise prices for options granted during the years ended December 31, 1995, 1996 and 1997 were equal to or in excess of the estimated fair value of the Company's Class B Common Stock at the date of grant. As such, no compensation cost was recognized for stock options during those years (see Note 1). If compensation cost had been recognized for stock options based on their fair value at the date of grant, the Company's pro forma net loss for the years ended December 31, 1995, 1996 and 1997 would have been \$33,000 (\$0.01 per share), \$973,000 (\$0.28 per share) and \$12,586,000 (\$2.37 per share), respectively. The pro forma effect of stock options on the Company's net loss for those years may not be representative of the pro forma effect for future years due to the impact of vesting and potential future awards.

Shares Reserved For Issuance

At December 31, 1997, the Company had the following shares reserved for future issuance:

Class B Common Stock:	
Senior Preferred Stock.....	9,050,060
Series A Preferred Stock.....	6,916,665
Series B Preferred Stock.....	4,322,840
Series C Preferred Stock.....	17,649,160
Class A Common Stock.....	1,586,460
1995 Stock Option Plan.....	5,765,000
Warrants.....	1,314,990

	46,605,175
	=====

9. EMPLOYEE BENEFIT PLANS

The Company and its subsidiaries have various defined contribution savings plans covering substantially all employees. Depending on the plan, employees may elect to contribute up to 15% or 20% of their eligible compensation. Certain of the plans provide for partial matching of such contributions. The cost to the Company for these plans amounted to \$98,000 for the year ended December 31, 1997.

10. RELATED PARTY TRANSACTIONS

The Company leases office space in a building formerly owned by its Chief Executive Officer. Lease payments for such office space amounted to \$22,000, \$50,000 and \$130,000 for the years ended December 31, 1995, 1996 and 1997, respectively.

Included in other receivables at December 31, 1997 are amounts due from employees of the Company totaling \$499,000.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

11. COMMITMENTS AND CONTINGENCIES

At December 31, 1997, minimum rental commitments under operating leases are as follows: years ending December 31, 1998--\$2,634,000; 1999--\$2,483,000; 2000--\$2,021,000; 2001--\$1,791,000; 2002--\$1,131,000; thereafter--\$17,228,000. Rental expense for operating leases was \$208,000, \$277,000 and \$1,712,000 for the years ended December 31, 1995, 1996 and 1997, respectively.

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

12. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents and trade receivables. The Company mitigates its risk with respect to cash and cash equivalents by maintaining such deposits at high credit quality financial institutions and monitoring the credit ratings of those institutions.

The Company derives the largest portion of its revenues from customers in the wireless telecommunications industry. In addition, the Company has concentrations of operations in certain geographic areas (primarily Pennsylvania, Texas, New Mexico, Arizona and Puerto Rico). The Company mitigates its concentrations of credit risk with respect to trade receivables by actively monitoring the creditworthiness of its customers. Historically, the Company has not incurred any significant credit related losses.

For the years ended December 31, 1995, 1996 and 1997, the Company's revenues from PCI and Nextel amounted to \$2,566,000, \$2,634,000 and \$5,998,000, respectively.

13. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

Summary quarterly financial information for the years ended December 31, 1996 and 1997 is as follows:

	THREE MONTHS ENDED			
	MARCH 31	JUNE 30	SEPTEMBER 30	DECEMBER 31
	(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)			
1996:				
Net revenues.....	\$ 1,221	\$1,238	\$ 1,846	\$ 1,902
Operating income.....	306	71	196	90
Net loss.....	(32)	(280)	(243)	(402)
Loss per common share--basic and diluted.....	(0.01)	(0.08)	(0.07)	(0.11)
1997:				
Net revenues.....	\$ 1,994	\$4,771	\$11,481	\$13,159
Operating income (loss).....	(1,293)	(921)	61	(1,299)
Net loss.....	(443)	(1,706)	(4,001)	(5,792)
Loss per common share--basic and diluted.....	(0.13)	(0.51)	(0.62)	(0.69)

14. SUBSEQUENT EVENTS (UNAUDITED)

On April 24, 1998, the Company entered into a share exchange agreement with certain shareholders of CTI pursuant to which certain of CTI's shareholders have agreed to exchange their shares of CTI for shares of the Company. Upon the consummation of the exchange, the Company's ownership of CTI will increase from approximately 34.3% to approximately 80%. Consummation of the share exchange is subject to a number of significant conditions, including certain third party consents and the consummation of an initial public offering of common stock by the Company.

In connection with the share exchange, the Company intends to offer shares of its common stock in an underwritten initial public offering during the summer of 1998. On June 19, 1998, a registration statement in respect of such initial public offering was filed with the Securities and Exchange Commission (as amended, the "Registration Statement") and any securities offered in such initial public offering will only be offered by means of a prospectus forming a part of such Registration Statement.

In anticipation of such initial public offering, the Company (i) amended and restated the 1995 Stock Option Plan to, among other things, authorize the issuance of up to 18,000,000 shares of common stock pursuant to awards made thereunder and (ii) approved an amendment to its certificate of incorporation to increase the number of authorized shares of common and preferred stock to 600,000,000 shares and 10,000,000 shares, respectively, and to effect a five-for-one stock split for the shares of common stock then outstanding. The effect of the stock split has been presented retroactively in the Company's consolidated financial statements for all periods presented.

During the period from April 24, 1998 through July 15, 1998, the Company granted options to employees and executives for the purchase of 3,236,980 shares of its common stock at an exercise price of \$7.50 per share. Of such options, options for 1,810,730 shares will vest upon consummation of the initial public offering and the remaining options for 1,426,250 shares will vest at 20% per year over five years, beginning one year from the date of grant. In addition, the Company has assigned its right to repurchase shares of its common stock from a stockholder (at a price of \$6.26 per share) to two individuals (including an expected director nominee) with respect to 100,000 of such shares. Since the granting of these options and the assignment of these rights to repurchase shares occurred subsequent to the date of the share exchange agreement with CTI's shareholders and at prices substantially below the expected price to the public in the initial public offering, the Company will record a non-cash compensation charge related to these options and shares based upon the difference between the respective exercise and purchase prices and the price to the public in the initial public offering. Such compensation charge will total approximately \$18.4 million, of which approximately \$10.6 million will be recognized upon consummation of the initial public offering (for such options and shares which vest upon consummation of the initial public offering), and the remaining \$7.8 million will be recognized over five years (approximately \$1.6 million per year) through the second quarter of 2003.

INDEPENDENT AUDITORS' REPORT

The Owners of Crown Communications,
Crown Network Systems, Inc.,
Crown Mobile Systems, Inc., Airport
Communications, Inc. and E-90, Ltd.:

We have audited the accompanying combined statements of income and cash flows of Crown Communications, Crown Network Systems, Inc., Crown Mobile Systems, Inc., Airport Communications, Inc. and E-90, Ltd. (collectively, Crown Communications) for the years ended December 31, 1995 and 1996 and for the seven month period ended July 31, 1997. These combined financial statements are the responsibility of Crown Communications' management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined results of operations and cash flows of Crown Communications for the years ended December 31, 1995 and 1996 and for the seven month period ended July 31, 1997 in conformity with generally accepted accounting principles.

KPMG Peat Marwick llp

Pittsburgh, Pennsylvania
March 23, 1998

CROWN COMMUNICATIONS
 COMBINED STATEMENT OF INCOME
 (IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER 31,		SEVEN MONTHS ENDED JULY 31,
	1995	1996	1997
	-----	-----	-----
Net revenues:			
Site rental.....	\$ 3,632	\$ 5,120	\$ 4,550
Network services and other.....	7,384	14,260	13,137
	-----	-----	-----
	11,016	19,380	17,687
Operating costs and expenses:			
Site rental.....	763	1,691	1,421
Network services and other.....	3,944	8,632	5,841
General and administrative expenses.....	2,625	3,150	3,761
Depreciation and amortization.....	568	1,168	1,006
	-----	-----	-----
	7,900	14,641	12,029
	-----	-----	-----
Operating income.....	3,116	4,739	5,658
Other income (expense):			
Interest and other income (expense).....	19	(53)	(26)
Interest expense.....	(785)	(1,175)	(925)
	-----	-----	-----
Net income.....	\$ 2,350	\$ 3,511	\$ 4,707
	=====	=====	=====

See accompanying notes to combined financial statements.

CROWN COMMUNICATIONS
 COMBINED STATEMENT OF CASH FLOWS
 (IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER 31,		SEVEN MONTHS ENDED JULY 31,
	1995	1996	1997
	-----	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income.....	\$ 2,350	\$ 3,511	\$ 4,707
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization.....	568	1,168	1,006
Gain on sale of equipment.....	(71)	--	--
Changes in operating assets and liabilities:			
Accounts receivable.....	205	(1,594)	(1,612)
Inventory.....	(173)	73	(527)
Prepaid expenses and other current assets.....	(22)	(117)	(13)
Accrued network services.....	--	(653)	653
Deferred installation costs.....	356	(154)	154
Other assets.....	(20)	(36)	(78)
Accounts payable.....	149	1,195	419
Accrued expenses.....	216	508	(350)
Customer deposits.....	43	(2)	106
Deferred revenue.....	(627)	263	734
	-----	-----	-----
Net cash provided by operating activities.....	2,974	4,162	5,199
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures.....	(5,670)	(8,658)	(12,425)
Proceeds from sale of equipment.....	--	6	--
	-----	-----	-----
Net cash used for investing activities.....	(5,670)	(8,652)	(12,425)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of notes payable.....	14,929	22,614	9,256
Principal payments on notes payable.....	(11,689)	(15,808)	(706)
Distributions to owners.....	(873)	(2,809)	(1,532)
Capital contribution.....	--	103	--
	-----	-----	-----
Net cash provided by financing activities.....	2,367	4,100	7,018
	-----	-----	-----
NET DECREASE IN CASH AND CASH EQUIVALENTS.....	(329)	(390)	(208)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD..	1,093	764	374
	-----	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	\$ 764	\$ 374	\$ 166
	=====	=====	=====
Supplemental disclosure of cash flow information--			
interest paid.....	\$ 764	\$ 1,175	\$ 775
	=====	=====	=====

See accompanying notes to combined financial statements.

CROWN COMMUNICATIONS

NOTES TO COMBINED FINANCIAL STATEMENTS

(IN THOUSANDS OF DOLLARS)

(1) BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The accompanying combined financial statements include the accounts of Crown Communications (CCM), a sole proprietorship, Crown Network Systems, Inc. (CNS), a subchapter S corporation, Crown Mobile Systems, Inc. (CMS), a subchapter S corporation, Airport Communications, Inc. (ACI), a subchapter S corporation and E-90, Ltd. (E-90), a Pennsylvania Business Trust (collectively, Crown Communications or the Company). These entities are all under common ownership. All significant intercompany accounts and transactions have been eliminated.

Crown Communications is a communication site development and management company. The Company's core business is the development of high density communication facilities. The majority of these facilities are located throughout western Pennsylvania. The Company leases antenna and transmitter space on communication towers to companies using or providing wireless telephone, paging and specialized mobile radio services.

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

(b) Cash and Cash Equivalents

The Company considers cash in depository institutions and short-term investments with original maturities of three months or less to be cash and cash equivalents.

(c) Inventory

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out method.

(d) Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Depreciation on property and equipment is computed utilizing methods which approximate the straight-line method over the estimated useful lives of the assets. Additions, renewals and improvements are capitalized, while maintenance and repairs are expensed. Upon the sale or retirement of an asset, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is recognized.

In March 1995, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of ("SFAS 121"). SFAS 121 requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS 121 is effective for fiscal years beginning after December 15, 1995. The adoption of SFAS 121 by the Company in 1996 did not have a material impact on its combined financial statements.

CROWN COMMUNICATIONS

NOTES TO COMBINED FINANCIAL STATEMENTS--(CONTINUED)

(IN THOUSANDS OF DOLLARS)

(e) Other Assets

Other assets include deferred financing costs which are amortized over the estimated term of the related borrowing.

(f) Revenue Recognition

Equipment sales revenues are recognized when products are delivered to customers.

Site rental revenue is recognized ratably over the terms of the respective leases. Such leases have terms that are generally five years.

Network services revenues are recognized under a method which approximates the completed contract method. This method is used because typical network services are completed in 3 months or less and financial position and results of operations do not vary significantly from those which would result from use of the percentage-of-completion method. The network services are considered complete at the point in time in which the terms and conditions of the contract and/or agreement have been substantially completed. Revenues from completed contracts which have not been billed at the end of an accounting period are presented as accrued network services.

Costs and revenues associated with installations not complete at the end of an accounting period are deferred and recognized when the installation becomes operational. Any losses on contracts are recognized at such time as they become known.

(2) INCOME TAXES

CCM is operated as a sole proprietorship and all income or loss is passed through to the personal tax return of the owners. The shareholders for CNS, CMS and ACI have elected under subchapter S of the Internal Revenue Code to pass through all income or loss to the individual tax return of the shareholders. E-90 is operated as a Pennsylvania Business Trust and has elected to be taxed as a partnership. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

(3) RETIREMENT SAVINGS PLAN

The Company sponsors a Retirement Savings Plan (the "Plan"), which qualifies for treatment under section 401(k) of the Internal Revenue Code. Substantially all full-time employees are eligible to participate by electing to contribute 1% to 15% of their gross pay to the Plan. Under the Plan, the Company matches a portion of each employee's contribution up to certain limits. Each employee's contribution is fully vested when contributed, and the Company's matching contribution begins vesting after an employee has completed two years of service and becomes fully vested after six years of service. For the years ended December 31, 1995 and 1996, and the seven months ended July 31, 1997, the Company's expense for the Plan was \$6, \$59 and \$44, respectively.

CROWN COMMUNICATIONS

NOTES TO COMBINED FINANCIAL STATEMENTS--(CONTINUED)

(IN THOUSANDS OF DOLLARS)

(4) COMMITMENTS AND CONTINGENCIES

The Company leases land, office space and site space on towers and rooftops through contracts that expire in various years through 2095. The Company has purchase and renewal options and is committed to various escalation provisions under certain of these leases. Rental expense under operating leases was \$306, \$669 and \$718 for the years ended December 31, 1995 and 1996, and the seven months ended July 31, 1997, respectively. At July 31, 1997, minimum rental commitments under operating leases are as follows:

YEARS ENDING DECEMBER 31, -----	
1997.....	\$ 659
1998.....	1,800
1999.....	1,700
2000.....	1,500
2001.....	1,300
Thereafter.....	17,200

	\$24,159
	=====

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

(5) CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents and accounts receivable. The Company mitigates its risk with respect to cash and cash equivalents by maintaining such deposits at high credit quality financial institutions and monitoring the credit ratings of those institutions.

The Company derives the largest portion of its revenues from customers in the wireless telecommunications industry. In addition, the Company has concentrations of operations in western Pennsylvania. The Company mitigates its concentrations of credit risk with respect to accounts receivable by actively monitoring the creditworthiness of its customers. Historically, the Company has not incurred any significant credit related losses.

For the year ended December 31, 1995, the Company recognized revenues from two individual customers in the amount of \$4,139 and \$668. For the year ended December 31, 1996, the Company recognized revenues from three individual customers in the amount of \$3,700, \$2,600 and \$1,400. For the seven months ended July 31, 1997, the Company recognized revenues from three individual customers in the amount of \$4,784, \$4,246 and \$2,377.

(6) SUBSEQUENT EVENTS

In July 1997, the owners of CCM, CNS and CMS entered into an asset purchase and merger agreement with Crown Castle International Corp. ("CCIC"). In August 1997, such agreement was amended and restated, and CCIC acquired (i) substantially all of the assets, net of outstanding liabilities, of CCM and (ii) all of the outstanding common stock of CNS and CMS.

REPORT OF INDEPENDENT AUDITORS

Board of Directors
TEA Group Incorporated

We have audited the balance sheet of TEA Group Incorporated as of December 31, 1995, and the related statements of income, shareholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TEA Group Incorporated as of December 31, 1995, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Ernst & Young llp

Atlanta, Georgia
February 28, 1996

INDEPENDENT AUDITORS' REPORT

The Board of Directors
TEA Group Incorporated:

We have audited the accompanying balance sheet of TEA Group Incorporated as of December 31, 1996, and the related statements of income, shareholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TEA Group Incorporated as of December 31, 1996, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

KPMG Peat Marwick llp

Atlanta, Georgia
August 15, 1997

TEA GROUP INCORPORATED

BALANCE SHEET

(IN THOUSANDS OF DOLLARS, EXCEPT SHARE AMOUNTS)

ASSETS	DECEMBER 31,	
	1995	1996
Current assets:		
Cash.....	\$ 5	\$ --
Accounts receivable, net of allowance for doubtful accounts of \$100 and \$1 at December 31, 1995 and 1996, respectively (note 5):		
Billed.....	4,637	3,553
Unbilled.....	1,335	465
Employee advances.....	--	14
Note and accrued interest receivable--related party.....	58	6
Prepaid expenses.....	24	3
Total current assets.....	6,059	4,041
Property and equipment, at cost:		
Leasehold improvements.....	9	9
Office and computer equipment.....	757	831
Furniture and fixtures.....	343	345
Computer software.....	--	85
Less accumulated depreciation and amortization.....	(653)	(787)
Other assets.....	62	47
	\$6,577	\$4,571
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Notes payable (note 2).....	\$2,733	\$ 107
Accounts payable.....	1,328	1,366
Accrued compensation and related benefits.....	557	445
Other accrued expenses.....	--	52
Total current liabilities.....	4,618	1,970
Commitments (note 3)		
Shareholders equity (note 7):		
Common stock, \$1 par value, 10,000 shares authorized; 550 shares issued and outstanding.....	1	1
Additional paid-in capital.....	11	11
Retained earnings.....	1,947	2,589
Total shareholders equity.....	1,959	2,601
	\$6,577	\$4,571
	=====	=====

See accompanying notes to financial statements.

TEA GROUP INCORPORATED

STATEMENT OF INCOME

(IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER 31,		THREE MONTHS ENDED MARCH 31,	
	1995	1996	1996	1997
			(UNAUDITED)	
Network services and other revenues, net (note 6).....	\$23,585	\$18,010	\$4,376	\$4,873
Operating costs and expenses:				
Services and other (exclusive of deprecia- tion and amortization).....	18,770	14,406	3,280	4,048
General and administrative expenses.....	4,077	2,295	529	482
Depreciation and amortization.....	127	134	31	38
	22,974	16,835	3,840	4,568
Operating income.....	611	1,175	536	305
Other income (expense):				
Interest and other income.....	17	3	--	--
Interest expense.....	(158)	(127)	(47)	(5)
Income before income taxes.....	470	1,051	489	300
Income taxes (note 1(d)).....	--	--	--	--
Net income.....	\$ 470	\$ 1,051	\$ 489	\$ 300

See accompanying notes to financial statements.

TEA GROUP INCORPORATED

STATEMENT OF SHAREHOLDERS' EQUITY

(IN THOUSANDS OF DOLLARS, EXCEPT SHARE AMOUNTS)

	COMMON STOCK ----- SHARES	AMOUNTS	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL SHAREHOLDERS' EQUITY
	-----	-----	-----	-----	-----
Balance at January 1, 1995.....	550	\$ 1	\$11	\$2,359	\$2,371
Net income.....	--	--	--	470	470
Shareholder distribu- tions.....	--	--	--	(882)	(882)
	---	---	---	-----	-----
Balance at December 31, 1995.....	550	1	11	1,947	1,959
Net income.....	--	--	--	1,051	1,051
Shareholder distribu- tions.....	--	--	--	(409)	(409)
	---	---	---	-----	-----
Balance at December 31, 1996.....	550	\$ 1	\$11	\$2,589	\$2,601
	===	===	===	=====	=====

See accompanying notes to financial statements.

TEA GROUP INCORPORATED
STATEMENT OF CASH FLOWS
(IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER 31,		THREE MONTHS ENDED MARCH 31,	
	1995	1996	1996	1997
	----- (UNAUDITED) -----			
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income.....	\$ 470	\$1,051	\$ 489	\$ 300
Adjustment to reconcile net income to net cash provided by (used for) operating activities:				
Depreciation and amortization.....	127	134	31	38
Provision for doubtful accounts (note 6)..	--	355	125	--
Gain on sale of property and equipment, and other assets.....	(12)	(1)	(1)	--
Decrease (increase) in:				
Billed accounts receivable.....	(1,714)	729	(103)	(735)
Unbilled accounts receivable.....	(336)	870	1,439	119
Other assets.....	(25)	29	(15)	(73)
Increase (decrease) in:				
Accounts payable.....	381	37	(1,219)	(925)
Accrued expenses.....	142	(59)	(101)	37
Net cash provided by (used for) operating activities.....	(967)	3,145	645	(1,239)
	-----	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property and equipment.....	(250)	(161)	(29)	(23)
Proceeds from sale of property and equipment, and other assets.....	25	1	1	--
Increase in deposits.....	16	--	--	--
Payments received on note receivable.....	--	45	8	--
Net cash used for investing activities.....	(209)	(115)	(20)	(23)
	-----	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:				
Net borrowings (repayments) under revolving credit agreement.....	2,057	(2,626)	276	1,262
Shareholder distributions.....	(882)	(409)	--	--
Net cash provided by (used for) financing activities.....	1,175	(3,035)	276	1,262
	-----	-----	-----	-----
Net increase (decrease) in cash.....	(1)	(5)	901	--
CASH AT BEGINNING OF PERIOD.....	6	5	5	--
	-----	-----	-----	-----
CASH AT END OF PERIOD.....	\$ 5	\$ --	\$ 906	\$ --
	=====	=====	=====	=====
Supplemental disclosure of cash flow information--cash paid during the period for interest.....	\$ 149	\$ 138	\$ 47	\$ --
	=====	=====	=====	=====

See accompanying notes to financial statements.

TEA GROUP INCORPORATED
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS OF DOLLARS)

(1) BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

TEA Group Incorporated (the "Company") provides services to the wireless telecommunications and energy transmission industries. These services include providing right-of-way, site acquisition, engineering design and drafting, project management, and staff leasing to wireless telecommunications and energy transmission companies in the United States and internationally.

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and revenues and expenses for the reporting period to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

The financial statements for the three months ended March 31, 1996 and 1997 are unaudited; however, they include all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to present fairly the results of operations and cash flows for the three months ended March 31, 1996 and 1997. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the entire year.

(b) Revenue Recognition

The Company's revenues are derived primarily from service contracts with customers which provide for billings on a time and materials, cost plus profit, or fixed price basis. Such contracts typically have terms from six months to two years. Revenues are recognized as services are performed with respect to the time and materials priced contracts, and are recognized using the percentage-of-completion method for cost plus profit and fixed price contracts, measured by the percentage of contract costs incurred to date to estimated total contract costs. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined.

(c) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is provided over the estimated useful lives of the assets on a straight-line basis. Leasehold improvements are amortized over the shorter of their estimated useful lives or the remaining lease term. Property and equipment are depreciated over the following estimated useful lives:

	YEARS

Leasehold improvements.....	5
Office and computer equipment.....	5
Furniture and fixtures.....	7
Computer software.....	5

The Company adopted the provisions of Statement of Financial Accounting Standards ("SFAS") 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, on January 1, 1996. This statement requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not

TEA GROUP INCORPORATED

NOTES TO FINANCIAL STATEMENTS--(CONTINUED)

(IN THOUSANDS OF DOLLARS)

be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. Adoption of this statement did not have an impact on the Company's financial statements.

(d) Income Taxes

The shareholders of the Company have elected to be taxed under the Subchapter S Corporation provisions of the Internal Revenue Code. As a result of this election, Federal and state income taxes related to the results of operations of the Company are passed through to, and are the responsibility of, the Company's shareholders. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

(e) Fair Value of Financial Instruments

The carrying value of the notes payable approximates the estimated fair value for this instrument since it bears interest at a floating market rate. The estimated fair values of the Company's financial instruments, along with the carrying amounts of the related assets (liabilities), are as follows:

	DECEMBER 31, 1995		DECEMBER 31, 1996	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Cash.....	\$ 5	\$ 5	\$ --	\$ --
Notes payable.....	(2,733)	(2,733)	(107)	(107)

(2) NOTES PAYABLE

The Company has a revolving line of credit with a bank for working capital purposes (as amended, the "Bank Line of Credit"). The Bank Line of Credit provides for up to \$5,000 of working capital borrowings and up to \$200 of borrowings for purchases of equipment. At December 31, 1996, outstanding working capital borrowings under the Bank Line of Credit amounted to \$107. Borrowings are secured by the Company's receivables, property and equipment, intangibles and cash balances, and bear interest at a rate per annum equal to (i) the bank's prime rate or (ii) a Eurodollar interbank offered rate (LIBOR) plus 2.45% (8.25% and 7.95%, respectively, at December 31, 1996). Interest is payable monthly. The Bank Line of Credit requires the Company to maintain certain financial covenants and places limitations on its ability to, among other things, incur debt and liens, undertake transactions with affiliates and make investments.

On July 30, 1997, the Bank Line of Credit was amended to decrease the available borrowings to \$3,000 and extend the maturity date to June 30, 1998. Borrowings now bear interest at a rate per annum equal to LIBOR plus 2.7% (8.39% at July 31, 1997). In addition, the amended Bank Line of Credit now restricts the ability of the Company to pay dividends.

TEA GROUP INCORPORATED

NOTES TO FINANCIAL STATEMENTS--(CONTINUED)

(IN THOUSANDS OF DOLLARS)

(3) COMMITMENTS

The Company has noncancelable operating leases for office space. Future minimum lease payments under the operating leases with remaining terms of one year or more at December 31, 1996 are summarized as follows:

YEARS ENDING DECEMBER 31, -----	
1997.....	\$316
1998.....	315
1999.....	289
2000.....	43

	\$963
	====

Rent expense under all cancelable and noncancelable operating leases for 1995 and 1996 was \$459 and \$608, respectively.

(4)EMPLOYEE BENEFIT PLAN

The Company maintains a 401(k) profit sharing and retirement plan (the "Plan") for the benefit of all eligible employees. Employees may elect to contribute up to 15% of their eligible compensation to the Plan. The Plan provides for employer matching contributions at the discretion of the Company's Board of Directors. The Company provided \$66 and \$29 in expense for contributions for 1995 and 1996, respectively.

(5)RELATED PARTY TRANSACTIONS

Accounts receivable balances at December 31, 1995 and 1996 include approximately \$398 and \$94, respectively, from an affiliated company related to expenses incurred by the Company on behalf of the affiliated company.

(6) CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and trade receivables. The Company mitigates its risk with respect to cash by maintaining such deposits at high credit quality financial institutions and monitoring the credit ratings of those institutions.

The Company derives the largest portion of its revenues from customers in the wireless telecommunications and energy transmission industries. The Company mitigates its concentrations of credit risk with respect to trade receivables by actively monitoring the creditworthiness of its customers. In connection with a disputed receivable with a customer, the Company wrote off \$310 during 1996.

For the year ended December 31, 1995, the Company had five customers representing 19%, 18%, 16%, 13% and 11% of net revenues, respectively. For the year ended December 31, 1996, the Company had two customers which accounted for 35% and 14% of net revenues, respectively, and one customer which accounted for approximately 59% of accounts receivable at December 31, 1996.

(7)SUBSEQUENT EVENT

In July 1996, the Company, its shareholders, and certain affiliated companies entered into an agreement with Crown Castle International Corp. ("CCIC") which provided CCIC with an option to acquire various ownership interests in the Company. On May 12, 1997, CCIC acquired all of the Company's common stock.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors
of Castle Transmission Services (Holdings) Ltd:

We have audited the accompanying balance sheet of the BBC Home Service Transmission business ("Home Service") at March 31, 1996 and the consolidated balance sheets of Castle Transmission Services (Holdings) Ltd and its subsidiaries ("Castle Transmission") at March 31, 1997 and December 31, 1997 and the profit and loss accounts, cash flow statements and reconciliations of movements in corporate funding for Home Service for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 and the related consolidated profit and loss accounts, cash flow statements and reconciliations of movements in shareholders' funds for Castle Transmission for the period from February 28, 1997 to March 31, 1997 and the period from April 1, 1997 to December 31, 1997. These financial statements are the responsibility of Castle Transmission's and Home Service's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United Kingdom, which do not differ in any material respect from generally accepted auditing standards in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Home Service at March 31, 1996 and the consolidated financial position of Castle Transmission at March 31, 1997 and December 31, 1997 and the results of operations and cash flows of Home Service for the year ended March 31, 1996 and for the period from April 1, 1996 to February 27, 1997 and of Castle Transmission for the period from February 28, 1997 to March 31, 1997 and for the period from April 1, 1997 to December 31, 1997 in conformity with generally accepted accounting principles in the United Kingdom.

Generally accepted accounting principles in the United Kingdom vary in certain respects from generally accepted accounting principles in the United States. Application of generally accepted accounting principles in the United States would have affected results of operations for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 for Home Service and the period from February 28, 1997 to March 31, 1997 and from April 1, 1997 to December 31, 1997 for Castle Transmission and shareholders' equity at March 31, 1996 for Home Service and at March 31, 1997 and December 31, 1997 for Castle Transmission to the extent summarised in Note 27 to these financial statements.

KPMG
Chartered Accountants
Registered Auditor
London, England

March 31, 1998

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED PROFIT AND LOSS ACCOUNTS

	NOTE	BBC HOME SERVICE TRANSMISSION			CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD				
		YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO		PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	THREE MONTHS ENDED JUNE 30, 1997	PERIOD FROM APRIL 1, 1997 TO		SIX MONTHS ENDED JUNE 30, 1998
			FEBRUARY 27, 1997	FEBRUARY 27, 1997			DECEMBER 31, 1997	JUNE 30, 1998	
		(Pounds)000	(Pounds)000	(Pounds)000 (UNAUDITED)	(Pounds)000	(Pounds)000 (UNAUDITED)	(Pounds)000	(Pounds)000 (UNAUDITED)	
Turnover.....	3	70,367	70,614	12,805	6,433	18,611	56,752	43,516	
Changes in stocks and work in progress.....		(635)	(554)	(150)	340	(898)	747	(90)	
Own work capitalised...		4,653	3,249	308	170	417	1,127	1,427	
Raw materials and consumables.....		14	(1,155)	(387)	(446)	319	(2,410)	(1,148)	
Other external charges.....		(34,750)	(26,191)	(4,130)	(1,668)	(4,780)	(13,811)	(10,973)	
Staff costs.....	4	(17,197)	(16,131)	(3,104)	(1,421)	(4,514)	(14,345)	(12,285)	
Depreciation and other amounts written off tangible and intangible assets.....	5	(12,835)	(13,038)	(2,464)	(1,819)	(5,533)	(16,854)	(11,688)	
Other operating charges.....		(1,832)	(2,792)	(181)	(344)	(853)	(2,430)	(2,054)	
		(62,582)	(56,612)	(10,108)	(5,188)	(15,842)	(47,976)	(36,811)	
Operating profit.....		7,785	14,002	2,697	1,245	2,769	8,776	6,705	
Other interest receivable and similar income.....		--	--	--	49	119	288	348	
Interest payable and similar charges.....	7	--	--	--	(969)	(5,400)	(12,419)	(7,063)	
Profit/(loss) on ordinary activities before and after taxation.....	3-6, 8	7,785	14,002	2,697	325	(2,512)	(3,355)	(10)	
Additional finance cost of non-equity shares..		--	--	--	(318)	(954)	(2,862)	(1,974)	
Retained profit/(loss) for the period.....		7,785	14,002	2,697	7	(3,466)	(6,217)	(1,984)	
		=====	=====	=====	=====	=====	=====	=====	

Neither BBC Home Service nor Castle Transmission have any recognised gains or losses other than those reflected in the profit and loss accounts.

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

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED BALANCE SHEETS

	NOTE	BBC HOME SERVICE	CASTLE TRANSMISSION SERVICES		
		TRANSMISSION	(HOLDINGS) LTD		
		AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997	AT JUNE 30, 1998
		(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000 (UNAUDITED)
FIXED ASSETS					
Intangible.....	9	--	46,573	46,056	44,804
Tangible.....	10	202,592	206,162	206,134	218,781
		-----	-----	-----	-----
		202,592	252,735	252,190	263,585
CURRENT ASSETS					
Stocks.....	11	1,750	807	1,340	1,993
Debtors.....	12	4,714	10,344	13,230	11,578
Cash at bank and in hand.....		--	9,688	8,152	9,467
		-----	-----	-----	-----
		6,464	20,839	22,722	23,038
Creditors: amounts fall- ing due within one year.....	13	(6,627)	(14,820)	(29,139)	(33,199)
		-----	-----	-----	-----
Net current assets/(liabilities)...		(163)	6,019	(6,417)	(10,161)
		-----	-----	-----	-----
Total assets less cur- rent liabilities.....		202,429	258,754	245,773	253,424
Creditors: amounts fall- ing due after more than one year.....	14	--	(154,358)	(143,748)	(149,249)
Provisions for liabili- ties and charges.....	15	--	(1,723)	(2,157)	(2,382)
		-----	-----	-----	-----
Net assets.....		202,429	102,673	99,868	101,793
		=====	=====	=====	=====
CAPITAL AND RESERVES					
Corporate funding.....		202,429	--	--	--
Called up share capi- tal.....	16	--	102,348	102,898	102,898
Profit and loss ac- count.....	17	--	325	(3,030)	(1,105)
		-----	-----	-----	-----
		202,429	102,673	99,868	101,793
		=====	-----	-----	-----
SHAREHOLDERS'					
FUNDS/(DEFICIT)					
Equity.....			109	(6,107)	(6,156)
Non-equity.....			102,564	105,975	107,949
			-----	-----	-----
			102,673	99,868	101,793
			=====	=====	=====

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

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED RECONCILIATION OF MOVEMENTS IN CORPORATE
FUNDING/SHAREHOLDERS' FUNDS

	BBC HOME SERVICE TRANSMISSION			CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD			
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	TWO MONTHS ENDED FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	THREE MONTHS ENDED JUNE 30, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997	SIX MONTHS ENDED JUNE 30, 1998
	(Pounds)000	(Pounds)000	(Pounds)000 (UNAUDITED)	(Pounds)000	(Pounds)000 (UNAUDITED)	(Pounds)000	(Pounds)000 (UNAUDITED)
Profit/(loss) for the period.....	7,785	14,002	2,697	325	(2,512)	(3,355)	(10)
Net (decrease) in corporate funding.....	(7,121)	(6,335)	(4,450)	--	--	--	--
New share capital subscribed.....	--	--	--	102,348	--	550	--
Charge on share option arrangements.....	--	--	--	--	--	--	1,935
Net additions/(deductions) to corporate funding/shareholders' funds.....	664	7,667	(1,753)	102,673	(2,512)	(2,805)	1,925
Opening corporate funding/shareholders' funds.....	201,765	202,429	211,849	--	102,673	102,673	99,868
Closing corporate funding/shareholders' funds.....	202,429	210,096	210,096	102,673	100,161	99,868	101,793

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

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

As used in the financial statements and related notes, the terms "Castle Transmission" or "the Group" refers to the operations of Castle Transmission Services (Holdings) Ltd and its subsidiaries, Castle Transmission International Ltd ("CTI") which is the successor business and Castle Transmission (Finance) plc ("CTF"). The term "Home Service" refers to the operations of the Home Service Transmission business of the British Broadcasting Corporation ("BBC") which was the predecessor business.

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") applicable in the United Kingdom (UK) and comply with the financial reporting standards of the Institute of Chartered Accountants in England and Wales. A summary of the differences between UK GAAP and United States (US) GAAP as applicable to Castle Transmission is set out in Note 27.

Castle Transmission Services (Holdings) Ltd (the "Company") was incorporated on August 27, 1996 and did not trade in the period to February 27, 1997. CTI was incorporated by the BBC on May 9, 1996 and did not trade in the period to February 27, 1997. On February 27, 1997, the assets and liabilities of Home Service were transferred to CTI. On February 28, 1997 CTI was acquired by the Company. During the period between August 27, 1996 and February 27, 1997 Castle Transmission did not trade and received no income and incurred no expenditure. Accordingly the first consolidated profit and loss account for Castle Transmission represents the trading of Castle Transmission for the period from February 28, 1997 to March 31, 1997. CTF was incorporated April 9, 1997.

The financial statements for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 represent the profit and loss accounts, balance sheet, cash flow statements and reconciliations of movements in corporate funding of Home Service. They have been prepared from the separate financial records and management accounts of Home Service.

Home Service was charged a management fee by the BBC representing an allocation of certain costs including pension, information technology, occupancy and other administration costs which were incurred centrally by the BBC but which were directly attributable to Home Service. Management believes such allocation is reasonable. Such costs are based on the pension arrangement and the cost structure of the BBC and are not necessarily representative of such costs of Castle Transmission under separate ownership.

Home Service did not incur any costs in relation to financing as necessary funding was provided from the BBC through the corporate funding account. No interest is charged by the BBC on such funds because there is no debt at BBC which is attributable to Home Service.

Home Service was not a separate legal entity and therefore was not directly subject to taxation on its results. The BBC is a not-for-profit organisation and is not subject to taxation except to the extent of activities undertaken with the objective of making a profit, including all external activities (principally site sharing and commercial projects). The tax charge attributable to Home Service has been calculated as if Home Service were under separate ownership since April 1, 1994 and as if all of its results of operations were subject to normal taxation.

Redundancy costs were incurred by the BBC which related to Home Service staff. The redundancy costs amounted to (Pounds)1.1m in 1996 and (Pounds)0.6m in the period from April 1, 1996 to February 27, 1997. The redundancy programmes were controlled by the BBC and the costs were not recharged to Home Service. No adjustment has been made in the Home Service financial statements for these costs because any costs incurred would have been reflected in the cost base of Home Service, and as described in note 25 would have been off-set by an increase in turnover from the BBC.

The consolidated financial statements for the two months ended February 27, 1997, for the three months ended June 30, 1997 and as of and for the six months ended June 30, 1998 are unaudited; however, in the opinion

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

of all the directors, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation have been made. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. Operating results for the six month period ended June 30, 1998 are not necessarily indicative of the results that may be expected for the year ending December 31, 1998.

2 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of Home Service and the consolidated financial statements of Castle Transmission.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to March 31, 1997 and December 31, 1997 after elimination of all significant inter-company accounts and transactions. The acquisition method of accounting has been adopted. Under this method, the results of subsidiaries acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Goodwill

Purchased goodwill on acquisitions (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised and amortised over 20 years, the period over which the Directors consider that the Group will derive economic benefits.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Land and buildings

	HOME SERVICE	CASTLE TRANSMISSION
	-----	-----
Freehold and long leasehold buildings...	50 years	50 years
Freehold and long leasehold improve- ments.....	20 years	20 years
Short leasehold land and buildings.....	Unexpired term	Unexpired term
No depreciation is provided on freehold land.....		

Plant and equipment

	HOME SERVICE	CASTLE TRANSMISSION
	-----	-----
Transmitters and power plant.....	25 years	20 years
Electric and mechanical infrastructure.....	10-20 years	10-20 years
Other plant and machinery.....	3-10 years	3-10 years
Computer equipment.....	5 years	5 years
Motor vehicles.....	--	3 years

Strategic spares, which comprise those spares that are vital to the operation of the transmission system, are included in the capitalised value of the asset to which they relate and are depreciated over the life of the asset.

Assets under construction are included within fixed assets. The associated labour costs are capitalised using a predetermined labour rate, and any over or under recoveries are recognised in the profit and loss account in the period in which they arise.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities, to the extent that they are denominated in foreign currency, are retranslated at the rate of exchange ruling at the balance sheet date and gains or losses are included in the profit and loss account.

Leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its useful life or term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The pension costs charged in the period include costs incurred, at the agreed employer's contribution rate. See note 20 for further details.

Stocks

Stocks held are general maintenance spares and manufacturing stocks. Stocks are stated at the lower of weighted average cost and net realisable value.

Work in progress

For individual projects, the fees on account and project costs are recorded in work in progress. When a project is complete, the project balances are transferred to turnover and cost of sales as appropriate, and the net profit is recognised. Where the payments on account are in excess of project costs, these are recorded as payments on account.

Provision is made for any losses as soon as they are foreseen.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of transmission and maintenance contracts, site sharing arrangements and commercial projects. Revenue is recognised on the basis of contracts or as services are provided to customers.

Issue costs

Costs incurred in raising funds are deducted from the amount raised and amortised over the life of the debt facility on a constant yield basis.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

3 ANALYSIS OF TURNOVER

	HOME SERVICE		CASTLE TRANSMISSION	
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
BY ACTIVITY				
BBC.....	45,704	49,903	3,982	35,640
Other--non BBC.....	24,663	20,711	2,451	21,112
	70,367	70,614	6,433	56,752
	=====	=====	=====	=====

4 STAFF NUMBERS AND COSTS

The average number of persons employed by the Group (including directors) during the period, analysed by category was as follows:

	HOME SERVICE		CASTLE TRANSMISSION	
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
Operational staff.....	381	357	313	289
Project staff.....	154	125	108	97
Management, finance, personnel and other support services.....	53	70	69	89
	588	552	490	475
	=====	=====	=====	=====

The aggregate payroll costs of these persons were as follows:

	HOME SERVICE		CASTLE TRANSMISSION	
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Wages and salaries.....	15,517	14,579	1,189	12,087
Social security costs...	1,159	1,061	76	768
Other pension costs.....	521	491	156	1,490
	17,197	16,131	1,421	14,345
	=====	=====	=====	=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

5 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	HOME SERVICE		CASTLE TRANSMISSION	
	YEARS ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION IS STATED AFTER CHARGING:				
Depreciation and other amounts written off tangible fixed assets:				
Owned.....	12,835	13,038	1,624	14,953
Leased.....	--	--	--	147
Goodwill amortisation...	--	--	195	1,754
Hire of plant and ma- chinery--rentals pay- able under operating leases.....		112	53	79
Hire of other assets-- under operating leases.....		396	36	530
	=====	=====	=====	=====

The information in respect of hire of plant and machinery and other assets under operating leases is not available for the year ended March 31, 1996.

6 REMUNERATION OF DIRECTORS

There were no directors of Home Service.

The directors of Castle Transmission received no emoluments for the period February 28, 1997 to March 31, 1997 and (Pounds)277,000 for the period April 1, 1997 to December 31, 1997. The amounts paid to third parties in respect of directors' services were (Pounds)2,000 for the period from February 28, 1997 to March 31, 1997 and (Pounds)23,000 for the period from April 1, 1997 to December 31, 1997.

The aggregate emoluments of the highest paid director were (Pounds)170,000. The highest paid director is not a member of any Group pension scheme.

Pension entitlements

On retirement the directors participating in the Group defined benefit scheme are entitled to 1/60th of their final pensionable salary for each year of service.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

7 INTEREST PAYABLE AND SIMILAR CHARGES

	HOME SERVICE		CASTLE TRANSMISSION	
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
On bank loans and over- drafts.....	--	--	934	3,315
On all other loans.....	--	--	--	6,934
Finance charges payable in respect of finance leases and hire pur- chase contracts.....	--	--	--	28
Finance charges amortised in respect of bank loans (see note 14).....	--	--	35	2,087
Finance charges amortised in respect of the Bonds.....	--	--	--	55
	---	---	---	-----
	--	--	969	12,419
	===	===	===	=====

8 TAXATION

Home Service

There is no tax charge in respect of the results of Home Service for the year ended March 31, 1996 or for the period from April 1, 1996 to February 27, 1997. As a separate legal entity subject to normal taxation, Home Service would have capital allowances available as discussed below which would result in taxable losses for all periods. Deferred tax assets have not been recognised on such tax losses as management has concluded that it is not likely that the deferred tax asset would be realised.

Castle Transmission

There is no tax charge in respect of the period from February 28, 1997 to March 31, 1997 and April 1, 1997 to December 31, 1997. Based on an agreement with the Inland Revenue Service, Castle Transmission will have capital allowances available on capital expenditure incurred by Home Service and the BBC prior to the acquisition of approximately (Pounds)179 million. The accelerated tax deductions associated with such capital allowances result in a taxable loss for both periods. Deferred tax assets have not been recognised on such tax losses as management has concluded that it is not likely that the deferred tax asset would be realised based on the limited operating history of Castle Transmission.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

9 INTANGIBLE ASSETS

Castle Transmission

	AS AT MARCH 31, 1997	AS AT DECEMBER 31, 1997
	----- (Pounds)000	----- (Pounds)000
Goodwill		
Cost		
At beginning of period.....	--	46,768
Arising on acquisition of Home Service.....	46,768	--
Adjustment to the allocation of fair value arising on acquisition of Home Service (see notes 18 and 24).....	--	1,237
	-----	-----
At end of the period.....	46,768	48,005
	=====	=====
Amortisation		
At beginning of period.....	--	195
Charged in period.....	195	1,754
	-----	-----
At end of the period.....	195	1,949
	=====	=====
Net book value		
At end of the period.....	46,573	46,056
	=====	=====

10 TANGIBLE FIXED ASSETS

Home Service

	LAND AND BUILDINGS	PLANT AND MACHINERY	COMPUTER EQUIPMENT	ASSETS UNDER CONSTRUCTION	TOTAL
	----- (Pounds)000	----- (Pounds)000	----- (Pounds)000	----- (Pounds)000	----- (Pounds)000
(i) Year ended March 31, 1996					
Cost or valuation					
At April 1, 1995.....	26,789	178,205	1,337	22,309	228,640
Additions.....	--	111	40	17,928	18,079
Disposals.....	--	--	(1,325)	--	(1,325)
Transfers.....	474	13,354	--	(13,828)	--
	-----	-----	-----	-----	-----
At March 31, 1996.....	27,263	191,670	52	26,409	245,394
	-----	-----	-----	-----	-----
Depreciation					
At April 1, 1995.....	7,291	22,671	441	--	30,403
Charge for period.....	819	12,008	8	--	12,835
On disposal.....	--	--	(436)	--	(436)
	-----	-----	-----	-----	-----
At March 31, 1996.....	8,110	34,679	13	--	42,802
	-----	-----	-----	-----	-----
Net book value					
At March 31, 1996.....	19,153	156,991	39	26,409	202,592
	=====	=====	=====	=====	=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

	LAND AND BUILDINGS	PLANT AND MACHINERY	COMPUTER EQUIPMENT	ASSETS UNDER CONSTRUCTION	TOTAL
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
(ii) Period ended February 27, 1997					
Cost or valuation					
At April 1, 1996.....	27,263	191,670	52	26,409	245,394
Additions.....	--	24	179	14,283	14,486
Disposals.....	--	(1,816)	--	(1,718)	(3,534)
Transfers.....	2,585	23,972	252	(26,809)	--
Transfer between business units.....	10,824	(2,061)	(4)	612	9,371
At February 27, 1997....	40,672	211,789	479	12,777	265,717
Depreciation					
At April 1, 1996.....	8,110	34,679	13	--	42,802
Charge for period.....	807	12,158	73	--	13,038
On disposal.....	--	(1,816)	--	--	(1,816)
Transfers.....	46	(108)	62	--	--
Transfers between business units.....	2,185	(137)	(1)	--	2,047
At February 27, 1997....	11,148	44,776	147	--	56,071
Net book value					
At February 27, 1997....	29,524	167,013	332	12,777	209,646
	=====	=====	===	=====	=====

The transfers between business units reflect transactions made between the predecessor business and other business units of the BBC, in preparation for the sale of Home Service. These include the transfer of the head office at Warwick into the books of Home Service prior to the sale.

Castle Transmission

	LAND AND BUILDINGS	PLANT AND MACHINERY	COMPUTER EQUIPMENT	ASSETS UNDER CONSTRUCTION	TOTAL
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
(i) Period ended March 31, 1997					
Cost					
On acquisition.....	30,373	163,556	332	12,777	207,038
Additions.....	--	56	--	692	748
Transfers.....	17	59	--	(76)	--
At March 31, 1997.....	30,390	163,671	332	13,393	207,786
Depreciation					
On acquisition.....	--	--	--	--	--
Charge for period.....	86	1,529	9	--	1,624
At March 31, 1997.....	86	1,529	9	--	1,624
Net book value					
At March 31, 1997.....	30,304	162,142	323	13,393	206,162
	=====	=====	===	=====	=====
(ii) Period ended December 31, 1997					
Cost					
At April 1, 1997.....	30,390	163,671	332	13,393	207,786
Addition.....	10	3,602	582	10,878	15,072
Transfers.....	651	12,772	--	(13,423)	--
At December 31, 1997....	31,051	180,045	914	10,848	222,858
Depreciation					
At April 1, 1997.....	86	1,529	9	--	1,624
Charge for period.....	847	13,975	278	--	15,100
At December 31, 1997....	933	15,504	287	--	16,724
Net book value					
At December 31, 1997....	30,118	164,541	627	10,848	206,134
	=====	=====	===	=====	=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

The net book value of land and buildings comprises:

	HOME SERVICE	CASTLE TRANSMISSION	
	AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Freehold.....	16,268	21,558	21,375
Long leasehold.....	1,540	7,468	7,472
Short leasehold.....	1,345	1,278	1,271
	-----	-----	-----
	19,153	30,304	30,118
	=====	=====	=====

Included within fixed assets are the following assets held under finance leases:

	HOME SERVICE	CASTLE TRANSMISSION	
	AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Motor vehicles.....	--	--	270
Computer equipment.....	--	--	441
	---	---	---
	--	--	711
	===	===	===

11 STOCKS

	HOME SERVICE		CASTLE TRANSMISSION	
	AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997	AT JUNE 30, 1998
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000 (UNAUDITED)
Work in progress (see note 13).....	--	--	274	1,159
Spares and manufacturing stocks.....	1,750	807	1,066	834
	-----	---	-----	-----
	1,750	807	1,340	1,993
	=====	===	=====	=====

12 DEBTORS

	HOME SERVICE	CASTLE TRANSMISSION	
	AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Trade debtors.....	3,780	7,503	10,250
Other debtors.....	212	2,259	2,200
Prepayments and accrued income....	722	582	780
	-----	-----	-----
	4,714	10,344	13,230
	=====	=====	=====

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	HOME SERVICE	CASTLE TRANSMISSION	
	AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000

Payments on account.....	426	347	--
Obligations under finance leases and hire purchase contracts.....	--	--	490
Trade creditors.....	872	4,123	1,916
Other creditors.....	--	1,519	2,153
Accruals and deferred income.....	5,329	8,831	24,580
	-----	-----	-----
	6,627	14,820	29,139
	=====	=====	=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

Payments on account (and work in progress) relate to commercial projects and are shown net in the financial statements. The gross billings amount to (Pounds)3,222,000 in 1996, (Pounds)3,836,000 in March 1997 and (Pounds)2,458,000 in December 1997. The related gross costs amounted to (Pounds)2,796,000 in 1996, (Pounds)3,489,000 in March 1997 and (Pounds)2,732,000 in December 1997.

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

CASTLE TRANSMISSION			
	AT MARCH 31, 1997	AT DECEMBER 31, 1997	AT JUNE 30, 1998
	(Pounds)000	(Pounds)000	(Pounds)000 (UNAUDITED)
Guaranteed Bonds.....	--	120,582	120,715
Bank loans and overdrafts.....	154,358	22,945	28,064
Obligations under finance leases and hire purchase contracts.....	--	221	470
	-----	-----	-----
	154,358	143,748	149,249
	=====	=====	=====
Debts can be analysed as falling due:			
in one year or less, or on de- mand.....	--	--	
between one and two years.....	7,244	59	
between two and five years.....	29,160	162	
in five years or more.....	117,954	143,527	
	-----	-----	
	154,358	143,748	
	=====	=====	

On May 21, 1997, CTF issued and Castle Transmission guaranteed, (Pounds)125,000,000 9 percent Guaranteed Bonds due 2007 (the "Guaranteed Bonds"). The Guaranteed Bonds are redeemable at their principal amount, unless previously redeemed or purchased and cancelled, on March 30, 2007.

The Guaranteed Bonds may be redeemed in whole but not in part, at the option of CTF, at their principal amount plus accrued interest if, as a result of certain changes in the laws and regulations of the United Kingdom, CTF or Castle Transmission becomes obliged to pay additional amounts.

The Guaranteed Bonds may be redeemed in whole or in part, at the option of CTF, at any time at the higher of their principal amount and such a price as will provide a gross redemption yield 0.50 percent per annum above the gross redemption yield on the benchmark gilt plus (in either case) accrued interest.

Bondholders may, in certain circumstances including but not limited to a change in control of CTF, or the early termination of the agreement between CTI and the BBC relating to the domestic analogue transmission of radio and television programmes by CTI, require the Guaranteed Bonds to be redeemed at 101 percent of their principal amount plus accrued interest.

The Guaranteed Bonds were issued at an issue price of 99.161 percent. The Guaranteed Bonds are shown net of unamortised discount and issue costs. Interest accrues from the date of issue and is payable in arrears on March 30 each year commencing March 30, 1998.

On February 28, 1997 the Group entered into term and revolving loan facilities with a syndicate of banks. There are three facilities. Facility A and Facility B are (Pounds)122,500,000 and (Pounds)35,000,000 term loan facilities. Facility A is repayable in instalments, the last of which is due in June 2004, and Facility B is repayable in two instalments in December 2004 and June 2005. These facilities were made available to finance the amount owed to the BBC on the acquisition of the Home Service transmission business and were drawn down in full on February 28, 1997.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

The third facility, Facility C, is a (Pounds)5,000,000 revolving loan facility maturing in June 2005 under which advances are to be made to the Group to finance its working capital requirements and for general corporate purposes. This facility was undrawn at March 31, 1997.

Borrowings under the facilities are secured by fixed and floating charges over substantially all of the assets and undertakings of the Group and bear interest at 2.25 percent above LIBOR for Facility B and between 0.875 percent and 1.75 percent above LIBOR (depending on the annualised debt coverage and the outstanding percentage of the facilities) for Facilities A and C.

The net proceeds of the Guaranteed Bonds were used to repay substantially all of the amounts outstanding under Facilities A, B and C. The remaining balance of Facilities A, B and C was replaced by a (Pounds)64,000,000 revolving loan facility maturing in May 2002 (the "New Facility"), under which advances will be made to CTI to finance its working capital requirements and finance capital expenditures in respect of Digital Terrestrial Television.

Borrowings under the New Facility are secured by fixed and floating charges over substantially all of the assets and undertakings of Castle Transmission and bear interest at LIBOR plus the applicable margin plus cost rate.

Included within bank loans and overdrafts is an amount of (Pounds)3,142,000 at March 31, 1997 and (Pounds)1,055,000 at December 31, 1997 representing finance costs deferred to future accounting periods in accordance with FRS4. As a result of the issuance of the Guaranteed Bonds and the New Facility, the remaining deferred financing costs of (Pounds)1,930,000, relating to Facilities A, B and C were charged to the profit and loss account during the period from April 1, 1997 to December 31, 1997.

15 PROVISION FOR LIABILITIES AND CHARGES

	CASTLE TRANSMISSION	
	AT MARCH 31, 1997	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000
On acquisition/at the start of the period.....	1,723	1,723
Fair value adjustments (see note 24).....	--	1,016
Established in the period (see below).....	--	417
Utilised in the period.....	--	(999)
	-----	-----
At the end of the period.....	1,723	2,157
	=====	=====

Home Service did not make any provisions for liabilities and charges. On the acquisition by Castle Transmission, a provision was established for costs associated with the split of the BBC transmission business between Home Service and World Service comprising redundancy costs and costs relating to the relocation and reorganisation of shared sites. No payments or additional provisions were made in the one month period and the balance on acquisition and at March 31, 1997 was (Pounds)1,723,000.

As a result of the completion of the fair value exercise this provision was reduced by (Pounds)234,000 and a further provision was made of (Pounds)1,250,000 in respect of a contingent liability for wind loading fees that existed at February 27, 1997. See notes 18 and 24 for further details.

A further provision of (Pounds)417,000, in respect of these wind loading fees, was charged to the profit and loss account during the period from April 1, 1997 to December 31, 1997.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

16 SHARE CAPITAL

	AT MARCH 31, 1997 NUMBER OF SHARES	AT DECEMBER 31, 1997 NUMBER OF SHARES	AT MARCH 31, 1997 (Pounds)000	AT DECEMBER 31, 1997 (Pounds)000
Authorised				
Equity: Ordinary Shares of 1 pence each.....	11,477,290	11,477,290	115	115
Non-equity: Redeemable Preference Shares of 1 pence each.....	11,465,812,710	11,465,812,710	114,658	114,658
	11,477,290,000	11,477,290,000	114,773	114,773
	=====	=====	=====	=====
Allotted, called up and fully paid				
Equity: Ordinary Shares of 1 pence each.....	10,234,790	10,289,790	102	103
Non-equity: Redeemable Preference Shares of 1 pence each.....	10,224,555,210	10,279,500,210	102,246	102,795
	10,234,790,000	10,289,790,000	102,348	102,898
	=====	=====	=====	=====

On incorporation the Company had an authorised share capital of 100 Ordinary Shares of (Pounds)1 each of which 1 share was allotted, called up and fully paid.

On January 23, 1997, the 100 issued and unissued Ordinary Shares of (Pounds)1 each were subdivided into Ordinary Shares of 1 pence each and the authorised share capital of the Company was increased to (Pounds)114,772,900 by the creation of 11,467,290 additional Ordinary Shares of 1 pence each and by the creation of 11,465,812,710 Redeemable Preference Shares of 1 pence each.

On February 28, 1997 the Company issued for cash 10,234,690 Ordinary Shares of 1 pence each at par and 10,224,555,210 Redeemable Preference Shares of 1 pence each at par.

On September 19, 1997 a further 55,000 Ordinary Shares of 1 pence each and 54,945,000 Redeemable Preference Shares of 1 pence each were issued at par for cash. These shares were issued to certain members of the management team. Management believes that this sale price reflects the fair value of the shares at that date.

The Redeemable Preference Shares are redeemable on December 31, 2050. The Company may also redeem any number of Redeemable Preference Shares at any time by giving at least two business days' notice in writing to the holders. In addition, the Company shall redeem in full all the Redeemable Preference Shares on or before the earlier or any listing or sale of 87.5 percent or more of the issued share capital. No premium is payable on redemption.

The holders of the Redeemable Preference Shares are entitled to receive a dividend in respect of periods from January 1, 2004 at a rate of 5 percent per annum. Dividends shall accrue on a daily basis and shall, unless the Company is prohibited from paying dividends by the Companies Act 1985 or is not permitted by any financing agreement to which it is a party to pay such dividend, become a debt due from and payable to the holders of the Redeemable Preference Shares on January 1 of each year beginning January 1, 2005.

In accordance with FRS4: Capital Instruments, a finance cost has been calculated to result in a constant rate of return over the period and carrying amount for these Redeemable Preference Shares and has been included in the profit and loss account as an appropriation.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

On a winding up of the Company, the holders of the Redeemable Preference Shares would be entitled, in priority to any payment to the holders of the Ordinary Shares, to receive an amount equal to the nominal amount paid up on each Redeemable Preference Share together with all arrears and accruals of the preferential dividend payable thereon, whether or not such dividend has become due and payable.

The holders of the Redeemable Preference Shares have no right to vote at any general meeting of the Company.

At December 31, 1997 two of the shareholders held share warrants which entitled them to a maximum of 772,500 Ordinary Shares and 771,727,500 Redeemable Preference Shares issued at par. These are subject to adjustment in accordance with the conditions set out in the warrant instrument which relate to any reorganisation of the Company's share capital. The rights under the share warrants can be exercised by giving 7 days' notice to the Company. The rights lapse on the earliest of the following dates: the date of a listing of any part of the share capital on the Official List of the London Stock Exchange or any other stock exchange; the date of any sale of 85 percent or more of the issued share capital of the Company; the date on which the Company goes into liquidation; and February 28, 2007.

17 RESERVES

CASTLE TRANSMISSION	
PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
(Pounds)000	(Pounds)000
Profit and loss account	
At the start of the period.....	325
Retained profit/(loss) for the period..	(6,217)
Additional finance cost of non-equity shares.....	2,862
At the end of the period.....	(3,030)
	=====

18 ACQUISITION

On February 28, 1997 the Company acquired the entire share capital of CTI. CTI had itself acquired the assets and liabilities of Home Service on February 27, 1997, with the intention of CTI's ensuing disposal to the Company.

As the two transactions were enacted for the purpose of the sale and purchase of Home Service, a provisional fair value exercise was performed by CTI on the acquisition of the trade and net assets of Home Service on 27 February 1997, giving rise to acquisition goodwill of (Pounds)39.6 million.

The fair value exercise was only provisional at March 31, 1997 as the elapsed time had not been sufficient to form a final judgement on the fair value adjustments. The fair value exercise has now been finalised and as a result goodwill has been increased by (Pounds)1.2 million. See note 24.

The consideration paid for the acquisition of the shares of CTI by the Company amounted to (Pounds)45 million plus fees of (Pounds)7.5 million. (Pounds)7.2 million had been paid or accrued at March 31, 1997, which gave rise to additional goodwill of (Pounds)7.5 million.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

In addition, the BBC was paid (Pounds)199 million by CTI as a repayment of the loan made by the BBC on the transfer of the assets and liabilities of Home Service. The total consideration paid by the Group amounted to (Pounds)244 million (excluding fees), which resulted in total goodwill in the Consolidated Financial Statements of (Pounds)48 million. This goodwill has been capitalised and will be written off over 20 years, the period over which the Directors consider that the Group will derive economic benefits.

19 COMMITMENTS

(a) Capital commitments at the end of the financial period for which no provision has been made, were as follows:

	HOME SERVICE	CASTLE TRANSMISSION	
	AT MARCH 31, 1996	AT MARCH 31, 1997	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Contracted.....	4,192	4,785	11,431
Authorised but not contracted.....	7,969	6,490	89,729
	=====	=====	=====

(b) Annual commitments under non-cancellable operating leases were as follows:

	CASTLE TRANSMISSION	
	AT DECEMBER 31, 1997	
	LAND AND BUILDINGS	OTHER
	(Pounds)000	(Pounds)000
Operating leases which expire:		
Within one year.....	90	159
In the second to fifth years inclusive.....	343	385
Over five years.....	235	--
	---	---
	668	544
	===	===

20 PENSION SCHEME

Home Service

Home Service participated in a multi-employer pension scheme operated by the BBC. The scheme is a defined benefit scheme whereby retirement benefits are based on the employees' final remuneration and length of service and is funded through a separate trustee administered scheme. Contributions to the scheme are based on pension costs for all members of the scheme across the BBC and are made in accordance with the recommendations of independent actuaries who value the scheme at regular intervals, usually triennially. Pension scheme assets are not apportioned between different parts of the BBC.

The pension rate charged to Home Service was 4.5 percent for the year ended March 31, 1996 and for the period from April 1, 1996 to February 27, 1997. This charge took into account the surplus shown by the last actuarial valuation of the BBC scheme. Amounts charged were as follows: (Pounds)521,000 in 1996 and (Pounds)491,000 in the period from April 1, 1996 to February 27, 1997.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

Castle Transmission

The pension charge is not comparable between Home Service and Castle Transmission due to the former having a reduced charge as a result of the surplus in the BBC Pension scheme.

Under the terms of the sale agreement Castle Transmission was temporarily participating in the BBC Pension scheme until July 31, 1997. From August 1, 1997 the Group was committed under the sale agreement to establish its own pension scheme.

In respect of past service benefits, members were able to choose between transferring past service benefits to the Group scheme or leaving them in the BBC Pension scheme. To the extent that past service benefits were transferred, the BBC Pension scheme made a full transfer payment to the Group scheme calculated in accordance with the actuarial basis as set out in the sale agreement.

The pension charge for the period from February 28, 1997 to March 31, 1997 included in the accounts represented contributions payable to the BBC Pension scheme and amounted to (Pounds)156,000. Contributions are calculated at the employers' contribution rate of 17.7 per cent of pensionable salary. The contribution rate has been determined by a qualified actuary and is specified in the sale agreement.

At August 1, 1997 Castle Transmission established its own pension scheme. This is a defined benefit scheme and assets were transferred from the BBC Pension scheme to the extent that members chose to transfer past benefits. From August 1, the Castle Transmission Pension Scheme will be liable in respect of future pension benefits. The pension charge for the period from April 1, 1997 to December 31, 1997 was (Pounds)1,490,000.

There were no outstanding or prepaid contributions at either the beginning or end of the financial periods.

The Group also established a defined contribution scheme which will have a backdated start date of August 1, 1997. This scheme will be open to employees joining the Group after March 1, 1997. The defined benefit scheme will not be open to these employees. The pensionable charge for the period from April 1, 1997 to December 31, 1997 represents contributions under this scheme amounting to (Pounds)nil.

21 RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	HOME SERVICE		CASTLE TRANSMISSION	
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Operating profit.....	7,785	14,002	1,245	8,776
Depreciation and amortisation charge....	12,835	13,038	1,819	16,854
(Increase)/Decrease in stocks.....	(678)	294	(2)	(746)
Decrease/(Increase) in debtors.....	2,571	(258)	(5,372)	(2,937)
Increase/(Decrease) in creditors.....	1,798	(649)	8,066	6,036
Cash inflow from operating activities...	24,311	26,427	5,756	27,983
	=====	=====	=====	=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

22 ANALYSIS OF CASH FLOWS FOR HEADINGS NOTED IN THE CASH FLOW STATEMENT

	HOME SERVICE		CASTLE TRANSMISSION	
	YEAR ENDED MARCH 31, 1996	PERIOD FROM APRIL 1, 1996 TO FEBRUARY 27, 1997	PERIOD FROM FEBRUARY 28, 1997 TO MARCH 31, 1997	PERIOD FROM APRIL 1, 1997 TO DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
RETURNS ON INVESTMENT AND SERVICING OF FINANCE				
Interest received.....	--	--	49	242
Interest paid.....	--	--	(934)	(2,670)
	-----	-----	-----	-----
Net cash outflow for returns on investment and servicing of finance.....	--	--	(885)	(2,428)
	=====	=====	=====	=====
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS				
Purchase of tangible fixed assets.....	(18,079)	(21,810)	(748)	(14,361)
Proceeds on disposal of tangible fixed assets..	889	1,718	--	--
	-----	-----	-----	-----
Net cash outflow for capital expenditure and financial investments..	(17,190)	(20,092)	(748)	(14,361)
	=====	=====	=====	=====
ACQUISITIONS AND DISPOSALS				
Purchase of subsidiary undertaking (see note 24).....	--	--	(52,141)	(307)
Amount paid to BBC on acquisition.....	--	--	(199,000)	--
	-----	-----	-----	-----
Net cash outflow for acquisition and disposals.....	--	--	(251,141)	(307)
	=====	=====	=====	=====
FINANCING				
Issue of shares.....	--	--	102,348	550
Increase/(decrease) in corporate funding.....	(7,121)	(6,335)	--	--
Debt due beyond a year: Facility A (net of issue costs).....	--	--	120,056	--
Facility B (net of issue costs).....	--	--	34,302	--
Repayment of Facility A and B.....	--	--	--	(157,500)
New Facility.....	--	--	--	24,000
Guaranteed Bonds.....	--	--	--	120,527
	-----	-----	-----	-----
Net cash inflow/(outflow) from financing.....	(7,121)	(6,335)	256,706	(12,423)
	=====	=====	=====	=====

23 ANALYSIS OF NET DEBT DUE AFTER ONE YEAR

	AT FEBRUARY 27, 1997	CASHFLOW	OTHER NON-CASH CHANGES	AT MARCH 31, 1997
	(Pounds)000		(Pounds)000	(Pounds)000
Cash at bank and in hand.....	--	9,688	--	9,688
Debt due after 1 year...	--	(154,358)	--	(154,358)
	---	-----	---	-----
	--	(144,670)	--	(144,670)
	===	=====	===	=====

	AT MARCH 31, 1997	CASHFLOW	OTHER NON-CASH CHANGES	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Cash at bank and in hand.....	9,688	(1,536)	--	8,152
Finance leases.....	--	--	(711)	(711)
Debt due after 1 year...	(154,358)	12,973	(2,142)	(143,527)
	-----	-----	-----	-----
	(144,670)	11,437	(2,853)	(136,086)
	=====	=====	=====	=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

24 PURCHASE OF SUBSIDIARY UNDERTAKING

	AT MARCH 31, 1997	FAIR VALUE ADJUSTMENTS	AT DECEMBER 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Net assets acquired:			
Tangible fixed assets.....	207,038	--	207,038
Stocks.....	119	134	253
Debtors.....	4,972	(97)	4,875
Creditors--trade.....	(6,033)	49	(5,984)
--owed to BBC on acquisition.....	(199,000)	--	(199,000)
Provisions (see note 15).....	(1,723)	(1,016)	(2,739)
Adjusted net assets acquired....	5,373	(930)	4,443
Goodwill.....	46,768	1,237	48,005
Cost of acquisition including related fees.....	52,141	307	52,448
Satisfied by:			
Cash.....	52,141	307	52,448

The total consideration paid by Castle Transmission included the assumption and subsequent repayment of (Pounds)199 million paid to the BBC, see note 18.

Fair value adjustments

The fair value adjustments result from the completion of the fair value exercise performed by CTI on the acquisition of Home Service and the under accrual of fees by the Company, in relation to the acquisition of CTI, at March 31, 1997. The (Pounds)1,237,000 increase in goodwill relates predominantly to the provision of (Pounds)1,250,000 in respect of a dispute over wind loading fees. This dispute was an existing contingent liability at the date of acquisition and consequently provision has been made against the fair value of the assets and liabilities of Home Service at February 27, 1998.

25 RELATED PARTY DISCLOSURES

Home Service

Throughout the year ended March, 31 1996 and the period from April 1, 1996 to February 27, 1997, Home Service entered into a number of transactions with other parts of the BBC. Substantially all of these transactions are exempt from the disclosure provisions of FRS 8 "Related Party Disclosures" as they have been undertaken between different parts of the BBC, and are eliminated in the consolidated accounts of the BBC. However, brief details of the nature of these transactions are set out below.

The majority of Home Service's income arises from trading with other parts of the BBC. Prices are set at BBC group level on the basis of cost budgets prepared by Home Service. The aggregate value of such sales in each of the years covered by the combined financial statements is given in Note 3.

Administrative costs include expenses re-charged to Home Service by the BBC. These re-charges related to costs incurred centrally in respect of pension, information technology, occupancy and other administration costs. These charges amounted to (Pounds)5.8 million in 1996 and (Pounds)1.2 million in the period between April 1, 1996 and February 27, 1997. The reduced charge for the period to February 27, 1997 is a result of more functions being carried out by employees of Home Service in preparation for the change to a stand alone entity.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

In addition, re-charges were also made for distribution costs relating to telecommunication links between the BBC and the transmitting stations and these were then internally re-charged to other parts of the BBC. The charges amounted to (Pounds)5.6 million in 1996 and (Pounds)6.4 million in the period between April 1, 1996 and February 27, 1997.

Castle Transmission

The Shareholders of Castle Transmission are:

Crown Castle International Corp. ("CCIC", formerly Castle Tower Holding Corp.), Candover Investments plc and funds managed by it ("Candover"), TeleDiffusion de France International S.A ("TdF") and Berkshire Partners LLC and funds managed by it ("Berkshire"). They are considered to be related parties as they are the consortium who own 99 percent of the shares of the Company.

Castle Transmission paid fees to shareholders in respect of expenses incurred during the acquisition and success fees. Castle Transmission also has management agreements with CCIC (for commercial and financial advice and training and consultancy) and TdF (for technical advice and consulting), these agreements run for five years from February 28, 1997. Fees are payable on the basis of an annual fee for agreed services provided to Castle Transmission, together with fees on a commercial arm's length basis for any additional services provided. In addition Castle Transmission has agreed to reimburse shareholders' expenses in relation to attendance at board meetings. The amounts paid and accrued by the Company during the period were as follows:

RELATED PARTY	AMOUNTS	AMOUNTS	AMOUNTS	TOTAL AMOUNTS
	EXPENSED	CAPITALISED	PAID	PAYABLE AT
	(Pounds)000	(Pounds)000	(Pounds)000	MARCH 31, 1997
CCIC.....	20	1,763	1,763	20
Candover.....	1	244	244	1
TdF.....	--	129	--	129
Berkshire.....	1	315	316	--
	22	2,451	2,323	150
	===	=====	=====	===

RELATED PARTY	TOTAL AMOUNTS	AMOUNTS	AMOUNTS	AMOUNTS	TOTAL AMOUNTS
	PAYABLE AT	EXPENSED	CAPITALISED	PAID	PAYABLE AT
	MARCH 31, 1997	(Pounds)000	(Pounds)000	(Pounds)000	DECEMBER 31, 1997
CCIC.....	20	253	--	246	27
Candover.....	1	16	--	13	4
TdF.....	129	--	--	129	--
Berkshire.....	--	55	--	43	12
	150	324	--	431	43
	===	===	===	===	===

Ongoing BBC relationship

At the time of the acquisition of Home Service, Castle Transmission entered into a ten year transmission contract with the BBC for the provision of domestic terrestrial analogue television and radio transmission services expiring on March 31, 2007. Thereafter, the contract continues until terminated by twelve months notice by either party on March 31 in any contract year from and including March 31, 2007. It may also be terminated early if certain conditions are met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

The contract provides for charges of approximately (Pounds)46 million to be payable by the BBC to Castle Transmission for the year to March 31, 1998. Castle Transmission's charges for subsequent years of the contract are largely determined by a formula which escalates the majority of the charges by a factor which is 1% below the rate of increase in the Retail Price Index over the previous calendar year. Those elements of the charges which are subject to the escalation formula for the contract year commencing April 1, 1998 amount to approximately (Pounds)46 million.

26 POST BALANCE SHEET EVENTS

On January 23, 1998, the Board of Directors adopted: (i) the All Employee Share Option Scheme; (ii) the Management Share Option Scheme; and (iii) individual share option arrangements for certain directors of the Company.

The All Employee Share Option Scheme provides for an unlimited number of shares to be granted to all employees of the Company. The Board may select any number of individuals to apply for the grant of an option. Not later than thirty days following the date by which an application must be made, the Board may grant to each applicant the number of options specified in his application. These options may be exercised at the earliest of the third anniversary of the date of grant, in the event of a flotation or in the event of a take-over, reconstruction, liquidation or option exchange as set out in the Scheme rules. For options granted under this scheme the option price and the number of shares will not change during the life of the option.

Under the terms of the Management Share Option Scheme and the individual share option arrangements, share options may be granted to employees or directors of the Company as determined by the Board of Directors up to a maximum of 460,000 Ordinary Shares and 459,540,000 Redeemable Preference Shares. Options will vest over periods of up to four years and have a maximum term of up to nine years. For options over 223,333 Ordinary Shares and 223,110,000 Redeemable Preference Shares, the option price and the number of shares will not change during the life of the option. The remaining options are subject to certain performance criteria.

On January 23, 1998 and January 30, 1998 the Company granted options to purchase an aggregate of 460,000 Ordinary Shares and 459,540,000 Redeemable Preference Shares under the terms of the individual share option arrangements and the Management Share Option Scheme, respectively. The weighted average price for such options is 1.16 pence for Ordinary Shares and 1.16 pence for Redeemable Preference Shares. The weighted average vesting period for such options is 1.13 years. Any accounting charge resulting from a difference between the fair value of the rights to the shares at the date of grant and the amount of consideration to be paid for the shares will be charged to the profit and loss account in the year to December 31, 1998 and subsequent years according to the vesting provisions of the arrangements. Where the options are subject to performance criteria, the amount initially recognised will be based on a reasonable expectation of the extent to which these criteria will be met and will be subject to subsequent adjustments as necessary to deal with changes in the probability of performance criteria being met.

Update of post balance sheet events (Unaudited)

On March 23, 1998, the Company granted options to purchase an aggregate of 40,750 Ordinary Shares and 40,709,250 Redeemable Preference Shares under the terms of the All Employee Share Option Scheme. The price for such options is 1.00 pence for both Ordinary Shares and Redeemable Preference Shares. The vesting period for such options is three years.

The accounting charge related to share options included within the unaudited consolidated financial statements for the six months ended June 30, 1998 is (Pounds) 1,935,000.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

On April 23, 1998, the Board of Directors adopted share option arrangements for certain individuals. On that same date, the Company granted options to purchase 60,000 Ordinary Shares and 59,940,000 Redeemable Preference Shares under the terms of such share option arrangements. These options will vest over a period of four years and have a maximum term of six years. The weighted average price of such options is 1.75 pence for both Ordinary Shares and Redeemable Preference Shares. The weighted average vesting period for such options is two years.

27 SUMMARY OF DIFFERENCES BETWEEN UNITED KINGDOM AND UNITED STATES GENERALLY
ACCEPTED ACCOUNTING PRINCIPLES

These consolidated financial statements have been prepared in accordance with UK GAAP, which differ in certain respects from US GAAP. The differences that affect Home Service and Castle Transmission are set out below:

(A) TANGIBLE FIXED ASSETS

During 1993 Home Service revalued upwards its investments in certain identifiable tangible fixed assets. Such upward revaluation is not permissible under US GAAP. Rather, depreciated historical cost must be used in financial statements prepared in accordance with US GAAP.

In the period between April 1, 1996 and February 27, 1997 there were a number of transfers of fixed assets to and from other parts of the BBC as explained in note 10. For US GAAP purposes these transfers have been accounted for under the as-if-pooling-of-interests method for transactions between entities under common control.

(B) DEFERRED TAXATION

Under UK GAAP, deferred taxes are accounted for to the extent that it is considered probable that a liability or asset will crystallise in the foreseeable future. Under US GAAP, deferred taxes are accounted for on all timing differences and a valuation allowance is established in respect of those deferred tax assets where it is more likely than not that some portion will remain unrealised. Deferred tax also arises in relation to the tax effect of other US GAAP adjustments.

(C) PENSIONS

The Group accounts for costs of pensions under the rules set out in the UK accounting standards. US GAAP is more prescriptive in respect of actuarial assumptions and the allocation of costs to accounting periods.

(D) CAPITALISED INTEREST

Under US GAAP, interest incurred during the construction periods of tangible fixed assets is capitalised and depreciated over the life of the assets.

(E) REDEEMABLE PREFERENCE SHARES

Under UK GAAP, preference shares with mandatory redemption features or redeemable at the option of the security holder are classified as a component of total shareholders' funds. US GAAP requires such redeemable preference shares to be classified outside of shareholders' funds.

Net income/(loss)
attributable to
ordinary shareholders
under US GAAP.....

11,492
=====

17,995
=====

3,423
=====

85
=====

(3,245)
=====

(5,351)
=====

(1,060)
=====

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

	HOME SERVICE		CASTLE TRANSMISSION	

	AT MARCH 31,		AT DECEMBER 31,	AT JUNE 30,
	1996	1997	1997	1998
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
				(UNAUDITED)
Corporate funding/shareholders' funds as reported in the balance sheets.....	202,429	102,673	99,868	101,793
US GAAP adjustments:				
Depreciation adjustment on tangible fixed assets.....	(35,945)	--	--	--
Pensions.....	--	--	65	143
Capitalised interest..	--	78	879	1,725
Redeemable preference shares (including additional finance cost of non-equity shares).....	--	(102,564)	(105,975)	(107,949)
	-----	-----	-----	-----
Corporate funding/shareholders' funds/(deficit) under US GAAP.....	166,484	187	(5,163)	(4,288)
	=====	=====	=====	=====

+-----+
 +INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A +
 +REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE +
 +SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY +
 +OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT +
 +BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR +
 +THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE +
 +SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE +
 +UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF +
 +ANY SUCH STATE. +
 +-----+

PROSPECTUS Subject to Completion, dated August 17, 1998

[LOGO OF CROWN
 CASTLE INTERNATIONAL
 CORP. APPEARS HERE]

31,250,000 SHARES
 CROWN CASTLE INTERNATIONAL CORP.
 COMMON STOCK

Of the 31,250,000 shares of Common Stock, par value \$.01 per share (the "Common Stock"), offered hereby, 27,500,000 shares are being sold by Crown Castle International Corp. ("CCIC" or the "Company"), and 3,750,000 shares are being sold by a stockholder of the Company. In addition, the Company and certain stockholders of the Company have granted the U.S. Underwriters an option to purchase shares of Common Stock solely to cover over-allotments, if any. See "Principal and Selling Stockholders". Of the 31,250,000 shares of Common Stock being offered, 6,250,000 shares are being offered initially outside the United States and Canada (the "International Offering") by the International Managers and 25,000,000 shares are being concurrently offered in the United States and Canada (the "U.S. Offering") by the U.S. Underwriters (together with the International Managers, the "Underwriters"). The International Offering and the U.S. Offering, including the application of the net proceeds therefrom, are collectively referred to as the "Offering".

Pursuant to a Share Exchange Agreement dated April 24, 1998, (i) all shareholders of Castle Transmission Services (Holdings) Ltd ("CTSH") (other than the Company, TeleDiffusion de France International S.A. ("TdF") and Digital Future Investments B.V., which is an affiliate of TdF ("DFI")) will exchange their shares of capital stock of CTSH for shares of Common Stock of the Company and (ii) DFI will exchange its shares of capital stock of CTSH for shares of Class A Common Stock, par value \$.01 per share (the "Class A Common Stock"), of the Company. The closing of the Offering is conditioned upon the concurrent consummation of such exchanges and certain other transactions. See "The Roll-Up".

The Company's common stock has been designated into two classes, consisting of Common Stock and Class A Common Stock. Under the Company's Restated Certificate of Incorporation (the "Certificate of Incorporation"), with respect to matters on which the holders of the Company's common stock have the right to vote, stockholder approval generally will require the affirmative vote of the holders of a majority of the voting power of the Company, with the holders of the Common Stock and the Class A Common Stock voting together as a single class. However, certain specified actions will require the approval of the holders of a majority of the Class A Common Stock. In addition, the holders of the Class A Common Stock, voting as a separate class, will have the right to elect up to two members of the Company's Board of Directors and will not vote in the election of directors by the holders of the Company's other voting stock entitled to vote in the election of directors. See "The Roll-Up" and "Description of Capital Stock".

Prior to the Offering, there has been no public market for the Common Stock. It is currently estimated that the initial public offering price per share will be between \$14.00 and \$16.00. For information relating to the factors that will be considered in determining the initial public offering price, see "Underwriting". The Common Stock has been approved for listing on the Nasdaq Stock Market's National Market ("NNM") under the symbol "TWRS".

SEE "RISK FACTORS" BEGINNING ON PAGE 17 HEREIN FOR CERTAIN FACTORS THAT SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Per Share	\$	\$	\$	\$
		Underwriting Price to Discounts and Public Commissions(1)	Proceeds to Company(2)	Proceeds to Selling Stockholders

Total(3)..... \$ \$ \$ \$

- (1) The Company and the Selling Stockholders have agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933. See "Underwriting".
- (2) Before deducting expenses payable by the Company estimated to be \$.
- (3) The Company and certain Selling Stockholders have granted the U.S. Underwriters a 30-day option to purchase up to an aggregate of 4,687,500 additional shares of Common Stock on the same terms and conditions as set forth herein, solely to cover over-allotments, if any. If such option is exercised in full, the total Price to Public, Underwriting Discounts and Commissions, Proceeds to Company and Proceeds to Selling Stockholders will be , , and , respectively. See "Underwriting".

The shares of Common Stock offered by this Prospectus are offered by the International Managers subject to prior sale, to withdrawal, cancellation, or modification of the offer without notice, to delivery to and acceptance by the International Managers and to certain further conditions. It is expected that delivery of the shares will be made at the offices of Lehman Brothers Inc., New York, New York, on or about , 1998.

LEHMAN BROTHERS
CREDIT SUISSE FIRST BOSTON
GOLDMAN SACHS INTERNATIONAL
SALOMON SMITH BARNEY
 , 1998

 NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY, THE SELLING STOCKHOLDERS OR THE INTERNATIONAL MANAGERS. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SECURITIES TO WHICH IT RELATES OR ANY OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SUCH SECURITIES IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

 TABLE OF CONTENTS

	Page

Prospectus Summary.....	1
Risk Factors.....	17
Use of Proceeds.....	27
Dividend Policy.....	27
Dilution.....	28
Capitalization.....	30
Unaudited Pro Forma Condensed Consolidated Financial Statements.....	31
Selected Financial and Other Data of CCIC.....	37
Selected Financial and Other Data of Crown.....	39
Selected Financial and Other Data of CTI.....	40
Management's Discussion and Analysis of Financial Condition and Results of Operations.....	42
Industry Background.....	56
Business.....	63
The Roll-Up.....	92
Management.....	107
Certain Relationships and Related Transactions.....	117
Principal and Selling Stockholders.....	120
Description of Capital Stock.....	124
Description of Certain Indebtedness.....	131
Shares Eligible for Future Sale.....	135
Certain United States Federal Tax Consequences To Non-United States Holders.....	137
Underwriting.....	139
Validity of Common Stock.....	143
Experts.....	143
Available Information.....	144
Index to Financial Statements.....	F-1

 31,250,000 SHARES

[LOGO OF CROWN CASTLE INTERNATIONAL CORP. APPEARS HERE]

CROWN CASTLE INTERNATIONAL CORP.

COMMON STOCK

 PROSPECTUS
 , 1998

LEHMAN BROTHERS

CREDIT SUISSE FIRST BOSTON

GOLDMAN SACHS INTERNATIONAL

SALOMON SMITH BARNEY

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

Set forth below is a table of the registration fee for the Securities and Exchange Commission, the filing fee for the National Association of Securities Dealers, Inc., the listing fee for the Nasdaq Stock Market and estimates of all other expenses to be incurred in connection with the issuance and distribution of the securities described in the Registration Statement, other than underwriting discounts and commissions:

SEC registration fee.....	\$ 201,430
NASD filing fee.....	30,500
Nasdaq listing fee.....	95,000
Printing and engraving expenses.....	700,000
Legal fees and expenses.....	1,150,000
Accounting fees and expenses.....	250,000
Transfer agent and registrar fees.....	6,000
Liability insurance premium.....	460,000
Miscellaneous.....	107,070

Total.....	\$3,000,000
	=====

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the General Corporation Law of the State of Delaware ("DGCL") provides that a corporation has the power to indemnify any director or officer, or former director or officer, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) against the expenses (including attorney's fees), judgments, fines or amounts paid in settlement actually and reasonably incurred by them in connection with the defense of any action by reason of being or having been directors or officers, if such person shall have acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, provided that such person had no reasonable cause to believe his conduct was unlawful, except that, if such action shall be in the right of the corporation, no such indemnification shall be provided as to any claim, issue or matter as to which such person shall have been judged to have been liable to the corporation unless and to the extent that the Court of Chancery of the State of Delaware (the "Court of Chancery"), or any court in such suit or action was brought, shall determine upon application that, in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses as such court shall deem proper.

Accordingly, the Restated Certificate of Incorporation of the Company (filed herewith as Exhibit 3.1) provide that the Company shall, to the maximum extent permitted under the DGCL indemnify each person who is or was a director or officer of the Company. The Company may, by action of the Board of Directors, indemnify other employees and agents of the Corporation, directors, officers, employees or agents of a subsidiary, and each person serving as a director, officer, partner, member, employee or agent or another corporation, partnership, limited liability company, joint venture, trust or other enterprise, at the request of the Company, with the same scope and effect as the indemnification of directors and officers of the Company. Notwithstanding the foregoing, the Company shall be required to indemnify any person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors or is a proceeding to enforce such person's claim to indemnification pursuant to the rights granted by the Restated Certificate of Incorporation or otherwise by the Company. The Company may also enter into one or more agreements with any person which provide for indemnification greater or different than that provided in the Restated Certificate of Incorporation.

Furthermore, a director of the Company shall not be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to the Company or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit.

The Company's Bylaws provide that each person who was or is made a party or is threatened to be made a party to or is involved in any manner in any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative ("Proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was a director or officer of the Company or, while a director or officer of the Company, a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall be indemnified and held harmless by the Company to the fullest extent permitted by the DGCL. Such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that the Company shall indemnify any such person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such person only if such Proceeding (or part thereof) was authorized by the Board of Directors or is a Proceeding to enforce such person's claim to indemnification pursuant to the rights granted by the Company's Bylaws. The Company shall pay the expenses incurred by any person described in the first two sentences of this paragraph in defending any such Proceeding in advance of its final disposition upon, to the extent such an undertaking is required by applicable law, receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Company as authorized in the Company's Bylaws or otherwise.

The Company's Bylaws further provide that the indemnification and the advancement of expenses incurred in defending a Proceeding prior to its final disposition provided by, or granted pursuant to, the Company's Bylaws shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Restated Certificate of Incorporation, other provision of the Company's Bylaws or otherwise. The Company may also maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, partner, member, employee or agent of the Company or a subsidiary or of another corporation, partnership, limited liability company, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the DGCL.

The Company's Bylaws further provide that the Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and rights to be paid by the Company the expenses incurred in defending any Proceeding in advance of its final disposition, to any person who is or was an employee or agent (other than a director or officer) of the Company or a subsidiary thereof and to any person who is or was serving at the request of the Company or a subsidiary thereof as a director, officer, partner, member, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Company or a subsidiary thereof, to the fullest extent of the provisions of the Company's Bylaws with respect to the indemnification and advancement of expenses of directors and officers of the Company.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

In each of the sales described below, unless otherwise indicated, the Company (or the relevant predecessor) relied on Section 4(2) of the Securities Act of 1933 for exemption from registration. No brokers or underwriters were used in connection with any of such sales. The recipients of securities in each such transaction represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the share certificates, warrants and notes issued

in such transactions. All recipients had adequate access, through their relationship with the Company, to information about the Company.

Through May 31, 1998, the Company had raised approximately \$367.0 million through private sales of debt and equity securities in a series of private placements with various institutional and other accredited investors and certain employees of the Company as described below.

CTC Investment. On January 11, 1995, CTC, a predecessor to CCIC, sold (i) to Ted B. Miller, Jr. and Edward C. Hutcheson, Jr. (collectively, the "Initial Stockholders") 1,350,000 shares of Class A Common Stock, par value \$.01 per share, of CTC for \$270,000 and (ii) to Centennial Fund IV, Berkshire Fund III, A Limited Partnership (via Berkshire Fund III Investment Corp.) and certain trusts and natural persons that are now members of Berkshire Investors LLC (collectively, the "Berkshire Fund III Group") and J. Landis Martin (collectively, the "CTC Purchasers"), (A) 1,350,000 shares Class B Common Stock, par value \$.01 per share, of CTC for \$270,000, (B) 730,380 shares of Series A Convertible Preferred Stock, par value \$.01 per share, of CTC for \$4,382,280 and (C) \$3,867,720 principal amount of Convertible Secured Subordinated Notes of CTC (the "CTC Notes") for \$3,867,720. As of February 1997, all the CTC Notes had been converted into 644,620 shares of Series A Convertible Preferred Stock of the Company. The proceeds received on January 11, 1995 were used by CTC for the acquisition of towers and ancillary assets from PCI and for working capital.

Pursuant to a Securities Exchange Agreement (the "Securities Exchange Agreement"), dated as of April 27, 1995, among the Company, CTC, the Initial Stockholders and the CTC Purchasers, such parties effectively made CCIC the holding company of CTC and converted some of the obligations of CTC into capital stock of CCIC. Transactions pursuant to the Securities Exchange Agreement included (i) Centennial Fund IV transferring 208,334 shares of CTC Series A Convertible Preferred Stock to Berkshire Fund III Group in exchange for \$1,250,004 principal amount of CTC Notes, (ii) Berkshire Fund III Group and J. Landis Martin converting all remaining CTC Notes held by them (\$742,452 principal amount) into 123,742 shares of CTC Series A Convertible Preferred Stock, (iii) each of the outstanding shares of capital stock of CTC being exchanged for five shares of similar stock of CCIC and (iv) the remaining CTC Notes (\$3,125,268 principal amount) becoming convertible into shares of Series A Convertible Preferred Stock (all of which CTC Notes were subsequently converted in February 1997).

As a result of the exchange of CTC capital stock for CCIC capital stock, each Initial Stockholder received 675,000 shares of Existing Class A Common Stock, Centennial Fund IV received 1,080,000 shares of Common Stock and 145,789 shares of Series A Preferred Stock, Mr. Martin received 41,666 shares of Series A Preferred Stock and Berkshire Fund III Group received 270,000 shares of Common Stock and 666,667 shares of Series A Preferred Stock. In July 21, 1995, Robert F. McKenzie became a party by amendment to the Securities Exchange Agreement and received 8,333 shares of Series A Preferred Stock.

1996 Investors Investment. Pursuant to a Securities Purchase Agreement, dated as of July 15, 1996, among the Company, Berkshire Fund III Group, Centennial Fund IV, J. Landis Martin, Edward C. Hutcheson, Jr. and Robert F. McKenzie, the Company privately placed 864,568 shares of its Series B Convertible Preferred Stock, par value \$.01 per share ("Series B Convertible Preferred Stock"), for an aggregate purchase price of \$10,374,816. Berkshire Fund III Group paid \$6,000,000 for 500,000 shares, Centennial Fund IV paid \$3,724,812 for 310,401 shares, Mr. Martin paid \$500,004 for 41,667 shares, Mr. Hutcheson paid \$99,996 for 8,333 shares and Mr. McKenzie paid \$50,004 for 4,167 shares. The proceeds received on July 15, 1996 were used for (i) the purchase of the towers and microwave and SMR businesses from Motorola in Puerto Rico, (ii) an option payment relating to the acquisition of TEA and TeleStructures and (iii) working capital.

Berkshire Fund IV Investment. Pursuant to a Securities Purchase Agreement, dated as of February 14, 1997, among the Company, Centennial Fund V and Centennial Entrepreneurs Fund V, L.P. (collectively, the "Centennial Fund V Investors" and, together with Centennial Fund IV, the "Centennial Group"), Berkshire Fund IV, Limited Partnership (via Berkshire Fund IV Investment Corp.), and certain trusts and natural persons which are members of Berkshire Investors LLC (collectively, the "Berkshire Fund IV Group" and, together with

Berkshire Fund III Group, the "Berkshire Partners Group"), PNC Venture Corp., Nassau Capital Partners II L.P. ("Nassau Capital"), NAS Partners I L.L.C. ("NAS Partners" and, together with Nassau Capital, the "Nassau Group"), Fay, Richwhite Communications Limited ("Fay Richwhite"), J. Landis Martin and Robert F. McKenzie, the Company privately placed 3,529,832 shares of its Series C Convertible Preferred Stock, par value \$.01 per share ("Series C Convertible Preferred Stock"), for an aggregate purchase price of \$74,126,472. Centennial Fund V Investors paid \$15,464,001 for 736,381 shares, Berkshire Fund IV Group paid \$21,809,991 for 1,038,571 shares, PNC Venture Corp. paid \$6,300,000 for 300,000 shares, Nassau Group paid an aggregate of \$19,499,991 for 928,571 shares, Fay Richwhite paid \$9,999,990 for 476,190 shares, Mr. Martin paid \$999,999 for 47,619 shares and Mr. McKenzie paid \$52,500 for 2,500 shares. The proceeds received on February 14, 1997 were used by the Company to fund a portion of its investment in CTI.

Hutcheson Investment. In March 1997, Edward C. Hutcheson, Jr. exercised stock options for 345,000 shares of Common Stock. The Company repurchased these shares and 308,435 shares of his Existing Class A Common Stock for \$3,422,118.

TEA Investment. In May 1997, in connection with the Company's acquisition of the stock of TeleStructures, TEA and TeleShare, Inc. (the "TEA Companies"), the Company issued 535,710 shares of Common Stock to the shareholders of the TEA Companies: 241,070 shares to Bruce W. Neurohr, 241,070 shares to Charles H. Jones and 53,570 shares to Terrel W. Pugh.

Crown Investment. In August 1997, Robert A. Crown and Barbara Crown sold the assets of Crown Communications to, and merged CNSI and CMSI with, subsidiaries of the Company. As partial consideration for these transactions, the Crowns received 7,325,000 shares of Common Stock. Robert A. Crown and Barbara Crown are both parties to the Stockholders Agreement and are subject to its restrictions.

AHA Investment. Pursuant to a Securities Purchase Agreement, dated as of August 13, 1997, among the Company, American Home Assurance Company ("AHA"), New York Life Insurance Company ("New York Life"), The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), PNC Venture Corp., J. Landis Martin and affiliates of AHA, the Company privately placed 292,995 shares of its Senior Convertible Preferred Stock for an aggregate purchase price of \$29,299,500, together with warrants to purchase 585,990 shares of Common Stock at \$7.50 per share (subject to adjustment, including weighted average antidilution adjustments). AHA and its affiliates paid \$15,099,500 for 150,995 shares and warrants to purchase 301,990 shares of Common Stock. New York Life and Northwestern Mutual each paid \$6,000,000 for 60,000 shares and warrants to purchase 120,000 shares of Common Stock. PNC Venture Corp. paid \$2,000,000 for 20,000 shares and warrants to purchase 40,000 shares of Common Stock. Mr. Martin paid \$200,000 for 2,000 shares and warrants to purchase 4,000 shares of Common Stock. The proceeds received on August 13, 1997 were used by the Company to fund a portion of the Crown Merger and working capital.

Harvard Investment. Pursuant to a Securities Purchase Agreement, dated as of October 31, 1997, among the Company, Berkshire Partners Group, Centennial Fund V Investors, Nassau Group, Fay Richwhite, Harvard Private Capital Holdings, Inc. ("Harvard"), Prime VIII, L.P. ("Prime") and the prior purchasers of Senior Convertible Preferred Stock (other than affiliates of AHA), an additional 364,500 shares of Senior Convertible Preferred Stock were issued for an aggregate purchase price of \$36,450,000, together with warrants to purchase 729,000 shares of Common Stock at \$7.50 per share (subject to adjustment, including weighted average antidilution adjustments). Berkshire Partners Group paid \$3,500,000 for 35,000 shares and warrants to purchase 70,000 shares of Common Stock. Centennial V Investors paid \$1,000,000 for 10,000 shares and warrants to purchase 20,000 shares of Common Stock. Nassau Group and Fay Richwhite each paid \$2,500,000 for 25,000 shares and warrants to purchase 50,000 shares of Common Stock. Harvard paid \$14,950,000 for 149,500 shares and warrants to purchase 299,000 shares of Common Stock. Prime paid \$5,000,000 for 50,000 shares and warrants to purchase 100,000 shares of Common Stock. AHA paid \$1,500,000 for 15,000 shares and warrants to purchase 30,000 shares of Common Stock. New York Life paid \$300,000 for 3,000 shares and warrants to purchase 6,000 shares of Common Stock. Northwestern Mutual paid \$4,000,000 for 40,000 shares and warrants

to purchase 80,000 shares of Common Stock. PNC Venture Corp. paid \$1,000,000 for 10,000 shares and warrants to purchase 20,000 shares of Common Stock. J. Landis Martin paid \$200,000 for 2,000 shares and warrants to purchase 4,000 shares of Common Stock.

Employee Purchases. On October 30, 1995, in connection with an employment agreement, an employee of the Company purchased 83,330 shares of Common Stock from the Company at \$1.20 per share. On October 1, 1996, David L. Ivy purchased 50,000 shares of Common Stock from the Company at \$2.40 per share. On February 3, 1997, John L. Gwyn purchased 2,500 shares of Common Stock from the Company at \$4.20 per share. On June 12, 1997, an employee of the Company purchased 2,500 shares of Common Stock from the Company at \$4.20 per share.

Payment of Consultants. On January 28, 1998, in connection with the provision of consulting services to the Company, the Company issued to two consultants options exercisable for an aggregate of 23,135 shares of Common Stock at an exercise price of \$4.76 per share. On June 30, 1998, in connection with the provision of consulting services to the Company, the Company issued to two consultants an aggregate of 30,425 shares of Common Stock at a valuation of \$7.50 per share.

Option Exercises. On July 30, 1997, Robert F. McKenzie, a director of the Company, exercised options for 6,250 shares of Common Stock at an exercise price of \$1.20 per share and on August 8, 1997, exercised options for 11,875 shares of Common Stock at an exercise price of \$4.20 per share.

10 5/8% Senior Discount Notes due 2007. On November 20, 1997, the Company privately placed under Rule 144A and Regulation S of the Securities Act \$251.0 million principal amount at maturity (\$150,010,150 initial accreted value) of its 10 5/8% Senior Discount Notes due 2007, yielding net proceeds to the Company of approximately \$143.7 million after deducting discounts and estimated fees and expenses. Lehman Brothers Inc. and Credit Suisse First Boston Corporation were the initial purchasers of such securities.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

EXHIBIT NO. -----	DESCRIPTION OF EXHIBIT -----
***1.1	--Form of U.S. Underwriting Agreement.
***1.2	--Form of International Underwriting Agreement.
**2.1	--Asset Purchase and Merger Agreement among Crown Network Systems, Inc., Crown Mobile Systems, Inc., Robert A. Crown, Barbara Crown and Castle Acquisition Corp. I, Castle Acquisition Corp. II, Castle Tower Holding Corp. dated July 11, 1997.
**2.2	--First Amended and Restated Asset Purchase and Merger Agreement among Crown Network Systems, Inc., Crown Mobile Systems, Inc., Robert A. Crown, Barbara Crown and Castle Acquisition Corp. I, Castle Acquisition Corp. II, Castle Tower Holding Corp. dated July 11, 1997, as amended and restated on August 14, 1997.
**2.3	--Stock Purchase Agreement by and between Castle Tower Holding Corp., Bruce W. Neurohr, Charles H. Jones, Ronald J. Minnich, Ferdinand G. Neurohr and Terrel W. Pugh dated May 12, 1997 ("TEA Stock Purchase Agreement").
***2.4	--Share Exchange Agreement among Castle Transmission Services (Holdings) Ltd., Crown Castle International Corp., TeleDiffusion de France International S.A., Digital Future Investments B.V. and certain shareholders of Castle Transmission Services (Holdings) Ltd. dated as of April 24, 1998.
***3.1	--Form of Restated Certificate of Incorporation of Crown Castle International Corp.

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
***3.2	--Form of Amended and Restated Bylaws of Crown Castle International Corp.
**4.1	--Indenture between Crown Castle International Corp. and United States Trust Company of New York, as trustee (including exhibits).
**4.2	--Amended and Restated Stockholders Agreement among Castle Tower Holding Corp., Edward C. Hutcheson, Jr., Ted B. Miller, Jr., Robert A. Crown and Barbara Crown and the persons listed on Schedule I thereto dated August 15, 1997.
**4.3	--Article Fourth of Certificate of Incorporation of Castle Tower Holding Corp. (included in Exhibits 3.1 through 3.5).
**4.4	--Trust Deed related to (Pounds)125,000,000 9 per cent. Guaranteed Bonds due 2007 among Castle Transmission (Finance) PLC, as Issuer, Castle Transmission International Ltd and Castle Transmission Services (Holdings) Ltd., as Guarantors, and The Law Debenture Trust Corporation p.l.c., as Trustee, dated May 21, 1997.
**4.5	--First Supplemental Trust Deed related to (Pounds)125,000,000 9 per cent. Guaranteed Bonds due 2007 among Castle Transmission (Finance) PLC, as Issuer, Castle Transmission International Ltd and Castle Transmission Services (Holdings) Ltd, as Guarantors and The Law Debenture Trust Corporation p.l.c., as Trustee, dated October 17, 1997.
***4.6	--Specimen Certificate of Common Stock.
***5	--Opinion of Cravath, Swaine & Moore with respect to the legality of the Common Stock.
**10.1	--Registration Rights Agreement by and among Crown Castle International Corp. and Lehman Brothers Inc. and Credit Suisse First Boston Corporation dated as of November 25, 1997.
***10.2	--Amended and Restated Loan Agreement by and among Crown Communication Inc., Crown Castle International Corp. de Puerto Rico, Key Corporate Capital Inc. and certain lenders dated July 10, 1998.
**10.8	--Amended and Restated Limited Holdco Guaranty by Crown Castle International Corp., in favor of KeyBank National Association, as Agent, dated November 25, 1997.
**10.9	--Memorandum of Understanding regarding Management and Governance of Castle Tower Holding Corp. and Crown Communications, Inc. dated August 15, 1997.
+**10.10	--Site Commitment Agreement between Nextel Communications, Inc. and Castle Tower Corporation dated July 11, 1997.
**10.11	--Independent Contractor Agreement by and between Crown Network Systems, Inc. and Sprint Spectrum L.P. dated July 8, 1996, including addendum dated November 12, 1997.
+**10.12	--Independent Contractor Agreement between Crown Network Systems, Inc. and Powerfone, Inc. d/b/a Nextel Communications dated September 30, 1996.
+**10.13	--Independent Contractor Agreement by and between APT Pittsburgh Limited Partnership and Crown Network Systems, Inc. dated December 3, 1996.
+**10.14	--Master Lease Agreement between Sprint Spectrum, L.P. and Robert Crown d/b/a/ Crown Communications dated June 11, 1996 ("Sprint Master Lease Agreement").
**10.15	--First Amendment to Sprint Master Lease Agreement, dated July 5, 1996 (included in Exhibit 10.14).
**10.16	--Second Amendment to Sprint Master Lease Agreement, dated January 27, 1997 (included in Exhibit 10.14).

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
+**10.17	--Master Lease Agreement between Powerfone, Inc. d/b/a/ Nextel Communications and Robert A. Crown d/b/a Crown Communications dated October 3, 1996.
+**10.18	--Master Lease Agreement between APT Pittsburgh Limited Partnership and Robert Crown d/b/a Crown Communications dated December 3, 1996.
+**10.19	--Master Tower Lease Agreement between Cellco Partnership d/b/a/ Bell Atlantic NYNEX Mobile, Pittsburgh SMSA, L.P. and Pennsylvania RSN No. 6 (II) and Robert A. Crown d/b/a/ Crown Communications dated December 29, 1995, as amended by a letter agreement dated as of October 28, 1997.
+**10.20	--Master Tower Lease Agreement between Cellco Partnership d/b/a/ Bell Atlantic NYNEX Mobile, Pittsburgh SMSA, L.P. and Pennsylvania RSN No. 6 (II) and Robert A. Crown d/b/a/ Crown Communications dated December 29, 1995, as amended by a letter agreement dated as of October 28, 1997.
**10.21	--Castle Tower Holding Corp. 1995 Stock Option Plan (Third Restatement).
**10.22	--Services Agreement between Castle Transmission International Ltd (formerly known as Castle Transmission Services Ltd) and Castle Tower Holding Corp. dated February 28, 1997.
**10.23	--Shareholders' Agreement among Berkshire Fund IV Investment Corp., Berkshire Investors LLC, Berkshire Partners LLC, Candover Investments PLC, Candover (Trustees) Limited, Candover Partners Limited (as general partner for 4 limited partnerships), Castle Tower Holding Corp., TeleDiffusion de France International S.A., and Dihold Limited (now known as Castle Transmission Services (Holdings) Ltd) dated January 23, 1997.
**10.24	--First Amendment to Amended and Restated Stockholders Agreement by and among Crown Castle International Corp., Edward C. Hutcheson, Jr., Ted B. Miller, Jr., Robert A. Crown and Barbara Crown and the persons listed as Investors dated January 28, 1998.
**10.25	--Third Amendment to Sprint Master Lease Agreement, dated February 12, 1998.
***10.26	--Form of Stockholders Agreement between Crown Castle International Corp. and certain stockholders listed on Schedule 1 thereto.
***10.27	--Agreement among Castle Transmission Services (Holdings) Ltd., Digital Future Investments B.V., Berkshire Partners LLC and certain shareholders of Castle Transmission Services (Holdings) Ltd. for the sale and purchase of certain shares of Castle Transmission Services (Holdings) Ltd., for the amendment of the Shareholders' Agreement in respect of Castle Transmission Services (Holdings) Ltd. and for the granting of certain options dated April 24, 1998.
***10.28	--Form of Governance Agreement among Crown Castle International Corp., TeleDiffusion de France International S.A. and Digital Future Investments B.V.
***10.29	--Form of Severance Agreement.
***10.30	--Form of Shareholders' Agreement among Crown Castle International Corp., TeleDiffusion de France International S.A. and Castle Transmission Services (Holdings) Limited.
***10.31	--Site Sharing Agreement between National Transcommunications Limited and The British Broadcasting Corporation dated September 10, 1991.
+***10.32	--Transmission Agreement between The British Broadcasting Corporation and Castle Transmission Services Limited dated February 27, 1997.

EXHIBIT NO. -----	DESCRIPTION OF EXHIBIT -----
+***10.33	--Digital Terrestrial Television Transmission Agreement between The British Broadcasting Corporation and Castle Transmission International Ltd. dated February 10, 1998.
+***10.34	--Agreement for the Provision of Digital Terrestrial Television Distribution and Transmission Services between British Digital Broadcasting plc and Castle Transmission International Ltd. dated December 18, 1997.
***10.35	--Loan Amendment Agreement among Castle Transmission International, Castle Transmission Services (Holdings) Ltd. and certain lenders dated May 21, 1997.
***10.36	--Crown Castle International Corp. 1995 Stock Option Plan (Fourth Restatement).
+***10.37	--Contract between British Telecommunications PLC and Castle Transmission International Inc. for the Provision of Digital Terrestrial Television Network Distribution Service dated May 13, 1998.
+***10.38	--Site Marketing Agreement dated June 25, 1998 between BellSouth Mobility Inc. and Crown Communication Inc.
***10.39	--Commitment Agreement between the British Broadcasting Corporation, Castle Tower Holding Corp., TeleDiffusion de France International S.A. and TeleDiffusion de France S.A.
***10.40	--Form of Amended and Restated Services Agreement between Castle Transmission International Limited and TeleDiffusion de France S.A.
***10.41	--Castle Transmission Services (Holdings) Ltd. All Employee Share Option Scheme dated as of January 23, 1998.
***10.42	--Rules of the Castle Transmission Services (Holdings) Ltd. Bonus Share Plan.
***10.43	--Form of Employee Benefit Trust between Castle Transmission Services (Holdings) Ltd. and Castle Transmission (Trustees) Limited.
***10.44	--Castle Transmission Services (Holdings) Ltd. Unapproved Share Option Scheme dated as January 23, 1998.
***10.45	--Amending Agreement between the British Broadcasting Corporation and Castle Transmission International Limited dated July 16, 1998.
***10.46	--Form of Rights Agreement.
***10.47	--Deed of Grant of Option between Castle Transmission Series (Holdings) Ltd. and George Reese dated January 23, 1998.
***10.48	--Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and David Ivy dated January 23, 1998.
***10.49	--Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and David Ivy dated April 23, 1998.
***10.50	--Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and Ted B. Miller, Jr. dated April 23, 1998.
***10.51	--Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and Ted B Miller, Jr. dated January 23, 1998.
***10.52	--Memorandum Regarding Proposed Initial Public Offering and Certain Transitional Changes Affecting Management dated July 2, 1998, between Crown Castle International Corp. and Robert A. and Barbara A. Crown.

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
-----	-----

- ***10.53 --Services Agreement dated July 2, 1998, by and between Crown Castle International Corp. and Robert A. and Barbara A. Crown.
- 11 --Computation of net loss per common share.
- 12 --Computation of Ratio of Earnings to Fixed Charges.
- ***21 --Subsidiaries of Crown Castle International Corp.
- 23.1 --Consent of KPMG Peat Marwick LLP.
- 23.2 --Consent of Ernst & Young LLP.
- ***23.3 --Consent of Cravath, Swaine & Moore (included in Exhibit 5).
- ***99.1 --Consent of Michel Azibert.
- ***99.2 --Consent of Bruno Chetaille.
- ***99.3 --Consent of William A. Murphy.

** Incorporated by reference to the exhibits with the corresponding exhibit numbers in the Registration Statement on Form S-4 previously filed by the Registrant (Registration no. 333-43873).

*** Previously filed.

+ Indicates that portions of the exhibit have been omitted pursuant to a request for confidential treatment and such portions have been filed with the Commission separately.

Schedule I--Condensed Financial Information of Registrant

All other schedules are omitted because they are not applicable or because the required information is contained in the financial statements or notes thereto included in this Registration Statement.

ITEM 17. UNDERTAKINGS

Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Securities Act") may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on this 18th day of August, 1998.

Crown Castle International Corp.,

/s/ Charles C. Green, III

By: _____
 NAME: CHARLES C. GREEN, III
 TITLE: EXECUTIVE VICE PRESIDENT
 AND CHIEF FINANCIAL OFFICER

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on this 18th day of August, 1998.

SIGNATURE	TITLE
* ----- TED B. MILLER, JR.	Chief Executive Officer and Vice Chairman of the Board (Principal Executive Officer)
* ----- DAVID L. IVY	President and Director
/s/ Charles C. Green, III ----- CHARLES C. GREEN, III	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
* ----- WESLEY D. CUNNINGHAM	Vice President, Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)
* ----- CARL FERENBACH	Chairman of the Board

SIGNATURE

TITLE

*

Director

ROBERT A. CROWN

Director

GARTH H. GREIMANN

*

Director

RANDALL A. HACK

*

Director

DAVID C. HULL, JR.

*

Director

EDWARD C. HUTCHESON, JR.

*

Director

J. LANDIS MARTIN

*

Director

ROBERT F. MCKENZIE

*

Director

JEFFREY H. SCHUTZ

*By: /s/ Charles C. Green, III

CHARLES C. GREEN, III ATTORNEY-IN-FACT

CROWN CASTLE INTERNATIONAL CORP.

SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT

BALANCE SHEET (UNCONSOLIDATED)

(IN THOUSANDS OF DOLLARS, EXCEPT SHARE AMOUNTS)

	DECEMBER 31,	
	1996	1997
ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 6,093	\$ 53,092
Receivables and other current assets.....	1,073	424
Advances to subsidiaries, net.....	388	2,611
	-----	-----
Total current assets.....	7,554	56,127
Property and equipment, net of accumulated depreciation of \$0 and \$27 at December 31, 1996 and 1997, respectively....	--	808
Investment in subsidiaries.....	5,766	232,229
Investments in affiliates.....	2,101	59,082
Deferred financing costs and other assets, net of accumulated amortization of \$0 and \$69 at December 31, 1996 and 1997, respectively.....	49	7,075
	-----	-----
	\$15,470	\$355,321
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and other accrued liabilities.....	\$ 130	\$ 1,187
	-----	-----
Total current liabilities.....	130	1,187
Long-term debt.....	--	151,593
	-----	-----
Total liabilities.....	130	152,780
	-----	-----
Redeemable preferred stock, \$.01 par value; 6,435,228 shares authorized:		
Senior Convertible Preferred Stock; shares issued: December 31, 1996--none and December 31, 1997--657,495 (stated at redemption value; aggregate liquidation value of \$0 and \$68,916, respectively).....	--	67,948
Series A Convertible Preferred Stock; shares issued: December 31, 1996--862,455 and December 31, 1997--1,383,333 (stated at redemption and aggregate liquidation value).....	5,175	8,300
Series B Convertible Preferred Stock; 864,568 shares issued (stated at redemption and aggregate liquidation value).....	10,375	10,375
Series C Convertible Preferred Stock; shares issued: December 31, 1996--none and December 31, 1997--3,529,832 (stated at redemption and aggregate liquidation value)...	--	74,126
	-----	-----
Total redeemable preferred stock.....	15,550	160,749
	-----	-----
Stockholders' equity (deficit):		
Common stock, \$.01 par value; 11,511,109 shares authorized:		
Class A Common Stock; shares issued: December 31, 1996--1,350,000 and December 31, 1997--1,041,565.....	3	2
Class B Common Stock; shares issued: December 31, 1996--1,488,330 and December 31, 1997--9,367,165	3	19
Additional paid-in capital.....	762	58,248
Cumulative foreign currency translation adjustment.....	--	562
Accumulated deficit.....	(978)	(17,039)
	-----	-----
Total stockholders' equity (deficit)	(210)	41,792
	-----	-----
	\$15,470	\$355,321
	=====	=====

See notes to consolidated financial statements and accompanying notes.

CROWN CASTLE INTERNATIONAL CORP.
SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT (CONTINUED)

STATEMENT OF OPERATIONS (UNCONSOLIDATED)

(IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER		
	31,		
	1995	1996	1997
	-----	-----	-----
Other revenues.....	\$ --	\$ --	\$ 329
Interest and other income.....	--	171	2,028
General and administrative expenses.....	--	--	(149)
Corporate development expenses.....	--	(1,249)	(3,867)
Depreciation and amortization.....	--	--	(27)
Interest expense and amortization of deferred financing costs.....	--	--	(4,594)
	-----	-----	-----
Loss before income taxes and equity in earnings (losses) of subsidiaries and unconsolidated affiliate.....	--	(1,078)	(6,280)
Credit (provision) for income taxes.....	--	49	(49)
Equity in earnings (losses) of subsidiaries.....	(21)	72	(4,475)
Equity in losses of unconsolidated affiliate.....	--	--	(1,138)
	-----	-----	-----
Net loss.....	(21)	(957)	(11,942)
Dividends on Senior Convertible Preferred Stock.....	--	--	(2,199)
	-----	-----	-----
Net loss after deduction of dividends on Senior Convertible Preferred Stock.....	\$(21)	\$ (957)	\$(14,141)
	====	=====	=====

See notes to consolidated financial statements and accompanying notes.

CROWN CASTLE INTERNATIONAL CORP.
SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT (CONTINUED)

STATEMENT OF CASH FLOWS (UNCONSOLIDATED)

(IN THOUSANDS OF DOLLARS)

	YEARS ENDED DECEMBER 31,		
	1995	1996	1997
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss.....	\$ (21)	\$ (957)	\$ (11,942)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Equity in losses (earnings) of subsidiaries.....	21	(72)	4,475
Amortization of deferred financing costs and discount on long-term debt.....	--	--	1,652
Equity in losses of unconsolidated affiliate....	--	--	1,138
Depreciation and amortization.....	--	--	27
Decrease (increase) in receivables and other assets.....	--	(1,122)	551
Increase (decrease) in accounts payable and other accrued liabilities.....	--	130	(103)
	-----	-----	-----
Net cash provided by (used for) operating activities.....	--	(2,021)	(4,202)
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in subsidiaries.....	(4,972)	--	(89,989)
Investments in affiliates.....	--	(2,101)	(59,487)
Net advances to subsidiaries.....	(100)	(288)	(2,223)
Capital expenditures.....	--	--	(835)
	-----	-----	-----
Net cash used for investing activities.....	(5,072)	(2,389)	(152,534)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of long-term debt.....	--	--	150,010
Proceeds from issuance of capital stock.....	5,072	10,503	139,867
Principal payments on long-term debt.....	--	--	(78,102)
Incurrence of financing costs.....	--	--	(5,908)
Purchase of capital stock.....	--	--	(2,132)
	-----	-----	-----
Net cash provided by financing activities.....	5,072	10,503	203,735
	-----	-----	-----
NET INCREASE IN CASH AND CASH EQUIVALENTS.....	--	6,093	46,999
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR....	--	--	6,093
	-----	-----	-----
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ --	\$ 6,093	\$ 53,092
	=====	=====	=====
SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Issuance of long-term debt in connection with acquisitions.....	\$ --	\$ --	\$ 78,102
Issuance of Class B Common Stock in connection with acquisitions.....	--	--	57,189
Conversion of subsidiary's Convertible Secured Subordinated Notes to Series A Convertible Preferred Stock.....	743	--	3,657
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Interest paid.....	\$ --	\$ --	\$ 2,943
Income taxes paid.....	--	--	--

See notes to consolidated financial statements and accompanying notes.

SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT (CONTINUED)

NOTES TO FINANCIAL STATEMENTS (UNCONSOLIDATED)

1. INVESTMENT IN SUBSIDIARIES

The Company's investment in subsidiaries is presented in the accompanying unconsolidated financial statements using the equity method of accounting. Under the terms of the Senior Credit Facility, the Company's subsidiaries are limited in the amount of dividends which can be paid to the Company. The amount of such dividends is limited to (i) \$6,000,000 per year until October 31, 2002, and \$33,000,000 per year thereafter, and (ii) an amount to pay income taxes attributable to the Company's subsidiaries. The restricted net assets of the Company's subsidiaries totaled \$232,229,000 at December 31, 1997.

2. LONG-TERM DEBT

Long-term debt consists of the Company's 10 5/8% Senior Discount Notes due 2007.

3. INCOME TAXES

Income taxes reported in the accompanying unconsolidated financial statements are determined by computing income tax assets and liabilities on a consolidated basis, for the Company and members of its consolidated federal income tax return group, and then reducing such consolidated amounts for the amounts recorded by the Company's subsidiaries on a separate tax return basis.

STOCKHOLDERS AGREEMENT (this "Agreement"), dated as of the
[]th day of , 1998, among CROWN CASTLE
INTERNATIONAL CORP. (formerly named Castle Tower Holding Corp.),
a Delaware corporation (the "Company"), and each of the
STOCKHOLDERS of the Company listed in Schedule I hereto
(collectively, the "Stockholders" and each individually, a
"Stockholder").

W I T N E S S E T H :

WHEREAS the Company, Castle Transmission Services (Holdings) Ltd.
("CTSH"), TeleDiffusion de France International S.A., a company incorporated in
France ("TDF"), Digital Future Investments B.V. ("DFI (BV)") and certain
shareholders of CTSH are parties to a Share Exchange Agreement (the "Exchange
Agreement") pursuant to which DFI (BV) and such shareholders of CTSH have
agreed, subject to the terms and conditions of the Exchange Agreement, to
exchange (the "Exchange") their shares of capital stock of CTSH for Shares (as
defined) of the Company; and

WHEREAS, as an inducement to TDF, DFI (BV) and such shareholders of
CTSH to enter into the Exchange Agreement, the Company and each of the
Stockholders desire to enter into this Agreement, upon and subject to the
Closing of the Exchange, to provide for certain rights and obligations of the
Company and the Stockholders with respect to the governance of the Company and
the Stockholders' shares of Common Stock or, in the case of DFI (BV), DFI (BV)'s
shares of Class A Stock, following the consummation of the Exchange.

NOW THEREFORE, the Company and each of the Stockholders, for good and
valuable consideration, the receipt and sufficiency of which are hereby
acknowledged, agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Certain Defined Terms. As used in this Agreement,
capitalized terms shall have the meanings assigned to such terms as set forth
below:

"Affiliate" and "Associate", when used with reference to any person,

shall have the respective meanings ascribed to such terms in Rule 12b-2 of the Exchange Act, as in effect on the date of this Agreement. In addition, (i) each of the Centennial Parties shall be deemed an Affiliate of the other, (ii) each of Nassau Parties shall be deemed an Affiliate of the other, (iii) each of the Berkshire Parties and shall be deemed an Affiliate of the other, and (iv) each of the Candover Parties shall be deemed an Affiliate of the other.

"Amended and Restated Stockholders Agreement" shall mean the Amended

and Restated Stockholders Agreement, dated August 15, 1997, as amended, among the Company, certain stockholders of the Company and certain investors.

"Applicable Law" shall have the meaning given to such term in the

Exchange Agreement.

"BBC" shall mean The British Broadcasting Corporation.

"BBC Contracts" shall mean the BBC Analogue Transmission Contract

among the BBC and Castle Transmission International Ltd. ("CTI"), dated as of

February 28, 1997, and the BBC Digital Transmission Contract among the BBC and CTI, dated as of February 10, 1998.

A person shall be deemed the "beneficial owner" of, and shall be

deemed to "beneficially own", and shall be deemed to have "beneficial ownership"

of:

(i) any securities that such person or any of such person's Affiliates or Associates is deemed to "beneficially own" within the meaning of Rule 13d-3 under the Exchange Act, as in effect on the date of this Agreement; and

(ii) any securities (the "underlying securities") that such person or

any of such person's Affiliates or Associates has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (written or oral), or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise (it being understood that such person shall also be deemed to be the beneficial owner of the securities convertible into or exchangeable for the underlying securities).

"Berkshire Group" shall mean the Berkshire Parties, their Affiliates

 and their respective partners and members, collectively.

"Berkshire Parties" shall mean Berkshire Fund III, A Limited

 Partnership, Berkshire Investors LLC and Berkshire Fund IV, Limited Partnership.

"Board" shall mean the Board of Directors of the Company.

"Business Combination" shall have the meaning given to it in the

 Governance Agreement.

"Business Day" shall mean any day that is not a Saturday, a Sunday, a

 bank holiday or any other day on which commercial banking institutions in New
 York, New York, Paris, France or London, England are not generally open for
 business.

"By-laws" shall mean the By-laws of the Company to be adopted with

 immediate effect upon the Closing, as amended from time to time in accordance
 with the terms of the Governance Agreement and applicable law.

"Candover Group" shall mean the Candover Parties, their Affiliates and

 the limited partners of the Candover Parties, collectively.

"Candover Group Interest" shall mean the percentage of Voting Power

 that is controlled, directly or indirectly, by the Candover Group.

"Candover Parties" shall mean Candover Investments plc, Candover

 (Trustees) Limited, Candover Partners Limited (a company incorporated in England
 and Wales as general partner of the Candover 1994 UK Limited Partnership),
 Candover Partners Limited (a company incorporated in England and Wales as
 general partner of the Candover 1994 UK No. 2 Limited Partnership), Candover
 Partners Limited (a company incorporated in England and Wales as general partner
 of the Candover 1994 US No. 1 Limited Partnership) and Candover Partners Limited
 (a company incorporated in England and Wales as general partner of the Candover
 1994 US No. 2 Limited Partnership).

"Centennial Group" shall mean the Centennial Parties, their Affiliates

 and their respective partners, collectively.

"Centennial Parties" shall mean Centennial Fund IV, L.P., Centennial

 Fund V, L.P. and Centennial Entrepreneurs Fund V, L.P.

"Charter" shall mean the certificate of incorporation of the Company

 to be adopted with immediate effect upon the Closing, as amended from time to
 time in accordance with the terms of the Governance Agreement and applicable
 law.

"Class A Stock" shall mean the Company's Class A Common Stock, \$.01

 par value per share, as designated in the Charter.

"Closing" shall have the meaning given to such term in the Exchange

 Agreement.

"Commission" shall mean the Securities and Exchange Commission, or any

 other Federal agency at the time administering the Securities Act and the
 Exchange Act.

"Common Stock" shall mean the shares of the Company's common stock,

 par value \$.01 per share, as designated in the Charter.

"Company Call Right" shall have the meaning set forth in Section 6.02

 of the Governance Agreement.

"Crown Group" shall mean the Crown Parties and their permitted

 transferees.

"Crown Parties" shall mean Robert A. Crown and Barbara Crown.

"CTSH Option" shall have the meaning set forth in the Governance

 Agreement.

"CTSH Ordinary Shares" shall mean the ordinary shares of 1p each of

 CTSH.

"CTSH Preference Shares" shall mean the redeemable preference shares

 of 1p each of CTSH.

"CTSH Warrants" shall mean the warrants dated February 28, 1997,

 entitling TDF to subscribe for 257,000 CTSH Ordinary Shares and 257,242,500 CTSH
 Preference Shares and the Company to subscribe for 515,000 CTSH Ordinary Shares
 and 514,485,000 CTSH Preference Shares.

"Director" shall mean a Director of the Company.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as

 amended, or any similar Federal securities

statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Exchange Agreement" shall mean the Share Exchange Agreement dated as of April 24, 1998, among the Company, CTSH, DFI (BV), TDF and certain shareholders of CTSH.

"Governance Agreement" shall mean the Governance Agreement, dated as of [], 1998, between TDF, DFI (BV) and the Company.

"group" shall have the meaning given to such term in Section 13(d)(3) of the Exchange Act.

"Group" or "Groups" shall mean any and all of the TDF Group, the Candover Group, the Crown Group, the Initial Stockholder Group, the Centennial Group, the Berkshire Group, the Nassau Group and the Management Group.

"Independent Director" shall mean a Director who is none of (i) an officer, employee, Affiliate or Associate of the Company or an officer, employee or Director of any Affiliate or Associate of the Company or (ii) an officer, employee, Director, Affiliate or Associate of any Stockholder.

"Initial Stockholder" shall mean Ted B. Miller, Jr.

"Initial Stockholder Group" shall mean the Initial Stockholder and its permitted transferees, collectively.

"IPO" shall have the meaning given to such term in the Exchange Agreement.

"Nassau Group" shall mean the Nassau Parties, their Affiliates and their respective partners, collectively.

"Nassau Parties" shall mean Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C.

"Newco" shall mean any person which becomes a holding company of the Company all the shares in which (other than shares not exceeding the Relevant Percentage (as defined in the Governance Agreement)) are held by the same persons as were stockholders in the Company prior to such person becoming a holding company of the Company.

"Original Stockholders Agreement" shall mean the Amended and Restated Stockholders Agreement, dated as of August 15, 1997, as amended, by and among the Company and certain Stockholders.

"Ownership Interest" shall mean, with respect to any person, the

percentage of Total Voting Power determined on the basis of the number of shares of Voting Securities actually outstanding that is controlled, directly or indirectly, by such person.

"permitted transferee" of any person shall mean (a) if the transferor

is a natural person, (i) in the case of the death of such person, such person's executors, administrators, testamentary trustees, heirs, devisees and legatees, (ii) such person's current or future spouse, parents, siblings or descendants or such parents', siblings' or descendants' spouses (each a "Family Member"), (iii) any trust for the benefit of any Family Member and (iv) any charitable organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and any charitable income or lead trust for which, under the Code and regulations thereunder and Internal Revenue Service interpretations thereof, an income, gift or estate tax charitable deduction is available to the grantor of the trust, (b) whether or not the transferor is a natural person, a corporation or corporations and a partnership or partnerships (or other entity for collective investment, such as a fund or a limited liability company) which at the date of transfer are directly or indirectly controlled by, controlling or under common control with such person and the officers, employees, general partners and limited partners of such person, and (c) if the transferor, whether or not a natural person, itself received the transferred interest as a permitted transferee as to the original transferor, a permitted transferee of such person is any person, whether or not a natural person, who would be a permitted transferee under subparagraph (a) or (b) above, as to the original transferor; provided that any such transferee shall agree in

writing with the Company and the other parties to this Agreement to be bound by all of the provisions of this Agreement to the same extent as if such transferee were the individual.

"person" shall mean an individual, corporation, limited liability

company, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof and shall include any "group" (which shall have the meaning given to such term in Section 13(d)(3) of the Exchange Act).

"Qualified" shall have the meaning given to such term in the

Governance Agreement.

"Restricted Shares" shall mean the shares of Common Stock and Class A Stock of the Company which are (i) issued or issuable to any of the Stockholders of the Company and (ii) "restricted securities" as defined in Rule 144(a)(3) under the Securities Act.

"Securities Act" shall mean the Securities Act of 1933, as amended, or any similar Federal securities statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Shares" shall mean all shares of Common Stock (and Class A Stock, in the case of TDF and DFI (BV)).

"Subsidiary" or "Subsidiaries" when used with respect to any person shall mean (i) any other person, whether incorporated or unincorporated, which is either required to be consolidated with such person under U.S. generally accepted accounting principles or (ii) is an affiliate controlled by such person, directly or indirectly through one or more intermediaries within the meaning of Rule 1.02(x) of Regulation S-X under the Exchange Act.

"TDF CCIC Warrants" shall mean the warrants issued to TDF upon the exercise of the TDF Put Right in exchange for, and on substantially the same terms as, the TDF CTSH Warrants.

"TDF Change of Control" shall have the meaning given to such term in the Governance Agreement.

"TDF Consolidated Group Interest" shall mean the percentage of Voting Power that is controlled directly or indirectly by the TDF Group or would be controlled directly or indirectly by the TDF Group on the exercise of the TDF Put Right (assuming the exercise of the TDF CTSH Warrants).

"TDF CTSH Warrants" shall mean the CTSH Warrants beneficially owned by the TDF Group.

"TDF Group" shall mean TDF and its Affiliates (other than the Company and its Subsidiaries).

"TDF Group Interest" shall mean the percentage of Voting Power that is controlled, directly or indirectly, by the TDF Group or would be controlled, directly or indirectly, by the TDF Group (assuming the exercise of the TDF CCIC Warrants).

"TDF Put Right" shall have the meaning set forth in Section 6.01(a) of

 the Governance Agreement.

"TDF Rollup" shall have the meaning set forth in the Governance

 Agreement.

"Total Voting Power" means the aggregate number of votes entitled to

 be voted in an election of Directors by all the outstanding Voting Securities.

"Transaction Documents" shall have the meaning set forth in the

 Exchange Agreement.

"Voting Power", when used with reference to any class or series of

 securities of the Company, or any classes or series of securities of the Company
 entitled to vote together as a single class or series, shall mean the power of
 such class or series (or such classes or series) to vote for the election of
 directors. For purposes of determining the percentage of Voting Power of any
 class or series (or classes or series) beneficially owned by any person, any
 securities not outstanding which are subject to conversion rights, exchange
 rights, rights, warrants, options or similar securities held by such person
 shall be deemed to be outstanding for the purpose of computing the percentage of
 outstanding securities of the class or series (or classes or series)
 beneficially owned by such person, but shall not be deemed to be outstanding for
 the purpose of computing the percentage of the class or series (or classes or
 series) beneficially owned by any other person.

"Voting Securities", when used with reference to any person, shall

 mean any securities of such person having Voting Power or any securities
 convertible into or exchangeable for any securities having Voting Power.

SECTION 1.02. Securities Outstanding. In determining the number or

 other amount outstanding of any securities of the Company or the percentage of
 Voting Power of any class or series beneficially owned by such person,
 securities owned by the Company or any of its Subsidiaries shall be deemed to be
 not outstanding.

ARTICLE II

Securities Act; Legends

SECTION 2.01. General Restriction. Any of the Stockholders may sell

 or otherwise transfer any Shares or

any interest therein; provided, that such sale or other transfer is in

 compliance with this Agreement, the other Transaction Documents and the
 Securities Act.

SECTION 2.02. Legends on Certificates. (a) Each Stockholder shall

hold in certificate form all Shares owned by such Stockholder. Each certificate
 evidencing Shares issued to or beneficially owned by a person that is subject to
 the provisions of this Agreement shall bear the following legend:

"THE SECURITIES EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN
 RESTRICTIONS ON TRANSFER AS SET FORTH IN A STOCKHOLDERS AGREEMENT, DATED AS
 OF [], 1998, AS IT MAY BE AMENDED FROM TIME TO TIME, A COPY OF
 WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICES OF THE ISSUER. NO
 REGISTRATION OF TRANSFER OF SUCH SECURITIES WILL BE MADE ON THE BOOKS OF
 THE ISSUER UNLESS AND UNTIL SUCH RESTRICTIONS SHALL HAVE BEEN COMPLIED
 WITH. IN ADDITION, THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT
 BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO
 REGISTRATION OF TRANSFER OF SUCH SECURITIES WILL BE MADE ON THE BOOKS OF
 THE ISSUER UNLESS SUCH TRANSFER IS MADE IN CONNECTION WITH AN EFFECTIVE
 REGISTRATION STATEMENT UNDER SUCH ACT OR PURSUANT TO AN EXEMPTION FROM THE
 REGISTRATION REQUIREMENTS OF SUCH ACT."

(b) In the event that a Stockholder requests that the legend in
 Section 2.02(a) be removed, the Company shall, upon the written request of the
 holder thereof, issue to such holder a new certificate evidencing such Shares
 without the legend required by Section 2.02(a) endorsed thereon; provided;

however, that such holder shall furnish the Company or its transfer agent such

certificates, legal opinions or other information as the Company or its transfer
 agent may reasonably require to confirm that the legend is not required on such
 certificate.

(c) In the event that any Shares shall cease to be subject to the
 restrictions on transfer set forth in this Agreement, the Company shall, upon
 the written request of the holder thereof, issue to such holder a new
 certificate evidencing such Shares without the legend required by Section
 2.02(a).

SECTION 2.03. Notice of Proposed Transfer. Prior to any proposed

transfer of any Shares (other than under the circumstances described in Sections
 4.01, 4.02 or 4.03), the holder thereof shall give written notice to the Company
 of

its intention to effect such transfer. Each such notice shall describe the manner of the proposed transfer and, if requested by the Company, shall be accompanied by an opinion of counsel satisfactory to the Company to the effect that the proposed transfer may be effected without registration under the Securities Act and any applicable state securities laws, whereupon the holder of such stock shall be entitled to transfer such stock in accordance with the terms of its notice; provided, however, that no such opinion of counsel shall be

 required for a transfer, without receipt of consideration, to an Affiliate. Each certificate for Shares transferred as above provided shall bear the legend set forth in Section 2.02, except that such certificate shall not bear such legend if (a) such transfer is in accordance with the provisions of Rule 144 (or any other rule permitting public sale without registration under the Securities Act) or (b) the opinion of counsel referred to above is to the further effect that the transferee and any subsequent transferee (other than an Affiliate of the Company) would be entitled to transfer such securities in a public sale without registration under the Securities Act. The restrictions provided for in this Section 2.03 shall not apply to securities which are not required to bear the legend prescribed by Section 2.02 in accordance with the provisions of that Section.

SECTION 2.04. Stop Transfer. (a) The Company shall not register the

 sale or other transfer of any Shares, unless the transferee and the transferor of such shares have furnished such certificates, legal opinions or other information as the Company or its transfer agent may reasonably require to confirm that such proposed sale or transfer is permitted by Section 2.01.

(b) The Company and each Stockholder hereby agree that any purported sale or transfer of Shares not permitted by Section 2.01 shall be deemed null and void and shall not be given effect or recognition by the Company.

SECTION 2.05. Certain Transferees to Execute Agreement. Each

 Stockholder agrees that it will not, directly or indirectly, sell or otherwise transfer any Shares held by such Stockholder to any of its Affiliates or permitted transferees, unless, prior to the consummation of any such sale or transfer, the Affiliate or permitted transferee to whom such sale or transfer is proposed to be made (a "Prospective Transferee") (i) executes and delivers to

 the Company and each other party to this Agreement a counterpart hereof and (ii) represents and warrants in writing to the Company that such counterpart has been duly

authorized, executed and delivered by such Prospective Transferee and is a legal, valid and binding obligation of such Prospective Transferee enforceable against it in accordance with its terms, subject to insolvency, bankruptcy and other laws affecting creditors generally. Upon the execution and delivery by such Prospective Transferee of the documents referred to in the preceding sentence, such Prospective Transferee shall be deemed a "Stockholder" for the purposes of this Agreement, and shall have the rights and be subject to the obligations of a Stockholder hereunder with respect to the Shares held by such Prospective Transferee.

SECTION 2.06. Sale to a Third Party. If a sale or transfer of Shares

is made by a Stockholder to a third party (except for transfers within the TDF Group, the Berkshire Group, the Centennial Group, the Candover Group, the Nassau Group or otherwise to an Affiliate or to any permitted transferee) (a "Third Party Transferee"), such Shares shall immediately cease to be subject to this

Agreement and such Third Party Transferee will not become a Stockholder for purposes of this Agreement. If a sale or transfer of Shares results in the selling Stockholder or a permitted transferee ceasing to own any Shares, such selling Stockholder shall cease to be a Stockholder for purposes of this Agreement.

ARTICLE III

Governance

SECTION 3.01. Board of Directors. The Board shall consist of 12

members.

SECTION 3.02. Board Representation. (a) At all times from and after

the date hereof, the Directors shall be nominated as follows (it being understood that such nomination shall include any nomination of any incumbent Director for reelection to the Board):

(i) so long as TDF is Qualified, TDF shall have the right to appoint two Directors pursuant to the terms of the Class A Stock set forth in the Charter (the "TDF Designees") and the initial TDF Designees shall be Michel

Azibert and Bruno Chetaille; provided, however, that if TDF is not

Qualified, such members of the TDF Group shall, so long as the Ownership Interest of the TDF Group is at least 5.0%, have the right to

appoint a Director pursuant to the terms of such Class A Stock (the "TDF
 Designee");

(iii) so long as the Initial Stockholder Group maintains an Ownership Interest, the members of the Initial Stockholder Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Initial Stockholder Group shall have the right to designate one nominee for election as a Director (the "Initial Stockholder Designee"), it being

 understood that the Initial Stockholder may be such nominee;

(iv) the Chief Executive Officer of the Company shall have the right to designate one nominee for election as a Director (the "CEO Designee");

(v) so long as the Ownership Interest of the Centennial Group is at least 5.0%, the members of the Centennial Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Centennial Group shall have the right to designate one nominee for election as a Director (the "Centennial Designee");

(vi) so long as the Ownership Interest of the Berkshire Group is at least 5.0%, the members of the Berkshire Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Berkshire Group shall have the right to designate one nominee for election as a Director (the "Berkshire Designee");

(vii) so long as the Ownership Interest of the Nassau Group is not less than the Ownership Interest of the Nassau Group immediately following the closing of the IPO, the members of the Nassau Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Nassau Group shall have the right to designate one nominee for election as a Director (the "Nassau Designee"); and

(viii) all Directors other than the Designees ("General Directors")

 shall be nominated in accordance with the Charter and By-laws; provided,

 however, that immediately upon the effectiveness of this Agreement, the

 Company, through the Board, shall cause to be duly appointed to the Board
 at least four Independent Directors (including for the avoidance of doubt,
 the Independent Director designated for nomination by TDF as set forth
 below); provided, however, that TDF shall have a one-time right,

 exercisable upon the Closing, to designate one such Independent Director
 for nomination as a Director, which designee shall be Mr. William A.
 Murphy. For purposes of this Section 3.02(a)(viii), Mr. Robert F.
 McKenzie, Mr. J. Landis Martin and Mr. Edward C. Hutcheson, Jr. shall be
 deemed to be Independent Directors.

(b) Without limiting the generality of Section 3.02(a), in the event
 that at any time after the date hereof the number of Directors designated by a
 Group pursuant to Section 3.02(a) differs from the number that such Group has
 the right (and desire) to designate, (i) if the number of such Directors exceeds
 such number, such Group shall promptly take all appropriate action to cause to
 resign that number of Directors designated by such Group as is required to make
 the remaining number of such Directors conform to the provisions of this
 Agreement or (ii) if the number of such Directors otherwise is less than such
 number, the Board shall take all necessary action to create sufficient vacancies
 on the Board to permit such Group to designate the full number of Directors
 which it is entitled (and desires) to designate pursuant to the provisions of
 this Agreement (such action may include but need not be limited to seeking the
 resignation or removal of Directors or, at the request of such Group and/or
 calling a special meeting of the stockholders of the Company for the purpose of
 removing Directors to create such vacancies to the extent permitted by
 applicable law). Upon the creation of any vacancy pursuant to the preceding
 sentence, such Group shall designate a nominee to fill any such vacancy in
 accordance with the provisions of this Agreement and the Board shall elect each
 nominee so designated.

(c) Subject to TDF's right pursuant to Section 3.02(a)(viii), no
 Group shall be entitled to designate any nominee for election as a Director
 under more than one paragraph of this Section 3.02.

SECTION 3.03. Removal of Directors. (a) At the request of a Group

 with respect to a Director designated by

such Group pursuant to Section 3.02(a), each other Stockholder hereby agrees to vote or act by written consent with respect to (or cause to be voted or acted upon written consent) all Shares held of record or beneficially owned by such Stockholder at the time of such vote or action by written consent or as to which such Stockholder has voting control at the time of such vote or action by written consent to remove or cause the removal from office of such Director at any meeting or action by written consent of the holders of Shares called or taken for the purpose of determining whether or not such Director shall be removed from office (and otherwise shall not vote or act by written consent to remove or cause the removal of any Director without cause).

(b) If any Group entitled to designate any person for election as a Director pursuant to Section 3.02(a) shall cease to have at least the requisite Ownership Interest to entitle such Group to designate any person for election as a Director pursuant to Section 3.02(a), such Group's right to designate a nominee or nominees for election as a Director shall be lost for all time and such Group shall cause each Designee designated by such Group and elected as a Director to resign from the Board; provided that such Designee shall continue to

 serve on the Board until a successor shall be duly elected and shall qualify in accordance with the Charter and By-laws.

SECTION 3.04. Filling of Vacancies. (a) Except as provided in

 subparagraph (b) below, each Group shall have the right to designate a replacement for any Designee designated by such Group and elected as a Director upon the death, resignation, retirement, disqualification or removal from office for other cause of such Designee, and those members of the Board who are designated by the parties to this Agreement shall duly appoint as a Director each person so designated.

(b) Any vacancies on the Board (i) resulting from the death, resignation, retirement, disqualification or removal from office for other cause of a General Director and (ii) created by a resignation pursuant to Section 3.03(b) shall be filled with a Director or Directors that are nominated by the Nominating Committee; provided, however, that if the Nominating Committee shall

 be unable to unanimously agree on the approval of a designee to be nominated to fill any vacancy on the Board for a period of six months, the Nominating Committee shall submit a slate of candidates to the Independent Directors of the Board, who shall by a majority approve a designee from such slate to be

nominated to fill such vacancy; provided, further, that if the Independent

 Directors shall also be unable to agree on the approval of such a designee by a majority for a period of two months, then the Board shall approve a designee from such slate or upon its own selection to fill such vacancy by a Special Majority Vote.

SECTION 3.05. Solicitation and Voting of Shares. (a) With respect to

 each meeting of stockholders of the Company at which Directors are to be elected, the Company shall use its best efforts to solicit from the stockholders of the Company eligible to vote in the election of Directors proxies in favor of the nominees selected in accordance with Section 3.02(a) or 3.04(b) (including without limitation the inclusion of each Director nominee in management's slate of nominees and in the proxy statement prepared by management of the Company in respect of each annual meeting, vote or action by written consent).

(b) Each Stockholder hereby agrees to vote or act by written consent with respect to (or cause to be voted or acted upon by written consent) (i) all Shares held of record or beneficially owned by such Stockholder at the time of such vote or action by written consent and (ii) all Shares as to which such Stockholder at the time of such vote or action by written consent has voting control, in each case (A) in favor of the election of the persons nominated pursuant to Section 3.02(a) to serve on the Board as Directors and (B) against the election of any other person nominated to be a Director.

(c) Each Stockholder agrees that it will, and will use its best efforts to cause its Affiliates (other than the Company and its Subsidiaries) to, take all action as a stockholder of the Company or as is otherwise reasonably within its control, as necessary to effect the provisions of this Agreement.

(d) In the event that any Stockholder shall fail at any time to vote or act by written consent with respect to any of such Stockholder's Shares as agreed by such Stockholder in this Agreement, such Stockholder hereby irrevocably grants to and appoints each other Stockholder (and any officer of such Stockholder or each of them individually), such Stockholder's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of such Stockholder, to vote, act by written consent or grant a consent, proxy or approval in respect of such Shares with respect to such vote or action by written consent exclusively as agreed by such Stockholder in this

Agreement. Each Stockholder hereby affirms that any such irrevocable proxy set forth in this Section 3.05(d) is given in connection with the Closing of the Exchange pursuant to the Exchange Agreement and that such irrevocable proxy is given to secure the performance of the obligations of such Stockholder under this Agreement. Each such Stockholder hereby further affirms that any such proxy hereby granted shall be irrevocable and shall be deemed coupled with an interest, in accordance with Section 212(e) of the Delaware General Corporation Law.

SECTION 3.06. Committees of the Board. Subject to the general

oversight and authority of the full Board, the Board shall establish, empower, maintain and elect the members of the following committees of the Board at all times while this Agreement is in effect:

(a) an Audit Committee, comprised solely of Independent Directors;

(b) a Nominating Committee, which shall, subject to Section 3.02, be responsible for recommending the nomination of Directors and which shall initially consist of four Directors; provided, however, that the Nominating

Committee shall include the Chief Executive Officer of the Company, unless he is unwilling or unable to serve pursuant to the terms and conditions of this Agreement, and, so long as TDF is Qualified, at least one TDF Designee;

(c) an Executive Committee, which shall initially consist of five Directors and which, so long as TDF is Qualified, shall include at least one TDF Designee who is elected to the Board;

(d) a Compensation Committee; and

(e) such other committees as the Board deems necessary or desirable to establish, empower and maintain as required by applicable law or any regulatory authority; provided that such committees are established in

compliance with the terms of this Agreement.

SECTION 3.07. Certain Board Procedures. The Board shall follow the

following procedures:

(a) Meetings. The Board shall hold at least six regularly scheduled

meetings per year at such times as may from time to time be fixed by resolution of the Board, and

no notice (other than the resolution) need be given as to a regularly scheduled meeting. Special meetings of the Board may be held at any time upon the call of the Chairman of the Board or at least one-third of the entire Board, by oral, telephonic, telegraphic or facsimile notice duly given or sent at least three days, or by written notice sent by express mail at least three days, before the meeting to each Director, provided that all such notices to Directors located outside the United States shall be given or sent orally or by telephone, telegraph or facsimile transmission. Reasonable efforts shall be made to ensure that each Director actually receives timely notice of any such special meeting. An annual meeting of the Board shall be held without notice immediately following the annual meeting of stockholders of the Company.

(b) Agenda. A reasonably detailed agenda shall be supplied to each

Director reasonably in advance of each meeting of the Board, together with other appropriate documentation with respect to agenda items calling for Board action, to inform adequately Directors regarding matters to come before the Board. Any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating with the Chairman of the Board sufficiently in advance of the meeting of the Board so as to permit timely dissemination to all Directors of information with respect to the agenda items.

(c) Powers of the Board. The Board shall reserve to itself the power

to approve transactions that are of a type customarily subject to Board approval as a matter of good corporate practice for public companies in the United States, and shall not delegate to any committee of the Board or to any officers of the Company the authority to conduct business in any manner that would circumvent, or deprive any Stockholder of the protection of this Agreement or TDF of the protection of the Governance Agreement. All committees of the Board will report to and be accountable to the Board. The Board shall establish, in cooperation with the Chief Executive Officer of the Company, a schedule for Board review or action, as appropriate, with respect to matters which shall typically come before the Board, including, but not limited to:

(i) annual business plans (including capital expenditures and operating budgets); and

(ii) appointments of officers.

SECTION 3.08. Charter and By-laws. The Company and each Stockholder

 shall take or cause to be taken all lawful action necessary to ensure at all times that the Charter and By-laws are not at any time inconsistent with the provisions of this Agreement, it being understood that in the event of any conflict between this Agreement and the Charter or By-laws, the Charter or By-laws, as applicable, shall control.

SECTION 3.09. Negative Covenants. Notwith standing any other

 provision of the Transaction Documents, neither the Company nor any Stockholder shall take or approve any action which would result in the BBC having the right to terminate a BBC Contract in accordance with the terms of such BBC Contract.

SECTION 3.10. Company Name. So long as the Ownership Interest of the

 Crown Group is at least 1% or they otherwise consent in writing, the Company covenants and agrees (subject to the limitations below) to use its best efforts to (i) retain a name beginning with "Crown Castle", (ii) retain or cause the name of its principal Affiliate owning communication towers in the United States to be "Crown Communication Inc." ("CCI"), (iii) upon a merger, consolidation, amalgamation, roll-up or any other transaction with a similar effect involving the Company (including, without limitation, a merger or roll-up involving Castle Transmission Services (Holdings) Ltd. or any of its Affiliates), to cause the successor or surviving entity to retain or have a name beginning with "Crown Castle" (iv) all of the Company's operations in the United States will be conducted by CCI, and any subsidiaries or affiliates of the Company or CCI conducting such operations will include the name "Crown" first in their corporate name or will otherwise be conducted under the name "Crown" consistent with the provisions of the Memorandum of Understanding Regarding Management and Governance of Castle Tower Holding Corp. and Crown Communications, Inc., dated as of August 15, 1997 relating to CCI, and (v) CCI and all of its United States subsidiaries will retain the current "Crown" logo. Notwithstanding the above, the above covenants and agreement shall not (a) require the Company (including any successor entity), any stockholder of the Company or member of the Board to incur any costs, expenses or losses of any nature or amount including, without limitation, losses relating to potential corporate opportunity or foregone stockholder value (price, content or any other item), (b) prevent or delay the Company (including any successor entity) from consummating or negotiating any proposed transaction or (c) require any member of the Board to breach any duty and obligation to the Company or its stockholders. Consent of the Crown Group shall be deemed given if written consent is obtained from members of the Crown Group holding more than 50% of the Common Stock held by such persons at the time of the determination.

ARTICLE IV

Registration Rights
-----SECTION 4.01. "Piggy-Back" Registration. If the Company at any time

proposes to register any of its securities under the Securities Act for sale to the public, whether for its own account or for the account of other security holders or both (except with respect to registration statements on Forms S-4, S-8 or another form not available for registering the Restricted Shares for sale to the public), each such time it will give written notice to all holders of outstanding Restricted Shares of its intention so to do. Upon the written request of any such holder, received by the Company within 20 days after the giving of any such notice by the Company, to register any of its Restricted Shares, the Company will, subject as provided below, cause the Restricted Shares as to which registration shall have been so requested to be included in the securities to be covered by the registration statement proposed to be filed by the Company, all to the extent requisite to permit the sale or other disposition by the holder of such Restricted Shares so registered. In the event that any registration pursuant to this Section 4.01 shall be, in whole or in part, an underwritten public offering of Common Stock, the number of Restricted Shares to be included in such an underwriting may be reduced (pro rata among the requesting holders based upon the number of Restricted Shares owned by such holders) if and to the extent that the managing underwriter shall be of the opinion that such inclusion would adversely affect the marketing of the securities to be sold by the Company therein; provided, however, that such

number of Restricted Shares shall not be reduced if any shares are to be included in such underwriting for the account of any person other than the Company or requesting holders of Restricted Shares. Notwithstanding the foregoing provisions, the Company may withdraw any registration statement referred to in this Section 4.01 without thereby incurring any liability to the holders of Restricted Shares. There shall be no limit to the number of registrations of Restricted Shares which may be effected under this Section 4.01.

SECTION 4.02. Demand Registration. (a) At any time after the

expiration of six months after the IPO, TDF may request the Company to register under the Securities Act all or a portion of the shares of Restricted Shares held by it for sale in the manner specified in such notice; provided, that (i)

the reasonably anticipated aggregate net proceeds to the sellers from such public offering would exceed \$30,000,000, (ii)

such request covers at least 5% of the Voting Securities then outstanding and (iii) no such request may be made by TDF more than once every nine months. Notwithstanding anything to the contrary contained herein, no request may be made under this Section 4.02 within 90 days after the effective date of a registration statement filed by the Company covering a firm commitment underwritten public offering in which the holders of Restricted Shares shall have been entitled to join pursuant to Sections 4.01 or 4.03 and in which there shall have been effectively registered all shares of Restricted Shares as to which registration shall have been requested.

(b) At any time after the expiration of six months after the IPO, any Stockholder or group of Stockholders may request the Company to register under the Securities Act all or a portion of the shares of Restricted Shares held by such Stockholder or group of Stockholders for sale in the manner specified in such notice; provided, that (i) the reasonably anticipated aggregate net

proceeds to the sellers from such public offering would exceed \$30,000,000, (ii) such request covers at least 5% of the Voting Securities then outstanding and (iii) no such request may be made by such Stockholders or group of Stockholders more than once every nine months. Notwithstanding anything to the contrary contained herein, no request may be made under this Section 4.02 within 90 days after the effective date of a registration statement filed by the Company covering a firm commitment underwritten public offering in which the holders of Restricted Shares shall have been entitled to join pursuant to Sections 4.01 or 4.03 and in which there shall have been effectively registered all shares of Restricted Shares as to which registration shall have been requested.

(c) Following receipt of any notice under this Section 4.02, the Company shall immediately notify all holders of Restricted Shares from whom notice has not been received and shall use its best efforts to register under the Securities Act, for public sale in accordance with the method of disposition specified in such notice from requesting holders, the number of shares of Restricted Shares specified in such notice (and in all notices received by the Company from other holders within 20 days after the giving of such notice by the Company). If such method of disposition shall be an underwritten public offering, the holders of a majority of the shares of Restricted Shares to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Company shall be obligated to register

Restricted Shares pursuant to Section 4.02(a) on three occasions only and pursuant to Section 4.02(b) on three occasions only, provided, however, that

 such obligations shall be deemed satisfied only when a registration statement covering all shares of Restricted Shares specified in notices received as aforesaid, for sale in accordance with the method of disposition specified by the requesting holders, shall have become effective and, if such method of disposition is a firm commitment underwritten public offering, all such shares shall have been sold pursuant thereto unless (i) any such registration statement does not become effective due to the withdrawal thereof by or on the request of the holders of 66 2/3% of the shares of Restricted Shares to be registered or (ii) the reason all shares of Restricted Shares specified in notices pursuant to this Section 4.02 are not registered is due to a limitation on the registration of shares by the managing underwriter (which limitation shall be applied pro rata) and no more than 50% of the Restricted Shares so specified are not registered as a result of the limitation imposed by such managing underwriter or the voluntary withdrawal of any such shares from registration by the holder thereof.

(d) The Company shall be entitled to include in any registration statement referred to in this Section 4.02, for sale in accordance with the method of disposition specified by the requesting holders, shares of Common Stock to be sold by the Company for its own account, except as and to the extent that, in the opinion of the managing underwriter (if such method of disposition shall be an underwritten public offering), such inclusion would adversely affect the marketing of the Restricted Shares to be sold. Except for registration statements on Forms S-4, S-8 or any successor thereto, the Company will not file with the Commission any other registration statement with respect to its Common Stock, whether for its own account or that of other stockholders, from the date of receipt of a notice from requesting holders pursuant to this Section 4.02 90 days after the commencement of the public offering of the Restricted Shares covered by the registration statement requested pursuant to this Section 4.02.

SECTION 4.03. Registration on Form S-3. If at any time (a) a holder

 or holders of 5% of the Voting Securities request that the Company file a registration statement on Form S-3 or any successor thereto for a public offering of all or any portion of the Restricted Shares held by such requesting holder or holders, the reasonably anticipated aggregate price to the public of which would exceed \$30,000,000, and (b) the Company is a registrant

entitled to use Form S-3 or any successor thereto to register such shares, then the Company shall use its best efforts to register under the Securities Act on Form S-3 or any successor thereto, for public sale in accordance with the method of disposition specified in such notice, the number of shares of Restricted Shares specified in such notice. Whenever the Company is required by this Section 4.03 to use its best efforts to effect the registration of Restricted Shares, each of the procedures and requirements of Section 4.02 and 4.04 (including but not limited to the requirement that the Company notify all holders of Restricted Shares from whom notice has not been received and provide them with the opportunity to participate in the offering) shall apply to such registration, provided, however, the Company shall not be required to effect

more than seven registrations on Form S-3 which may be requested and obtained under this Section 4.03.

SECTION 4.04. Registration Procedures. If and whenever the Company

is required by the provisions of Sections 4.01, 4.02 or 4.03 to use its best efforts to effect the registration of any Restricted Shares under the Securities Act, the Company will, as expeditiously as possible:

(a) prepare and file with the Commission a registration statement with respect to such securities;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for the period specified in paragraph (i) below and comply with the provisions of the Securities Act with respect to the disposition of all Restricted Shares covered by such registration statement in accordance with the sellers' intended method of disposition set forth in such registration statement for such period;

(c) furnish to each seller of Restricted Shares and to each underwriter such number of copies of the registration statement and the prospectus included therein (including each preliminary prospectus) as such persons reasonably may request in order to facilitate the public sale or other disposition of the Restricted Shares covered by such registration statement;

(d) use its best efforts to register or qualify the Restricted Shares covered by such registration

statement under the securities or "blue sky" laws of such jurisdictions as the sellers of Restricted Shares or, in the case of an underwritten public offering, the managing underwriter reasonably shall request; provided,

however, that the Company shall not for any such purpose be required to

qualify generally to transact business as a foreign corporation in any jurisdiction where it is not so qualified or to consent to general service of process in any such jurisdiction;

(e) use its best efforts to list the Restricted Shares covered by such registration statement with any securities exchange or market on which the Common Stock of the Company, if applicable, is then listed or quoted;

(f) immediately notify each seller of Restricted Shares and each underwriter under such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event of which the Company has knowledge as a result of which the prospectus contained in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(g) at the request of any seller of Restricted Shares, use its best efforts to furnish on the date that Restricted Shares are delivered to the underwriters for sale pursuant to such registration: (i) an opinion dated such date of counsel representing the Company for the purposes of such registration, addressed to the underwriters and to such seller, stating that such registration statement has become effective under the Securities Act and that (A) to the best knowledge of such counsel, no stop order suspending the effectiveness thereof has been issued and no proceedings for that purpose have been instituted or are pending or contemplated under the Securities Act, (B) the registration statement, the related prospectus and each amendment or supplement thereof comply as to form in all material respects with the requirements of the Securities Act (except that such counsel need not express any opinion as to financial statements contained therein) and (C) to such other effects as reasonably may be requested by counsel for the underwriters or by such seller or its counsel

and (ii) a letter dated such date from the independent public accountants retained by the Company, addressed to the underwriters and to such seller, stating that they are independent public accountants within the meaning of the Securities Act and that, in the opinion of such accountants, the financial statements of the Company included in the registration statement or the prospectus, or any amendment or supplement thereof, comply as to form in all material respects with the applicable accounting requirements of the Securities Act, and such letter shall additionally cover such other financial matters (including information as to the period ending no more than five business days prior to the date of such letter) with respect to such registration as such underwriters reasonably may request;

(h) (i) make available for inspection by each seller of Restricted Shares, any underwriter participating in any distribution pursuant to such registration statement, and any attorney, accountant or other agent retained by such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, (ii) cause the Company's officers, Directors and employees to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement and (iii) provide each seller and its counsel with the opportunity to participate in the preparation of such registration statement;

(i) with respect to any registration statement pursuant to which Restricted Shares are to be sold pursuant to Sections 4.01, 4.02 or 4.03, the Company shall use its best efforts to cause such registration statement to become and remain effective for 180 days; and

(j) enter into such agreements and take such other actions as the sellers of Restricted Shares and the underwriters reasonably request in order to expedite or facilitate the disposition of such Restricted Shares including, without limitation, preparing for and participating in, such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition.

In connection with each registration hereunder, the sellers of Restricted Shares will furnish to the Company in writing such information with respect to themselves and the proposed distribution by them as shall be reasonably necessary in order to assure compliance with Federal and applicable state securities laws.

In connection with each registration pursuant to Sections 4.01, 4.02 or 4.03 covering an underwritten public offering, the Company and each seller agree to enter into a written agreement with the managing underwriter selected in the manner herein provided in such form and containing such provisions as are customary in the securities business for such an arrangement between such underwriter and companies of the Company's size and investment stature (it being understood that the Company will not require a selling stockholder to make any representation, warranty or agreement in such agreement other than with respect to such stockholder, the ownership of such stockholder's securities being registered and such stockholder's intended method of disposition). The representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of the underwriters in such written agreement with the underwriters shall also be made to and for the benefit of the selling stockholders. In the event that any condition to the obligations under any such written agreement with the underwriters are not met or waived, and such failure to be met or waived is not attributable to the fault of the selling stockholders requesting a demand registration pursuant to Sections 4.02 and 4.03, such request for registration shall not be deemed exercised for purposes of determining whether such registration has been effected for purposes of Section 4.02 or 4.03.

SECTION 4.05. Expenses. Notwithstanding Section 10.10 of the

Exchange Agreement, all expenses incurred by the Company in complying with Sections 4.01, 4.02 or 4.03, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel and independent public accountants for the Company, fees and expenses (including counsel fees) incurred in connection with complying with state securities or "blue sky" laws, fees of the National Association of Securities Dealers, Inc., transfer taxes, fees of transfer agents and registrars, costs of insurance and fees and disbursements of one counsel for the sellers of Restricted Shares, but excluding any Selling Expenses, are called "Registration Expenses". All

underwriting discounts and selling commissions applicable to the sale of Restricted Shares are called "Selling Expenses".

The Company will pay all Registration Expenses in connection with each registration statement under Sections 4.01, 4.02 or 4.03. All Selling Expenses in connection with each registration statement under Sections 4.01, 4.02 or 4.03 shall be borne by the participating sellers in proportion to the number of shares sold by each, or by such participating sellers other than the Company (except to the extent the Company shall be a seller) as they may agree.

SECTION 4.06. Indemnification and Contribution. (a) In the event of

 a registration of any of the Restricted Shares under the Securities Act pursuant to Sections 4.01, 4.02 or 4.03, the Company will indemnify and hold harmless each seller of such Restricted Shares thereunder, each underwriter of such Restricted Shares thereunder and each other person, if any, who controls such seller or underwriter within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which such seller, underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such Restricted Shares were registered under the Securities Act pursuant to Sections 4.01, 4.02 or 4.03, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each such seller, each such underwriter and each such controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the

 Company will not be liable in any such case if and to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished in writing by such seller, such underwriter or such controlling person specifically for use in such registration statement or prospectus.

(b) In the event of a registration of any of the Restricted Shares under the Securities Act pursuant to Sections 4.01, 4.02 or 4.03, each seller of such Restricted Shares thereunder, severally and not jointly, will indemnify

and hold harmless the Company, each person, if any, who controls the Company within the meaning of the Securities Act, each officer of the Company who signs the registration statement, each Director of the Company, each underwriter and each person who controls any underwriter within the meaning of the Securities Act, against all losses, claims, damages or liabilities, joint or several, to which the Company or such officer, Director, underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the registration statement under which such Restricted Shares were registered under the Securities Act pursuant to Sections 4.01, 4.02, or 4.03, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company and each such officer, Director, underwriter and controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that such seller will be liable

 hereunder in any such case if and only to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in reliance upon and in conformity with information pertaining to such seller, as such, furnished in writing to the Company by such seller specifically for use in such registration statement or prospectus; and provided further, however, that the liability of each seller hereunder shall be

 limited to the proportion of any such loss, claim, damage, liability or expense which is equal to the proportion that the public offering price of the shares sold by such seller under such registration statement bears to the total public offering price of all securities sold thereunder, but not in any event to exceed the proceeds received by such seller from the sale of Restricted Shares covered by such registration statement.

(c) Promptly after receipt by an indemnified party hereunder of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party hereunder, notify the indemnifying party in writing thereof, but the omission so to notify the indemnifying party shall not

relieve it from any liability which it may have to such indemnified party other than under this Section 4.06 and shall only relieve it from any liability which it may have to such indemnified party under this Section 4.06 if and to the extent the indemnifying party is prejudiced by such omission. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and, to the extent it shall wish, to assume and undertake the defense thereof with counsel satisfactory to such indemnified party, and, after notice from the indemnifying party to such indemnified party of its election so to assume and undertake the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Section 4.06 for any legal expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation and of liaison with counsel so selected; provided, however, that, if the defendants in

any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be reasonable defenses available to it which are different from or additional to those available to the indemnifying party or if the interests of the indemnified party reasonably may be deemed to conflict with the interests of the indemnifying party, the indemnified party shall have the right to select a separate counsel and to assume such legal defenses and otherwise to participate in the defense of such action, with the expenses and fees of such separate counsel and other expenses related to such participation to be reimbursed by the indemnifying party as incurred.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any indemnified party exercising rights under this Agreement, or any controlling person of any such holder, makes a claim for indemnification pursuant to this Section 4.06 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 4.06 provides for indemnification in such case, (ii) contribution under the Securities Act may be required on the part of any such selling holder or any such controlling person in circumstances for which indemnification is provided under this Section 4.06, or (iii) the indemnification provided for by this Section 4.06 is insufficient to hold harmless an

indemnified party, other than by reason of the exceptions provided therein; then, and in each such case, the Company and such holder will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) (x) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other or (y) if the allocation provided by clause (x) above is not permitted by Applicable Law, or provides a lesser sum to the indemnified party than the amount hereinafter calculated, in such proportion as is appropriate to reflect not only the relative fault referred to in clause (x) above but also the relative benefits received by the indemnifying party and the indemnified party from the offering of the securities (taking into account the portion of the proceeds of the offering received by each such party) as well as the statements or omissions which resulted in such losses, claims, damages or liabilities and any other relevant equitable considerations. No person will be required to contribute any amount in excess of the proceeds received by such person in respect of all such Restricted Shares offered and sold by it pursuant to such registration statement and no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation.

SECTION 4.07. Changes in Common Stock; Successors. (a) If, and as

 often as, there is any change in the Common Stock or Class A Stock by way of a stock split, stock dividend, combination or reclassification, or through a merger, consolidation, reorganization or recapitalization, or by any other means, appropriate adjustment shall be made in the provisions hereof so that the rights and privileges granted hereby shall continue with respect to the Common Stock or Class A Stock as so changed.

(b) If the Company consolidates or merges into or with, another person or sells, assigns, conveys, transfers, leases or otherwise disposes of all or a majority of its assets to any person or group, or any person or group consolidates with, or merges into or with, the Company, each Stockholder shall, as a condition to the relevant transaction involving such person, group or successor in business, be granted by such person, group or successor in business (each a "Successor"), equivalent rights to the rights granted in this Agreement; provided, that in the case of a Successor which becomes a Successor in a

 transaction which constitutes a Business Combination (as such term is

defined in the Governance Agreement), such rights shall not include those granted under Article III of this Agreement.

SECTION 4.08. Rule 144 Reporting. With a view to making available

the benefits of certain rules and regulations of the Commission which may at any time permit the sale of Restricted Shares to the public without registration, at all times 90 days after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act;

(b) use its best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to each holder of Restricted Shares forthwith upon request a written statement by the Company as to its compliance with the reporting requirements of such Rule 144 and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed by the Company as such holder may reasonably request in availing itself of any rule or regulation of the Commission allowing such holder to sell any Restricted Shares without registration.

SECTION 4.09. Suspension of Registration Obligations.

Notwithstanding the provisions of Section 4.04(a), (i) the Company's obligation to file a registration statement, or cause such registration statement to become and remain effective (a) may be suspended on one occasion for a period not to exceed 180 days if there exists at the time material nonpublic information relating to the Company which, in the reasonable opinion of the Company, should not be disclosed and (b) shall not apply for the period which begins seven days prior to and ends 90 days after the commencement of a public offering of the Common Stock, so long as the Company has fulfilled its notice obligations under Sections 4.01, 4.02 or 4.03 with respect to such offering and (ii) if a public offering of the Common Stock has been previously commenced, neither the Company nor any controlling person of the Company shall commence another

public offering of the Common Stock until 90 days after the commencement of such prior offering.

SECTION 4.10. Transferability of Registration Rights; Termination.

(a) Registration rights conferred herein on the holders of Restricted Shares shall only inure to the benefit of a Prospective Transferee who becomes a party to this Agreement pursuant to Section 2.05.

(b) The obligations of the Company to register shares of Restricted Shares under Sections 4.01, 4.02 or 4.03 shall terminate as to each Stockholder, on the later of (i) the sixth anniversary of the date of this Agreement and (ii) such Stockholder's percentage (together with the percentage of Voting Securities held by any member(s) of such Stockholder's Group) of Voting Securities falling below 5%.

SECTION 4.11. Other Registration Rights. The Company has not granted

and shall not grant to any third party any registration rights more favorable than or inconsistent with any of those contained herein, so long as any of the registration rights under this Agreement remains in effect.

SECTION 4.12. Successors to the Company. The Company shall procure

that each of the Stockholders shall be granted by any Newco equivalent rights to the rights contained in this Agreement as a condition to any transaction involving the creation of such a Newco.

ARTICLE V

Tag-Along Rights

SECTION 5.01. General Restriction. Except as set forth in the

Governance Agreement in the case of the TDF Group and except for transfers within the TDF Group, the Candover Group, the Crown Group, the Berkshire Group, the Centennial Group and the Nassau Group, no Stockholder shall transfer any Shares without complying with the terms and conditions set forth in Section 5.02.

SECTION 5.02. Tag-Along. (a) Except in the case of the IPO, any

registered sale of securities under the Securities Act or any other sales of securities on the market, if at any time Stockholders holding at least 2% of the Voting Securities of the Company (the "Initiating Stockholder(s)") shall

determine to sell or transfer (in a business combination or otherwise) 2% or more of the Voting Securities then issuable or outstanding in one or a series

of bona fide arm's-length transactions to a third party who is not an Affiliate of any of the Initiating Stockholders, the Initiating Stockholders shall give not less than 30 days' prior written notice of such intended transfer to each of the other Stockholders (individually, a "Participating Offeree" and

collectively, the "Participating Offerees") and to the Company. Such notice (the "Participation Notice") shall set forth the terms and conditions of such

proposed transfer, including the name of the prospective transferee, the number of Shares proposed to be transferred (the "Participation Securities") by the

Initiating Stockholders, the purchase price per Share proposed to be paid therefor, and the payment terms and type of transfer to be effectuated. Within 20 days following the delivery of the Participation Notice by the Initiating Stockholders to each Participating Offeree and to the Company, each Participating Offeree may, by notice in writing to the Initiating Stockholders and to the Company, have the opportunity and the right to sell to the purchasers in such proposed transfer (upon the same terms and conditions as the Initiating Stockholders) up to that number of Shares owned by such Participating Offeree as shall equal the product of (i) a fraction, the numerator of which is the number of Shares owned by such Participating Offeree as of the date of such proposed transfer and the denominator of which is the aggregate number of Shares owned as of the date of such Participation Notice by the Initiating Stockholders and by all Participating Offerees, multiplied by (ii) the number of Participation Securities. The amount of Participation Securities to be sold by the Initiating Stockholders shall be reduced to the extent necessary to provide for such sales of Shares by Participating Offerees.

(b) At the closing of any proposed transfer in respect of which a Participation Notice has been delivered, the Initiating Stockholders, together with all Participating Offerees electing to sell Shares, shall deliver to the proposed transferee certificates evidencing the Shares to be sold thereto duly endorsed with stock powers and shall receive in exchange therefor the consideration to be paid or delivered by the proposed transferee in respect of such Shares as described in the Participation Notice.

(c) (i) the provisions of this Section 5.02 shall not apply to sales pursuant to Sections 4.01, 4.02 and 4.03 of this Agreement and (ii) the provisions of this Article V shall not apply to any transfer by a Stockholder to (x) an Affiliate or limited partner of such Stockholder or (y) the Company.

ARTICLE VI

Miscellaneous

SECTION 6.01. Survival of Warranties. The covenants, agreements,

representations and warranties of the parties contained herein or in any certificate or other document delivered pursuant hereto or in connection herewith shall survive the Closing and shall remain in full force and effect, regardless of any investigation made by or on behalf of any party hereto.

SECTION 6.02. Reasonable Efforts; Further Actions. The parties

hereto each will use all reasonable efforts to take or cause to be taken all action and to do or cause to be done all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

SECTION 6.03. Consents. The parties hereto will cooperate, with each

other in filing any necessary applications, reports or other documents with, giving any notices to, and seeking any consents from, all regulatory bodies and all governmental agencies and authorities and all third parties as may be required in connection with the consummation of the transactions contemplated by this Agreement.

SECTION 6.04. Amendment and Waiver. This Agreement may not be

amended, supplemented or discharged, and no provision hereof may be modified or waived, except by the mutual agreement of the parties hereto. No waiver of any provision hereof by any party shall constitute a waiver thereof by any other party nor shall any such waiver constitute a continuing waiver of any matter by such party.

SECTION 6.05. Counterparts. This Agreement may be executed in one or

more counterparts, each of which shall be deemed an original but which together shall constitute but one instrument. It shall not be necessary for each party to sign each counterpart so long as every party has signed at least one counterpart.

SECTION 6.06. Notices. All notices, requests, demands, waivers and

other communications required or permitted to be given under this Agreement shall be in writing and may be given by any of the following methods: (a) personal delivery; (b) facsimile transmission; (c) registered or certified mail, postage prepaid, return receipt requested; or (d) overnight delivery service.

Notices shall be sent to the appropriate party at its address or facsimile number given below (or at such other address or facsimile number for such party as shall be specified by notice given hereunder):

If to the Company: Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Fax: (713) 570-3150
Attn: President

with a copy to: Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Fax: (212) 474-3700
Attn: Stephen L. Burns, Esq.

If to the Crowns: Robert A. Crown
Barbara A. Crown
c/o Crown Communication Inc.
375 Southpointe Blvd.
Canonsburg, PA 15317
Fax: (724) 416-2200

with a copy to: Kirkpatrick & Lockhart LLP
1500 Oliver Building
Pittsburgh, PA 15222
Fax: (412) 355-6501
Attn: Charles J. Queenan, Jr., Esq.

If to the Initial
Stockholder: Ted B. Miller, Jr.
510 Bering, Suite 500
Houston, TX 77056
Fax: (713) 570-3150

If to any
Stockholder: At the address of such Stockholder
listed on Schedule I

with a copy (in the case of any Berkshire Party, any Centennial Party, any Nassau Party, PNC Venture Corp., Fay, Richwhite Communications Limited, New York Life Insurance Company, American Home Assurance Company or The Northwestern Mutual Life Insurance Company)
to:

Hutchins, Wheeler & Dittmar
101 Federal Street

Boston, Ma 02110
Fax: (617) 951-1295
Attn: Harry A. Hanson III, Esq.

If to TDF: TeleDiffusion de France
 International S.A.
 10 Rue d'Oradour-sur-Glane
 75732 Paris 15
 France
 Fax: 155 95 2066
 Attn: Michel Azibert

with a copy to: Allen & Overy
 One New Change
 London EC4M 9QQ
 Fax: 44 171 330 9999
 Attn: Michael P. Scargill, Esq.

All such notices, requests, demands, waivers and communications shall be deemed received upon (i) actual receipt thereof by the addressee, (ii) actual delivery thereof to the appropriate address or (iii) in the case of a facsimile transmission, upon transmission thereof by the sender and issuance by the transmitting machine of a confirmation slip that the number of pages constituting the notice have been transmitted without error. In the case of notices sent by facsimile transmission, the sender shall contemporaneously mail a copy of the notice to the addressee at the address provided for above. However, such mailing shall in no way alter the time at which the facsimile notice is deemed to be received or the validity of such facsimile notice.

SECTION 6.07. Binding Effect; Assignment. This Agreement and all of

the provisions hereof shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. Except as otherwise specifically provided for in this Agreement, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, directly or indirectly, including, without limitation, by operation of law, by any party hereto without the prior written consent of the other parties hereto (it being understood that TDF may not transfer to any person (other than to any of its Affiliates which becomes a party to the Agreement and to whom there is transferred any Voting Securities of the Company), by operation of law or otherwise, any right of TDF hereunder which arises as a result of TDF being Qualified

without the prior written consent of the Company); provided, that TDF shall be entitled to transfer any of its rights under this Agreement to any of its Affiliates subject to any condition or obligation in connection with such right provided hereunder, so long as such Affiliate agrees to become a party to this Agreement and such Affiliate is a holder of the whole or any part of the TDF Group Interest or the TDF Consolidated Group Interest, as applicable.

SECTION 6.08. Entire Agreement. This Agreement, the other

Transaction Documents and the schedules, exhibits and other documents and agreements referred to herein and therein or delivered pursuant hereto or thereto which form a part hereof or thereof constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and oral, between the parties or any of them with respect to the subject matter hereof. This Agreement supersedes, replaces and renders null and void the Amended and Restated Stockholders Agreement in its entirety.

SECTION 6.09. No Third Party Beneficiaries. This Agreement shall be

binding upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any rights, benefits, claims, liabilities, causes of action or remedies of any nature whatsoever under or by reason of this Agreement.

SECTION 6.10. Expenses. Except as otherwise provided for in Section

4.05, each of the parties hereto shall pay its own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the fees and expenses of counsel, irrespective of when incurred.

SECTION 6.11. Applicable Law and Jurisdiction; Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York; provided, however, that the terms and conditions of

this Agreement relating to the internal affairs of the Company shall be construed in accordance with and governed by the law of the State of Delaware.

(b) Each of the parties to this Agreement hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of

the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each of the parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each of the parties to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 6.06. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 6.12. Waiver of Jury Trial. Each party hereto hereby waives,

to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this Section.

SECTION 6.13. Article and Section Headings. The article, section and

other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

SECTION 6.14. Termination. This Agreement may be terminated by the

mutual consent of the parties hereto.

SECTION 6.15. Specific Enforcement. The parties hereto acknowledge

and agree that irreparable damage would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached for which money damages would not be an adequate remedy. It is accordingly agreed that, so long as permitted by Applicable Law, the parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof without the necessity of proving the inadequacy of money damages as a remedy.

Section 6.16. Severability. Should any provision of this Agreement

for any reason be declared invalid or unenforceable, such decision shall not affect the validity or enforceability of any of the other provisions of this Agreement, which remaining provisions shall remain in full force and effect and the application of such invalid or unenforceable provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall be valid and enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, each party hereto has executed this Agreement as of the day and year first above written.

COMPANY:

CROWN CASTLE INTERNATIONAL CORP.

by:

Name:
Title:

STOCKHOLDERS:

TELEDIFFUSION DE FRANCE
INTERNATIONAL S.A.,

by:

Name:
Title:

DIGITAL FUTURE INVESTMENTS B.V.,

by:

Name:
Title:

CANDOVER INVESTMENTS, PLC

by:

Name:
Title:

CANDOVER (TRUSTEES) LIMITED

by:

Name:
Title:

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 UK Limited
Partnership)

by

Name:
Title:

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 UK No. 2 Limited
Partnership)

by

Name:
Title:

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 US No. 1 Limited
Partnership)

by

Name:
Title:

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 US No. 2 Limited
Partnership)

by

Name:
Title:

TED B. MILLER, JR.

by

Ted B. Miller, Jr.

ROBERT H. SINGLETON, TRUSTEE
OF THE MILLER 1996 GIFT TRUST

by

Name
Title:

ROBERT A. CROWN

by

Robert A. Crown

BARBARA A. CROWN

by

Barbara A. Crown

ROBERT A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
ROBERT A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by

Name:
Title:

BARBARA A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
BARBARA A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by

Name:
Title:

BERKSHIRE FUND IV,
LIMITED PARTNERSHIP

by

a Managing Member

BERKSHIRE INVESTORS LLC

by

a Managing Member

CENTENNIAL FUND IV, L.P.,

by Centennial Holdings V, L.P.,
its General Partner

by

Name:
Title:

by

Name:
Title:

CENTENNIAL FUND V, L.P.,

by Centennial Holdings V, L.P.,
its General Partner

by

Name:
Title:

CENTENNIAL ENTREPRENEURS FUND V,
L.P.

by

Name:
Title:

NASSAU CAPITAL PARTNERS II, L.P.

by Nassau Capital L.L.C., its
General Partner

by

Name:
Title:

NAS PARTNERS I, L.L.C.

by

Name:
Title:

PNC VENTURE CORP.

by

Name:
Title:

NEW YORK LIFE INSURANCE COMPANY

by

Name:
Title:

AMERICAN HOME ASSURANCE COMPANY

by

Name:
Title:

FAY, RICHWHITE COMMUNICATIONS
LIMITED

by _____

Name:
Title:

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY

by _____

Name:
Title:

HARVARD PRIVATE CAPITAL HOLDINGS,
INC.

by _____

Name:
Title:

PRIME VIII, L.P.

by _____

Name:
Title:

SCHEDULE I

TeleDiffusion de France International S.A.
10 Rue d'Oradour sur Glane
75732 Paris 15
France
Fax: ###-##-####
Attn: Michel Azibert

Digital Future Investments B.V.
c/o TeleDiffusion de France International S.A.
10 Rue d'Oradour sur Glane
75732 Paris 15
France
Fax: ###-##-####
Attn: Michel Azibert

Candover Investments, plc
20 Old Bailey
London EC4M 7LN
Fax: 011-44-171-248-5483
Attn: G. Douglas Fairservice

Candover (Trustees) Limited
20 Old Bailey
London EC4M 7LN
Fax: 011-44-171-248-5483
Attn: G. Douglas Fairservice

Candover Partners Limited (as general partner of the
Candover 1994 UK Limited Partnership)
20 Old Bailey
London EC4M 7LN
Fax: 011-44-171-248-5483
Attn: G. Douglas Fairservice

Candover Partners Limited (as general partner of the
Candover 1994 UK No. 2 Limited Partnership)
20 Old Bailey
London EC4M 7LN
Fax: 011-44-171-248-5483
Attn: G. Douglas Fairservice

Candover Partners Limited (as general partner of the
Candover 1994 US No. 1 Limited Partnership)
20 Old Bailey
London EC4M 7LN
Fax: 011-44-171-248-5483
Attn: G. Douglas Fairservice

Candover Partners Limited (as general partner of the
Candover 1994 US No. 2 Limited Partnership)
20 Old Bailey
London EC4M 7LN
Fax: 011-44-171-248-5483
Attn: G. Douglas Fairservice

Ted B. Miller, Jr.
c/o Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77002
Fax: (713) 651-0251

The Miller 1996 Gift Trust
Robert H. Singleton, Trustee
c/o Singleton & Cooksay
1600 Smith, Suite 4500
Houston, TX 77002
Fax: (713) 651-0251

Robert A. Crown
Barbara A. Crown
c/o Crown Communication Inc.
375 Southpointe Boulevard
Canonsburg, PA 15317
Fax: (724) 416-2200

Robert A. Crown
Grantor Retained Annuity Trust
Robert A. Crown and PNC Bank, Delaware, Trustees
c/o Crown Communication Inc.
375 Southpointe Boulevard
Canonsburg, PA 15317
Fax: (724) 416-2200

Barbara A. Crown
Grantor Retained Annuity Trust
Barbara A. Crown and PNC Bank, Delaware, Trustees
c/o Crown Communication Inc.
375 Southpointe Boulevard
Canonsburg, PA 15317
Fax: (724) 416-2200

Berkshire Fund IV, Limited Partnership
One Boston Place, 33rd Floor
Boston, MA 02108
Fax: 617-227-6105
Attn: Carl Ferenbach/Garth H. Greimann

Berkshire Investors LLC
One Boston Place, 33rd Floor
Boston, MA 02108
Fax: 617-227-6105
Attn: Carl Ferenbach/Garth H. Greimann

Centennial Fund IV, L.P.
1428 Fifteenth Street
Denver, CO 80202
Fax: (303) 405-7575
Attn: Jeffrey H. Schutz

w/copy:

The Centennial Funds
1330 Post Oak Boulevard, Suite 1525
Houston, TX 77056
Fax: (713) 627-9292
Attn: David C. Hull, Jr.

Centennial Fund V, L.P.
1428 Fifteenth Street
Denver, CO 802021318
Fax: (303) 405-7575
Attn: Jeffrey H. Schutz

Centennial Entrepreneurs Fund V, L.P.
1428 Fifteenth Street
Denver, CO 80202
Fax: (303) 405-7575
Attn: Jeffrey H. Schutz

w/copy:

The Centennial Funds
1330 Post Oak Boulevard, Suite 1525
Houston, TX 77056
Fax: (713) 627-9292
Attn: David C. Hull, Jr.

Nassau Capital Partners II, L.P.
c/o Nassau Capital LLC
22 Chambers Street
Princeton, NJ 08542
Fax: (609) 924-8887
Attn: Randall A. Hack

NAS Partners I, L.L.C.
c/o Nassau Capital LLC
22 Chambers Street
Princeton, NJ 08542
Fax: (609) 924-8887
Attn: Randall A. Hack

PNC Venture Corp.
c/o PNC Equity Management Corporation
Fifth Avenue and Wood
Pittsburgh, PA 15265
Fax: (412) 762-6233
Attn: David McL. Hillman

Fay, Richwhite Communications Limited
1127 151 Queen Street
Auckland, NEW ZEALAND
Fax: 011-649-307-1436
Attn: David Richwhite/John Balgarnie

New York Life Insurance Company
51 Madison Avenue
New York, NY 10010
Fax: (212) 447-4122
Attn: Investment Department
Private Finance Group, Room 206

w/copy attention: Office of General Counsel
Investment Section, Room 1104
Fax: (212) 576-8340

American Home Assurance Company
c/o AIG Global Investment Corp.
175 Water Street, 24th Floor
New York, NY 10038
Fax: (212) 458-2251
Attn: Peter F. Smith

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202-4797
Fax: (414) 299-7016
Attn: Securities Department

w/copy attention: Law Department
Investment Section
fax: (414) 299-7016

Harvard Private Capital Holdings, Inc.
600 Atlantic Avenue, 26th Floor
Boston, MA 02110
Fax: (617) 523-1063
Attn: Timothy R. Palmer

Prime VIII, L.P.
c/o Prime Cable
600 Congress Avenue, Suite 3000
Austin, TX 78701
Fax: (512) 320-4039
Attn: Robert W. Hughes

GOVERNANCE AGREEMENT (this "Agreement") dated as of the []

day of _____, 1998, among CROWN CASTLE INTERNATIONAL CORP.
(formerly named Castle Tower Holding Corp.), a Delaware
corporation (the "Company"), TELEDIFFUSION DE FRANCE

INTERNATIONAL S.A. ("TDF"), a company incorporated in France, and

DIGITAL FUTURE INVESTMENTS B.V., a wholly owned indirect
subsidiary of TeleDiffusion de France S.A. and a company
organized under the laws of the Netherlands ("DFI (BV)").

W I T N E S S E T H :

WHEREAS the Company, Castle Transmission Services (Holdings) Ltd.
("CTSH"), DFI (BV), TDF, and certain other shareholders of CTSH are parties to a

Share Exchange Agreement (the "Exchange Agreement") pursuant to which DFI (BV)

and such other shareholders have agreed, subject to the terms and conditions of
the Exchange Agreement, to exchange (the "Exchange") their shares of capital

stock of CTSH for shares of Common Stock (as defined) of the Company; and

WHEREAS, as an inducement to TDF to enter into the Exchange Agreement,
the Company and TDF desire to enter into this Agreement upon the Closing to
provide for certain rights and obligations of the Company and TDF with respect
to the governance of the Company following the consummation of the Exchange.

NOW, THEREFORE, the Company and TDF, for good and valuable
consideration, the receipt and sufficiency of which are hereby acknowledged,
agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Certain Defined Terms. As used in this Agreement,

capitalized terms shall have the meanings assigned to such terms as set forth
below:

"Affiliate" and "Associate", when used with reference to any person,

shall have the respective meanings ascribed to such terms in Rule 12b-2 of the
Exchange Act, as in effect on the date of this Agreement.

"Anti-dilutive Rights" shall have the meaning set forth in Section

2.01(a).

A person shall be deemed the "beneficial owner" of, and shall be

deemed to "beneficially own", and shall be deemed to have "beneficial ownership"

of:

(i) any securities that such person or any of such person's
Affiliates or Associates is deemed to "beneficially own" within the meaning
of Rule 13d-3 under the Exchange Act, as in effect on the date of this
Agreement; and

(ii) any securities (the "underlying securities") that such person

or any of such person's Affiliates or Associates has the right to acquire
(whether such right is exercisable immediately or only after the passage of
time) pursuant to any agreement, arrangement or under standing (written or
oral), or upon the exercise of conversion rights, exchange rights, rights,
warrants or options, or otherwise (it being understood that such person
shall also be deemed to be the beneficial owner of the securities
convertible into or exchangeable for the underlying securities).

"Appraiser" shall have the meaning set forth in Section 5.01(b).

"Asset Swap" shall mean the exchange of wholly owned assets for other

wholly owned assets of a similar nature and tenure where the Fair Market Value
of the assets received is at least equal to the Fair Market Value of the assets
disposed of or, if less, the difference is received in cash and such cash
constitutes a "disposition" for purposes of Section 4.02(a)(iii) and Section
4.02(b)(v).

"BBC" shall mean The British Broadcasting Corporation.

"BBC Analogue Transmission Contract" shall mean the BBC Analogue

Transmission Contract among the BBC and Castle Transmission International Ltd.
("CTI"), dated as of February 28, 1997.

"BBC Contracts" shall mean the BBC Analogue Transmission Contract

among the BBC and Castle Transmission International Ltd., dated as of February
28, 1997, and the BBC Digital Transmission Contract among the BBC and CTI, dated
as of February 10, 1998.

"BBC Digital Transmission Contract" shall mean the BBC Digital

Transmission Contract among the BBC and CTI, dated as of February 10, 1998.

"Berkshire Group" shall have the meaning given to such term in the

Stockholders Agreement.

"Board" shall mean the Board of Directors of the Company.

"Board Agenda" shall mean the agenda to be supplied pursuant to

Section 3.07(b) of the Stockholders Agreement to each director of the Company prior to any meeting of the Board.

"Business Combination" shall mean any of the following: (i) the sale,

lease, transfer, conveyance of other disposition (other than by way of merger or consolidation), of all or substantially all of the assets of the Company and its Subsidiaries, taken as whole, to any person or (ii) any transaction (including, without limitation, any merger or consolidation) the consummation of which would result in any person (other than any Newco) becoming, directly or indirectly, the beneficial owner of more than 50% of the Voting Securities and/or Equity Securities (other than Customary Preferred Stock) of the Company (measured in the case of Voting Securities by Voting Power rather than number of shares).

"Business Day" shall mean any day that is not a Saturday, a Sunday, a

bank holiday or any other day on which commercial banking institutions in New York, New York, Paris, France, or London, England, are not generally open for business.

"By-laws" shall mean the By-laws of the Company to be adopted with

immediate effect upon the Closing, as amended from time to time in accordance with the terms of this Agreement and applicable law.

"Candover-Berkshire Agreement" shall have the meaning set forth in the

Exchange Agreement.

"Charter" shall mean the certificate of incorporation of the Company

to be adopted with immediate effect upon the Closing, as amended from time to time in accordance with the terms of this Agreement and applicable law.

"Class A Stock" shall mean the Company's Class A Common Stock, \$.01

 par value per share, as designated in the Charter.

"Closing" shall have the meaning given to such term in the Exchange

 Agreement.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commission" shall mean the Securities and Exchange Commission, or any

 other Federal agency at the time administering the Securities Act and the
 Exchange Act.

"Commitment Agreement" shall mean the Commitment Agreement, dated

 February 28, 1997, as amended, among the BBC, the Company, TDF and TeleDiffusion
 de France, S.A.

"Common Stock" shall mean shares of the Company's common stock, par

 value \$.01 per share, as designated in the Charter.

"Common Stock Call Price" shall mean the weighted average price per

 share of Common Stock over the five trading days immediately preceding the
 second anniversary of the date of the Closing.

"Company Call Right" shall have the meaning set forth in Section 6.02.

"Company CTSH Shares" shall mean the CTSH Shares beneficially owned by

 the Company.

"Company CTSH Warrants" shall mean the CTSH Warrants beneficially

 owned by the Company.

"Conditions Precedent" shall mean the conditions precedent set forth

 on Schedule B hereto.

"Conflicted Action" shall mean any Significant Action under Section

 4.01(b)(iii) or (iv) proposed to be entered into by the Board, which TDF has not
 confirmed to the Company in writing prior to exercising its Veto right under
 Section 4.01(b) that, to TDF's knowledge (after having made all reasonable
 inquiries in the circumstances of appropriate management of the members of the
 TDF Group), is not proposed to be entered into by any member of the TDF Group in

 competition with, or to the exclusion of, the Company or any Subsidiary of the
 Company.

"Consolidated Cash Flow" shall mean, with respect to any person for

any period, the consolidated net income of such person for such period plus (i) provision for taxes based on income or profits of such person and its Subsidiaries for such period, to the extent that such provision for taxes was included in computing such consolidated net income, plus (ii) consolidated interest expense of such person and its Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, noncash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with capital lease obligations, imputed interest with respect to attributable Indebtedness, commissions, discounts and other fees and charges incurred in respect of letters of credit or bankers acceptance financings, and net payments (if any) pursuant to hedging obligations), to the extent that any such expense was deducted in computing such consolidated net income, plus (iii) depreciation, amortization (including amortization of goodwill and other intangibles and other noncash expenses (excluding any such noncash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period) of such person and its Subsidiaries for such period to the extent that such depreciation, amortization and other non cash expenses were deducted in computing such consolidated net income, minus (iv) noncash items increasing such consolidated net income for such period (excluding any items that were accrued in the ordinary course of business), in each case on a consolidated basis and determined in accordance with U.S. generally accepted accounting principles.

"CTSH Credit Agreement" shall mean the credit agreement dated February

28, 1997, as amended as of May 21, 1997, among CTI as borrower, CTSH as guarantor, the lenders listed therein, Credit Suisse First Boston as agent and arranger and J.P. Morgan Securities Ltd. as coarranger, together with the documents related thereto (including, without limitation, any guarantee agreements and security documents).

"CTSH Option" shall have the meaning set forth in Section 5.01(a).

"CTSH Ordinary Shares" shall mean the ordinary shares of 1p each of

CTSH.

"CTSH Per Share Value" shall have the meaning set forth in Section

5.01(a).

"CTSH Preference Shares" shall mean the redeemable preference shares

 of 1p each of CTSH.

"CTSH Shares" shall mean the CTSH Ordinary Shares and the CTSH

 Preference Shares.

"CTSH Shareholders Agreement" shall have the meaning set forth in the

 Exchange Agreement.

"CTSH Warrants" shall mean the warrants dated February 28, 1997,

 entitling TDF to subscribe for 257,000 CTSH Ordinary Shares and 257,242,500 CTSH
 Preference Shares and the Company to subscribe for 515,000 CTSH Ordinary Shares
 and 514,485,000 CTSH Preference Shares.

"Customary Preferred Stock" shall mean cash settled, non-convertible,

 non-voting preferred stock of the Company, with no rights of governance, no
 board representation rights (other than customary rights in connection with a
 default), which is not a "tracking" stock and which carries a simple, pre-set
 fixed percentage rate of yield dividend.

"Debt to Adjusted Consolidated Cash Flow Ratio" shall mean, as of any

 date of determination, the ratio of (a) the Indebtedness of the Company as of
 such date to (b) the sum of (1) the Consolidated Cash Flow of the Company for
 the four most recent full fiscal quarters ending immediately prior to such date
 for which internal financial statements are available, less the Company's Tower
 Cash Flow for such four-quarter period, plus (2) the product of four times the
 Company's Tower Cash Flow for the most recent quarterly period (such sum being
 referred to as "Adjusted Consolidated Cash Flow"), in each case determined on a

 pro forma basis after giving effect to all acquisitions or dispositions of
 assets made by the Company and its Subsidiaries from the beginning of such four-
 quarter period through and including such date of determination (including any
 related financing transactions) as if such acquisitions and dispositions had
 occurred at the beginning of such four-quarter period. For purposes of making
 the computation referred to above, (i) acquisitions that have been made by the
 Company or any of its Subsidiaries, including through mergers or consolidations
 and including any related financing transactions, during the reference period or
 subsequent to such reference period and on or prior to the calculation date
 shall be deemed to have occurred on the first day of the reference period and
 Consolidated Cash Flow for such reference period shall be calculated, and (ii)
 the Consolidated Cash Flow attributable to discontinued operations, as
 determined in accordance with U.S. generally

accepted accounting principles, and operations or businesses disposed of prior to the calculation date, shall be excluded.

"Equity Security" shall mean any security (whether or not a Voting

Security) which is an ordinary share, a preferred share (other than a preferred share which is mandatorily redeemable for cash or mandatorily exchangeable for debt securities) or a common share or is classified as an equity security under U.S. generally accepted accounting principles, or any securities convertible or exchangeable for any such equity security.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as

amended, or any similar Federal securities statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Exchange Agreement" shall mean the Share Exchange Agreement dated as

of April 24, 1998, among the Company, CTSH, TDF, and DFI (BV).

"Exchange Ratio" shall mean in the case of each CTSH Shareholder, 1.4

shares of Common Stock, and in the case of DFI (BV) and TDF, 1.4 shares of Class A Stock, for (a) 1 CTSH Ordinary Share, 1p per share, together with 999 CTSH Preference Shares, 1p per share, as adjusted pursuant to Section 1.2 of the Exchange Agreement or (b) in the event that the CTSH Preference Shares are redesignated into CTSH Ordinary Shares on a "one for one" basis, 1000 CTSH Ordinary Shares, 1p per share, as adjusted pursuant to Section 1.02 of the Exchange Agreement.

"Exercise Price" shall have the meaning set forth in Section

5.01(a)(i).

"Fair Market Value" shall mean, as to any property, the cash price at

which a willing seller would sell and a willing buyer would buy such property in an arms'-length negotiated transaction without time constraints.

"Indebtedness" shall mean all obligations, without duplication,

(including without limitation hedging obligations), contingent and otherwise, which should, in accordance with U.S. generally accepted accounting principles consistently applied, be classified upon the obligor's consolidated balance sheet as liabilities, including, without limitation, liabilities secured by any mortgage on property owned or acquired subject to such mortgage, and also including, without limitation, (i) all guaranties, endorsements and other contingent obligations, in respect of Indebtedness of others, whether or not the same are or should be so reflected in the said balance sheet, except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business, (ii) a

preferred share which is mandatorily redeemable for cash or exchangeable for debt securities and (iii) the present value of any lease payments due under leases required to be capitalized in accordance with applicable Statements of Financial Accounting Standards, determined in accordance with applicable Statements of Financial Accounting Standards; provided that the foregoing shall not include any such obligations with respect to trade payables under 90 days old.

"Independent Director" shall have the meaning given to such term in the Stockholders Agreement.

"Initial Investors" shall mean, in each case as defined in the Stockholders Agreement, the Berkshire Group, the Centennial Group and the Nassau Group.

"IPO" shall have the meaning set forth in the Exchange Agreement.

"Maintenance Securities" shall have the meaning set forth in Section 2.01(a).

"Material Adverse Effect" shall mean, with respect to any person, a material adverse effect on the business, financial condition or results of operations of such person.

"Newco" shall mean any person which becomes a holding company of the Company all the shares in which (other than shares not exceeding the Relevant Percentage) are held by the same persons as were stockholders in the Company prior to such person becoming a holding company of the Company.

"Option Exercise Period" shall have the meaning set forth in Section 5.01(a).

"Option Notice" shall have the meaning set forth in Section 5.01(a).

"Permitted Business Line" shall mean (i) the ownership, operation or management (for third party owners or otherwise) of terrestrial wireless communication (including without limitation voice, data and video) infrastructure (including equipment and facilities principally related thereto) and (ii) the provision of infrastructure services principally relating thereto, including but not limited to network transmission and services (it being understood for the avoidance of doubt that the transmission of radio and television broadcasting shall be within the foregoing definition).

"Permitted Indebtedness" shall mean any of the following items of

Indebtedness of the Company or any of its Subsidiaries: (i) any Indebtedness under the Senior Credit Facility up to an aggregate principal amount of \$100 million outstanding at any one time; (ii) Indebtedness represented by the 10-5/8% Senior Discount Notes due 2007 of the Company; (iii) Indebtedness under the CTSB Credit Agreement up to an aggregate principal amount of (Pounds)85,000,000 outstanding at any one time; or (iv) Indebtedness represented by the 9% Guaranteed Bonds due 2007 of CTSB.

"person" shall mean an individual, corporation, limited liability

company, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof and shall include any "group" (which shall have the meaning given to such term in Section 13(d)(3) of the Exchange Act).

"Preferred Security" shall mean any Equity Security of the Company

which is designated as "preferred" in the Company's Charter.

"Public Offering" shall mean an underwritten public offering of Equity

Securities pursuant to an effective registration statement filed by the Company with the Commission in accordance with the Securities Act.

TDF will be "Qualified" for purposes of this Agreement if (i) during

the period from the date of the Closing to (and including) the second anniversary of such date, (A) the TDF Consolidated Group Interest is not at any

time less than 10.5%, (B) a Business Combination has not at any time been

consummated and (C) there has not occurred a TDF Change of Control and (ii)

following the occurrence of such second anniversary without any loss of

Qualification by TDF under clauses (i)(A), (B) or (C) preceding, (A) the TDF Put Right has been exercised by TDF on or prior to the second anniversary of the Closing, or the Company Call Right has been exercised by the Company on such second anniversary, (B) the TDF Group Interest is not at any time less than

10.5%, (C) a Business Combination has not at any time been consummated and (D)

there has not occurred a TDF Change of Control. Notwithstanding the foregoing,

TDF shall also be deemed to be Qualified for purposes of this Agreement in the

circumstances set forth in Section 6.01(b) and 6.02(b).

"Relevant Percentage" shall mean 25%, or if the Company elects by

notice in writing to TDF, 30%.

"Restricted Party" shall mean any of the entities listed in Schedule A

 hereto, including any successor thereto.

"Securities Act" shall mean the Securities Act of 1933, as amended, or

 any similar Federal securities statute, and the rules and regulations of the
 Commission thereunder, all as the same shall be in effect at the time.

"Senior Credit Facility" shall mean that certain Loan Agreement dated

 as of April 26, 1995, as amended by the First Amendment to the Loan Agreement
 dated as of June 26, 1996, the Second Amendment to Loan Agreement dated as of
 January 17, 1997, the Third Amendment to Loan Agreement dated as of April 3,
 1997, the Fourth Amendment to Loan Agreement dated as of October 31, 1997, and
 the Fifth Amendment to Loan Agreement dated as of November 24, 1997, by and
 among Crown Communication Inc. (previously Castle Tower Corporation) and Crown
 Castle International de Puerto Rico, as the borrowers, Key Bank National
 Association, as agent, and PNC Bank, National Association, as arranger,
 including any related notes, guarantees, collateral documents, instruments and
 agreements executed in connection therewith, and in each case as amended,
 modified, renewed, refunded, replaced or refinanced from time to time.

"Senior Preferred Stock" shall mean the Company's Senior Convertible

 Preferred Stock, par value \$.01 per share.

"Senior Preferred Warrants" shall mean the Company's Class B Common

 Stock Warrants granted in connection with the issuance of the Senior Preferred
 Stock.

"Significant Action" shall have the meaning set forth in Section

 4.01(b).

"Simple Majority Event" shall mean any vote of the Board under the

 following circumstances: (i) following the second anniversary of the Closing,
 six Independent Directors having been duly elected to, and qualified on, the
 Board (which Board then contains no less than two Directors designated for
 nomination by the Initial Investors) who are present, in person or by proxy, and
 voting, provided, however, that one existing Independent Director (other than

 the Independent Director initially appointed by TDF pursuant to 3.02(a)(viii) of
 the Stockholders Agreement) is replaced, (ii) seven Independent Directors having
 been duly elected to, and qualified on, the Board who are present, in person or
 by proxy, and voting, provided, however, that one existing Independent Director

 (other than the Independent

Director initially appointed by TDF pursuant to 3.02(a)(viii) of the Stockholders Agreement) is replaced or (iii) any vote of the Board after the fifth anniversary of the date of the Closing.

"Special Business Combination" shall mean the occurrence of any event

 or circumstance described in clause 13.5.1 of the Analogue Transmission Contract (other than a breach by TDF of the Commitment Agreement) or clause 12.7.1 of the Digital Transmission Contract in relation to any holding company (as defined in Section 736 of the UK Companies Act 1985) of CTSB or a bona fide unsolicited written offer to acquire a percentage of the Equity Securities of the Company which, if it were to be consummated or otherwise allowed to occur without the consent or approval of the BBC, would or might result in the BBC having the right to terminate any BBC Contract in accordance with the terms of clauses 13.5.1 of the BBC Analogue Transmission Contract or clauses 12.7.1 of the BBC Digital Transmission Contract.

"Special Majority Vote of the Board" shall mean (i) approval by two-

 thirds of the entire Board (it being understood that in the event that two-thirds shall not be a whole number, such two-thirds number shall be rounded up to the next integral number) or (ii) at such time as one existing Independent Director (other than the Independent Director initially appointed by TDF pursuant to 3.02(a)(viii) of the Stockholders Agreement) is replaced and five Independent Directors shall have been duly elected and shall have qualified and shall be present, in person or by proxy, and voting, approval by two-thirds of the entire Board (it being understood that in the event that two-thirds number shall not be a whole number, such two-thirds number shall be rounded down to the next integral number); provided, however, that so long as the number of

 directors constituting the entire Board is twelve, (a) under the circumstances in clause (i) above, "Special Majority Vote of the Board" shall mean the approval of nine directors and (b) under the circumstances in clause (ii) above, "Special Majority Vote of the Board" shall mean the approval of eight directors.

"Statement of Financial Accounting Standards" shall mean statements

 and pronouncements of the U.S. Financial Accounting Standards Board.

"Stockholder" shall mean any Stockholder which is a party to the

 Stockholders Agreement.

"Stockholders Agreement" shall mean the Stockholders Agreement, dated

 as of [], 1998, among the Company, TDF and the other stockholders of the Company named in Schedule I thereto.

"Strategic Alliance" shall mean any merger, consolidation, joint

venture, cooperative agreement or arrangement or co-ownership with, or investment by or in any person. Strategic Alliance shall not, however, include any purchase, lease or disposition for cash to or from any such person of all but not part of certain of the assets (other than securities or other interests in any person) of such person. If such Strategic Alliance also constitutes a Business Combination, such Strategic Alliance shall be deemed to be only a Business Combination for all purposes of this Agreement.

"Subsidiary" or "Subsidiaries" when used with respect to any person

shall mean (i) any other person, whether incorporated or unincorporated, which is either required to be consolidated with such person under U.S. generally accepted accounting principles or (ii) is an affiliate controlled by such person, directly or indirectly, through one or more intermediaries within the meaning of Rule 1.02(x) of Regulation S-X under the Exchange Act.

"TDF Change of Control" shall occur if (i) TeleDiffusion de France

S.A. ("TDF Parent") does not own, directly or indirectly, at least 30% of TDF,

and any other person owns, directly or indirectly, 30% or more of TDF or (ii) France Telecom does not own, directly or indirectly, at least 30% of TDF Parent, and any other person owns, directly or indirectly, 30% or more of TDF Parent and in each case, such other person conducts a core business in the Company's Permitted Business Line in a geographic area in which the Company conducts more than de-minimis business in its Permitted Business Line at the time of the occurrence of the circumstances described in the preceding clauses (i) or (ii).

"TDF Consolidated Group Interest" shall mean the percentage of Voting

Power that is controlled directly or indirectly by the TDF Group or would be controlled directly or indirectly by the TDF Group on the exercise of the TDF Put Right (assuming the exercise of the TDF CTSH Warrants).

"TDF CCIC Warrants" shall mean the warrants issued to TDF upon the

exercise of the TDF Put Right in exchange for, and on substantially the same terms (except with respect to the conversion ratio in respect thereof) as, the TDF CTSH Warrants.

"TDF CTSH Shares" shall mean the CTSH Shares beneficially owned by the

TDF Group.

"TDF CTSH Warrants" shall mean the CTSH Warrants beneficially owned by

TDF.

"TDF Designees" shall have the meaning set forth in the Stockholders Agreement.

"TDF Group" shall mean TDF and its Affiliates (other than the Company and its Subsidiaries).

"TDF Group Interest" shall mean the percentage of Voting Power that is controlled, directly or indirectly, by the TDF Group or would be controlled, directly or indirectly, by the TDF Group (assuming the exercise of the TDF CCIC Warrants).

"TDF Non-Voting Equity Interest" shall have the meaning set forth in Section 2.01(a).

"TDF Put Notice" shall have the meaning set forth in Section 6.01(a).

"TDF Put Right" shall have the meaning set forth in Section 6.01(a).

"TDF Put Shares" shall have the meaning set forth in Section 6.01(a).

"TDF Rollup" shall mean the earlier to occur of (i) the closing of the TDF Put Right pursuant to Section 6.01(b) and (ii) the closing of the Company Call Right pursuant to Section 6.02(b).

"Total Enterprise Value" of any person shall mean, as of any date of determination, the sum (without duplication) of (i) the Total Equity Market Capitalization of such person and (ii) the Indebtedness of such person.

"Total Equity Market Capitalization" of any person shall mean, as of any day of determination, the sum of (i) the product of (A) the aggregate number of outstanding shares of Equity Securities of such person on such day (which shall include any options or warrants on, or securities convertible or exchangeable into, shares of Equity Securities of such person) multiplied by (B) the average closing price of such common stock listed on the New York Stock Exchange, the American Stock Exchange or Nasdaq over the 20 consecutive Business Days immediately preceding such day, plus (ii) the liquidation value of any outstanding shares of preferred stock of such Person on such day, which preferred stock does not constitute Indebtedness for purposes hereof.

"Tower Cash Flow" shall mean, for any period, the Consolidated Cash Flow of the Company and its Subsidiaries

for such period that is directly attributable to site rental revenue or license fees paid to lease or sublease space on communication sites owned or leased by the Company, all determined on a consolidated basis and in accordance with U.S. generally accepted accounting principles. Tower Cash Flow shall not include revenue or expenses attributable to non-site rental services provided by the Company or any of its Subsidiaries to lessees of communication sites or revenues derived from the sale of assets.

"Transaction Documents" shall have the meaning set forth in the

Exchange Agreement.

"Unsolicited Offer" shall mean (i) a bona fide unsolicited written

offer by any person to acquire Voting Securities and/or Equity Securities (other than Customary Preferred Stock) of the Company (measured in the case of Voting Securities by Voting Power rather than number of shares), which, if consummated, or (ii) any acquisition by any person of any such Securities which, when consummated, results in such person beneficially owning, directly or indirectly, more than the Relevant Percentage of the Voting Securities and/or Equity Securities (other than Customary Preferred Stock) of the Company.

"Voting Power", when used with reference to any class or series of

securities of the Company, or any classes or series of securities of the Company entitled to vote together as a single class or series, shall mean the power of such class or series (or such classes or series) to vote for the election of directors. For purposes of determining the percentage of Voting Power of any class or series (or classes or series) beneficially owned by any person, any securities not outstanding which are subject to conversion rights, exchange rights, rights, warrants, options or similar securities held by such person shall be deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class or series (or classes or series) beneficially owned by such person, but shall not be deemed to be outstanding for the purpose of computing the percentage of the class or series (or classes or series) beneficially owned by any other person.

"Voting Securities", when used with reference to any person, shall

mean any securities of such person having Voting Power or any securities convertible into or exchange able for any securities having Voting Power.

SECTION 1.02. Securities Outstanding. In determining the number or

other amount outstanding of any securities of the Company or the percentage of Voting Power

of any class or series beneficially owned by such person, securities owned by the Company or any of its Subsidiaries shall be deemed to be not outstanding.

ARTICLE II

Anti-dilution

SECTION 2.01. Anti-dilutive Rights. (a) Except as provided in

Section 2.01(c) below, so long as TDF is Qualified, the Company shall not issue, sell or transfer any Equity Securities to any person (other than in connection with the IPO but only to the extent that the TDF Consolidated Group Interest is not thereby reduced to less than 20%) unless TDF is offered in writing the right to purchase, at the same price in cash for which such Equity Security is being offered to such other person(s) (provided that if such Equity Security is being

offered to such other person(s) for consideration other than cash or cash equivalents, the price in cash for which such Equity Security is being offered shall be deemed to be the Fair Market Value (as determined in good faith by the Board) of such consideration as of the date of issuance of such Equity Security), and on the same other terms proposed to be issued and sold (it being understood that TDF shall have the benefit of any underwriting or similar discount), an amount of such Equity Securities (the "Maintenance Securities") as

is necessary for the TDF Group to maintain the TDF Consolidated Group Interest, the TDF Group Interest and the TDF Non-Voting Equity Interest (as defined), as applicable, as would exist immediately prior to such issuance (the "Anti-

dilutive Rights"); provided that, with respect to the initial issuance by the

Company following the date of this Agreement of Equity Securities which are not Voting Securities, the TDF Non-Voting Equity Interest shall be deemed to be equal to the TDF Consolidated Group Interest or the TDF Group Interest, as applicable, and thereafter "TDF Non-Voting Equity Interest" shall mean the

percentage of non-voting Equity Securities owned, directly or indirectly, by the TDF Group. TDF shall have the right, during the period specified in Section 2.01(b), to accept the offer for any or all of the Maintenance Securities.

(b) If TDF does not deliver to the Company written notice of acceptance of any offer made pursuant to Section 2.01(a) within 20 Business Days after TDF's receipt of such offer, TDF shall be deemed to have waived its right to purchase all or any part of the Maintenance Securities as set forth in such offer but TDF shall retain its rights under this Article II with respect to future offers.

(c) The Anti-dilutive Rights set forth above shall not apply to (i) the grant or exercise of options to purchase Common Stock to employees, directors or consultants of the Company or any of its Subsidiaries prior to the date of the Exchange Agreement and listed on Schedule 6.32 to the Exchange Agreement or otherwise pursuant to a stock option or similar executive employee benefit plan in existence on the date hereof; (ii) the grant or exercise of options to purchase Common Stock or the issuance of shares of Common Stock as compensation in the ordinary course of business consistent with practice for public companies of a size and nature (e.g., high growth companies), as

determined by approval of a Special Majority Vote of the Board with a statement to such effect, as the Company to employees or directors of the Company or any of its Subsidiaries or otherwise pursuant to a stock option or similar executive or employee benefit plan adopted by the Board after the Closing in the ordinary course of business consistent with such practice; (iii) the grant or exercise of options to purchase or the issuance of Common Stock of the Company as compensation in the ordinary course of business consistent with past practice to consultants of the Company or any of its Subsidiaries representing not more than 1% of the aggregate amount of the Common Stock outstanding at the time of such grant or issuance; (iv) the issuance of shares of Common Stock issuable upon conversion of, or in respect of dividends on, the Senior Preferred Stock, or upon exercise of the Senior Preferred Warrants; (v) securities issued pursuant to any stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction, which securities are issued pro rata among, and pro rata within, all classes of stock which are subject to such stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction; (vi) securities issued upon conversion or exchange of any Equity Security in connection with which TDF had been granted Anti-dilutive Rights upon the issuance thereof in accordance with Section 2.01(a); and (vii) Voting Securities issued upon exercise of the Rights (as defined in the Exchange Agreement) pursuant to the Rights Plan (as defined in the Exchange Agreement); provided that the action referred to in clauses (ii), (iii) or (v) of this

Section 2.01(c), as the case may be, shall have been approved (to the extent required) in accordance with the provisions of this Agreement.

(d) A Closing for the purchase of Maintenance Securities pursuant to Section 2.01(a) shall occur on the later of (i) the date on which such public or private issuance occurs and (ii) such date as may be agreed to by TDF and the Company, at a time and place specified by TDF in

a notice provided to the Company at least 10 days prior to such closing date. In connection with such closing, the Company and TDF shall provide such customary closing certificates and opinions as TDF or the Company, as appropriate, shall reasonably request.

ARTICLE III

Standstill

SECTION 3.01. Standstill. Subject to Section 3.04, no member of the

TDF Group shall, without the prior written consent of the Board (not to be unreasonably withheld or delayed):

(a) except as permitted under the Transaction Documents, acquire, offer to acquire, or agree to acquire, by purchase, gift or otherwise, the beneficial ownership of any Voting Securities of the Company if the TDF Group Interest upon the consummation thereof would be greater than the Relevant Percentage, except pursuant to a stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction;

(b) except as contemplated by the Transaction Documents, publicly propose that TDF or any member of the TDF Group enter into, directly or indirectly, any Business Combination involving the Company or propose to purchase, directly or indirectly, a material portion of the assets of the Company or any Subsidiary of the Company, or make any such proposal privately (other than any such proposal with respect to CTSH and its assets) if it would reasonably be expected to require the Company to make a public announcement regarding such proposal;

(c) make, or in any way participate in, directly or indirectly, any "solicitation" of "proxies" (as such terms used in Regulation 14A promulgated under the Exchange Act) to vote or consent with respect to any Voting Securities of the Company in opposition to the recommendation of a Special Majority Vote of the Board or become a "participant" in any "election contest" (as such terms are defined or used in Rule 14a-11 under the Exchange Act) in opposition to the recommendation of a Special Majority Vote of the Board;

(d) act in concert with any person for the purposes prohibited by subparagraph (a) or (b) above;

(e) except in accordance with the terms of the Stockholders Agreement, seek election to or seek to place a representative on the Board or seek the removal of any member of the Board;

(f) (i) solicit, seek to effect, negotiate with or provide nonpublic information to any other person with respect to or (ii) otherwise make any public announcement or proposal whatsoever with respect to, any form of business combination (with any person) involving a change of control of the Company or the acquisition of a substantial portion of the Voting Securities and/or Equity Securities or assets of the Company or any Subsidiary of the Company (except, in the case of CTSH and its Subsidiaries, as permitted under Section 5.01 or the CTSH Shareholders Agreement), including a merger, consolidation, tender offer, exchange offer or liquidation of the Company assets, or any restructuring, recapitalization or similar transaction with respect to the Company or any Subsidiary of the Company; or

(g) publicly disclose any intention, plan or arrangement, or provide advice or assistance to any person, inconsistent with the foregoing.

If TDF or any member of the TDF Group owns or acquires any Voting Securities in violation of this Agreement, such Voting Securities shall immediately be disposed of to persons who are not members of the TDF Group in compliance with the provisions of this Agreement (but, for the avoidance of doubt, if at any time the TDF Consolidated Group Interest or the TDF Group Interest, as applicable, is increased to more than the Relevant Percentage as a result of a repurchase of Voting Securities by the Company or any other change in the Company's capitalization no Voting Securities shall be required to be disposed of by any member of the TDF Group); provided that the Company may also

pursue any other available remedy to which it may be entitled as a result of such violation.

SECTION 3.02. Transfer Restrictions. Subject to Section 3.04, TDF

shall not, without the prior written consent of the Company, sell, or otherwise dispose of, or agree to dispose of, any Voting Securities of the Company, or any rights or options to acquire such Voting Securities, except pursuant to a transaction contemplated by the Transaction Documents or otherwise in a transaction, subject

to Section 3.05, complying with any of the following clauses:

(a) an underwritten public offering of shares of such Voting Securities in a manner intended to effect a broad distribution;

(b) to any person (other than an underwriter which intends to effect a broad distribution of such Securities) in a transaction that complies with the volume and manner of sale provisions contained in Rules 144(e) and Rule 144(f) as in effect on the date hereof under the Securities Act (whether or not Rule 144 is in effect on the date of such transaction);

(c) subject to Section 7.08, to any Affiliate of TDF; provided, -----
 however, that such transferee becomes a party to this Agreement;

(d) to any person in a transaction which complies with the Securities Act that TDF knows or, after commercially reasonable inquiry believes, after giving effect to such sale, will beneficially own not more than the greater of (x) 15% of the aggregate Voting Power of the Voting Securities of the Company and (y) the percentage of Common Stock of the Company which would result in any person (other than any member of the TDF Group or the Berkshire Group (as defined in the Stockholders Agreement)), upon the acquisition of the beneficial ownership of such percentage, constituting an "Acquiring Person" under the Rights Plan (as defined in the Stockholders Agreement), or any successor plan to such Rights Plan;

(e) in a bona fide pledge of shares of Voting Securities of the Company to a financial institution to secure borrowings as permitted by applicable laws, rules and regulations; or

(f) upon five Business Days' prior notice to the Company, pursuant to the terms of any tender or exchange offer for Voting Securities of the Company made pursuant to the applicable provisions of the Exchange Act or pursuant to any business combination (provided that such tender or exchange -----
 offer is not materially related to any past noncompliance of Sections 3.01 and 3.03(a) by TDF).

SECTION 3.03. Voting. (a) Whenever (i) TDF shall have the right to -----
 vote any Voting Securities of the Company and (ii) any person shall have initiated, proposed

or otherwise solicited stockholders of the Company in a "proxy-contest" or with respect to any proposal for the election of any member to the Board, which in either case, the Board has recommended by a Special Majority Vote receives a negative vote, TDF shall (a) be present, in person or represented by proxy, at any stockholder meeting of the Company relating to such contest or proposal for the purpose of determining the presence of a quorum at such meeting or for such consent, and (B) vote or consent with respect to all Voting Securities of the Company beneficially owned by it in the manner recommended by a Special Majority Vote of the Board or, if so requested by a Special Majority Vote of the Board, vote or cause to be voted all Voting Securities of the Company beneficially owned by it in the same proportion as the votes cast by or on behalf of the other holders of Voting Securities of the Company.

(b) Subject only to Section 3.03(a), TDF shall have the right at any time to vote any Voting Securities of the Company in its sole discretion.

SECTION 3.04. Time Limit. (a) Prior to any cessation of the

provisions of Sections 3.01, 3.02 and 3.03(a) pursuant to Section 3.04(b), the provisions of Section 3.01 and Section 3.03 shall be suspended during any period from the date of the commencement by any person (other than TDF or any member of the TDF Group) of an Unsolicited Offer or a Special Business Combination to the date of closing, abandonment or termination of all such Offers (including any such Offer commenced by TDF or any member of the TDF Group following any suspension of Sections 3.01 and 3.03 pursuant to this Section 3.04(a)) and shall thereafter, subject to such Section 3.04(b), be reinstated as in effect prior to the commencement of any such Unsolicited Offer or Special Business Combination, as applicable.

(b) The provisions of Sections 3.01, 3.02 and 3.03(a) shall cease to apply after the fifth anniversary of the Closing or the earlier of:

(i) any person (other than any person who is a member of the Berkshire Group who holds, in person or as a group, less than the amount permitted to be held by the Berkshire Group without such person constituting an "Acquiring Person" under the Rights Plan), beneficially owns or controls 15% or more of the Voting Securities and/or 15% or more of the outstanding Equity Securities (other than Customary Preferred Stock) of the Company without a standstill agreement (which includes customary standstill provisions, voting

restrictions and transfer restrictions, on no more favorable terms than those to which TDF is subject under this Agreement and with governance rights and, taken as a whole, other rights which are no more favorable than those granted to TDF in this Agreement and the Stockholders Agreement) being entered into between the Company and such person;

(ii) a business combination or other change in control of the Company has occurred or has been agreed to or acquiesced in by the Board or any Unsolicited Offer or Special Business Combination has been consummated;

(iii) TDF shall no longer be Qualified;

(iv) no Voting Security of the Company is publicly traded; or

(v) the Company has redeemed the Rights (as defined in the Stockholders Agreement) under the Rights Agreement (as defined in the Stockholders Agreement).

SECTION 3.05. Right of First Refusal. (a) If TDF or any member of

the TDF Group desires to transfer to any person 5% or more of the Voting Securities of the Company pursuant to Section 3.02(d) (other than a transfer to an underwriter which intends to effect a broad distribution of such Voting Securities), TDF, or such member of the TDF Group, as applicable, shall give prompt written notice (the "Transfer Notice") to the Company of such intention,

specifying the number of Voting Securities proposed to be transferred (the "Offered Securities") and the price at which they are to be transferred (the "Offer Price"). The Transfer Notice shall constitute an irrevocable offer (the

"Offer") by TDF to sell to the Company the Offered Securities at the Offer

Price. The Company shall have the right, exercisable by written notice given by the Company to TDF within twenty Business Days after receipt of such Transfer Notice, to purchase (or to cause a person or group designated by the Company to purchase) all, or any part in excess of 5% of the Voting Securities of the Company, of such Offered Securities specified in such Transfer Notice for cash at the Offer Price by delivery of a notice (the "Exercise Notice") to TDF

stating the Company's irrevocable acceptance of the Offer.

(b) If the Company elects to purchase the Offered Securities, the closing of the purchase of the Offered Securities shall take place on a mutually acceptable closing date which shall be not more than 30 days after delivery of

the Exercise Notice. The closing shall be held at 10:00 a.m., time, at the principal office of the Company or at such other time or place as the parties mutually agree.

(c) On the closing date, TDF shall deliver (or cause to be delivered) (i) certificates representing the Offered Securities to be purchased by the Company, free and clear of any lien, claim or encumbrance, and (ii) such other documents, including evidence of ownership and authority, as the Company may reasonably request. The Offer Price shall be paid by wire transfer of immediately available funds no later than 2:00 p.m., local time, on such closing date and the Company shall on such closing date issue to TDF (or to its order) certificates for any balance of the Offered Securities which are not purchased by the Company.

ARTICLE IV

Governance

SECTION 4.01. Approval Required for Certain Actions. (a) Without

 prejudice to TDF's rights under clauses three and six of the CTSB Shareholders Agreement, in the case of a Simple Majority Event, the Company or any Subsidiary of the Company may take any action set forth in clauses (i) through (ix) below without the approval of a Special Majority Vote of the Board. In the absence of a Simple Majority Event, without prejudice to TDF's rights under clauses three and six of the CTSB Shareholders Agreement, so long as TDF is Qualified, no action by the Company or any Subsidiary of the Company (including but not limited to any action by their respective boards of directors or any committee thereof) shall be taken with respect to any of the following matters without the approval of the Board, which approval shall be by a Special Majority Vote of the Board:

(i) the amendment of the Charter or By-laws;

(ii) any acquisition of any assets, business, operations or securities (other than with respect to any redemption of the Senior Preferred Stock in accordance with its terms) by the Company or any Subsidiary thereof by merger, joint venture or otherwise (whether in one transaction or a series of related transactions, including without limitation any enforceable right of any other person to require the deferred acquisition thereof) other than any such acquisition by the Company or any of its Subsidiaries if the Company's and/or any such Subsidiary's pro rata

Total Enterprise Value in respect of such acquisition, prior to giving effect thereto, is less than or equal to the greater of \$20 million and 2% of the Total Enterprise Value of the Company and its Subsidiaries taken as a whole (it being understood that at the time of any subsequent optional purchase relating to such acquisition, the value of the Company's and/or any such Subsidiary's pro rata Total Enterprise Value shall be the pro forma value of the entire interest);

(iii) any disposition (other than with respect to Asset Swaps) of any assets, business, operations or securities by the Company or any Subsidiary thereof (whether in one transaction or a series of related transactions, including without limitation any enforceable right any other person to require the deferred disposition thereof) other than a disposition by the Company or any of its Subsidiaries where the Company's and/or any such Subsidiary's pro rata Total Enterprise Value in the consideration received in respect of such disposition, prior to giving effect thereto, (including the assumption of any Indebtedness of the Company in connection therewith) is less than or equal to whichever is the greater of \$20 million and 2% of the Total Enterprise Value of the Company and its Subsidiaries taken as a whole;

(iv) any Strategic Alliance which is material to the Company and its Subsidiaries, taken as a whole;

(v) any incurrence, assumption or issuance by the Company or any of its Subsidiaries of Indebtedness other than (A) Indebtedness existing on the date hereof and any Permitted Indebtedness (including in each case any refinancings which do not increase the principal amount thereof), (B) any other Indebtedness if the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarterly periods of the Company for which internal financial statements are available, would have been no greater than 5.5 to 1 and (C) any refinancing of any Indebtedness the incurrence of which was approved by the Board in accordance with this Section 4.01(a), which refinancing does not increase the principal amount of such Indebtedness;

(vi) any transaction between (A) the Company or any of its Subsidiaries, on the one hand, and (B) any Stockholder or Affiliate of the Company (other than any

Subsidiary of the Company and other than TDF and its Affiliates), on the other hand (other than as contemplated by the Transaction Documents);

(vii) the issuance of any Equity Security of the Company or any Subsidiaries of the Company (other than (i) the grant or exercise of options to purchase Common Stock to employees, directors or consultants of the Company or any of its Subsidiaries prior to the date of the Exchange Agreement and listed on Schedule 6.32 to the Exchange Agreement or otherwise pursuant to a stock option or similar executive employee benefit plan in existence on the date hereof; (ii) the grant or exercise of options to purchase Common Stock or the issuance of shares of Common Stock as compensation in the ordinary course of business consistent with practice for public companies of a similar size and nature (e.g., high growth

companies), as determined by approval of a Special Majority Vote of the Board with a statement to such effect, as the Company to employees or directors of the Company or any of its Subsidiaries or otherwise pursuant to a stock option or similar executive or employee benefit plan adopted by the Board after the Closing in the ordinary course of business consistent with such practice; (iii) the grant or exercise of options to purchase or issuance of Common Stock of the Company as compensation in the ordinary course of business consistent with past practice to consultants of the Company or any of its Subsidiaries representing not more than 1% of the aggregate amount of the Common Stock outstanding at the time of such grant or issuance; (iv) the issuance of shares of Common Stock issuable upon conversion of, or in respect of dividends on, the Senior Preferred Stock, or upon exercise of the Senior Preferred Warrants; (v) securities issued pursuant to any stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction, which securities are issued pro rata among and pro rata within all classes of stock which are subject to such stock split, stock dividend, rights offering, recapitalization, reclassification or similar transaction; (vi) securities issued upon conversion or exchange of any Equity Security in connection with which TDF had been granted Anti-dilutive Rights upon the issuance thereof in accordance with Section 2.01(a); (vii) Voting Securities issued upon exercise of the Rights (as defined in the Stockholders Agreement) pursuant to the Rights Plan (as defined in the Stockholders Agreement); (viii) the issuance of shares of Common Stock issuable upon conversion of, or

in respect of dividends on, the Senior Preferred Stock, the exercise of the Senior Preferred Warrants, or upon the conversion or exercise of Equity Securities the issuance of which was approved in accordance with this Section 4.01(a)(vii); provided that the actions referred to in clauses

(ii), (iii) or (v) of this Section 4.01(a)(vii), as the case may be, shall have been approved (to the extent required) in accordance with the provisions of this Agreement).

(viii) any Business Combination entered into by the Company;

(ix) the dissolution of the Company, the adoption of a plan of liquidation of the Company or any action by the Company to commence any suit, case, proceeding or other action (i) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors seeking to have an order for relief entered with respect to the Company, or seeking to adjudicate the Company bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to the Company or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for the Company, or making a general assignment for the benefit of the creditors of the Company; or

(x) any amendment to the Rights Plan (as defined in the Stockholders Agreement) other than any such amendment (A) for the purpose of permitting any transaction (and only to the extent necessary to permit such transaction) which is permitted under the terms of this Agreement or (B) required by applicable law or any ruling or order of any court or governmental body.

(b) Without prejudice to TDF's rights under clauses three and six of the CTSH Shareholders' Agreement, following the fifth anniversary of the Closing, the Company or any of its Subsidiaries may take any of the actions set forth in clauses (ii), (iii), (iv) and (v) below without the prior written consent of TDF, and following the tenth anniversary of the Closing, the Company or any of its Subsidiaries may take the action set forth in clauses (i), (vi) and (vii) below without the prior written consent of TDF. Prior to such fifth or tenth anniversary, as applicable, so long as TDF is Qualified, no action by the Company or any Subsidiary (including but not limited to any action by their respective boards of directors or any committee thereof), other than, in the case of clauses (iii)

and (iv) below, any Conflicted Action, shall be taken with respect to any of the following matters (each such matter, a "Significant Action") without the

 approval by a majority of the entire Board and the prior written consent of TDF (any written notice refusing to provide such consent being hereinafter referred to as a "Veto"):

(i) (A) the creation or issuance of any new class of security of the Company or any class of security of a Subsidiary of the Company (other than where all such Subsidiary's securities are issued to the Company), or any right to acquire such security, (B) the issuance of any Class A Stock to any person other than TDF or any member of the TDF Group or (C) any amendment to the Charter or By-laws (other than any amendment required by applicable law or any ruling or order of any court or governmental body) (including without limitation any such amendment to increase the number of directors constituting the entire Board), with, in the case of clauses (A) or (B), the intent or effect of materially adversely affecting the legal rights of TDF under this Agreement or the Stockholders Agreement;

(ii) the acquisition in one or a series of related transactions, including without limitation any enforceable right of any other person to require any deferred acquisition (whether by merger, consolidation, joint venture, the purchase of stock or assets or otherwise) of a business, operations, securities or assets not in a Permitted Business Line, which acquisition by the Company or any of its Subsidiaries if the Company's and/or any such Subsidiary's pro rata Total Enterprise Value in respect of such acquisition, immediately prior to giving effect thereto, would constitute more than 10% of the Total Enterprise Value of the Company and its Subsidiaries taken as a whole (it being understood that at the time of any subsequent optional purchase relating to such acquisition the value of the Company's and/or any such Subsidiary's pro rata Total Enterprise Value shall be the pro forma value of the entire interest);

(iii) the acquisition in one or a series of related transactions, including without limitation any enforceable right of any other person to require any deferred acquisition (whether by merger, consolidation, joint venture, the purchase of stock or assets or otherwise) of a business, operations, securities or assets which is (or are) in a Permitted Business Line (other than any part thereof which is not material in

relation to the whole of such business, operations, securities or assets), which acquisition, by the Company or any of its Subsidiaries if the value of the Company's and/or any such Subsidiary's pro rata Total Enterprise Value in respect of such acquisition, immediately prior to giving effect thereto, would constitute, (A) prior to December 31, 1999, the greater of \$750 million and more than 25% of the Total Enterprise Value of the Company and its Subsidiaries taken as a whole and (B) following December 31, 1999, more than 25% of the Total Enterprise Value of the Company and its Subsidiaries taken as a whole (it being understood that at the time of any subsequent optional purchase relating to such acquisition the value of the Company's and/or any such Subsidiary's pro rata Total Enterprise Value shall be the pro forma value of the entire interest);

(iv) any Strategic Alliance with any Restricted Party;

(v) the disposition (other than with respect to Asset Swaps) in one or a series of related transactions, including without limitation any enforceable right of any other person to require any deferred disposition (whether by merger, consolidation, the sale or distribution of stock or assets or otherwise) of a business or assets, if the value of the Company's and/or any such Subsidiary's pro rata Total Enterprise Value in the consideration received in respect of such disposition, immediately prior to giving effect thereto, (including the assumption of any Indebtedness of the Company in connection therewith) exceeds 10% of the Total Enterprise Value of the Company and its Subsidiaries taken as a whole; provided, however,

 that there shall be excluded from the foregoing any disposition by the Company or any of its Subsidiaries of any specific interest of the Company and/or any of its Subsidiaries in any acquisition permitted under the terms of this Agreement, which interest the Board, as evidenced by resolution duly adopted by the Board prior to such acquisition, firmly intended to dispose of following such acquisition, and which is disposed of by the Company or any Subsidiary of the Company within twelve months of such acquisition;

(vi) any Business Combination, except as permitted pursuant to Section 5.01(a);

(vii) the issuance by the Company to any person in one or more transactions of Equity Securities or the right to purchase Equity Securities (other than with respect to the Rights (as defined in the Stockholders Agreement) issued under the Rights Plan (as defined in the Stockholders Agreement)) representing the Relevant Percentage or more of the aggregate amount of the outstanding Equity Securities of the Company (it being understood that any such issuance the consummation of which would result in a Business Combination shall be treated solely under the foregoing clause (vi)).

(c) Prior to proposing to take any action set forth in Sections 4.01(a) or 4.01(b) at any meeting of the Board, the Secretary of the Company shall cause (i) to be included in the Board Agenda a statement that such proposed action is an action set forth in such Section 4.01(a) or 4.01(b), as applicable, the vote required by the Board to approve such action in accordance with this Agreement and the party or parties proposing such action, which party or parties shall provide the Secretary of the Company with all relevant information relating to such action to accompany such Board Agenda and the Secretary of the Company shall cause such Board Agenda to be supplied to each director at least five Business Days prior to such Board meeting and (ii) shall cause a copy of such Board Agenda to be supplied to TDF in accordance with Section 7.07 at least five Business Days prior to such Board Meeting, and TDF shall deliver to the Company Secretary notice of its intent to consent to or Veto such Significant Action prior to such Board Meeting (provided that the

 failure to deliver such notice shall not impair TDF's right to Veto such Significant Action under Section 4.01(b)). Following the approval of such Significant Action by the Board, the Company Secretary shall promptly deliver to TDF notice of such approval in accordance with Section 7.07 and TDF shall have three Business Days following delivery of such notice to deliver to the Company Secretary its consent to, or Veto of, such Significant Action; provided,

 however, that if TDF shall Veto any proposed Business Combination which has been

 approved by the Board, the Company may override such Veto pursuant to Section 5.01. If TDF shall fail to deliver to the Company Secretary notice of its consent to, or Veto of, such Significant Action prior to 5:00 p.m. U.S. Central time on the third Business Day following the date of delivery by the Company Secretary to TDF of notice of the Board's approval of such Significant Action in accordance with the preceding sentence, TDF shall be deemed to have consented to such Significant Action and the Company may thereafter consummate such Significant Action.

SECTION 4.02. Negative Covenants. (a) Notwithstanding any other

 provision of the Transaction Documents, neither the Company, any of its Subsidiaries, TDF nor any member of the TDF Group shall take or approve any action which would result in the BBC having the right to terminate a BBC Contract in accordance with the terms of such BBC Contract.

(b) TDF agrees that neither TDF nor any member of the TDF Group shall enter into any transaction falling within a Permitted Business Line which TDF Vetoes in accordance with Section 4.01(b)(iii) and Section 4.01(b)(iv) within six months after the relevant Veto.

SECTION 4.03. Successors to the Company. The Company shall procure

 that TDF shall be granted by any Newco equivalent rights to the rights contained in this Agreement as a condition to any transaction involving the creation of any such Newco.

ARTICLE V

CTSH Option

SECTION 5.01. CTSH Option. (a) Notwithstanding any other provision

 of this Agreement, TDF shall have the right to the CTSH Option (as defined) if, and only if, TDF is Qualified and (i)(A) the Board has approved a Business Combination by a Special Majority Vote, (B) TDF thereafter gives a Veto in respect of such Business Combination in accordance with Section 4.01(b) and 4.01(c) and (C) subsequent to the exercise of the Veto by TDF, a majority of the entire Board (excluding the two TDF Designees) resolves that such Veto by TDF shall be overridden in accordance with this Section 5.01; (ii) the commencement or occurrence of an Unsolicited Offer by any person (other than any member of the TDF Group); or (iii) a Special Business Combination shall have been commenced by any person (other than any member of the TDF Group), TDF shall have the option, exercisable, subject to subparagraph (d) below, irrevocably by notice in writing given to the Company within five days following agreement between the parties as to, or (as the case may be), receipt of notice of the determination of the Fair Market Value per share of the CTSH Shares and the CTSH Warrants (assuming the payment of the exercise price of such Warrants) (the "CTSH Per Share Value") as set forth below, to (x) acquire for cash by itself or

 together with any other person, all, but not less than all, the Company CTSH Shares at such CTSH Per Share Value, (y) sell for cash to the Company the TDF CTSH Shares

and the TDF CTSH Warrants at such CTSH Per Share Value or (z) maintain the TDF CTSH Shares and the TDF CTSH Warrants without regard to the event giving rise to the CTSH Option (the "CTSH Option").

(b) The valuation procedures shall be as follows. Each of the Company and TDF shall, commencing upon the date of the occurrence of any of the events set forth in Section 5.01(a)(i)(C), Section 5.01(a)(ii) or Section 5.01(a)(iii), negotiate in good faith to determine a CTSH Per Share Value of the CTSH Shares within thirty days following the occurrence of any such event. If the parties do not agree on a CTSH Per Share Value within such thirty-day period, they shall, within three days, appoint an independent investment banker of international stature with its principal office in New York City (the "Appraiser") and shall provide such Appraiser with their respective written

determinations of the CTSH Per Share Value. Such Appraiser shall then choose (taking into account all relevant factors, but no discount shall be applied as a result of the termination or potential termination of the BBC Contracts), as between the written determinations of the CTSH Per Share Value provided by each party to the Appraiser, the CTSH Per Share Value which most closely approximates, in the expert opinion of the Appraiser, the Fair Market Value per share of the CTSH Shares and the CTSH Warrants. If the parties are unable to agree on the selection of such Appraiser within such three-day period, they shall on such third day so notify the Chairman of the New York Stock Exchange, Inc., who shall, within five days of such notification, (or if unwilling or unable to serve in such capacity, the senior partner of one of the following accounting firms, in order of priority for selection, KPMG Peat Marwick LLP, Price Waterhouse LLP, Ernst & Young LLP and Arthur Anderson LLP) appoint an investment banker meeting the qualifications set forth above to serve as the Appraiser. In any case, the Appraiser shall make its decision with respect to the CTSH Per Share Value within ten days of the date of its engagement and must choose a Value presented by either of the parties pursuant to their respective written determinations (i.e., such Appraiser may not select a different value).

The fees and expenses of the Appraiser shall be paid by the Company.

(c) If a Business Combination, Unsolicited Offer or Special Business Combination is abandoned or terminated, the CTSH Option and any exercise thereof by TDF pursuant to Section 5.01(a)(x) or (y) shall become null and void and ownership in CTSH shall continue as if such CTSH Option had not come into effect, unless the Company exercises its right

to cause TDF to purchase the Company CTSH Shares pursuant to subparagraph (d) below.

(d) Any closing of a sale and purchase of CTSH Shares pursuant to the CTSH Option shall take place on the date of consummation of the Business Combination and, subject as provided in the next following sentence, the Unsolicited Offer or Special Business Combination which gave rise thereto, subject to the satisfaction or waiver of the Conditions Precedent; provided that

 any such Business Combination may not be consummated by the Company other than substantially simultaneously with (but not before) the consummation of the sale and purchase of the CTSH Shares pursuant to such CTSH Option; provided further

 that each of the Company and TDF shall continue to use its reasonable best efforts to obtain the satisfaction or waiver of such Conditions Precedent so long as such Business Combination, Unsolicited Offer or Special Business Combination is outstanding. In the case of an Unsolicited Offer or a Special Business Combination, if TDF has elected to exercise the CTSH Option pursuant to Section 5.01(a)(x) and the Conditions Precedent to such CTSH Option are not waived or satisfied on or before the third Business Day prior to the date of consummation of the Unsolicited Offer or the Special Business Combination which gave rise to such CTSH Option, TDF shall have the option by written notice (a "Withdrawal Notice") to the Company to be given no later than the date of

 consummation of such Unsolicited Offer or Special Business Combination, as applicable, to declare the exercise of the CTSH Option pursuant to Section 5.01(a)(x) to be null and void and to exercise the CTSH Option pursuant to either Section 5.01(a)(y) or Section 5.01(a)(z) in lieu thereof. If TDF fails to give a Withdrawal Notice prior to the date of consummation of the Unsolicited Offer or the Special Business Combination, TDF shall be deemed to have affirmed the exercise of the CTSH Option pursuant to Section 5.01(a)(x).

If such Business Combination is not consummated (or an Unsolicited Offer or Special Business Combination is abandoned or terminated) by reason primarily of the exercise by TDF of the CTSH Option pursuant to Section 5.01(a)(x), then the Company may nevertheless require TDF to proceed with the purchase (the "Required Purchase") of the Company CTSH Shares at the CTSH Per

 Share Value, subject to the satisfaction or waiver of the Conditions Precedent and the non-occurrence prior to the closing of the Required Purchase of (i) any event or development of a state of circumstances or facts which has had or is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on CTSH and its Subsidiaries taken as a whole or (ii)(A) a

suspension of trading in the Company's Common Stock by the Commission or Nasdaq or the establishment of limited or minimum prices in trading of securities generally on the New York Stock Exchange, Inc., or Nasdaq or (B) banking moratoriums having been declared either by Federal or New York State authorities. Such Required Purchase by TDF of the Company CTSH Shares shall, subject to the satisfaction or waiver of the Conditions Precedent and the nonoccurrence of any such event as aforesaid, close thirty days after announcement of the abandonment or termination of such Business Combination, Unsolicited Offer, or Special Business Combination, as applicable (or, if later, the second Business Day following the date of the satisfaction or waiver of the Conditions Precedent). If TDF shall exercise the CTSH Option pursuant to Section 5.01(a)(x), TDF may pay all or any part of the purchase price therefor by surrendering to the Company on the closing of such exercise shares of Class A Stock (which shall be valued at the offer price per share of Common Stock pursuant to the Business Combination, Unsolicited Offer, or Special Business Combination, as applicable, giving rise to the CTSH Option).

(e) If the price offered in any proposed Business Combination, Unsolicited Offer or Special Business Combination is increased or decreased by the offeror by more than 10% after the commencement or determination of the CTSH Per Share Value pursuant to subparagraph (b), the Company shall promptly notify the Appraiser of such increase or decrease and the Appraiser shall take into account such increase or decrease (and any other relevant factor in connection therewith), except that if the Appraiser has previously completed the appraisal procedure set forth in such subparagraph (b) and selected the CTSH Per Share Value, (i) such appraisal procedure shall recommence and the choice of the CTSH Per Share Value by the Appraiser shall be made within five days of the notice to the Appraiser by the Company of such increase or decrease and (ii) any exercise by TDF of the CTSH Option by written notice to the Company pursuant to Section 5.01(b) shall be null and void, and TDF may thereafter exercise the CTSH Option by subsequent written notice to the Company in accordance with such Section 5.01(b).

(f) Immediately prior to the consummation of any Business Combination, Unsolicited Offer or Special Business Combination, TDF shall have the right to require the Company to purchase one-half (1/2) of the shares of Class A Stock held by the TDF Group, as applicable, for cash in an amount equal to the product of (x) the offer price per share of Common Stock pursuant to the Business Combination, Unsolicited Offer or Special Business Combination, as

applicable, and (y) one-half (1/2) of the number of such shares of Class A Stock held by the TDF Group.

ARTICLE VI

Put and Call Rights

SECTION 6.01. TDF Put Right. (a) The Company agrees that from the

date of this Agreement and continuing until the second anniversary of the Closing, TDF shall have the right in its sole discretion (the "TDF Put Right"),

upon the delivery of a notice (the "TDF Put Notice") by TDF to the Company, to

require the Company, subject to the satisfaction of the Conditions Precedent (A), subject to proviso (B) to clause (b) below, to purchase all, but not less than all (except for one CTSH Ordinary Share), of the TDF CTSH Shares beneficially owned by the TDF Group in exchange for that number of shares of Class A Stock which is equal to the product of (x) the Exchange Ratio and (y) the number of all (but one CTSH Ordinary Share) of such TDF CTSH Shares (the "TDF Put Shares") and (B) to issue in exchange for the TDF CTSH Warrants (i) TDF

CCIC Warrants for a number of shares of Class A Stock which is equal to the product of (x) the Exchange Ratio and (y) the number of TDF CTSH Shares represented by the TDF CTSH Warrants and (ii) 100,000 shares of Class A Stock (as adjusted from time to time after the date hereof in accordance with the provisions contained in Section 1.02 of the Exchange Agreement).

(b) The closing of the TDF Put Right shall, subject to the satisfaction of the Conditions Precedent, take place on the tenth Business Day after the date on which the Company shall have received the TDF Put Notice (or such date which is the second Business Day after the date on which such conditions shall have been satisfied, not in any case to be later than the fortieth Business Day following such date on which the Company received the TDF Put Notice, at which time the TDF Put Right shall, subject to the following provisos (A) and (B), terminate and be of no further force or effect), at a time and place specified by TDF in such notice or such other date, time and place as may be agreed to by TDF and the Company; provided that, notwithstanding any

other provision of this Agreement, if (A) (i) any statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered or enforced by any court or governmental body or authority which prohibits consummation of the TDF Put Right substantially on the terms contemplated hereby, each of the Company and TDF shall use its reasonable best efforts to remove any such order, decree or injunction and TDF shall be

deemed to be Qualified for purposes of this Agreement for the lesser of (x) the first anniversary of the date of the TDF Put Notice and (y) the closing of the TDF Put Right following such removal or (ii) (A) the BBC shall not have approved the exercise of the TDF Put Right or shall have approved the TDF Put Right subject to conditions which are reasonably deemed by the Company or TDF to be onerous, each of the Company and TDF shall use its reasonable best efforts to obtain such BBC approval and TDF shall be deemed to be Qualified for purposes of this Agreement for so long as (x) TDF continues to exercise its reasonable best efforts to obtain such removal or approval and (y) the TDF Consolidated Group Interest is not less than 10.5% or (B) if the BBC does not approve the exercise of the TDF Put Right in whole or approves the TDF Put Right in whole subject to conditions which are reasonably deemed by the Company or TDF to be onerous, TDF shall be entitled to exercise the TDF Put Right in respect of so many of the TDF CTSH Shares and TDF CTSH Warrants as do not require the consent of the BBC and TDF shall be deemed to be Qualified for the purposes of this Agreement for so long as (x) TDF continues to exercise its reasonable best efforts to obtain such removal or approval and (y) the TDF Consolidated Group Interest is not less than 10.5%. The TDF Put Right shall expire and be of no further force or effect at such time as TDF is no longer deemed to be Qualified under the preceding clause (i) and/or clause (ii), as applicable. On the closing date of the TDF Put Right, the Company shall deliver to TDF, against delivery of (i) duly executed transfers in respect of (all but one of) the TDF CTSH Shares and the share certificate(s) in respect thereof (which shares TDF undertakes to sell free and clear of all liens, claims, charges or other encumbrances ("Liens")) and a duly

 executed deed of termination in respect of the TDF CTSH Warrants and (ii) such other documents, including evidence of ownership and authority, as the Company may reasonably request, the TDF Put Shares, the TDF CCIC Warrants and 100,000 shares of Class A Stock (adjusted as aforesaid). In connection with such closing, the Company and TDF shall also provide such other customary closing certificates and opinions as TDF or the Company, as appropriate, may reasonably request.

SECTION 6.02. Company Call Right. (a) TDF agrees that on the second

 anniversary of the Closing (or, if an Unsolicited Offer or Special Business Combination is outstanding on such date, such date as is five days following the termination or abandonment of such Unsolicited Offer or Special Business Combination) unless (i) the TDF Rollup shall have previously been consummated, (ii) the Common Stock Call Price shall be less than or equal to \$60 (as adjusted for any stock split, stock dividend, rights

offering, recapitalization, reclassification or other similar transaction), or (iii) a Business Combination been consummated, or an Unsolicited Offer or a Special Business Combination is outstanding or has been consummated and TDF has exercised the CTSH Option pursuant to Section 5.01(a)(x) above, the Company shall have the right in its sole discretion (the "Company Call Right"), upon the

 delivery of a notice (the "Company Call Notice") by the Company to TDF on such

 date, to require, subject to the satisfaction of the Conditions Precedent, subject to proviso (B) to clause (b) below, TDF to transfer and deliver to the Company all, but not less than all (except for one CTSH Ordinary Share), of the TDF CTSH Shares and the TDF CTSH Warrants beneficially owned by the TDF Group in exchange for the TDF Put Shares, the TDF CCIC Warrants and 100,000 shares of Class A Stock (as adjusted from time to time after the date hereof in accordance with the provisions contained in Section 1.02 of the Exchange Agreement).

(b) The closing of the Company Call Right shall, subject to the satisfaction of the Conditions Precedent, take place on the tenth Business Day after the date on which TDF received the Company Call Notice (or such date which is the second Business Day after the date on which such conditions shall have been satisfied, not in any case to be later than the fortieth Business Day following such date on which TDF received the Company Call Notice, at which time the Company Call Right shall, subject to the following provisos (A) and (B), terminate and be of no further force or effect), at a time and place specified by the Company in such notice or such other date, time and place as may be agreed to by TDF and the Company; provided that, notwithstanding any other

 provision of this Agreement, if (A) (i) any statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered or enforced by any court or governmental body or authority which prohibits consummation of the Company Call Right substantially on the terms contemplated hereby, each of the Company and TDF shall use its reasonable best efforts to remove any such order, decree or injunction and TDF shall be deemed to be Qualified for purposes of this Agreement for the lesser of (x) the first anniversary of the date of the Company Call Notice and (y) the closing of the Company Call Right following such removal or (ii) the BBC shall not have approved the exercise of the Company Call Right or shall have approved the Company Call Right subject to conditions which are reasonably deemed by the Company or TDF to be onerous, each of the Company and TDF shall use its reasonable best efforts to obtain such BBC approval and to permit the Company to consummate the Company Call Right, and TDF shall be deemed to be Qualified for purposes of this Agreement for so long as (x) TDF continues to exercise its

reasonable best efforts to obtain such removal or approval and (y) the TDF Consolidated Group Interest is not less than 10.5% or (B) if the BBC does not approve the exercise of the Company Call Right in whole or approves the Company Call Right in whole subject to conditions which are reasonably deemed by the Company or TDF to be onerous, the Company shall be entitled to exercise the Company Call Right in respect of so many of the TDF CTSH Shares and TDF CTSH Warrants as do not require the consent of the BBC and TDF shall be deemed to be Qualified for the purposes of this Agreement for so long as (x) TDF continues to exercise its reasonable best efforts to obtain such removal or approval and (y) the TDF Consolidated Group Interest is not less than 10.5%. On the closing date of the Company Call Right, the Company shall deliver to TDF, against delivery of (i) duly executed transfers in respect of (all but one of) the TDF CTSH Shares and the share certificate(s) in respect thereof (which shares TDF undertakes to sell free and clear of all Liens) and a duly executed deed of termination in respect of the TDF CTSH Warrants and (ii) such other documents, including evidence of ownership and authority, as the Company may reasonably request, the TDF Put Shares and the TDF CCIC Warrants and 100,000 shares of Class A Stock (adjusted as aforesaid). In connection with such closing, the Company and TDF shall also provide such other customary closing certificates and opinions as TDF or the Company, as appropriate, may reasonably request.

ARTICLE VII

Miscellaneous

SECTION 7.01. Access to Information; Confidentiality. The Company

shall, and shall cause each of its Subsidiaries to, afford to TDF reasonable access prior to the termination of this Agreement to their respective corporate books and records (including without limitation copies of the minutes of the meetings of their respective boards of directors) and, without prejudice to TDF's rights under the CTSH Shareholders Agreement, TDF shall have the right to attend any meeting of the board of directors of the Company or any Subsidiary of the Company as an observer upon reasonable prior notice to the Corporate Secretary of each of the Company and any such Subsidiary. Except as required by applicable law, TDF will hold, and will use its reasonable best efforts to cause its officers, employees, accountants, counsel, financial advisors and other representatives and controlled affiliates to hold, in confidence any and all non-public information received from the Company or any of its Subsidiaries, directly or

indirectly, and to use such information solely for purposes of effecting the transactions contemplated by this Agreement and the other Transaction Documents.

SECTION 7.02. Survival of Warranties. The covenants, agreements,

representations and warranties of the parties contained herein or in any certificate or other document delivered pursuant hereto or in connection herewith shall survive the Closing and shall remain in full force and effect, regardless of any investigation made by or on behalf of any party hereto.

SECTION 7.03. Reasonable Efforts; Further Actions. The parties

hereto each will use all reasonable efforts to take or cause to be taken all action and to do or cause to be done all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

SECTION 7.04. Consents. The parties hereto will cooperate with each

other in filing any necessary application, reports or other documents with, giving any notices to, and seeking any consents from, all regulatory bodies and all governmental agencies and authorities and all third parties as may be required in connection with the C consummation of the transactions contemplated by this Agreement.

SECTION 7.05. Amendment and Waiver. This Agreement may not be

amended, supplemented or discharged, and no provision hereof may be modified or waived, except expressly by an instrument in writing signed by the parties hereto. Any term or provision of this Agreement may be waived, but only in writing by the party which is entitled to the benefit thereof. No waiver of any provision hereof by any party shall constitute a waiver thereof by any other party nor shall any such waiver constitute a continuing waiver of any matter by such party.

SECTION 7.06. Counterparts. This Agreement may be executed in one or

more counterparts, each of which shall be deemed an original but which together shall constitute but one instrument. It shall not be necessary for each party to sign each counterpart so long as every party has signed at least one counterpart.

SECTION 7.07. Notices. All notices, requests, demands, waivers and

other communications required or permitted to be given under this Agreement shall be in writing and may be given by any of the following methods: (a) personal delivery; (b) facsimile transmission; (c) registered or certified mail, postage prepaid, return

receipt requested; or (d) overnight delivery service. Notices shall be sent to the appropriate party at its address or facsimile number given below (or at such other address or facsimile number for such party as shall be specified by notice given hereunder):

If to the Company: Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Fax: (713) 570-3150
Attn: President

with a copy to: Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Fax: (212) 474-3700
Attn: Stephen L. Burns, Esq.

If to TDF: TeleDiffusion de France
International, S.A.
10 Rue d'Oradour sur Glane
75732 Paris 15
France
Fax: ###-##-####
Attn: Michel Azibert

with a copy to: Allen & Overy
One New Change
London EC4M 9QQ
Fax: 44-171-330-9999
Attn: Michael P. Scargill, Esq.

All such notices, requests, demands, waivers and communications shall be deemed received upon (i) actual receipt thereof by the addressee, (ii) actual delivery thereof to the appropriate address or (iii) in the case of a facsimile transmission, upon transmission thereof by the sender and issuance by the transmitting machine of a confirmation slip that the number of pages constituting the notice have been transmitted without error. In the case of notices sent by facsimile transmission, the sender shall contemporaneously mail a copy of the notice to the addressee at the address provided for above. However, such mailing shall in no way alter the time at which the facsimile notice is deemed to be received or the validity of such facsimile notice.

SECTION 7.08. Binding Effect; Assignment. This Agreement and all of

the provisions hereof shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. Neither this

Agreement nor any of the rights, interests or obligations hereunder shall be assigned, directly or indirectly, including, without limitation, by operation of law, by any party hereto without the prior written consent of the other parties hereto (it being understood that TDF may not transfer to any person (other than to any of its Affiliates which becomes a party to the Agreement and to whom there is transferred any Voting Securities of the Company) by operation of law or otherwise, any right of TDF hereunder which arises as a result of TDF being Qualified without the prior written consent of the Company); provided, that TDF shall be entitled to transfer any of its rights under this Agreement to any of its Affiliates subject to any condition or obligation in connection with such right provided hereunder, so long as such Affiliate agrees to become a party to this Agreement and such Affiliate is a holder of the whole or any part of the TDF Group Interest or the TDF Consolidated Group Interest, as applicable.

SECTION 7.09. Entire Agreement. This Agreement, the other

Transaction Documents and the schedules, exhibits and other documents and agreements referred to herein or therein or delivered pursuant hereto or thereto which form a part hereof or thereof constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all other prior agreements and understandings, both written and oral, between the parties or any of them with respect to the subject matter hereof.

SECTION 7.10. No Third Party Beneficiaries. This Agreement shall be

binding upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any rights, benefits, claims, liabilities, causes of action or remedies of any nature whatsoever under or by reason of this Agreement.

SECTION 7.11. Expenses. Each of the parties hereto shall pay its own

costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the fees and expenses of counsel, irrespective of when incurred.

SECTION 7.12. Applicable Law and Jurisdiction; Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York; provided, however, that to the extent that the

terms and conditions of this Agreement relate to the internal affairs of the Company, such terms and conditions

shall be construed in accordance with and governed by the laws of the State of Delaware.

(b) Each of the parties to this Agreement hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each of the parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each of the parties to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 7.07. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 7.13. Waiver of Jury Trial. Each party hereto hereby waives,

to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this agree-

ment by, among other things, the mutual waivers and certifications in this Section.

SECTION 7.14. Article and Section Headings. The article, section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

SECTION 7.15. Termination. This Agreement may be terminated by the mutual consent of the parties hereto.

SECTION 7.16. Specific Enforcement. The parties hereto acknowledge and agree that irreparable damage would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached for which money damages would not be an adequate remedy. It is accordingly agreed that, so long as permitted by applicable law, the parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof without the necessity of proving the inadequacy of money damages as a remedy.

SECTION 7.17. Severability. Should any provision of this Agreement for any reason be declared invalid or unenforceable, such decision shall not affect the validity or enforceability of any of the other provisions of this Agreement, which remaining provisions shall remain in full force and effect and the application of such invalid or unenforceable provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall be valid and enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, each party hereto has executed this Agreement as of the day and year first above written.

CROWN CASTLE INTERNATIONAL CORP.,

by

Name:
Title:

TELEDIFFUSION DE FRANCE
INTERNATIONAL S.A.,

by

Name:
Title:

DIGITAL FUTURE INVESTMENTS
B.V.

by

Name:
Title:

Restricted Parties

British Telecom

Bouygues

Cegetel

Stet

Schedule B

1. The delivery of all notices required by law or regulation in relation to the transaction and the expiration of all waiting or notice periods in relation thereto;
2. The receipt of all governmental and other regulatory consents or notifications required in relation to the transaction, including, without limitation, where the grant or the exercise of any of the rights under Articles V or VI of this Agreement requires a notification to be made to the European Commission under the Merger Regulation (4064/89, as amended):
 - (a) the European Commission issuing a Phase I decision under Article 6(1)(a) or Article 6(1)(b) of the Merger Regulation and not making a decision under Article 9(1) thereof; or
 - (b) in respect of the United Kingdom, as follows:
 - (a) the Office of Fair Trading indicating in terms satisfactory to the parties, that it is not the intention of the Secretary of State to refer the acquisition of the shares to the UK Monopolies and Mergers Commission ("MMC") pursuant to the Fair Trading Act 1973; or
 - (b) the Secretary of State accepting undertakings from the buyer of the shares in lieu of a reference of the said acquisition to the MMC as aforesaid.
3. The prior written consent of the BBC to the extent required in relation to the transaction under or otherwise necessary to prevent triggering a right of the BBC to terminate any of the Analogue Transmission Contract, the Digital Transmission Contract, the Commitment Agreement pursuant to the terms thereof and any other agreement containing substantially similar restrictions and any agreement amending or replacing the same; and
4. The receipt of any consent required under the Finance Documents (as defined in the CTSB Shareholders Agreement) in relation to the transaction or any agreement (whether or not with the same banks) amending, replacing or refinancing (in whole or in part) the same or any other agreement providing finance to the CTSB Group; and
5. Good and indefeasible title being transferred by the party transferring such shares.

MEMORANDUM

Re: Proposed Initial Public Offering of Equity Securities by Crown Castle International Corp. and Certain Transitional Changes Affecting Management of Crown Castle

This memorandum is intended to summarize the terms and conditions under which Robert A. Crown and Barbara A. Crown would agree to participate in the proposed initial public offering of equity securities by Crown Castle International Corp. ("Crown Castle") and in the implementation of certain transitional changes affecting management of Crown Castle.

A. Background

1. Robert A. Crown and Barbara A. Crown (together with certain trusts established by them, the "Crowns") currently own an aggregate of 1,465,000 shares of Class B Common Stock of Crown Castle. Crown Castle has granted options to Robert A. Crown to acquire 17,500 shares of Class B Common Stock at an exercise price of \$37.54 per share.
2. Crown Castle has advised the Crowns of its intention to complete an initial public offering (the "Offering") of its Common Stock. The Offering is expected to be underwritten on a firm commitment basis by a syndicate led by Lehman Brothers, Credit Suisse First Boston, Goldman, Sachs & Co. and Salomon Smith Barney (collectively, the "Underwriters"). Crown Castle expects to file a registration statement with the Securities and Exchange Commission ("SEC") with respect to the proposed Offering on or before June 19, 1998 and, subject to market conditions, to complete the Offering by the first week of October, 1998.

3. Crown Castle has advised the Crowns that the Offering will be completed contemporaneous with a Share Exchange Agreement dated April 20, 1998 (the "Exchange Agreement"), pursuant to which (i) all the shareholders of Castle Transmission Services (Holdings) Ltd. ("CTSH") (other than Crown Castle, Telediffusion de France International S.A. ("TDF") and an affiliate of TDF) will exchange their shares of capital stock of CTSH for newly issued shares of Common Stock of Crown Castle, (ii) the affiliate of TDF will exchange its shares of capital stock of CTSH for newly issued shares of Class A Common Stock of Crown Castle, and (iii) CTSH will become an 80% owned subsidiary of Crown Castle and TDF will own the remaining 20% of CTSH. These transactions are collectively referred to as the "Rollup." Contemporaneous with the Rollup, certain existing stockholders of Crown Castle will be requested to execute a Stockholders Agreement (the "New Stockholders Agreement"), which is intended to amend and restate the existing Amended and Restated Stockholders Agreement dated as of August 15, 1997, as amended (the "Existing Stockholders Agreement"). The Crowns have advised Crown Castle that they would be willing to become parties to the New Stockholders Agreement, subject to satisfactory completion of the matters set forth herein. Concurrently with the Rollup, Crown Castle will complete a recapitalization pursuant to which, among other things, the Crowns would exchange their shares of Class B Common Stock for 1,465,000 shares of newly issued Common Stock of Crown Castle, and the outstanding options held by Mr. Crown will be modified so that they apply to 17,500 shares of Common Stock.

4. The parties acknowledge that the implementation of certain of the arrangements set forth herein will require modification to certain provisions of the New Stockholders Agreement and such modification shall require, and be subject to, the approval of all parties to the New Stockholders Agreement. In addition to any approval required pursuant to the previous sentence, the parties acknowledge that this memorandum (or certain provisions hereof) may require the approval of TDF under the Exchange Agreement and this memorandum (or such provisions, as applicable) shall be subject to any such approval of TDF prior to the closing of the Offering. Crown Castle will use its best efforts to obtain, as soon as possible, all such approvals and any other consents or approvals as may be required to implement the provisions of this memorandum.

B. Sale of Crown Stock in the Offering

1. The parties intend for the Offering to be structured in a manner that will allow the Crowns to sell (a) 50% (or such lesser percentage as the Crowns may determine) of their current holdings of shares of Crown Castle Common Stock and (b) any additional shares that the managing underwriter of the Offering shall be of the opinion would not adversely affect the marketing of the shares of Common Stock to be sold by Crown Castle in the Offering. Crown Castle will pay for all registration and filing fees, printing expenses, fees and disbursements of counsel for Crown Castle and the Crowns and independent public accountants for Crown Castle, fees and expenses (including counsel fees) incurred in connection with complying with state securities or "blue sky" laws, fees of the National Association of

Securities Dealers, Inc., transfer taxes and fees of transfer agents and registrars associated with such sale by the Crowns. If, after the marketing of the Common Stock has commenced, the managing underwriter is of the opinion that the number of shares to be offered in the Offering should be reduced, the number of shares offered by the Crowns and Crown Castle in the Offering shall be reduced pro rata in proportion to the aggregate number of shares offered by each of the Crowns and Crown Castle in the preliminary prospectus ("red herring") in connection with the Offering. The parties understand that there can be no assurance that the Offering will occur or that the Crowns will be able to sell 50% of their current holdings of shares of Crown Castle Common Stock in the Offering.

2. Upon the successful closing of the Offering (as defined in item D.8., below), Crown Castle will grant to Robert A. Crown additional options to purchase 125,000 shares of Common Stock at the initial public offering price (granted in lieu of options from the existing stock option pool, which is being terminated). The terms of such options will be consistent with those of options to be granted to other members of most senior executive level of management at the time of the Offering, but all options granted to Mr. Crown will vest no later than the termination, for any reason, of Mr. Crown's employment by Crown Castle.
3. Crown Castle will grant to Mr. Crown options to purchase 10,000 shares of Common Stock at \$37.54 per share, fully vested immediately (granted in lieu of 1997 performance bonus), whether or not the Offering is successful.

4. Mr. Crown's existing options to purchase up to 17,500 shares of Crown Castle Common Stock shall be fully vested prior to the closing of the Offering.
5. Crown Castle will confirm that the options referred to in items B.2, B.3 and B.4, above, and in item C.3, below, have been granted under circumstances such that they are exempt from liability under Section 16 of the Securities Exchange Act of 1934, as amended, pursuant to Rule 16b-3 thereunder.
6. At the closing of the Offering the Crowns will execute and deliver an appropriate and customary lock-up agreement in favor of the Underwriters, so long as (a) the lock-up period extends no more than six (6) months after the closing of the Offering; (b) the lock-up agreement identifies mutually agreeable categories of permitted transferees, such as trusts or other entities controlled by the Crowns, to which the Crowns may transfer shares within such six-month period without approval by any of the Underwriters; and (c) the terms of the lock-up agreement are at least as favorable to the Crowns as those applicable to any other stockholder or officer or director of Crown Castle. If the Crowns elect to participate in the Offering, the Crowns also will execute and deliver an appropriate and customary underwriting agreement in favor of the Underwriters simultaneously with Crown Castle's execution and delivery of the same underwriting agreement, so long as, it being understood that, insofar as Crown Castle is concerned, (i) the Crowns are not required to make any representations or warranties of any nature other than (w) ownership of and clear title to the shares to be sold, (x) authority and power to enter into the underwriting

agreement and to sell their shares in the Offering, (y) upon delivery of and payment for the shares to be sold the Underwriters will acquire valid and clear title to such shares, and (z) the completeness and accuracy of the descriptions in the registration statement and prospectus prepared in connection with the Offering relating to the Crowns and provided by the Crowns to Crown Castle and/or the Underwriters specifically for use therein; (ii) the Crowns are not required to indemnify the Underwriters and their affiliates other than for losses, claims, damages or liabilities arising in connection with an untrue statement or omission in the registration statement or prospectus relating to or arising from any breach of the representations and warranties in clause (i), above, and provided that the maximum amount of the Crowns' indemnification liability will not exceed the proceeds received by them from the sale of their shares in the Offering; (iii) the Crowns are not required to make any certifications or execute any additional documentation other than such certificates and agreements as are necessary and typical to transfer shares in transactions of this type, including but not limited to custody agreements, stock powers and proxies relating to the shares to be sold; and (iv) the terms of the underwriting agreement are at least as favorable to the Crowns as those applicable to any other selling stockholder. If the Crowns fail to execute an underwriting agreement which complies with the foregoing, their election to participate in the Offering will be null and void.

C. Management Transition

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1. Robert A. Crown will retain his position as Chairman of the Board of Directors, President and Chief Executive Officer of CCI for a period of six (6) months after the closing of the Offering. This period will be used to implement a transition of management which is intended to develop and promote the existing management team of CCI and to reduce the dependence upon the Crowns for day-to-day management. During this transition period, Mr. Crown will continue to groom his successor, who will report to Mr. Crown during such period. Mr. Crown's successor shall, after consultation with, and giving due regard to the recommendation of, Mr. Crown, be selected by the CCI Board and shall be approved by each of the CCI and Crown Castle Boards of Directors, and such successor will assume the title of President and Chief Executive Officer of CCI at the end of such six-month transition period (or possibly earlier, if agreed by Mr. Crown and the CCI Board of Directors). Also during this transition period, Crown Castle and the Crowns will work together to address other management needs, including (a) recruitment of additional management personnel as needed; (b) clarification and communication of the organizational structure, functions and reporting obligations within Crown Castle and CCI; (c) expanding the sales and marketing department which is specifically responsible for lease-ups and third party revenues; and (d) developing and implementing improved financial reporting functions throughout Crown Castle.
 2. At the completion of the six-month management transition period, Mr. Crown will retain his position as a director of Crown Castle and

will remain Chairman of the Board of Directors of CCI, assuming satisfactory implementation of the foregoing transition, but will no longer serve as President and Chief Executive Officer of CCI. Prior to the printing of the preliminary prospectus relating to the Offering, Mr. Crown and Crown Castle will enter into a mutually satisfactory two-year agreement to take effect at the completion of the management transition period (or earlier, if agreed by Mr. Crown and the CCI Board of Directors) and which will address the following, as well as any additional points agreed upon by the parties:

- . Mr. Crown will provide such services to Crown Castle and CCI as are reasonably requested by the Board of Crown Castle in the context of Mr. Crown's schedule and other responsibilities, and will report to the Board of Directors of Crown Castle.
- . Continuation of cash compensation to Mr. Crown of \$300,000 annually for two years, which obligation will continue notwithstanding termination, for any reason other than termination for "cause," of the agreement. In addition, Mr. Crown will receive a severance benefit at the end of such two-year period, payable as cash compensation of \$300,000 for the year following such two-year period unless terminated for "cause." Additional compensation may be paid to Mr. Crown in consideration of additional services and/or the provision of value to Crown Castle and CCI at the discretion of the Compensation

Committee of the Crown Castle Board. As used herein, "cause" shall mean conviction of or a plea of guilty or nolo contendere to any criminal violation involving dishonesty, fraud or breach of trust, or any felony which materially adversely affects Crown Castle.

- . Administrative matters such as provision by CCI of Mr. Crown's current office space so long as he serves as Chairman of CCI and an administrative assistant of Mr. Crown's choice to support him in his efforts.
 - . Maintenance of a vehicle of Mr. Crown's choice to be owned or leased and maintained by CCI for the benefit of Mr. Crown at an annual cost to CCI not to exceed \$12,000 plus routine vehicle maintenance and operating costs.
 - . Maintenance by CCI of a golf membership at Southpointe Golf Club for the benefit of Mr. Crown.
 - . Maintenance by CCI of wireless services such as a cellular phone and pager for use of Mr. Crown.
3. Maintenance by CCI of health insurance, hospitalization and other employee benefits comparable to other senior executives for Mr. and Mrs. Crown and their dependents
 4. Reimbursement by CCI of reasonable travel expenses incurred by Mr. Crown in connection with CCI business, including reasonable charter fees for the use of private aircraft

Mr. Crown will not be obligated to enter into any noncompete or other similar agreement whether or not the Offering is successful, Crown Castle will grant to Robert Coury options to purchase a total of 12,000 shares of Crown Castle Common Stock at an exercise price of \$37.54 per share, which will be vested immediately and exercisable under the same terms and conditions of Mr. Coury's existing option agreement. Mr. Coury shall be permitted to transfer such shares in accordance with the Securities Act of 1933. Mr. Coury will be granted a "piggyback" registration right to participate in the registration statement contemplated by item D.4, below, or such shares will be registered separately by Crown Castle on Form S-8, if available. Mr. Coury's continued assistance has been requested by Mr. Crown, consequently Crown Castle and Mr. Coury agree that the current Consulting Agreement will remain in full force and effect at the rate of Twenty Thousand Dollars per month (\$20,000) effective July 1, 1998 provided, however, that the parties will revise the scope of the engagement as follows:

"Consultee hereby engages Consultant and Consultant hereby accepts such engagement to perform such specialized services as Robert Crown as President and Chief Executive Officer may from time to time reasonably request. Services to be rendered by Consultant pursuant to this agreement shall include, without limitation, rendering recommendations to Consultee and Consultee's affiliates in investigating and negotiating and consummating commercial business transactions, and any and all other activities and services incidental thereto. Should Robert Crown not be

serving as President and Chief Executive Officer either party may request renegotiation of this agreement. Until such time as negotiations are completed Consultant shall continue to take direction from Robert Crown and Consultee shall continue to compensate Consultant in accordance with the current Agreement."

and provided further any notices of termination whether at the end of the initial term or termination with or without cause shall be modified to provide sixty (60) days written notice prior to termination being effective.

D. Board Representation and Certain Other Matters

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1. Mr. Crown will continue to serve as a member of the Crown Castle Board of Directors so long as the Crowns' ownership interest in Crown Castle has a market value of \$10 million, in accordance with the New Stockholders Agreement.
 2. Subject to the provisions of Section 3.10 of the New Stockholders Agreement, so long as the Crowns and their permitted transferees maintain ownership of a minimum of 1% of the outstanding Crown Castle Common Stock (a) Crown Castle shall retain the name "Crown Castle International Corp.," (b) Crown Castle's principal affiliate owning communications towers in the United States shall retain the name "Crown Communication Inc.," (c) all of Crown Castle's operations in the United States will be conducted by CCI, and any subsidiaries or affiliates of Crown Castle or CCI conducting such operations will include the name "Crown" first in their corporate name or will otherwise be conducted under the name "Crown"

consistent with the provisions of the Governance Memorandum (as defined below) relating to CCI, and (d) CCI and all of its United States subsidiaries will retain the current "Crown" logo.

3. Crown Castle will maintain the headquarters of its domestic operations in Pittsburgh, Pennsylvania or the surrounding area unless a majority of the independent members of the Crown Castle Board of Directors, in exercising their business judgment and fiduciary responsibilities, determines in good faith that relocating such headquarters will be in the best interests of Crown Castle and its stockholders.
4. The Crowns will be provided a separate demand registration right pursuant to the New Stockholders Agreement, which right may be exercised following the expiration of the six-month lockup period referred to above.
5. Effective upon the closing of the Offering, the CCI Board of Directors shall initially consist of the following five members: Robert A. Crown, Stuart Williams, Carl Ferenbach (or another member of the Crown Castle Board of Directors acceptable to Mr. Crown), David Ivy and Ted Miller.
6. Robert A. Crown will provide a list of operating issues which will require approval by the CCI Board of Directors, including such matters as insurance, internal policies and procedures, employee benefits, employee handbooks and consulting agreements.
7. So long as Mr. Crown is a director of CCI or Crown Castle, he shall have a continuing right to bring an advisor of his choice to all meetings of the Boards of Directors of CCI or Crown Castle, as applicable.

8. Until the successful closing of the Offering, the provisions of each of the Existing Stockholders Agreement and the Memorandum of Understanding Regarding Management and Governance of Castle Tower Holding Corp. and Crown Communications, Inc., dated as of August 15, 1997 (the "Governance Memorandum"), shall remain in full force and effect. For the avoidance of doubt, a "successful closing of the Offering" shall mean the closing of the IPO, as defined in the IPO Side Letter, which in turn is defined in the Exchange Agreement, as such IPO Side Letter may be amended, subject to the minimum price of \$45 per share being satisfied.
9. Upon the successful closing of the Offering (as defined above), the New Stockholders Agreement will be in effect (and will be modified as necessary to reflect the terms of this memorandum). The Governance Memorandum shall remain in full force and effect (and will be modified as necessary to reflect the terms of this memorandum) until the earlier of (a) termination of the aforementioned six-month management transition period, and (b) such time as Mr. Crown resigns as President and Chief Executive Officer of CCI, in each case as contemplated in this memorandum.

E. Termination

1. Unless extended by the parties hereto, the agreements reflected in this memorandum shall be terminated if the Offering shall not have been successfully closed by October 31, 1998, other than items B.3, C.3 and D.3 hereof which will survive such termination in full force and effect. Upon such termination, the Existing Stockholders Agreement and the Governance Memorandum will continue in full force and effect, except to the extent that

the Governance Memorandum is modified in accordance with item D.3 hereof.

Intending to be legally bound, the parties have executed this memorandum this 2nd day of July, 1998

ROBERT A. CROWN

BARBARA A. CROWN

CROWN CASTLE INTERNATIONAL CORP.
By: Carl Ferenbach
Title: Chairman of the Board

Exhibit 5 -- Joint Filing Agreement

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, the undersigned hereby (i) agree to the joint filing with all other Reporting Persons (as such term is defined the statement on Schedule 13D described below) on behalf of each of them of a statement on Schedule 13D (including amendments thereto) with respect to the Common Stock, par value \$.01 per share, of Crown Castle International Corp. and (ii) agree that this Agreement be included as an Exhibit to such joint filing. This Agreement may be executed in any number of counterparts all of which taken together shall constitute one and the same instrument. In witness whereof, the undersigned hereby execute this Agreement as of the 31st day of August, 1998.

Date: _____

DIGITAL FUTURE INVESTMENTS B.V.

by /s/ Michel Azibert

Name: Michel Azibert

Date: _____

TELEDIFFUSION DE FRANCE INTERNATIONAL S.A.

/s/ Michel Azibert

by

Name: Michel Azibert

Title: As Chairman of
TdFI and Managing Director
of DFI

Date: _____

TELEDIFFUSION DE FRANCE

/s/ Bruno Chetaille

by

Name: Bruno Chetaille

Title: Chairman and Chief
Executive Officer

Date: _____

FRANCE TELECOM

by /s/ Bruno Chetaille

Name: Bruno Chetaille

Title: Director

Date: _____

CANDOVER INVESTMENTS PLC

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

by /s/ P.R. Neal

Name: P.R. Neal
Title: Secretary

Date: _____

CANDOVER (TRUSTEES) LIMITED

by /s/ P.G. Symonds

Name: P.G. Symonds
Title: Director

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

Date: _____

CANDOVER PARTNERS LIMITED

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

by /s/ P.G. Symonds

Name: P.G. Symonds
Title: Director

Date: _____

CANDOVER SERVICES LIMITED

by /s/ P.G. Symonds

Name: P.G. Symonds
Title: Director

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Director

Date: _____

TED B. MILLER, JR.

by /s/ Ted B. Miller Jr.

Name: Ted B. Miller Jr.

Date: _____

THE MILLER 1996 GIFT TRUST

by /s/ Robert H. Singleton, Jr.

Name: Robert H. Singleton, Jr.
Title: Trustee

Date: _____

ROBERT A. CROWN

by /s/ Robert A. Crown

Date: _____

BARBARA A. CROWN

by /s/ Barbara A. Crown

Date: _____

ROBERT A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
ROBERT A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by /s/ Robert A. Crown

Name: Robert A. Crown
Title: Trustee

Date: _____

BARBARA A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
BARBARA A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by /s/ Barbara A. Crown

Name: Barbara A. Crown
Title: Trustee

Date: _____

BERKSHIRE FUND III, A LIMITED
PARTNERSHIP

by /s/ Carl Ferenbach

Name: Carl Ferenbach
Title: Managing Director

Date: _____

BERKSHIRE FUND IV,
LIMITED PARTNERSHIP

by /s/ Carl Ferenbach

Name: Carl Ferenbach
Title: Managing Director,
Fourth Berkshire Associates
LLC

Date: _____

FOURTH BERKSHIRE ASSOCIATES LLC

/s/ Garth H. Greimann

by

Name: Garth H. Greimann
Title: General Partner

Date: _____

BERKSHIRE INVESTORS LLC

/s/ Carl Ferenbach

by

Name: Carl Ferenbach

Title: Managing Director

Date: _____

CENTENNIAL FUND IV, L.P.

by Centennial Holdings IV,
L.P., its General Partner

by /s/ Jeffrey H. Schutz

Name: Jeffrey H. Schutz
Title: General Partner

Date: _____

CENTENNIAL FUND V, L.P.

by Centennial Holdings V, L.P.,
its General Partner

by /s/ Jeffrey H. Schutz
Name: Jeffrey H. Schutz
Title: General Partner

Date: _____

CENTENNIAL HOLDINGS V, L.P.

/s/ Jeffrey H. Schutz

by

Name: Jeffrey H. Schutz
Title: General Partner

Date: _____

NASSAU CAPITAL LLC
/s/ Jonathan A. Sweemer
by _____
Name: Jonathan A. Sweemer
Title: Member

Date: _____

NAS PARTNERS I, L.L.C.

/s/ Jonathan A. Sweemer

by

Name: Jonathan A. Sweemer
Title: Member

Date: _____

FAY, RICHWHITE COMMUNICATION LIMITED

by /s/ Mohindar Randhawa

Name: Mohindar Randhawa
Title: Alternate Director

Date: _____

PNC VENTURE CORP.

by /s/ David McL. Hillman

Name:David McL. Hillman
Title:Executive Vice President

PNC HOLDING CORP.
PNC BANK CORP.

/s/ Robert L. Haunschild

Name:Robert L. Hauschild
Title:Senior Vice President and
CFO,PNC Holding Corp.

Date: _____

AMERICAN HOME ASSURANCE COMPANY

/s/ Edward Mathews

by _____

Name: Edward Mathews

Title: Senior Vice President

Date: _____

AMERICAN INTERNATIONAL GROUP, INC.

/s/ Kathleen E. Shannon

by

Name: Kathleen E. Shannon

Title: Vice President & Secretary

Date: _____

NEW YORK LIFE INSURANCE COMPANY

/s/ Steven M. Benevento

by

Name: Steven M. Benevento
Title: Director

Date: _____

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

/s/ Richard A. Strait

by

Name: Richard A. Strait

Title: Authorized Representative

Date: _____

HARVARD PRIVATE CAPITAL HOLDINGS, INC.

/s/ Tami E. Nason

by _____

Name: Tami E. Nason

Title: VP, Legal

Date: _____

CHARLESBANK CAPITAL PARTNERS, LLC

by /s/ Tami E. Nason

Name: Tami E. Nason

Title: Authorized Signatory

Date: _____

PRIME VIII, L.P.

by /s/ Dean M. Greenwood

Name: Dean M. Greenwood
Title: Managing Director

Date: _____

PRIME SKA I, L.L.C.

/s/ Danny Fennewald

by

Name: Danny Fennewald
Title: Treasurer