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

FORM 10-Q

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

For the quarterly period ended March 31, 1999

Commission File Number 000-24737

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

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

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [_]

Number of shares of common stock outstanding at May 1, 1999:
Common Stock - 99,168,585
Class A Common Stock - 11,340,000

CROWN CASTLE INTERNATIONAL CORP.

INDEX

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

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

	December 31, 1999	March 31, 1998
		(Unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 296,450	$ 101,847
Receivables:		
Trade, net of allowance for doubtful accounts of $1,535 and $1,653 at December 31, 1998 and March 31, 1999, respectively	32,130	30,249
Other	4,290	6,897
Inventories	6,599	8,634
Prepaid expenses and other current assets	2,647	7,148
Total current assets	342,116	154,775
Property and equipment, net of accumulated depreciation of $22,780 and $34,729 at December 31, 1998 and March 31, 1999, respectively	592,594	1,233,204
Escrow deposits for acquisitions	--	100,000
Goodwill and other intangible assets, net of accumulated amortization of $20,419 and $28,116 at December 31, 1998 and March 31, 1999, respectively	569,740	617,769
Deferred financing costs and other assets, net of accumulated amortization of $1,722 and $2,045 at December 31, 1998 and March 31, 1999, respectively	18,780	17,946
	$1,523,230	$2,123,694
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 46,020	$ 27,383
Accrued interest	15,677	918
Accrued compensation and related benefits	5,188	2,979
Deferred rental revenues and other accrued liabilities	26,002	47,015
Total current liabilities	92,887	78,295
Long-term debt	429,710	771,190
Other liabilities	22,823	46,884
Total liabilities	545,420	896,369
Commitments and contingencies		
Minority interests	39,185	53,098
Redeemable preferred stock, $.01 par value; 10,000,000 shares authorized:		
12 3/4% Senior Exchangeable Preferred Stock; shares issued: December 31, 1998 - 200,000 and March 31, 1999 - 206,375 (stated at mandatory redemption and aggregate liquidation value)	201,063	207,471
Stockholders' equity:		
Common stock, $.01 par value; 690,000,000 shares authorized:		
Common Stock; shares issued: December 31, 1998 - 83,123,873 and March 31, 1999 - 99,168,585	831	992
Class A Common Stock; shares issued: 11,340,000	113	113
Additional paid-in capital	795,153	1,051,224
Cumulative foreign currency translation adjustment	1,690	(3,053)
Accumulated deficit	(60,225)	(82,520)
Total stockholders' equity	737,562	966,756
	$1,523,230	$2,123,694

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 March 31, 1998	Three Months Ended March 31, 1999
Net revenues:		
Site rental and broadcast transmission	$ 5,061	$ 45,326
Network services and other	6,776	9,783
	11,837	55,109
Operating expenses:		
Costs of operations (exclusive of depreciation and amortization):		
Site rental and broadcast transmission	1,172	18,527
Network services and other	4,421	6,982
General and administrative	3,803	8,304
Corporate development	1,331	874
Restructuring charges	--	1,814
Non-cash compensation charges	--	667
Depreciation and amortization	3,604	19,656
	14,331	56,824
Operating loss	(2,494)	(1,715)
Other income (expense):		
Equity in losses of unconsolidated affiliate	(99)	--
Interest and other income (expense)	706	340
Interest expense and amortization of deferred financing costs	(4,706)	(11,286)
Loss before income taxes, minority interests and cumulative effect of change in accounting principle	(6,593)	(12,661)
Provision for income taxes	(13)	(127)
Minority interests	--	(685)
Loss before cumulative effect of change in accounting principle	(6,606)	(13,473)
Cumulative effect of change in accounting principle for costs of start-up activities	--	(2,414)
Net loss	(6,606)	(15,887)
Dividends on preferred stock	(2,055)	(6,408)
Net loss after deduction of dividends on preferred stock	$(8,661)	$(22,295)
Net loss	$(6,606)	$(15,887)
Other comprehensive income:		
Foreign currency translation adjustments	671	(4,743)
Comprehensive loss	$(5,935)	$(20,630)
Per common share - basic and diluted:		
Loss before cumulative effect of change in accounting principle	$ (0.79)	$ (0.21)
Cumulative effect of change in accounting principle	--	(0.03)
Net loss	$ (0.79)	$ (0.24)
Common shares outstanding - basic and diluted (in thousands)	10,954	94,732

See condensed notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

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

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1999
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (6,606)	$ (15,887)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:		
Depreciation and amortization	3,604	19,656
Amortization of deferred financing costs and discounts on long-term debt	4,207	4,920
Cumulative effect of change in accounting principle	--	2,414
Minority interests	--	685
Non-cash compensation charges	--	667
Equity in losses of unconsolidated affiliate	99	--
Changes in assets and liabilities, excluding the effects of acquisitions:		
Increase in deferred rental revenues and other liabilities	72	46,046
Decrease in accounts payable	(2,796)	(17,738)
Decrease in accrued interest	--	(14,457)
Increase in inventories, prepaid expenses and other assets	(669)	(4,456)
Increase in receivables	(862)	(1,363)
Net cash provided by (used for) operating activities	(2,951)	20,487
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of businesses, net of cash acquired	--	(204,845)
Capital expenditures	(24,539)	(76,363)
Net cash used for investing activities	(24,539)	(281,208)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings under revolving credit agreements	27,050	64,679
Proceeds from issuance of capital stock	--	1,835
Incurrence of financing costs	(1,243)	(117)
Net cash provided by financing activities	25,807	66,397
EFFECT OF EXCHANGE RATE CHANGES ON CASH	--	(279)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,683)	(194,603)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	55,078	296,450
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 53,395	$ 101,847
SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Amounts recorded in connection with acquisitions:		
Fair value of net assets acquired, including goodwill and other intangible assets	$ --	$ 653,029
Escrow deposits for acquisitions	--	100,000
Issuance of long-term debt	--	280,000
Minority interests	--	14,330
Issuance of common stock	--	253,854
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	$ 486	$ 21,452
Income taxes paid	--	104

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, 1998, and related notes thereto, included in the Annual Report on Form 10-K (the "Form 10-K") filed by Crown Castle International Corp. with the Securities and Exchange Commission. All references to the "Company" include Crown Castle International Corp. and its subsidiary companies unless otherwise indicated or the context indicates otherwise.

The consolidated financial statements included herein are unaudited; however, they include all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to present fairly the consolidated financial position of the Company at March 31, 1999 and the consolidated results of operations and consolidated cash flows for the three months ended March 31, 1998 and 1999. 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 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 requires 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 has adopted 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 resulted in a charge to results of operations for $2,414,000 in the Company's financial statements for the three months ended March 31, 1999.

In June 1998, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 requires that derivative instruments be recognized as either assets or liabilities in the consolidated balance sheet based on their fair values. Changes in the fair values of such derivative instruments will be recorded either in results of operations or in other comprehensive income, depending on the intended use of the derivative instrument. The initial application of SFAS 133 will be reported as the effect of a change in accounting principle. SFAS 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 1999. The Company will adopt the requirements of SFAS 133 in its financial statements for the three months ending March 31, 2000. The Company has not yet determined the effect that the adoption of SFAS 133 will have on its consolidated financial statements.

2. Acquisitions

Agreement with Bell Atlantic Mobile ("BAM")

On December 8, 1998, the Company entered into an agreement with BAM to form a joint venture ("Crown Atlantic") to own and operate a significant majority of BAM's towers. Upon formation of Crown Atlantic on March 31, 1999, (i) the Company contributed to Crown Atlantic $250,000,000 in cash and 15,597,783 shares of its Common Stock in exchange for a 61.5% ownership interest in Crown Atlantic; (ii) Crown Atlantic borrowed $180,000,000 under a committed $250,000,000 revolving credit facility (see Note 3); and (iii) BAM contributed to Crown Atlantic approximately 1,458 towers in exchange for a cash distribution of $380,000,000 from Crown Atlantic and a 38.5% ownership interest in Crown Atlantic. Upon dissolution of Crown Atlantic, BAM will receive (i) the shares of the Company's Common Stock contributed to Crown Atlantic and (ii) a payment (either in cash or in shares of the Company's Common Stock, at the Company's election) equal to approximately 15.6% of the fair market value of Crown Atlantic's other net assets; the Company would then receive the remaining assets and liabilities of Crown Atlantic. The Company has accounted for its investment in Crown Atlantic as an acquisition using the purchase method, and will include Crown Atlantic's results of operations and cash flows in the Company's consolidated financial statements for periods subsequent to formation. The Company recognized goodwill of approximately $58,339,000 in connection with this acquisition.

BellSouth Mobility Inc. and BellSouth Telecommunications Inc. ("BellSouth")

In March 1999, the Company entered into an agreement with BellSouth to acquire the operating rights for approximately 1,850 of their towers. The transaction is structured as a lease agreement and will be treated as a sale of the towers for tax purposes. The Company will pay BellSouth consideration of $610,000,000, consisting of $430,000,000 in cash and $180,000,000 in shares of its common stock. The Company will account for this transaction as a purchase of tower assets. The transaction is expected to close over a period of up to eight months beginning in the second quarter of 1999. Upon entering into the agreement, the Company placed $50,000,000 into an escrow account. In order to fund this escrow deposit, the Company borrowed $45,000,000 under the Senior Credit Facility.

Powertel, Inc. ("Powertel")

In March 1999, the Company entered into an agreement with Powertel to purchase approximately 650 of their towers and related assets. The purchase price for these towers will be $275,000,000 in cash. The Company will account for this transaction as an acquisition using the purchase method. Upon entering into the agreement, the Company placed $50,000,000 into an escrow account. The Company funded this escrow deposit with borrowings under a $100,000,000 loan agreement provided by a syndicate of investment banks (see Note 3). The remaining $50,000,000 of borrowings under this loan agreement were used to repay the amount drawn under the Senior Credit Facility in connection with the BellSouth escrow deposit.

3. Long-term Debt

Long-term debt consists of the following:

	December 31, 1998	March 31, 1999
	(In thousands of dollars)	
Senior Credit Facility	$ 5,500	$ 40,000
CTI Credit Facility	55,177	83,513
Crown Atlantic Credit Facility	--	180,000
10 5/8% Senior Discount Notes due 2007, net of discount	168,099	172,505
9% Guaranteed Bonds due 2007	200,934	195,172
Term Loans due 2007	--	100,000
	$429,710	$771,190

Crown Atlantic Credit Facility

Crown Atlantic has a credit agreement with a bank (the "Crown Atlantic Credit Facility") which consists of a $250,000,000 secured revolving line of credit. Available borrowings under the Crown Atlantic Credit

Facility are generally to be used to construct new towers and to finance a portion of the purchase price for towers and related assets of Crown Atlantic. The amount of available borrowings is determined based on the current financial performance (as defined) of Crown Atlantic's assets. In addition, up to $25,000,000 of borrowing availability under the Crown Atlantic Credit Facility can be used for letters of credit.

On March 31, 1999, Crown Atlantic borrowed $180,000,000 under the Crown Atlantic Credit Facility to fund a portion of the cash payment to BAM (see Note 2). As of March 31, 1999, approximately $6,160,000 of borrowings was available under the Crown Atlantic Credit Facility, all of which was available for letters of credit. There were no letters of credit outstanding as of March 31, 1999.

The amount of available borrowings under the Crown Atlantic Credit Facility will decrease by a stated amount at the end of each calendar quarter beginning on September 30, 2001 until March 31, 2006, at which time any remaining borrowings must be repaid. Under certain circumstances, Crown Atlantic may be required to make principal prepayments under the Crown Atlantic 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.

The Crown Atlantic Credit Facility is secured by a pledge of the membership interest in Crown Atlantic and a security interest in Crown Atlantic's tenant leases. Borrowings under the Crown Atlantic Credit Facility bear interest at a rate per annum, at Crown Atlantic's election, equal to the bank's prime rate plus 1.25% or a Eurodollar interbank offered rate (LIBOR) plus 2.75%. The interest rate margins may be reduced by up to 1.75% (non-cumulatively) based on a financial test, determined quarterly. 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 Crown Atlantic Credit Facility requires Crown Atlantic to maintain certain financial covenants and places restrictions on Crown Atlantic'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.

Term Loans due 2007

In March 1999, the Company entered into a term loan credit facility with a group of investment banks. On March 16, 1999, the Company borrowed $100,000,000 under this facility (the "Term Loans") in order to fund the escrow deposits paid in connection with the BellSouth and Powertel acquisitions (see Note 2). The Term Loans mature on November 30, 2007 and bear interest at an initial rate of LIBOR plus 5.5% per annum, payable quarterly. The Term Loans will be repaid in May 1999 with proceeds from the Company's underwritten securities offerings (see Note 8).

Reporting Requirements Under the Indenture Governing the 10 5/8% Senior Discount Notes due 2007 (the "Indenture")

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

The Company has designated Crown Atlantic as an Unrestricted Subsidiary (see Note 2). Summarized financial information for (i) the Company and its Restricted Subsidiaries and (ii) the Company's Unrestricted Subsidiaries is as follows:

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	March 31, 1999			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 50,669	$ 51,178	$ --	$ 101,847
Other current assets	21,373	31,555	--	52,928
Property and equipment, net	178,304	1,054,900	--	1,233,204
Escrow deposits for acquisitions	100,000	--	--	100,000
Investments in Unrestricted Subsidiaries	992,675	--	(992,675)	--
Goodwill and other intangible assets, net	141,443	476,326	--	617,769
Other assets, net	13,406	4,540	--	17,946
	$1,497,870	$1,618,499	$(992,675)	$2,123,694
Current liabilities	$ 9,394	$ 68,901	$ --	$ 78,295
Long-term debt	312,505	458,685	--	771,190
Other liabilities	1,744	45,140	--	46,884
Minority interests	--	53,098	--	53,098
Redeemable preferred stock	207,471	--	--	207,471
Stockholders' equity	966,756	992,675	(992,675)	966,756
	$1,497,870	$1,618,499	$(992,675)	$2,123,694

	Three Months Ended March 31, 1999		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)		
Net revenues	$ 12,254	$42,855	$ 55,109
Costs of operations (exclusive of depreciation and amortization)	4,725	20,784	25,509
General and administrative	6,624	1,680	8,304
Corporate development	841	33	874
Restructuring charges	1,814	--	1,814
Non-cash compensation charges	383	284	667
Depreciation and amortization	4,517	15,139	19,656
Operating income (loss)	(6,650)	4,935	(1,715)
Interest and other income (expense)	(2,328)	2,668	340
Interest expense and amortization of deferred financing costs	(5,747)	(5,539)	(11,286)
Provision for income taxes	(127)	--	(127)
Minority interests	--	(685)	(685)
Cumulative effect of change in accounting principle for costs of start-up activities	(2,414)	--	(2,414)
Net income (loss)	$(17,266)	$ 1,379	$(15,887)

Tower Cash Flow and Adjusted Consolidated Cash Flow for the Company and its Restricted Subsidiaries is as follows:

	(In thousands of dollars)
Tower Cash Flow, for the three months ended March 31, 1999	$ 4,098
Consolidated Cash Flow, for the twelve months ended March 31, 1999	$ 4,854
Less: Tower Cash Flow, for the twelve months ended March 31, 1999	(15,318)
Plus: four times Tower Cash Flow, for the three months ended March 31, 1999	16,392
Adjusted Consolidated Cash Flow, for the twelve months ended March 31, 1999	$ 5,928

4. Restructuring Charges

In connection with the formation of Crown Atlantic (see Note 2), the Company completed a restructuring of its United States operations during the first quarter of 1999. The objective of this restructuring was to transition from a centralized organization to a regionally-based organization in the United States. Coincident with the restructuring, the Company incurred one-time charges of $1,814,000 related to severance payments for staff reductions, as well as costs related to non-cancelable leases of excess office space.

5. 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 March 31,	
	1998	1999
	(In thousands of dollars, except per share amounts)	
Loss before cumulative effect of change in accounting principle	$(6,606)	$(13,473)
Dividends on preferred stock	(2,055)	(6,408)
Loss before cumulative effect of change in accounting principle applicable to common stock for basic and diluted computations	(8,661)	(19,881)
Cumulative effect of change in accounting principle	--	(2,414)
Net loss applicable to common stock for basic and diluted computations	$(8,661)	$(22,295)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	10,954	94,732
Per common share - basic and diluted:		
Loss before cumulative effect of change in accounting principle	$ (0.79)	$ (0.21)
Cumulative effect of change in accounting principle	--	(0.03)
Net loss	$ (0.79)	$ (0.24)

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares as of March 31, 1999: (i) options to purchase 18,700,607 shares of common stock at exercise prices ranging from $-0- to $25.62 per share; (ii) warrants to purchase 1,294,990 shares of common stock at an exercise price of $7.50 per share; and (iii) shares of Castle Transmission Services (Holdings) Ltd ("CTI") stock which are convertible into 17,443,500 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.

6. Contingencies

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

7. Operating Segments

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

The Company intends to present the financial results of Crown Atlantic as a reportable operating segment for periods subsequent to its formation (see Note 2). As of March 31, 1999, Crown Atlantic's total assets of approximately $700,457,000 are included with the total for "Corporate Office and Other." The financial results for the Company's operating segments are as follows:

	Three Months Ended March 31, 1999			
	CCI	CTI	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)			
Net revenues:				
Site rental and broadcast transmission	$ 6,316	$ 39,010	$ --	$ 45,326
Network services and other	5,167	3,845	771	9,783
	11,483	42,855	771	55,109
Costs of operations (exclusive of depreciation and amortization)	4,208	20,784	517	25,509
General and administrative	5,294	1,680	1,330	8,304
Corporate development	--	33	841	874
EBITDA	1,981	20,358	(1,917)	20,422
Restructuring charges	1,814	--	--	1,814
Non-cash compensation charges	67	284	316	667
Depreciation and amortization	4,238	15,139	279	19,656
Operating income (loss)	(4,138)	4,935	(2,512)	(1,715)
Interest and other income (expense)	(533)	(175)	1,048	340
Interest expense and amortization of deferred financing costs	(685)	(5,539)	(5,062)	(11,286)
Provision for income taxes	(31)	--	(96)	(127)
Minority interests	--	(685)	--	(685)
Cumulative effect of change in accounting principle for costs of start-up activities	(2,014)	--	(400)	(2,414)
Net loss	$ (7,401)	$ (1,464)	$ (7,022)	$ (15,887)
Capital expenditures	$ 17,171	$ 58,805	$ 387	$ 76,363
Total assets (at period end)	$353,007	$918,043	$852,644	$2,123,694

	Three Months Ended March 31, 1998		
	CCI	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)		
Net revenues:			
Site rental and broadcast transmission	$ 5,061	$ --	$ 5,061
Network services and other	6,677	99	6,776
	11,738	99	11,837
Costs of operations (exclusive of depreciation and amortization)	5,593	--	5,593
General and administrative	3,370	433	3,803
Corporate development	--	1,331	1,331
EBITDA	2,775	(1,665)	1,110
Depreciation and amortization	3,540	64	3,604
Operating loss	(765)	(1,729)	(2,494)
Equity in losses of unconsolidated affiliate	--	(99)	(99)
Interest and other income (expense)	15	691	706
Interest expense and amortization of deferred financing costs	(572)	(4,134)	(4,706)
Provision for income taxes	(13)	--	(13)
Net loss	$(1,335)	$(5,271)	$(6,606)
Capital expenditures	$23,724	$ 815	$24,539

8. Subsequent Events

Interest Rate Swap Agreement

In April 1999, the Company entered into an interest rate swap agreement in connection with amounts borrowed under the Crown Atlantic Credit Facility (see Note 3). This interest rate swap agreement has an initial notional amount of $100,000,000, decreasing on a quarterly basis beginning September 30, 2003 until the termination of the agreement on March 31, 2006. The Company will pay a fixed rate of 5.79% on the notional amount and received a floating rate based on LIBOR. This agreement effectively changes the interest rate on a portion of the borrowings under the Crown Atlantic Credit Facility from a floating rate to a fixed rate of 5.79% 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.

Sales of Securities

On May 12, 1999, the Company sold shares of its common stock and debt securities in concurrent underwritten public offerings (collectively, the "Offerings"). The Company sold (i) 21,000,000 shares of its common stock at a price of $17.50 per share and received proceeds of $352,800,000 (after underwriting discounts of $14,700,000); (ii) $500,000,000 aggregate principal amount (at maturity) of its 10 3/8% Senior Discount Notes due 2011 (the "10 3/8% Notes") for proceeds of $292,644,000 (net of original issue discount of $198,305,000 and after underwriting discounts of $9,051,000); and (iii) $180,000,000 aggregate principle amount of its 9% Senior Notes due 2011 (the "9% Notes") for proceeds of $174,600,000 (after underwriting discounts of $5,400,000). The proceeds from the Offerings will be used to repay amounts drawn under the Term Loans in connection with the BellSouth and Powertel transactions, to pay the remaining purchase price for such transactions, to fund the initial interest payments on the 9% Notes and for general corporate purposes.

The Company had granted the underwriters for the Offerings an over-allotment option to purchase an additional 3,150,000 shares of the Company's common stock. On May 13, 1999, the underwriters exercised this over-allotment option in full. As a result, the Company will receive additional proceeds of $52,920,000 (after underwriting discounts of $2,205,000).

The 10 3/8% notes will not pay any interest until November 15, 2004, at which time semi-annual interest payments will commence and become due on each May 15 and November 15 thereafter. Semi-annual interest payments for the 9% Notes are due on each May 15 and November 15, commencing on November 15, 1999. The maturity date of the 10 3/8% Notes and the 9% Notes is May 15, 2011.

The 10 3/8% Notes and the 9% Notes are redeemable at the option of the Company, in whole or in part, on or after May 15, 2004 at prices of 105.187% and 104.5%, respectively, of the principal amount plus accrued interest. The redemption prices are reduced annually until May 15, 2007, after which time the 10 3/8% Notes and the 9% Notes are redeemable at par. Prior to May 15, 2002, the Company may redeem up to 35% of the aggregate principal amount of the 10 3/8% Notes and the 9% Notes, at prices of 110.375% and 109%, respectively, of the accreted value thereof, with the net cash proceeds from a public offering of the Company's common stock.

The 10 3/8% Notes and the 9% 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 CTI Credit Facility, the Crown Atlantic Credit Facility and the CTI Bonds. The indentures governing the 10 3/8% Notes and the 9% Notes place 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.

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

The following discussion is intended to assist in understanding the Company's consolidated financial condition as of March 31, 1999 and its results of operations for the three-month periods ended March 31, 1998 and 1999. 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" in the Company's Registration Statement on Form S-1, as amended (Reg. No. 333-74553) (the "Registration Statement") filed with the Securities and Exchange Commission. This discussion should be read in conjunction with the response to Part I, Item 1 of this report and the consolidated financial statements of the Company, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Form 10-K. Any capitalized terms used but not defined in this Item have the same meaning given to them in the Form 10-K.

Results of Operations

In August 1998, the Company consummated a share exchange with the shareholders of CTI, pursuant to which the Company's ownership of CTI increased from approximately 34.3% to 80%. Results of operations of CTI are included in the Company's consolidated financial statements for the periods subsequent to the date the exchange was consummated. As such, the Company's results of operations for the three months ended March 31, 1998 are not comparable to the results of operations for the three months ended March 31, 1999.

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

	Three Months Ended March 31, 1998		Three Months Ended March 31, 1999	
	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues
	(Dollars in thousands)			
Net revenues:				
Site rental and broadcast transmission	$ 5,061	42.8%	$ 45,326	82.2%
Network services and other	6,776	57.2	9,783	17.8
Total net revenues	11,837	100.0	55,109	100.0
Operating expenses:				
Costs of operations:				
Site rental and broadcast transmission	1,172	23.2	18,527	40.9
Network services and other	4,421	65.2	6,982	71.4
Total costs of operations	5,593	47.3	25,509	46.3
General and administrative	3,803	32.1	8,304	15.1
Corporate development	1,331	11.2	874	1.6
Restructuring charges	--	--	1,814	3.3
Non-cash compensation charges	--	--	667	1.2
Depreciation and amortization	3,604	30.5	19,656	35.6
Operating loss	(2,494)	(21.1)	(1,715)	(3.1)
Other income (expense):				
Equity in losses of unconsolidated affiliate	(99)	(0.8)	--	--
Interest and other income (expense)	706	6.0	340	0.6
Interest expense and amortization of deferred financing costs	(4,706)	(39.8)	(11,286)	(20.5)
Loss before income taxes, minority interests and cumulative effect of change in accounting principle	(6,593)	(55.7)	(12,661)	(23.0)
Provision for income taxes	(13)	(0.1)	(127)	(0.2)
Minority interests	--	--	(685)	(1.2)
Loss before cumulative effect of change in accounting principle	(6,606)	(55.8)	(13,473)	(24.4)
Cumulative effect of change in accounting principle for costs of start-up activities	--	--	(2,414)	(4.4)
Net loss	$(6,606)	(55.8)%	$(15,887)	(28.8)%

Comparison of Three Months Ended March 31, 1999 and 1998

Consolidated revenues for the three months ended March 31, 1999 were $55.1 million, an increase of $43.3 million from the three months ended March 31, 1998. This increase was primarily attributable to (i) a $40.3 million, or 795.6%, increase in site rental and broadcast transmission revenues, of which $39.0 million was attributable to CTI and $1.3 million was attributable to the Crown operations; (ii) a $0.8 million decrease in network services and other revenues from the Crown operations; and (iii) $3.8 million in network services and other revenues from CTI.

Costs of operations for the three months ended March 31, 1999 were $25.5 million, an increase of $19.9 million from the three months ended March 31, 1998. This increase was primarily attributable to (i) a $17.4 million increase in site rental and broadcast transmission costs, of which $16.9 million was attributable to CTI and $0.5 million was attributable to the Crown operations; (ii) a $1.4 million decrease in network services costs related to the Crown operations; and (iii) $3.9 million in network services costs from CTI. Costs of operations for site rental and broadcast transmission as a percentage of site rental and broadcast transmission revenues increased to 40.9% for the three months ended March 31, 1999 from 23.2% for the three months ended March 31, 1998 because of higher costs attributable to the CTI and Crown operations. Costs of operations for network services and other as a percentage of network services and other revenues increased to 71.4% for the three months ended March 31, 1999 from 65.2% for the three months ended March 31, 1998, primarily due to lower margins from the CTI operations. Margins from the Crown network services operations increased for the three months ended March 31, 1999 as compared to the three months ended March 31, 1998.

General and administrative expenses for the three months ended March 31, 1999 were $8.3 million, an increase of $4.5 million from the three months ended March 31, 1998. This increase was primarily attributable to (i) a $1.9 million increase in expenses related to the Crown operations; (ii) a $0.9 million increase in expenses at the Company's corporate office; and (iii) $1.7 million in expenses at CTI. General and administrative expenses as a percentage of revenues decreased for the three months ended March 31, 1999 to 15.1% from 32.1% for the three months ended March 31, 1998 because of lower overhead costs as a percentage of revenues for CTI, partially offset by increases in costs at Crown and the Company's corporate office.

Corporate development expenses for the three months ended March 31, 1999 were $0.9 million, compared to $1.3 million for the three months ended March 31, 1998. Corporate development expenses for the three months ended March 31, 1998 include discretionary bonuses related to the Company's performance totaling approximately $0.8 million for certain members of the Company's management.

In connection with the formation of Crown Atlantic, the Company completed a restructuring of its United States operations during the first quarter of 1999. The objective of this restructuring was to transition from a centralized organization to a regionally-based organization in the United States. For the three months ended March 31, 1999, the Company has recorded one-time charges of $1.8 million related to severance payments for staff reductions, as well as costs related to non-cancelable leases of excess office space.

For the three months ended March 31, 1999, the Company has recorded non-cash compensation charges of $0.7 million related to the issuance of stock options to certain employees and executives.

Depreciation and amortization for the three months ended March 31, 1999 was $19.7 million, an increase of $16.1 million from the three months ended March 31, 1998. This increase was primarily attributable to (i) $15.1 million of depreciation and amortization related to the property and equipment and goodwill from CTI and (ii) a $0.7 million increase in depreciation and amortization related to the property and equipment, goodwill and other intangible assets related to the Crown operations.

The equity in losses of unconsolidated affiliate represents the Company's 34.3% share of CTI's net earnings (losses) for the periods prior to August 1998 (at which time the share exchange with CTI's shareholders was consummated). For the three months ended March 31, 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 losses of $34.2 million, $4.6 million, $5.2 million and $0.3 million, respectively. Included in CTI's results of operations for such period are non-cash compensation charges for approximately $2.9 million related to the issuance of stock options to certain members of CTI's management.

Interest and other income (expense) for the three months ended March 31, 1999 resulted primarily from (i) the investment of the net proceeds from the Company's initial public offering of common stock (the "IPO") in August 1998; (ii) the investment of the excess proceeds from the sale of the Company's 12 3/4% Senior Exchangeable Preferred Stock due 2010 (the "Exchangeable Preferred Stock") in December 1998; and (iii) the investment of the excess proceeds from the sale of the Company's 10 5/8% Senior Discount Notes due 2007 (the "10 5/8% Notes") in November 1997 (the "1997 Notes Offering"); largely offset by costs incurred in connection with unsuccessful acquisition attempts. Interest and other income (expense) for the three months ended March 31, 1998 resulted primarily from the investment of the excess proceeds from the sale of the Notes.

Interest expense and amortization of deferred financing costs for the three months ended March 31, 1999 was $11.3 million, an increase of $6.6 million, or 139.8%, from the three months ended March 31, 1998. This increase was primarily attributable to interest on CTI's indebtedness, amortization of the original issue discount on the 10 5/8% Notes and interest on the Term Loans.

Minority interests represent the minority shareholder's 20% interest in CTI's operations.

The cumulative effect of the change in accounting principle for costs of start-up activities represents the charge recorded by the Company upon the adoption of SOP 98-5 on January 1, 1999.

Liquidity and Capital Resources

As of March 31, 1999, the Company had consolidated cash and cash equivalents of $101.8 million (including $5.2 million at CTI and $46.0 million at Crown Atlantic), consolidated long-term debt of $771.2 million, consolidated redeemable preferred stock of $207.5 million and consolidated stockholders' equity of $966.8 million.

On May 12, 1999, the Company consummated the Offerings. The Company sold (i) 21,000,000 shares of its common stock at a price of $17.50 per share and received proceeds of $352,800,000 (after underwriting discounts of $14,700,000); (ii) $500,000,000 aggregate principal amount (at maturity) of the 10 3/8% Notes for proceeds of $292,644,000 (net of original issue discount of $198,305,000 and after underwriting discounts of $9,051,000); and (iii) $180,000,000 aggregate principle amount of the 9% Notes for proceeds of $174,600,000 (after underwriting discounts of $5,400,000). The Company had granted the underwriters for the Offerings an over-allotment option to purchase an additional 3,150,000 shares of the Company's common stock. On May 13, 1999, the underwriters exercised this over-allotment option in full. As a result, the Company will receive additional proceeds of $52,920,000 (after underwriting discounts of $2,205,000). The proceeds from the Offerings will be used to repay amounts drawn under the Term Loans in connection with the BellSouth and Powertel transactions, to pay the remaining purchase price for such transactions, to fund the initial interest payments on the 9% Notes and for general corporate purposes.

The Company's business strategy contemplates substantial capital expenditures (i) in connection with the expansion of its tower portfolios by partnering with wireless carriers to assume ownership or control of their existing towers, by pursuing build-to-suit opportunities and by pursuing other tower acquisition opportunities and (ii) to acquire existing transmission networks globally as opportunities arise. Since its inception, the Company has generally funded its activities (other than acquisitions and investments) through excess proceeds from contributions of equity capital. The Company has financed acquisitions and investments with the proceeds from equity contributions, borrowings under the Senior Credit Facility, issuances of debt securities and the issuance of promissory notes to sellers. 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.

For the three months ended March 31, 1998 and 1999, the Company's net cash provided by (used for) operating activities was ($3.0 million) and $20.5 million, respectively. For the three months ended March 31, 1998 and 1999, the Company's net cash provided by financing activities was $25.8 million and $66.4 million, respectively. The Company's primary financing-related activities in the first quarter of 1999 were borrowings under revolving credit agreements amounting to $64.7 million.

Capital expenditures were $76.4 million for the three months ended March 31, 1999, of which $0.4 million was for CCIC, $17.2 million was for Crown and $58.8 million was for CTI. The Company anticipates that it will build, through the end of 1999, between 900 and 1,200 towers at an aggregate cost of between $170.0 million and $220.0 million. The Company also expects that the capital expenditure requirements related to the roll-out of digital broadcast transmission in the United Kingdom will be approximately (Pounds)40.0 million ($64.6 million).

In addition to capital expenditures in connection with build-to-suits, the Company expects to apply a significant amount of capital to finance the cash portion of the consideration being paid in connection with the proposed transactions.

In connection with Crown Atlantic, the Company issued approximately 15.6 million shares of its common stock and contributed $250.0 million in cash to Crown Atlantic. Crown Atlantic borrowed approximately $180.0 million under the Crown Atlantic Credit Facility, following which Crown Atlantic made a $380.0 million cash distribution to BAM.

In connection with the proposed BellSouth transaction, the Company will issue approximately 9.1 million shares of its common stock and pay BellSouth $430.0 million in cash. The Company has deposited $50.0 million in an escrow account pending the first closing of the transaction, which was funded through borrowings under the Term Loans on March 16, 1999. The Company will use a portion of the net proceeds from the Offerings to finance this transaction.

In connection with the proposed Powertel acquisition, the Company will pay Powertel $275.0 million in cash. The Company has deposited $50.0 million, which was funded through borrowings under the Term Loans on March 16, 1999, in an escrow account to be applied to the purchase price at closing. The Company will use a portion of the net proceeds from the Offerings to finance this transaction.

The Company expects that the consummation of the proposed transactions and the execution of its new tower build, or build-to-suit program, will have a material impact on its liquidity. The Company expects that once integrated, these transactions will have a positive impact on liquidity, but will require some period of time to offset the initial adverse impact on liquidity. In addition, the Company believes that as new towers become operational and tenants are added, they should result in a long-term increase in liquidity.

To fund the execution of the Company's business strategy, including the proposed transactions described above and the construction of new towers that the Company has agreed to build, the Company and its subsidiaries expect to use the net proceeds from the Offerings, the borrowings available under the Senior Credit Facility, the borrowings available under the CTI Credit Facility, the borrowings available under the Crown Atlantic Credit Facility and the remaining net proceeds from the 1997 Notes Offering. The Company will have additional cash needs to fund its operations in the future. The Company may also have additional cash needs in the near-term if additional tower acquisitions or build-to-suit opportunities arise. Some of the opportunities that the Company is currently pursuing could require significant additional capital. In the event the Company does not otherwise have cash available, or borrowings under its credit facilities have otherwise been utilized, when cash needs arise, 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.

As of May 1, 1999, (i) the Company's subsidiaries had approximately $31.1 million of unused borrowing availability under the Senior Credit Facility; (ii) CTI had unused borrowing availability under the CTI Credit Facility of approximately (Pounds)11.5 million ($18.6 million); and (iii) Crown Atlantic had approximately $6.2 million of unused borrowing availability under the Crown Atlantic Credit Facility. The Company's various credit facilities require its subsidiaries to maintain certain financial covenants and place restrictions on the ability of the Company's subsidiaries to, among other things, incur debt and liens, pay dividends, make capital expenditures, undertake transactions with affiliates and make investments. These facilities also limit the ability of the borrowing subsidiaries to pay dividends to the Company.

If the Company is unable to refinance its subsidiary debt or renegotiate the terms of such debt, it may not be able to meet its debt service requirements, including interest payments on the 10 5/8% Notes, the 10 3/8% Notes and the 9% Notes, in the future. Prior to November 15, 2002 and May 15, 2004, respectively, the interest expense on the 10 5/8% Notes and the 10 3/8% Notes will be comprised solely of the amortization of original issue discount. Thereafter, the 10 5/8% Notes and the 10 3/8% Notes will require annual cash interest payments of approximately $26.7 million and $51.9 million, respectively. The 9% Notes require annual cash interest payments of approximately $16.2 million, commencing on November 15, 1999. Prior to December 15, 2003, the Company does not expect to pay cash dividends on the Exchangeable Preferred Stock or, if issued, cash interest on the exchange debentures. Thereafter, assuming all dividends or interest have been paid-in-kind, the Exchangeable Preferred Stock or, if issued, the exchange debentures will require annual cash dividend or interest payments of approximately $47.8 million. Annual cash interest payments on the CTI Bonds are (Pounds)11.25 million ($18.2 million). In addition, the Senior Credit Facility, the CTI Credit Facility and the Crown Atlantic Credit Facility will require periodic interest payments on amounts borrowed thereunder.

As a holding company, the Company will require distributions or dividends from its subsidiaries, or will be forced to use capital raised in debt and equity offerings, to fund its debt obligations, including interest payments on the Notes. As described above, the terms of the indebtedness of the Company's subsidiaries significantly limit such subsidiaries' ability to distribute cash to the Company.

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, 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 anticipates that it may need to refinance all or a portion of its indebtedness (including the 10 5/8% Notes, the 10 3/8% Notes, the 9% 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 on commercially reasonable terms or at all.

Reporting Requirements Under the Indenture Governing the Notes (the "Indenture")

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

The Company has designated Crown Atlantic as an Unrestricted Subsidiary. Summarized financial information for (i) the Company and its Restricted Subsidiaries and (ii) the Company's Unrestricted Subsidiaries is as follows:

	March 31, 1999			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 50,669	$ 51,178	$ --	$ 101,847
Other current assets	21,373	31,555	--	52,928
Property and equipment, net	178,304	1,054,900	--	1,233,204
Escrow deposits for acquisitions	100,000	--	--	100,000
Investments in Unrestricted Subsidiaries	992,675	--	(992,675)	--
Goodwill and other intangible assets, net	141,443	476,326	--	617,769
Other assets, net	13,406	4,540	--	17,946
	$1,497,870	$1,618,499	$(992,675)	$2,123,694
Current liabilities	$ 9,394	$ 68,901	$ --	$ 78,295
Long-term debt	312,505	458,685	--	771,190
Other liabilities	1,744	45,140	--	46,884
Minority interests	--	53,098	--	53,098
Redeemable preferred stock	207,471	--	--	207,471
Stockholders' equity	966,756	992,675	(992,675)	966,756
	$1,497,870	$1,618,499	$(992,675)	$2,123,694

	Three Months Ended March 31, 1999		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)		
Net revenues	$ 12,254	$42,855	$ 55,109
Costs of operations (exclusive of depreciation and amortization)	4,725	20,784	25,509
General and administrative	6,624	1,680	8,304
Corporate development	841	33	874
Restructuring charges	1,814	--	1,814
Non-cash compensation charges	383	284	667
Depreciation and amortization	4,517	15,139	19,656
Operating income (loss)	(6,650)	4,935	(1,715)
Interest and other income (expense)	(2,328)	2,668	340
Interest expense and amortization of deferred financing costs	(5,747)	(5,539)	(11,286)
Provision for income taxes	(127)	--	(127)
Minority interests	--	(685)	(685)
Cumulative effect of change in accounting principle for costs of start-up activities	(2,414)	--	(2,414)
Net income (loss)	$(17,266)	$ 1,379	$(15,887)

Tower Cash Flow and Adjusted Consolidated Cash Flow for the Company and its Restricted Subsidiaries is as follows:

	(In thousands of dollars)
Tower Cash Flow, for the three months ended March 31, 1999	$ 4,098
Consolidated Cash Flow, for the twelve months ended March 31, 1999	$ 4,854
Less: Tower Cash Flow, for the twelve months ended March 31, 1999	(15,318)
Plus: four times Tower Cash Flow, for the three months ended March 31, 1999	16,392
Adjusted Consolidated Cash Flow, for the twelve months ended March 31, 1999	$ 5,928

Impact of Recently Issued Accounting Standards

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 requires 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 has adopted 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 resulted in a charge to results of operations for $2,414,000 in the Company's financial statements for the three months ended March 31, 1999.

In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 requires that derivative instruments be recognized as either assets or liabilities in the consolidated balance sheet based on their fair values. Changes in the fair values of such derivative instruments will be recorded either in results of operations or in other comprehensive income, depending on the intended use of the derivative instrument. The initial application of SFAS 133 will be reported as the effect of a change in accounting principle. SFAS 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 1999. The Company will adopt the requirements of SFAS 133 in its financial statements for the three months ending March 31, 2000. The Company has not yet determined the effect that the adoption of SFAS 133 will have on its consolidated financial statements.

Year 2000 Compliance

The year 2000 problem is the result of computer programs having been written using two digits (rather than four) to define the applicable year. Any of our computer programs that have date-sensitive software may recognize a date using "00" as 1900 rather than the year 2000, or may not recognize the date at all. This could result in a system failure or miscalculations causing disruption of operations including, among other things, a temporary inability to process transactions, send invoices, or engage in similar normal business activities.

In 1997 we established a year 2000 project to ensure that the issue received appropriate priority and that necessary resources were made available. This project includes the replacement of our worldwide business computer systems with systems that use programs primarily from J.D. Edwards, Inc. The new systems are expected to make approximately 90% of our business computer systems year 2000 compliant and are in production today. Remaining business software programs, including those supplied by vendors, will be made year 2000 compliant through the year 2000 project or they will be retired. None of our other information technology projects has been delayed due to the implementation of the year 2000 project.

Our year 2000 project is divided into the following phases: (1) inventorying year 2000 items; (2) assigning priorities to identified items; (3) assessing the year 2000 compliance of items determined to be material to us; (4) repairing or replacing material items that are determined not to be year 2000 compliant; (5) testing material items; and (6) designing and implementing contingency and business continuation plans for each organization and company location. We have completed the inventory and priority assessment phases and are 90% complete with the assessing compliance phase. The remaining items include various third party assurances regarding the year 2000 status of their operations. We are now continuing with the testing phase of the year 2000 project. All critical broadcast equipment and non-information technology related equipment has been tested and is either year 2000 compliant, has been designated as year 2000 ready, or will be repaired or replaced by June 1999. A year 2000 ready designation implies the equipment or system will function without adverse effects beyond year 2000 but may not be aware of the century. All critical information technology systems have been designated year 2000 compliant or are scheduled to be retired or remediated by July 1999. The testing phase is ongoing as hardware or system software is remediated, upgraded or replaced. Testing as well as remediation is scheduled for completion in July 1999. The final phase of our year 2000 project, contingency planning, will be completed and tested to the extent possible by September 1999.

We have expended approximately $7.2 million on the year 2000 project through March 31, 1999, of which approximately $6.8 million related to the implementation of the J.D. Edwards Systems and related hardware. Funds for the year 2000 project are provided from a separate budget of approximately $0.3 million for all remaining items.

The failure to correct a material year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect our results of operations, liquidity and financial condition. Due to the general uncertainty inherent in the year 2000 problem, resulting in part from the uncertainty of the year 2000 readiness of third-party suppliers and customers, we are unable to determine at this time whether the consequences of year 2000 failures will have a material impact on our results of operations, liquidity or financial condition. The year 2000 project is expected to significantly reduce our level of uncertainty about the year 2000 problem and, in particular, about the year 2000 compliance and readiness of our material business partners. We believe that, with the implementation of new business systems and completion of the project as scheduled, the possibility of significant interruptions of normal operations should be reduced.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company, as a result of its international operating, investing and financing activities, is exposed to market risks, which include changes in foreign currency exchange rates and interest rates which may adversely affect its results of operations and financial position. In seeking to minimize the risks and/or costs associated with such activities, the Company manages exposure to changes in interest rates and foreign currency exchange rates.

Certain financial instruments used to obtain capital are subject to market risks from fluctuations in market rates. The majority of our financial instruments, however, are long-term fixed interest rate notes and debentures. Therefore, fluctuations in market interest rates of 1% in 1999 would not have a material effect on the Company's consolidated financial results.

The majority of our foreign currency transactions are denominated in the British pound sterling, which is the functional currency of CTI. As these contracts are denominated and settled in the functional currency, risks associated with currency fluctuations are minimized to foreign currency translation adjustments. The Company does not currently hedge against foreign currency translation risks and believes that foreign currency exchange risk is not significant to its operations.

PART II-OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

On March 31, 1999, the Company contributed via its wholly owned subsidiary, CCA Investment Corp. ("CCA"), 15,597,783 shares of common stock of the Company along with $250.0 million in cash to a joint venture ("Crown Atlantic") between CCA and Cellco Partnership, a Delaware general partnership doing business as Bell Atlantic Mobile ("BAM"), which owns and operates the wireless communication towers contributed by BAM to Crown Atlantic. The common stock contributed by CCA to Crown Atlantic was valued at $197.0 million for purposes of structuring the transaction. CCA has approximately a 61.5% membership interest in Crown Atlantic and BAM has approximately a 38.5% membership interest in Crown Atlantic along with a .001% interest in Crown Atlantic's operating subsidiary. BAM contributed 1,322 towers along with related assets and liabilities to Crown Atlantic plus the ecomomic benefit of 136 towers and was distributed $380.0 million in cash. BAM has entered into a global lease for space on the towers contributed to Crown Atlantic. Crown Atlantic has also entered into a build-to suit agreement with BAM as to 500 towers for the BAM wireless communication business and has a right of first refusal on the Company's next 300 build-to-suit tower opportunities not affiliated with BAM within the region of the contributed towers. The stock was issued and contributed in an exempt transaction pursuant to Section 4(2) of the Securities Act of 1933, as amended.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

11.1 Computation of Net Loss Per Common Share
27.1 Financial Data Schedule

(b) Reports on Form 8-K

The Registrant filed a Current Report on Form 8-K dated March 8, 1999 and filed with the Securities and Exchange Commission on March 9, 1999 reporting under Item 5 thereof the execution of a letter agreement with BellSouth Mobility for the sublease of its towers.

The Registrant filed a Current Report on Form 8-K dated March 15, 1999 and filed with the Securities and Exchange Commission on March 16, 1999 reporting under Item 5 thereof the execution of an asset purchase agreement with Powertel for the acquisition of its towers and an agreement with One2One for the management, development and acquisition of its towers.

The Registrant filed a Current Report on Form 8-K dated March 31, 1999 and filed with the Securities and Exchange Commission on April 12, 1999 reporting under Item 5 thereof the formation and closing of the joint venture with Bell Atlantic Mobile.

SIGNATURES

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

CROWN CASTLE INTERNATIONAL CORP.

Date: May 14, 1999

By: /s/ CHARLES C. GREEN, III

Charles C. Green, III
Executive Vice President
and Chief Financial Officer
(Principal Financial Officer)

Date: May 14, 1999

By: /s/ WESLEY D. CUNNINGHAM

Wesley D. Cunningham
Senior Vice President, Corporate Controller
and Chief Accounting Officer
(Principal Accounting Officer)

EXHIBIT 11.1

CROWN CASTLE INTERNATIONAL CORP.

COMPUTATION OF NET LOSS PER COMMON SHARE
(In thousands of dollars, except per share amounts)

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1999
	(In thousands of dollars, except per share amounts)	
Loss before cumulative effect of change in accounting principle	$(6,606)	$(13,473)
Dividends on preferred stock	(2,055)	(6,408)
Loss before cumulative effect of change in accounting principle applicable to common stock for basic and diluted computations	(8,661)	(19,881)
Cumulative effect of change in accounting principle	--	(2,414)
Net loss applicable to common stock for basic and diluted computations	$(8,661)	$(22,295)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	10,954	94,732
Per common share - basic and diluted:		
Loss before cumulative effect of change in accounting principle	$ (0.79)	$ (0.21)
Cumulative effect of change in accounting principle	--	(0.03)
Net loss	$ (0.79)	$ (0.24)

5

This schedule contains summary financial information extracted from the Company's consolidated balance sheet and consolidated statement of operations and is qualified in its entirety by reference to such consolidated financial statements together with the related footnotes thereto.

1,000
U.S. DOLLARS

3-MOS
DEC-31-1999
JAN-01-1999
MAR-31-1999
1
101,847
0
31,902
1,653
8,634
154,775
1,267,933
34,729
2,123,694
78,295
771,190
207,471
0
1,105
965,651
2,123,694
0
55,109
0
25,509
31,315
0
11,286
(12,661)
127
(13,473)
0
0
(2,414)
(15,887)
(0.24)
(0.24)