SBA Communications Corporation Reports Record 2nd Quarter Results

BOCA RATON, Fla., Aug. 11 /PRNewswire/ -- SBA Communications Corporation (Nasdaq: SBAC)("SBA") announced its financial condition and results of operations for the second quarter ended June 30, 1999. The company achieved a number of financial and operational milestones in the quarter. SBA completed its initial public offering of Class A Common Stock and the acquisition of Com-Net Construction Services, Inc. The company added 184 towers to its portfolio, including 126 towers built by SBA, each of which is the highest number of any quarter in the company's history. As of the end of the quarter, SBA owned 770 towers, compared to 484 towers owned as of December 31, 1998. In addition, SBA experienced a record number of new tenant additions to its tower portfolio in the quarter. On a pro forma basis, same tower revenue increased 27% from June 30, 1998 to June 30, 1999.

Total revenues for the quarter increased 40.9% to $19.4 million from the second quarter of 1998, due to both higher site leasing revenue and site development revenue. Site leasing revenue increased to $5.8 million for the quarter, a record for the company and a 117.6% increase over the second quarter of 1998. Gross profit for the quarter increased 108.2% to $6.6 million from the second quarter of 1998, due to higher site leasing and site development gross profit. Site leasing gross profit, or tower cash flow, increased to $3.0 million for the quarter, again a record for SBA and a 188.6% increase over the second quarter of 1998. Earnings before interest, taxes, depreciation, amortization and non-cash compensation charges (EBITDA) increased to $1.9 million from a loss of ($1.6 million) in the same period last year.

"The second quarter was in many respects a breakthrough quarter for us", commented Steven E. Bernstein, Chief Executive Officer. "We completed our initial public offering and the Com-Net acquisition. We added a record number of towers to our portfolio, and enjoyed many synergies between our site development and site leasing businesses which resulted in increased revenue, gross profit and EBITDA. We are well-positioned for continued growth. Perhaps most importantly, we enjoyed great success in adding new tenants to our towers. We have always believed that our asset mix, which favors new builds, and our ability to identify attractive tower locations through our operational capability and experience would produce superior same tower revenue growth. We are extremely pleased with the 27% same tower annual revenue growth we have experienced as of June 30, 1999".

SBA is a leading independent owner and operator of wireless communications infrastructure in the United States. SBA generates revenue from two primary businesses -- site leasing and site development services. The primary focus of the company is the leasing of antenna space on its multi-tenant towers to a variety of wireless service providers under long-term lease contracts. Since it was founded in 1989, SBA has participated in the development of over 13,000 antenna sites in the United States. SBA currently owns approximately 790 towers and has over 600 tower projects under various stages of development throughout the nation.

Information Concerning Forward-Looking Statements

Some information in this release is forward-looking. These forward- looking statements may be affected by the risks and uncertainties in the company's business. This information is qualified in its entirety by cautionary statements and risk factors disclosure contained in certain of the company's Securities and Exchange Commission filings. The company wishes to caution readers that certain important factors may have affected and could in the future affect the company's actual results and could cause the company's actual results for subsequent periods to differ materially from those expressed in any forward-looking statement made by or on behalf of the company. The company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

SBA COMMUNICATIONS CORPORATION
SUMMARY HISTORICAL FINANCIAL DATA

	For the three months ended June 30,		For the six months ended June 30,	
	1998	1999	1998	1999
Operating Data:				
Revenue:				
Site development revenue	$11,127,165	$13,647,457	$23,658,415	$22,222,144
Site leasing revenue	2,645,712	5,757,815	4,804,251	10,899,429
Total revenues	13,772,877	19,405,272	28,462,666	33,121,573

Cost of revenues:				
Cost of site development revenue	8,981,287	10,009,566	17,970,672	16,632,761
Cost of site leasing revenue	1,612,687	2,777,017	3,119,558	5,154,523
Total cost of revenues	10,593,974	12,786,583	21,090,230	21,787,284
Gross Profit	3,178,903	6,618,689	7,372,436	11,334,289
Operating expenses	4,859,883	4,855,498	8,801,931	8,933,071
Depreciation and amortization	970,224	3,538,092	1,477,469	6,669,393
Total operating expenses	5,830,107	8,393,590	10,279,400	15,602,464
Operating loss	(2,651,204)	(1,774,901)	(2,906,964)	(4,268,175)
Other income (expense)	(2,911,725)	(6,749,508)	(4,027,494)	(12,249,085)
Loss before income taxes and extraordinary item	(5,562,929)	(8,524,409)	(6,934,458)	(16,517,260)
(Provision) benefit for income taxes	(525,645)	(209,680)	(612,229)	575,901
Net loss before extraordinary item	(6,088,574)	(8,734,089)	(7,546,687)	(15,941,359)
Extraordinary item	---	---	---	(1,149,954)
Dividends on preferred stock	(712,500)	1,445,903	(1,150,000)	733,403
Net loss to common shareholders	$(6,801,074)	$(7,288,186)	$(8,696,687)	$(16,357,910)
Basic and diluted loss per common share	$ (0.82)	$ (0.64)	$ (1.06)	$(1.60)
Weighted average number of shares	8,260,155	11,423,533	8,168,089	10,196,544
Other Data:				
Earnings before interest taxes, depreciation, amortization and non-cash compensation charges	$(1,632,855)	$1,875,280	$(1,333,245)	$2,537,868
Annualized Tower Cash Flow	$4,132,100	$11,923,192		

	As of December 31, 1998 (IN THOUSANDS)	As of June 30, 1999
Balance Sheet Data:		
Cash and cash equivalents	$26,743	$5,037
Total assets	$214,573	$292,498
Working capital	$8,083	$(3,217)
Total debt	$182,573	$210,759

SOURCE SBA Communications Corporation
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