

Third Quarter 2016 Earnings Conference Call

October 27, 2016



AMERICAN TOWER®



Agenda

Introduction

Leah Stearns

Senior Vice President, Treasurer and Investor Relations

Financial Results

Tom Bartlett

Executive Vice President, Chief Financial Officer

Closing Remarks

Jim Taiclet

Chairman, President and Chief Executive Officer

Q&A



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Forward-Looking Statements

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: This presentation contains forward-looking statements concerning our goals, beliefs, strategies, future operating results and underlying assumptions. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including those described in the appendix attached hereto, Item 1A of our Form 10-K for the year ended December 31, 2015 under the caption “Risk Factors.” We undertake no obligation to update the information contained in this presentation to reflect subsequently occurring events or circumstances. Definitions and reconciliations are provided at the end of the presentation.



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Consolidated Results Highlights

<i>\$ in millions, except per share data</i>	3Q16	3Q15⁽¹⁾	Y/Y Change
Total Property Revenue	\$1,498	\$1,213	23.5%
Total Revenue	\$1,515	\$1,238	22.4%
Net income attributable to ATC Common Stockholders	\$238	\$76	211.9%
Per diluted share attributable to ATC	\$0.55	\$0.18	205.6%
<hr/>			
Adjusted EBITDA	\$915	\$779	17.5%
<i>Adjusted EBITDA Margin</i>	<i>60.4%</i>	<i>62.9%</i>	
Consolidated AFFO	\$641	\$558	14.9%
Per diluted share	\$1.49	\$1.31	13.7%

(1) Includes the impact of unrealized foreign currency losses of approximately \$78 million and a one-time cash tax charge of approximately \$93 million as part of the tax election related to the GTP REIT.



Financial Results

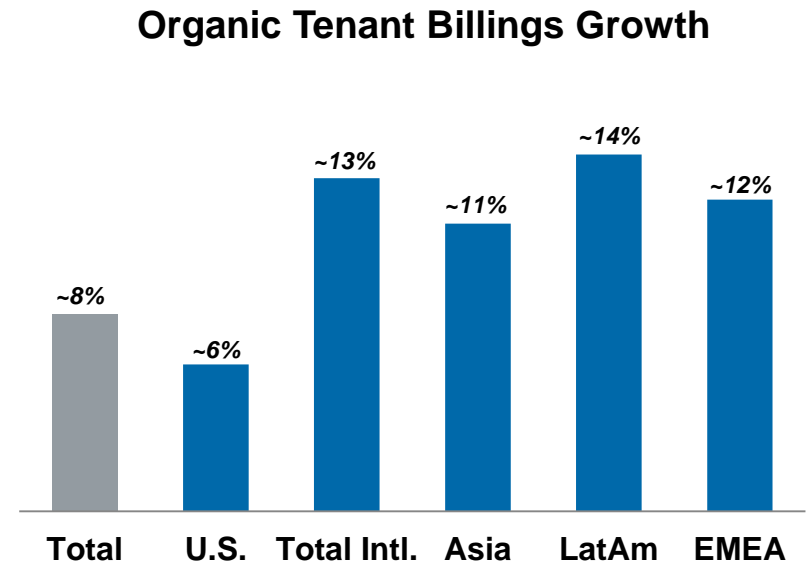
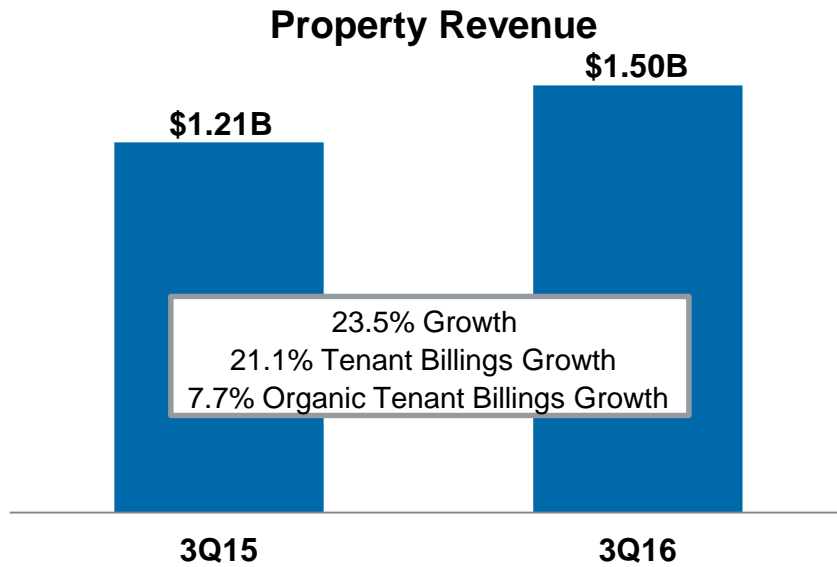
Tom Bartlett

Executive Vice President, Chief Financial Officer



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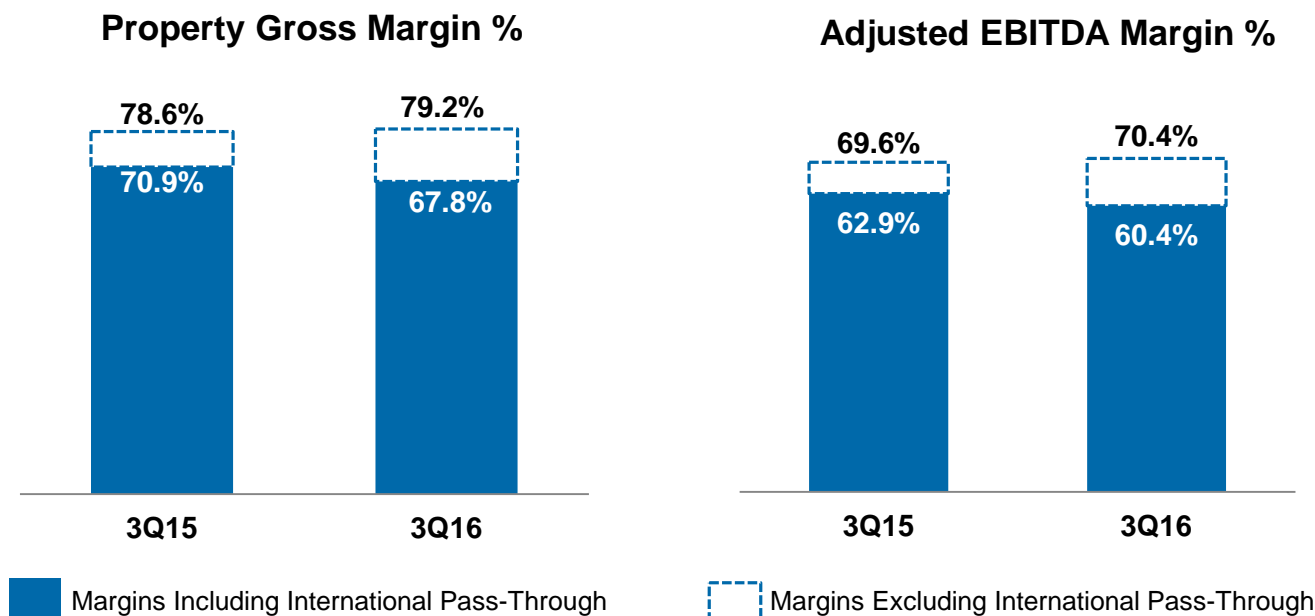
3Q 2016 Property Revenue Growth



- Total Property revenue growth of nearly 24%
- Consolidated Organic Tenant Billings Growth of nearly 8%
 - U.S. showed sequential acceleration of about 10 basis points
 - All 3 international segments delivered double digit growth for 6th quarter in a row

Diversification continues to support strong global revenue growth

3Q 2016 Margin Performance

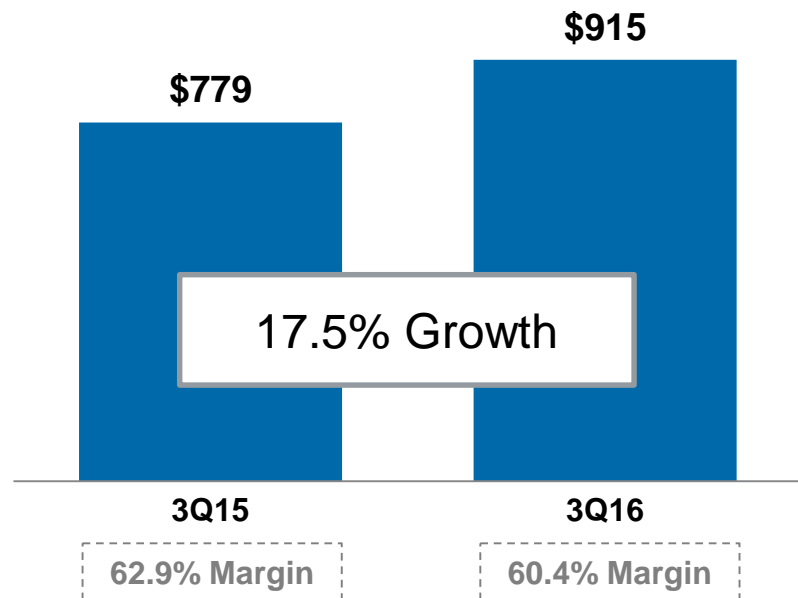


- > Operational margin expansion adjusting for pass-through; even greater improvement after adjusting for the impact of the nearly 46K new, lower margin sites
- > Strong expected future NOI Yield expansion
- > Cash SG&A as a percent of revenue of 7.4%

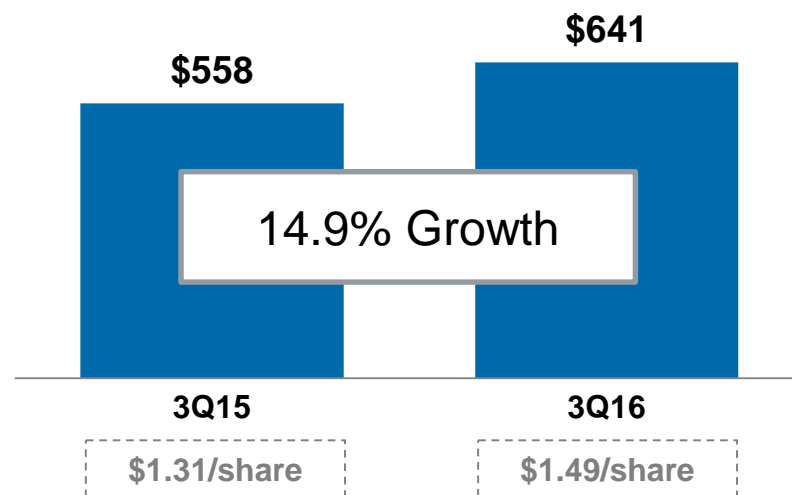
3Q 2016 Adjusted EBITDA and Consolidated AFFO

(\$ in millions)

Adjusted EBITDA



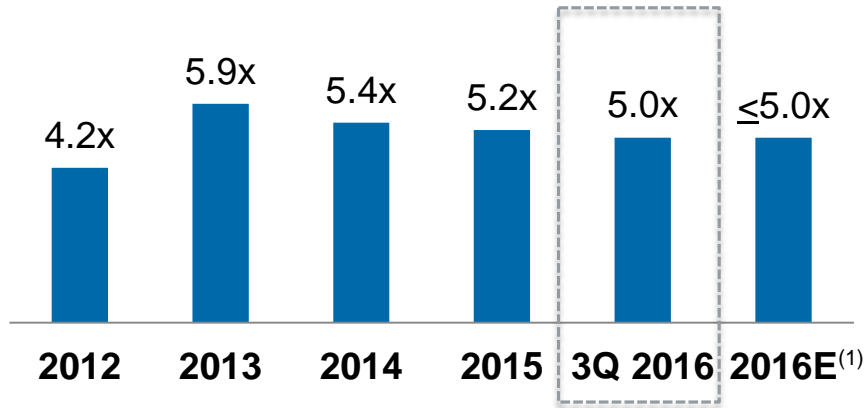
Consolidated AFFO



Continuing double digit % growth in key metrics

Balance Sheet Strategy

LQA Net Leverage



As of September 30, 2016

% Fixed	76%
% Unsecured	79%
% International	6%
Weighted Average Cost	~4%
Average Duration	5.3 years
Liquidity	\$3.3 billion
Investment Grade Ratings (Moody's/S&P/Fitch)	Baa3/BBB-/BBB

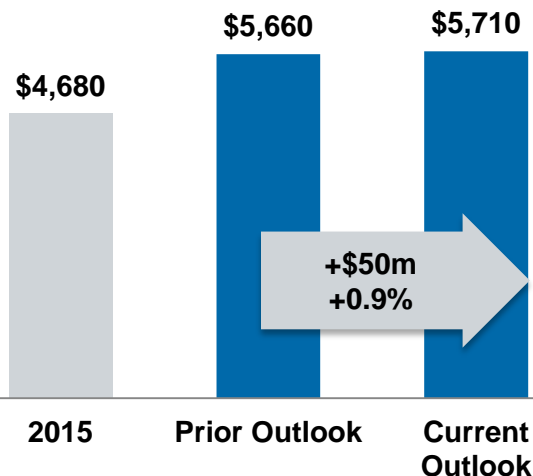
- Met year-end net leverage target of 5.0x full quarter early; long-term target range remains 3x – 5x
- Raised \$1.0B of 5 and 10-year senior unsecured notes in 3Q at weighted avg. coupon of 2.60%
- Selectively utilizing local currency debt to support growth and further hedge international cash flows
 - Reduced weighted average interest rate on Viom debt by about 60 basis points since transaction closed
- Minimal cash-flow exposure to rising interest rates given primarily fixed rate U.S. balance sheet

(1) Reflects expected last quarter annualized net leverage as of the end of Q4 2016.

Increasing 2016 Outlook⁽¹⁾

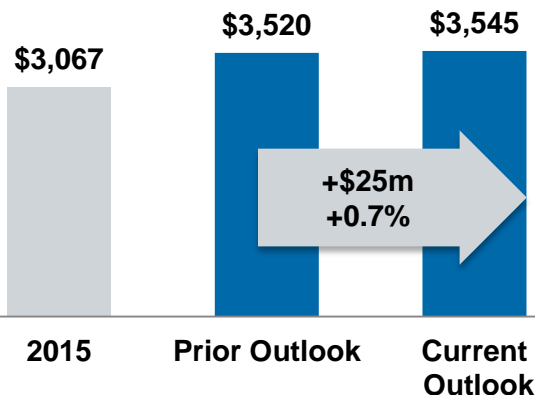
(\$ in millions)

Property Revenue



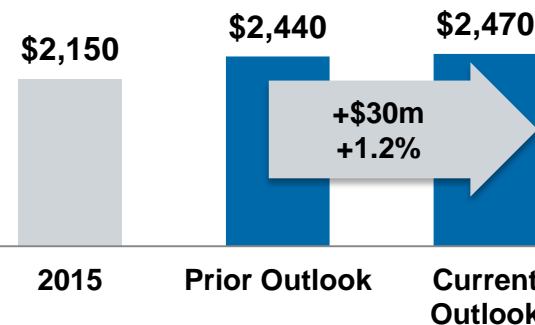
~22% year over year Growth
Organic Tenant Billings Growth of ~8%

Adjusted EBITDA



~16% year over year Growth
Adjusted EBITDA Margin % of Over 61%

Consolidated AFFO



~15% year over year Growth
~13% per share Growth

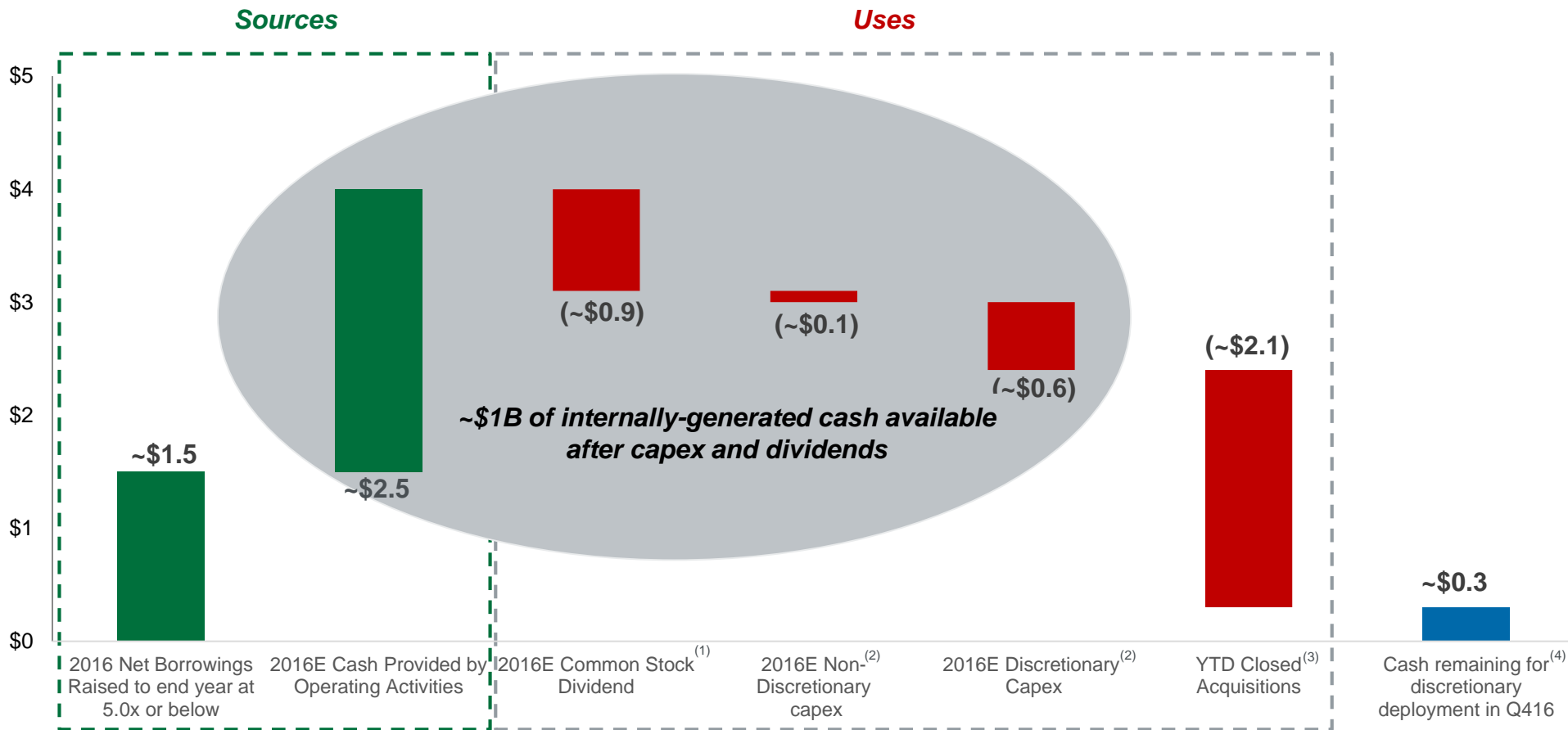
- > Expect 2016 Net Income of over \$1.0 Billion; represents year-over-year growth of more than 50%
- > Expect to end year with over 145,000 sites globally
- > Anticipate generating AFFO per Share of \$5.75 at the midpoint of our outlook⁽²⁾

(1) Prior outlook reflects 2016 outlook midpoints, as reported in the Company's 8-K, dated July 28, 2016. Current outlook reflects 2016 outlook midpoints, as reported in the Company's 8-K, dated October 27, 2016.

(2) Assuming weighted average diluted share count of 429.5 million shares.

2016E Sources and Uses of Capital

(\$ in billions)



(1) Estimated and subject to the discretion and determination of the Company's Board of Directors.

(2) Reflects midpoint of 2016 outlook, as reported in the Company's 8-K, dated October 27, 2016. Non-discretionary capex includes capital improvement and corporate capex.

(3) Includes debt assumed as part of acquisitions.

(4) Excludes impact of pending transactions. Assumes Company remains at target leverage of 5.0x.

Definitions and reconciliations are provided at the end of this presentation.

In Summary

Ending 2016 in a strong position

- › Double digit growth across all key financial metrics
- › Expect full year Consolidated AFFO per Share growth of over 13%
- › Added nearly 46,000 new sites globally
- › Annual dividend growth of over 20% anticipated⁽¹⁾
- › Achieved year-end deleveraging goals by 9/30
- › ~\$1 billion of recurring internally generated cash after dividends and capex

Momentum heading into 2017

- › Positioned to benefit from secular mobile data demand trends on five continents
- › Expect to continue to deliver dividend growth of at least 20% annually⁽¹⁾
- › Sizeable capacity to invest in growth assets or potentially repurchase shares⁽²⁾

(1) Subject to the discretion and determination of the Company's Board of Directors.

(2) As part of our existing share repurchase program.



Definitions

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

Adjusted EBITDA Margin: The percentage that results from dividing Adjusted EBITDA by total revenue.

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

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

Churn: Revenue lost when a tenant cancels or does not renew its lease or, in limited circumstances, when the lease rates on existing leases are reduced.

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

Net Leverage Ratio: Net debt (total long-term debt, less cash and cash equivalents) divided by the quarter's annualized Adjusted EBITDA.

NOI Yield: The percentage that results from dividing gross margin by total investment.

New Site Tenant Billings Growth: The portion of Tenant Billings Growth attributable to New Site Tenant Billings. The Company believes this measure provides valuable insight into the growth attributable to Tenant Billings from recently acquired or constructed properties.

New Site Tenant Billings: Day-one Tenant Billings associated with sites that have been built or acquired since the beginning of the prior year period. Incremental colocations/amendments, escalations or cancellations that occur on these sites after the date of their initial addition to our portfolio is not included in New Site Tenant Billings.

Organic Tenant Billings: Tenant Billings on sites that the Company has owned since the beginning of the prior-year period, as well as Tenant Billings activity on new sites that occurred after the date of their initial addition to the Company's portfolio.

Organic Tenant Billings Growth: The portion of Tenant Billings Growth attributable to Organic Tenant Billings. The Company believes that organic growth is a useful measure of its ability to add tenancy and incremental revenue to its assets for the reported period, which enables investors and analysts to gain additional insight into the relative attractiveness, and therefore the value, of the Company's property assets.

Definitions

Segment Gross Margin: Segment revenue less segment operating expenses, excluding stock-based compensation expense recorded in costs of operations; depreciation, amortization and accretion; selling, general, administrative and development expense; and other operating expenses. Latin America Property segment includes interest income, TV Azteca, net.

Segment Operating Profit: Segment gross margin less segment selling, general, administrative and development expense attributable to the segment, excluding stock-based compensation expense and corporate expenses. Latin America Property segment includes interest income, TV Azteca, net.

International Pass-through Revenues: In several of our international markets we pass through certain operating expenses to our tenants, including in Latin America where we primarily pass through ground rent expenses, and in India and South Africa, where we primarily pass through power and fuel costs. We record pass-through as revenue and a corresponding offsetting expense for these events.

Return on Invested Capital: Adjusted EBITDA less improvement and corporate capital expenditures and cash taxes, divided by gross property, plant and equipment, goodwill and intangible assets.

Straight-line expenses: We calculate straight-line ground rent expense for our ground leases based on the fixed non-cancellable term of the underlying ground lease plus all periods, if any, for which failure to renew the lease imposes an economic penalty to us such that renewal appears, at the inception of the lease, to be reasonably assured. Certain of our tenant leases require us to exercise available renewal options pursuant to the underlying ground lease, if the tenant exercises its renewal option. For towers with these types of tenant leases at the inception of the ground lease, we calculate our straight-line ground rent over the term of the ground lease, including all renewal options required to fulfill the tenant lease obligation.

Straight-line revenues: We calculate straight-line rental revenues from our tenants based on the fixed escalation clauses present in non-cancellable lease agreements, excluding those tied to the Consumer Price Index or other inflation-based indices, and other incentives present in lease agreements with our tenants. We recognized revenues on a straight-line basis over the fixed, non-cancellable terms of the applicable leases.

Tenant Billings: The majority of the Company's revenue is generated from non-cancellable, long-term tenant leases. Revenue from Tenant Billings reflects several key aspects of the Company's real estate business: (i) "colocations/amendments" reflects new tenant leases for space on existing towers and amendments to existing leases to add additional tenant equipment; (ii) "escalations" reflects contractual increases in billing rates which are typically tied to fixed percentages or a variable percentage based on a consumer price index; (iii) "cancellations" reflects the impact of tenant lease terminations or non-renewals or, in limited circumstances, when the lease rates on existing leases are reduced; and (iv) "new sites" reflects the impact of new property construction and acquisitions.

Tenant Billings Growth: The increase or decrease resulting from a comparison of Tenant Billing results for a current period with Tenant Billing for the corresponding prior-year period, in each case adjusted for foreign currency exchange fluctuations.

Risk Factors

This presentation contains “forward-looking statements” concerning our goals, beliefs, expectations, strategies, objectives, plans, future operating results and underlying assumptions, and other statements that are not necessarily based on historical facts. Examples of these statements include, but are not limited to, statements regarding our full year 2016 outlook, foreign currency exchange rates, our expectation regarding the leasing demand for communications real estate and our expectations regarding dividend growth. Actual results may differ materially from those indicated in our forward-looking statements as a result of various important factors, including: (1) decrease in demand for our communications sites would materially and adversely affect our operating results, and we cannot control that demand; (2) if our tenants share site infrastructure to a significant degree or consolidate or merge, our growth, revenue and ability to generate positive cash flows could be materially and adversely affected; (3) increasing competition for tenants in the tower industry may materially and adversely affect our pricing; (4) competition for assets could adversely affect our ability to achieve our return on investment criteria; (5) our business is subject to government and tax regulations and changes in current or future laws or regulations could restrict our ability to operate our business as we currently do; (6) our leverage and debt service obligations may materially and adversely affect us, including our ability to raise additional financing to fund capital expenditures, future growth and expansion initiatives and to satisfy our distribution requirements; (7) our expansion initiatives involve a number of risks and uncertainties, including those related to integration of acquired or leased assets, that could adversely affect our operating results, disrupt our operations or expose us to additional risk; (8) our foreign operations are subject to economic, political and other risks that could materially and adversely affect our revenues or financial position, including risks associated with fluctuations in foreign currency exchange rates; (9) new technologies or changes in a tenant’s business model could make our tower leasing business less desirable and result in decreasing revenues; (10) a substantial portion of our revenue is derived from a small number of tenants, and we are sensitive to changes in the creditworthiness and financial strength of our tenants; (11) if we fail to remain qualified for taxation as a REIT, we will be subject to tax at corporate income tax rates, which may substantially reduce funds otherwise available, and even if we qualify for taxation as a REIT, we may face tax liabilities that impact earnings and available cash flow; (12) complying with REIT requirements may limit our flexibility or cause us to forego otherwise attractive opportunities; (13) if we are unable to protect our rights to the land under our towers, it could adversely affect our business and operating results; (14) if we are unable or choose not to exercise our rights to purchase towers that are subject to lease and sublease agreements at the end of the applicable period, our cash flows derived from such towers will be eliminated;

Risk Factors

(continued)

(15) restrictive covenants in the agreements related to our securitization transactions, our credit facilities and our debt securities and the terms of our preferred stock could materially and adversely affect our business by limiting flexibility, and we may be prohibited from paying dividends on our common stock, which may jeopardize our qualification for taxation as a REIT; (16) our costs could increase and our revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated; (17) we could have liability under environmental and occupational safety and health laws; and (18) our towers, data centers or computer systems may be affected by natural disasters and other unforeseen events for which our insurance may not provide adequate coverage. For additional information regarding factors that may cause actual results to differ materially from those indicated in our forward-looking statements, we refer you to the information contained in Item 1A of our Form 10-K for the year ended December 31, 2015, under the caption “Risk Factors”. We undertake no obligation to update the information contained in this presentation to reflect subsequently occurring events or circumstances.



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Historical Reconciliations

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

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA						
	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
Net income	\$157.2	\$97.7	\$221.6	\$281.3	\$192.5	\$263.7
Loss (income) from discontinued operations, net	-	-	-	-	-	-
Income from continuing operations	\$157.2	\$97.7	\$221.6	\$281.3	\$192.5	\$263.7
Income from equity method investments	-	-	-	-	-	-
Income tax provision	14.0	94.2	25.9	29.1	43.5	22.0
Other (income) expense	2.1	66.7	11.7	(12.2)	25.8	12.3
Loss (gain) on retirement of long-term obligations	75.1	-	0.8	0.0	(0.8)	-
Interest expense	148.5	149.8	149.7	159.9	181.0	190.2
Interest income	(4.4)	(4.5)	(4.6)	(3.5)	(6.5)	(6.4)
Other operating expenses	17.4	15.7	25.8	8.8	13.7	15.0
Depreciation, amortization and accretion	328.4	341.1	352.4	341.6	397.8	398.0
Stock-based compensation expense	24.0	18.3	18.3	28.1	21.9	20.2
ADJUSTED EBITDA	\$762.3	\$779.0	\$801.5	\$833.1	\$868.9	\$915.0
Divided by total revenue	\$1,174.4	\$1,237.9	\$1,280.0	\$1,289.0	\$1,442.2	\$1,514.8
ADJUSTED EBITDA MARGIN	65%	63%	63%	65%	60%	60%
AFFO RECONCILIATION ⁽¹⁾						
	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
Adjusted EBITDA	\$762.3	\$779.0	\$801.5	\$833.1	\$868.9	\$915.0
Straight-line revenue	(35.5)	(38.8)	(46.8)	(32.0)	(35.2)	(34.6)
Straight-line expense	14.0	16.4	16.9	15.8	16.5	17.8
Cash interest	(143.2)	(142.5)	(143.3)	(152.5)	(176.6)	(184.6)
Interest Income	4.4	4.5	4.6	3.5	6.5	6.4
Cash received (paid) for income taxes ⁽²⁾	(15.2)	(7.3)	(26.8)	(19.4)	(31.0)	(21.5)
Dividends on preferred stock	(26.8)	(26.8)	(26.8)	(26.8)	(26.8)	(26.8)
Capital Improvement Capex	(19.8)	(22.2)	(31.0)	(16.7)	(25.8)	(28.0)
Corporate Capex	(3.2)	(4.3)	(6.6)	(2.7)	(4.6)	(2.5)
Consolidated AFFO	\$536.8	\$558.1	\$541.7	\$602.5	\$591.9	\$641.3
Adjustments for noncontrolling interests	(\$12.6)	(\$5.8)	(\$2.5)	(\$15.7)	(\$21.4)	(\$29.3)
AFFO Attributable to Common Stockholders	\$524.3	\$552.2	\$539.2	\$586.8	\$570.5	\$612.0

(1) Calculation of Consolidated AFFO excludes start-up related capital spending in 2015-2016.

(2) Excludes one-time GTP cash tax charge incurred during the third quarter of 2015.



2016 Outlook Reconciliations⁽¹⁾⁽²⁾

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

Reconciliations of Outlook for Net Income to Adjusted EBITDA:			
(\$ in millions)	Full Year 2016		
Net income	\$995	to	\$1,025
Interest expense	730	to	720
Depreciation, amortization and accretion	1,520	to	1,550
Income Tax Provision	133	to	122
Stock based compensation expense	90	-	90
Other, including other operating expenses, interest income, gain (loss) on retirement of long-term obligations and other income (expense)	62	to	53
Adjusted EBITDA	<u>\$ 3,530</u>	to	<u>\$ 3,560</u>

Reconciliations of Outlook for Net Income to Consolidated Adjusted Funds From Operations:			
(\$ in millions)	Full Year 2016		
Net income	\$995	to	\$1,025
Straight-line revenue	(129)	-	(129)
Straight-line expense	67	-	67
Depreciation, amortization and accretion	1,520	to	1,550
Non-cash stock based compensation expense	90	-	90
Deferred portion of income tax	38	to	25
Amortization of deferred financing costs, capitalized interest and debt discounts and premiums and long-term deferred interest charges	22	to	24
Other, including other operating expenses, loss on retirement of long-term obligations and other expense (income)	84	to	75
Dividends on preferred stock	(107)	-	(107)
Capital improvement capital expenditures	(110)	to	(120)
Corporate capital expenditures	(15)	-	(15)
Consolidated Adjusted Funds From Operations	<u>\$ 2,455</u>		<u>\$ 2,485</u>

(1) As reported in the Company's 8-K filed on October 27, 2016.

(2) The Company's outlook is based on the following average foreign currency exchange rates to 1.00 U.S. Dollar for the remainder of 2016: (a) 3.40 Brazilian Reals; (b) 680 Chilean Pesos; (c) 3,050 Colombian Pesos; (d) 0.91 Euros; (e) 4.10 Ghanaian Cedi; (f) 68.30 Indian Rupees; (g) 18.60 Mexican Pesos; (h) 330 Nigerian Naira; (i) 3.45 Peruvian Soles; (j) 15.00 South African Rand; and (k) 3,400 Ugandan Shillings.



Q3 2016 Net Leverage Ratio Reconciliation

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

	Q3 2016
Total Debt	\$18,679
Less: Cash and cash equivalents	(530)
Net Debt	18,149
Divided by: Q316 annualized Adjusted EBITDA ⁽¹⁾	3,660
Net Leverage Ratio	5.0x

(1) Q3 2016 Adjusted EBITDA multiplied by four.

Margin Reconciliations

PROPERTY GROSS MARGIN RECONCILIATION		
	Q3 2015	Q3 2016
Property Revenue	\$1,213	\$1,498
Property costs of operations	(356)	(485)
Interest income, TV Azteca, net	3	3
Property Gross Margin	860	1,016
<i>Property Gross Margin %</i>	<i>70.9%</i>	<i>67.8%</i>
Property Revenue	1,213	1,498
Less: Pass-through revenue	(119)	(215)
Property Revenue excluding pass-through	1,094	1,283
Property Gross Margin	860	1,016
Divided by Property Revenue excluding pass-through	1,094	1,283
<i>Property Gross Margin % excluding pass-through</i>	<i>78.6%</i>	<i>79.2%</i>

ADJUSTED EBITDA MARGIN RECONCILIATION		
	Q3 2015	Q3 2016
Total Revenue	\$1,238	\$1,515
Adjusted EBITDA	779	915
<i>Adjusted EBITDA Margin %</i>	<i>62.9%</i>	<i>60.4%</i>
Total Revenue	1,238	1,515
Less: Pass-through revenue	(119)	(215)
Total Revenue excluding pass-through	1,119	1,300
Adjusted EBITDA	779	915
Divided by Total Revenue excluding pass-through	1,119	1,300
<i>Adjusted EBITDA % excluding pass-through</i>	<i>69.6%</i>	<i>70.4%</i>