



Contact: Igor Khislavsky
Senior Director, Investor Relations
Telephone: (617) 375-7500

AMERICAN TOWER CORPORATION REPORTS SECOND QUARTER 2018 FINANCIAL RESULTS

CONSOLIDATED HIGHLIGHTS

Second Quarter 2018

- Total revenue increased 7.1% to \$1,781 million
- Property revenue increased 6.8% to \$1,749 million
- Net income decreased 19.1% to \$314 million
- Adjusted EBITDA increased 6.2% to \$1,084 million
- Consolidated AFFO increased 16.4% to \$844 million
- Consolidated AFFO per Share increased 13.1% to \$1.90

Boston, Massachusetts – July 31, 2018: American Tower Corporation (NYSE: AMT) today reported financial results for the quarter ended June 30, 2018.

Jim Taiclet, American Tower’s Chief Executive Officer, stated, “The rapid adoption of unlimited data plans in the U.S. wireless market has elevated aggregate year-over-year mobile data usage growth to roughly 40%. This is in turn fueling record levels of U.S. commenced new business for American Tower, resulting in Organic Tenant Billings Growth of 7.4% in the second quarter. Furthermore, given this robust data growth, deployment of new spectrum and the introduction of advanced technology across our U.S. tenant base, we are increasing our full year 2018 expectations for U.S. Organic Tenant Billings Growth to approximately 7%. We also anticipate a multiyear period of elevated demand in the U.S. as our tenants invest in 4G capacity and quality while launching mobile 5G networks, enhanced Internet of Things services and other initiatives that we expect will sustain demand for our comprehensive telecommunications real estate portfolio.

Our Latin America segment posted second quarter Organic Tenant Billings Growth in excess of 12%, reflecting especially strong trends in Mexico and Brazil, and we also saw consistent, steady results in EMEA. In India, where we recently added approximately 20,000 Vodafone and Idea Cellular sites, the carrier consolidation process is progressing as we anticipated. We fully expect the reordered India mobile industry to invest significantly to bring 4G to its subscriber base once the carrier mergers that are underway are completed. Taken together, we expect our highly diversified international business to deliver strong, sustainable growth for many years to come.”

CONSOLIDATED OPERATING RESULTS OVERVIEW

American Tower generated the following operating results for the quarter ended June 30, 2018 (all comparative information is presented against the quarter ended June 30, 2017). The Company is reporting its results in millions rather than thousands and, as a result, certain rounding adjustments have been made to prior-period amounts.

(\$ in millions, except per share amounts.)

	Q2 2018 ⁽¹⁾	Growth Rate
Total revenue	\$ 1,781	7.1 %
Total property revenue	\$ 1,749	6.8 %
Total Tenant Billings Growth.....	\$ 120	9.1 %
Organic Tenant Billings Growth.....	\$ 76	5.7 %
Property Gross Margin.....	\$ 1,199	5.7 %
Property Gross Margin %	68.6%	
Net income ⁽²⁾	\$ 314	(19.1)%
Net income attributable to AMT common stockholders ⁽²⁾	\$ 307	(10.9)%
Net income attributable to AMT common stockholders per diluted share ⁽²⁾	\$ 0.69	(13.8)%
Adjusted EBITDA.....	\$ 1,084	6.2 %
Adjusted EBITDA Margin %	60.9%	
Nareit Funds From Operations (FFO) attributable to AMT common stockholders	\$ 711	4.7 %
Consolidated AFFO.....	\$ 844	16.4 %
Consolidated AFFO per Share	\$ 1.90	13.1 %
AFFO attributable to AMT common stockholders.....	\$ 775	13.7 %
AFFO attributable to AMT common stockholders per Share	\$ 1.74	10.1 %
Cash provided by operating activities	\$ 940	18.2 %
Less: total cash capital expenditures ⁽³⁾	\$ 228	8.5 %
Free Cash Flow	\$ 712	21.7 %

(1) Inclusive of impacts from Indian Carrier Consolidation-Driven Churn. For reconciliations of these impacts on key metrics, please see tables below.

(2) Reflects an impairment charge of approximately \$33 million, primarily associated with assets in India, partially offset by an income tax benefit, also in India. The net impact of these items attributable to AMT common stockholders is approximately \$11 million.

(3) Q2 2018 cash capital expenditures include \$6.7 million of payments on capital leases of property and equipment, which are presented in the condensed consolidated statements of cash flows included herein under Repayments of notes payable, credit facilities, senior notes, secured debt and capital leases.

Certain wireless carriers in India are in the process of merging their operations or exiting the marketplace. The Company's operational and financial results during the second quarter of 2018 were impacted by churn driven by this carrier consolidation process. We are disclosing the additional financial metrics below to quantify the impacts of this churn, which we expect to occur at varying rates over the next several years, and to provide additional insight into the underlying long-term trends across the Company's business excluding these impacts. The impact of Indian Carrier Consolidation-Driven Churn on net income is not provided, as the impact on all components of the net income measure cannot be reasonably calculated.

Reconciliation of Indian Carrier Consolidation-Driven Churn Impact to Operating Results:

(\$ in millions, except per share amounts. Totals may not add due to rounding.)

	Q2 2018 Results			Q2 2017 Results			Growth Rates vs. Prior Year		
	Inclusive of Indian Carrier Consolidation-Driven Churn	Impact of Indian Carrier Consolidation-Driven Churn	Normalized	Inclusive of Indian Carrier Consolidation-Driven Churn	Impact of Indian Carrier Consolidation-Driven Churn	Normalized	Inclusive of Indian Carrier Consolidation-Driven Churn	Impact of Indian Carrier Consolidation-Driven Churn	Normalized
Total property revenue	\$ 1,749	\$ 42	\$ 1,792	\$ 1,638	\$ 1	\$ 1,639	6.8%	2.5%	9.3%
Adjusted EBITDA.....	1,084	24	1,108	1,021	1	1,022	6.2%	2.3%	8.5%
Consolidated AFFO....	844	19	864	725	1	726	16.4%	2.6%	19.0%
Consolidated AFFO per Share	1.90	0.04	1.94	1.68	0.00	1.68	13.1%	2.4%	15.5%
Consolidated Organic Tenant Billings.....	76	25	100	89	1	90	5.7%	1.8%	7.5%
International Organic Tenant Billings.....	14	25	39	41	1	42	2.9%	5.0%	7.9%

Please refer to “Non-GAAP and Defined Financial Measures” below for definitions and other information regarding the Company's use of non-GAAP measures. For financial information and reconciliations to GAAP measures, please refer to the “Unaudited Selected Consolidated Financial Information” below.

CAPITAL ALLOCATION OVERVIEW

Distributions – During the quarter ended June 30, 2018, the Company declared the following regular cash distributions to its common stockholders:

Common Stock Distributions	Q2 2018 ⁽¹⁾	
Distribution per share	\$	0.77
Aggregate amount (in millions)	\$	340
Year-over-year per share growth		20%

(1) The distribution declared was paid in the third quarter of 2018 to stockholders of record as of the close of business on June 19, 2018.

Stock Repurchase Program – During the second quarter of 2018, the Company repurchased a total of approximately 0.7 million shares of its common stock under its stock repurchase program for approximately \$100 million. Subsequent to the end of the second quarter, through July 24, 2018, the Company repurchased approximately 0.4 million additional shares of its common stock pursuant to the program, for approximately \$57 million, and had approximately \$2.2 billion remaining under its existing stock repurchase programs.

Capital Expenditures – During the second quarter of 2018, total capital expenditures were \$228 million, of which \$30 million was for non-discretionary capital improvements and corporate capital expenditures. For additional capital expenditure details, please refer to the supplemental disclosure package available on the Company's website.

Acquisitions – During the second quarter of 2018, the Company spent approximately \$663 million to acquire over 10,000 sites, including over 9,700 sites in India through its previously announced transaction with Idea Cellular Limited.

LEVERAGE, FINANCING AND OTHER EVENTS OVERVIEW

Leverage – For the quarter ended June 30, 2018, the Company’s Net Leverage Ratio was 4.7x net debt (total debt less cash and cash equivalents) to second quarter 2018 annualized Adjusted EBITDA.

Calculation of Net Leverage Ratio

(\$ in millions, totals may not add due to rounding)

	As of June 30, 2018
Total debt	\$ 21,114
Less: Cash and cash equivalents	835
Net Debt	20,279
Divided By: Second quarter annualized Adjusted EBITDA ⁽¹⁾	4,336
Net Leverage Ratio.....	4.7x

(1) Q2 2018 Adjusted EBITDA multiplied by four.

Liquidity – As of June 30, 2018, the Company had \$4.0 billion of total liquidity, consisting of \$0.8 billion in cash and cash equivalents plus the ability to borrow an aggregate of over \$3.1 billion under its revolving credit facilities, net of any outstanding letters of credit.

On May 22, 2018, the Company issued €500.0 million aggregate principal amount of Euro-denominated 1.950% senior unsecured notes due 2026. The net proceeds from this issuance were used to repay a portion of existing indebtedness under one of the Company’s revolving credit facilities.

Other Events – The Company has not received interest payments from TV Azteca in 2018. Accordingly, the Company’s second quarter 2018 results reflect the reversal of approximately \$3.4 million in previously recorded interest and no recognition of interest due in the second quarter. The Company is pursuing collection of the approximately \$6 million in unpaid interest to date as well as the reinstatement of regular payments pursuant to its contractual agreement with TV Azteca.

FULL YEAR 2018 OUTLOOK

The following full year 2018 financial and operational estimates are based on a number of assumptions that management believes to be reasonable and reflect the Company’s expectations as of July 31, 2018. Actual results may differ materially from these estimates as a result of various factors, and the Company refers you to the cautionary language regarding “forward-looking” statements included in this press release when considering this information.

The Company’s outlook is based on the following average foreign currency exchange rates to 1.00 U.S. Dollar for July 31, 2018 through December 31, 2018: (a) 27.90 Argentinean Pesos; (b) 3.85 Brazilian Reals; (c) 645 Chilean Pesos; (d) 2,930 Colombian Pesos; (e) 0.86 Euros; (f) 4.75 Ghanaian Cedi; (g) 69.10 Indian Rupees; (h) 20.00 Mexican Pesos; (i) 360 Nigerian Naira; (j) 5,690 Paraguayan Guarani; (k) 3.30 Peruvian Soles; (l) 13.60 South African Rand; and (m) 3,850 Ugandan Shillings.

The Company is reducing the midpoint of its full year 2018 outlook for property revenue, net income and Adjusted EBITDA by \$60 million, \$80 million and \$30 million, respectively, and reiterating the midpoint of its outlook for Consolidated AFFO.

The Company’s outlook reflects estimated unfavorable impacts from foreign currency exchange rate fluctuations to property revenue, Adjusted EBITDA and Consolidated AFFO, of approximately \$116 million, \$61 million and \$50 million, respectively, as compared to the Company’s prior 2018 outlook. The impact of foreign currency exchange rate fluctuations on net income is not provided, as the impact on all components of the net income measure cannot be calculated without unreasonable effort. Further, the Company’s revised outlook incorporates a reduction of approximately \$11 million in TV Azteca interest income as compared to its prior outlook.

The Company’s full year 2018 outlook also reflects estimated unfavorable impacts from Indian Carrier Consolidation-Driven Churn on property revenue, Adjusted EBITDA and Consolidated AFFO of approximately \$180 million, \$115 million and \$90 million, respectively, inclusive of an expected reduction in pass-through revenue of approximately \$60 million. At this time, the Company expects the impacts of Indian Carrier Consolidation-Driven Churn to last for several years and anticipates that churn rates in India will return to lower levels once the consolidation process is complete. The Company is providing key outlook measures adjusted to quantify the impacts of Indian Carrier Consolidation-Driven Churn on such measures as it believes that these adjusted measures better reflect the long-term trajectory of its recurring business and provide investors with a more comprehensive analysis of the Company’s business. The impact of Indian Carrier Consolidation-Driven Churn on net income is not provided, as the impact on all components of the net income measure cannot be calculated without unreasonable effort.

Additional information pertaining to the impact of foreign currency, London Interbank Offered Rate (LIBOR) fluctuations and Indian Carrier Consolidation-Driven Churn on the Company’s outlook has been provided in the supplemental disclosure package available on the Company’s website.

2018 Outlook (\$ in millions)	Full Year 2018		Midpoint Growth
Total property revenue ⁽¹⁾	\$ 6,840	to \$ 6,970	5.2%
Net income	1,275	to 1,335	6.5%
Adjusted EBITDA	4,255	to 4,315	4.8%
Consolidated AFFO	3,200	to 3,260	11.3%

(1) Includes U.S. property revenue of \$3,770 million to \$3,810 million and international property revenue of \$3,070 million to \$3,160 million, reflecting midpoint growth rates of 5.1% and 5.2%, respectively. The U.S. growth rate reflects a negative impact of approximately 3% associated with a decrease in non-cash straight-line revenue recognition. The international growth rate includes an estimated negative impact of approximately 6% attributable to Indian Carrier Consolidation-Driven Churn and approximately 5% from the translational impacts of foreign currency exchange fluctuations. International property revenue reflects the Company's Latin America, EMEA and Asia segments.

2018 Outlook for Total Property revenue, at the midpoint, includes the following components ⁽¹⁾ : (\$ in millions, totals may not add due to rounding.)	U.S. Property	International Property ⁽²⁾	Total Property
International pass-through revenue	N/A	\$ 915	\$ 915
Straight-line revenue	45	33	78

(1) For additional discussion regarding these components, please refer to "Revenue Components" below.

(2) International property revenue reflects the Company's Latin America, EMEA and Asia segments.

2018 Outlook for Total Tenant Billings Growth, at the midpoint, includes the following components ⁽¹⁾ : (Totals may not add due to rounding.)	U.S. Property	International Property ⁽²⁾	Total Property
Organic Tenant Billings	~7%	~2%	>5%
New Site Tenant Billings	>0.5%	>8%	~3-4%
Total Tenant Billings Growth	>7.5%	~10%	>8%

(1) For additional discussion regarding the component growth rates, please refer to "Revenue Components" below.

(2) International property revenue reflects the Company's Latin America, EMEA and Asia segments.

Reconciliation of Indian Carrier Consolidation-Driven Churn Impact to 2018 Outlook:
(\$ in millions, except per share amounts. Totals may not add due to rounding.)

	FY 2017 Results			2018 Outlook, at the Midpoint			Midpoint Growth Rates vs. Prior Year		
	Inclusive of Indian Carrier Consolidation-Driven Churn	Impact of Indian Carrier Consolidation-Driven Churn	Normalized	Inclusive of Indian Carrier Consolidation-Driven Churn	Impact of Indian Carrier Consolidation-Driven Churn	Normalized	Inclusive of Indian Carrier Consolidation-Driven Churn	Impact of Indian Carrier Consolidation-Driven Churn	Normalized
Total property revenue	\$ 6,566	\$ 9	\$ 6,575	\$ 6,905	\$ 180	\$ 7,085	5.2%	2.6%	7.8%
Adjusted EBITDA	4,090	9	4,098	4,285	115	4,400	4.8%	2.6%	7.4%
Consolidated AFFO	2,902	7	2,909	3,230	90	3,320	11.3%	2.8%	14.1%
Consolidated AFFO per Share ⁽¹⁾	6.72	0.02	6.74	7.30	0.20	7.50	8.6%	2.6%	11.3%
Consolidated Organic Tenant Billings	347	9	356	270	110	380	>5%	~2%	>7%
International Organic Tenant Billings	152	9	161	35	110	145	~2%	~5-6%	>7%

(1) Assuming 2018 weighted average diluted share count of approximately 442.5 million shares.

Outlook for Capital Expenditures:
(\$ in millions, totals may not add due to rounding.)

	Full Year 2018	
Discretionary capital projects ⁽¹⁾	\$ 250	to \$ 290
Ground lease purchases	150	to 170
Start-up capital projects	90	to 100
Redevelopment	210	to 230
Capital improvement	140	to 150
Corporate	10	— 10
Total	\$ 850	to \$ 950

(1) Includes the construction of approximately 2,000 to 3,000 communications sites globally.

Reconciliation of Outlook for Adjusted EBITDA to Net income:

(\$ in millions, totals may not add due to rounding.)

	Full Year 2018	
Net income	\$ 1,275	to \$ 1,335
Interest expense	840	to 820
Depreciation, amortization and accretion	1,770	to 1,810
Income tax benefit	(20)	to —
Stock-based compensation expense	130	— 130
Other, including other operating expenses, interest income, gain (loss) on retirement of long-term obligations and other income (expense) ⁽¹⁾	260	to 220
Adjusted EBITDA	<u>\$ 4,255</u>	<u>to \$ 4,315</u>

(1) Includes impact of impairments, primarily in India.

Reconciliation of Outlook for Consolidated AFFO to Net income:

(\$ in millions, totals may not add due to rounding.)

	Full Year 2018	
Net income	\$ 1,275	to \$ 1,335
Straight-line revenue	(78)	— (78)
Straight-line expense	65	— 65
Depreciation, amortization and accretion	1,770	to 1,810
Stock-based compensation expense	130	— 130
Deferred portion of income tax	(119)	to (120)
Other, including other operating expense, amortization of deferred financing costs, capitalized interest, debt discounts and premiums, gain (loss) on retirement of long-term obligations, other income (expense), long-term deferred interest charges and dividends on preferred stock ⁽¹⁾	307	to 278
Capital improvement capital expenditures	(140)	to (150)
Corporate capital expenditures	(10)	— (10)
Consolidated AFFO	<u>\$ 3,200</u>	<u>to \$ 3,260</u>

(1) Includes impact of impairments, primarily in India.

Conference Call Information

American Tower will host a conference call today at 8:30 a.m. ET to discuss its financial results for the quarter ended June 30, 2018 and its updated outlook for 2018. Supplemental materials for the call will be available on the Company's website, www.american tower.com. The conference call dial-in numbers are as follows:

U.S./Canada dial-in: (800) 260-0702
 International dial-in: (651) 291-1170
 Passcode: 451156

When available, a replay of the call can be accessed until 11:59 p.m. ET on August 15, 2018. The replay dial-in numbers are as follows:

U.S./Canada dial-in: (800) 475-6701
 International dial-in: (320) 365-3844
 Passcode: 451156

American Tower will also sponsor a live simulcast and replay of the call on its website, www.american tower.com.

About American Tower

American Tower, one of the largest global REITs, is a leading independent owner, operator and developer of multitenant communications real estate with a portfolio of approximately 170,000 communications sites. For more information about American Tower, please visit the "Earnings Materials" and "Company & Industry Resources" sections of our investor relations website at www.american tower.com.

Non-GAAP and Defined Financial Measures

In addition to the results prepared in accordance with generally accepted accounting principles in the United States (GAAP) provided throughout this press release, the Company has presented the following Non-GAAP and Defined Financial Measures: Gross Margin, Operating Profit, Operating Profit Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Nareit Funds From Operations (FFO) attributable to American Tower Corporation common stockholders, Consolidated Adjusted Funds From Operations (AFFO), AFFO attributable to American Tower Corporation common stockholders, Consolidated AFFO per Share, AFFO attributable to American Tower Corporation common stockholders per Share, Free Cash Flow, Net Debt, Net Leverage Ratio and Indian Carrier Consolidation-Driven Churn. In addition, the Company presents: Tenant Billings, Tenant Billings Growth, Organic Tenant Billings Growth and New Site Tenant Billings Growth.

These measures are not intended to replace financial performance measures determined in accordance with GAAP. Rather, they are presented as additional information because management believes they are useful indicators of the current financial performance of the Company's core

businesses and are commonly used across its industry peer group. As outlined in detail below, the Company believes that these measures can assist in comparing company performance on a consistent basis irrespective of depreciation and amortization or capital structure, while also providing valuable incremental insight into the underlying operating trends of its business.

Depreciation and amortization can vary significantly among companies depending on accounting methods, particularly where acquisitions or non-operating factors, including historical cost basis, are involved. The Company's Non-GAAP and Defined Financial measures may not be comparable to similarly titled measures used by other companies.

Revenue Components

In addition to reporting total revenue, the Company believes that providing transparency around the components of its revenue provides investors with insight into the indicators of the underlying demand for, and operating performance of, its real estate portfolio. Accordingly, the Company has provided disclosure of the following revenue components: (i) Tenant Billings, (ii) New Site Tenant Billings; (iii) Organic Tenant Billings; (iv) International pass-through revenue; (v) Straight-line revenue; (vi) Pre-paid amortization revenue; (vii) Foreign currency exchange impact; and (viii) Other revenue.

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.

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 addition to our portfolio are not included in New Site Tenant Billings. The Company believes providing New Site Tenant Billings enhances an investor's ability to analyze the Company's existing real estate portfolio growth as well as its development program growth, as the Company's construction and acquisition activities can drive variability in growth rates from period to period.

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 addition to the Company's portfolio.

International pass-through revenue: A portion of the Company's pass-through revenue is based on power and fuel expense reimbursements and therefore subject to fluctuations in fuel prices. As a result, revenue growth rates may fluctuate depending on the market price for fuel in any given period, which is not representative of the Company's real estate business and its economic exposure to power and fuel costs. Furthermore, this expense reimbursement mitigates the economic impact associated with fluctuations in operating expenses, such as power and fuel costs and land rents in certain of the Company's markets. As a result, the Company believes that it is appropriate to provide insight into the impact of pass-through revenue on certain revenue growth rates.

Straight-line revenue: Under GAAP, the Company recognizes revenue on a straight-line basis over the term of the contract for certain of its tenant leases. Due to the Company's significant base of non-cancellable, long-term tenant leases, this can result in significant fluctuations in growth rates upon tenant lease signings and renewals (typically increases), when amounts billed or received upfront upon these events are initially deferred. These signings and renewals are only a portion of the Company's underlying business growth and can distort the underlying performance of our Tenant Billings Growth. As a result, the Company believes that it is appropriate to provide insight into the impact of straight-line revenue on certain growth rates in revenue and select other measures.

Pre-paid amortization revenue: The Company recovers a portion of the costs it incurs for the redevelopment and development of its properties from its tenants. These upfront payments are then amortized over the initial term of the corresponding tenant lease. Given this amortization is not necessarily directly representative of underlying leasing activity on its real estate portfolio, (i.e.: does not have a renewal option or escalation as our tenant leases do) the Company believes that it is appropriate to provide insight into the impact of pre-paid amortization revenue on certain revenue growth rates to provide transparency into the underlying performance of our real estate business.

Foreign currency exchange impact: The majority of the Company's international revenue and operating expenses are denominated in each country's local currency. As a result, foreign currency fluctuations may distort the underlying performance of our real estate business from period to period, depending on the movement of foreign currency exchange rates versus the U.S. Dollar. The Company believes it is appropriate to quantify the impact of foreign currency exchange fluctuations on its reported growth to provide transparency into the underlying performance of its real estate business.

Other revenue: Other revenue represents revenue not captured by the above listed items and can include items such as tenant settlements and fiber solutions revenue.

Non-GAAP and Defined Financial Measure Definitions

Tenant Billings Growth: The increase or decrease resulting from a comparison of Tenant Billings for a current period with Tenant Billings for the corresponding prior-year period, in each case adjusted for foreign currency exchange fluctuations. The Company believes this measure provides valuable insight into the growth in recurring Tenant Billings and underlying demand for its real estate 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.

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.

Indian Carrier Consolidation-Driven Churn: Tenant cancellations specifically attributable to short-term carrier consolidation in India. Includes impacts of carrier exits from the marketplace and carrier cancellations as a result of consolidation but excludes normal course churn. The Company believes that providing this additional metric enhances transparency and provides a better understanding of its recurring business without the impact of what it believes to be a transitory event.

Gross Margin: Revenues less 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. The Company believes this measure provides valuable insight into the site-level profitability of its assets.

Operating Profit: Gross Margin less selling, general, administrative and development expense, excluding stock-based compensation expense and corporate expenses. The Company believes this measure provides valuable insight into the site-level profitability of its assets while also taking into account the overhead expenses required to manage each of its operating segments.

For segment reporting purposes, the Latin America property segment Operating Profit and Gross Margin also include interest income (expense), TV Azteca, net. Operating Profit and Gross Margin are before interest income, interest expense, gain (loss) on retirement of long-term obligations, other income (expense), net income (loss) attributable to noncontrolling interest and income tax benefit (provision).

Operating Profit Margin: The percentage that results from dividing Operating Profit by revenue.

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. The Company believes this measure provides valuable insight into the profitability of its operations while at the same time taking into account the central overhead expenses required to manage its global operations. In addition, it is a widely used performance measure across the telecommunications real estate sector.

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

Nareit Funds From Operations (FFO), as defined by the National Association of Real Estate Investment Trusts (Nareit), attributable to American Tower Corporation common stockholders: Net income before gains or losses from the sale or disposal of real estate, real estate related impairment charges, real estate related depreciation, amortization and accretion and dividends on preferred stock, and including adjustments for (i) unconsolidated affiliates and (ii) noncontrolling interests. The Company believes this measure provides valuable insight into the operating performance of its property assets by excluding the charges described above, particularly depreciation expenses, given the high initial, up-front capital intensity of the Company's operating model. In addition, it is a widely used performance measure across the telecommunications real estate sector.

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

Adjusted Funds From Operations (AFFO) attributable to American Tower Corporation common stockholders: Consolidated AFFO, excluding the impact of noncontrolling interests on both Nareit FFO attributable to American Tower Corporation common stockholders and the other line items included in the calculation of Consolidated AFFO. The Company believes that providing this additional metric enhances transparency, given the minority interests in its Indian and European businesses as a result of the Company's Viom transaction and European joint venture with PGGM, which both closed in 2016.

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

AFFO attributable to American Tower Corporation common stockholders per Share: AFFO attributable to American Tower Corporation common stockholders divided by the diluted weighted average common shares outstanding.

Free Cash Flow: Cash provided by operating activities less total cash capital expenditures, including payments on capital leases of property and equipment. The Company believes that Free Cash Flow is useful to investors as the basis for comparing our performance and coverage ratios with other companies in its industry, although this measure of Free Cash Flow may not be directly comparable to similar measures used by other companies.

Net Debt: Total long-term debt, including current portion, less cash and cash equivalents.

Net Leverage Ratio: Net Debt divided by the quarter's annualized Adjusted EBITDA (the quarter's Adjusted EBITDA multiplied by four). The Company believes that including this calculation is important for investors and analysts given it is a critical component underlying its credit agency ratings.

Cautionary Language Regarding Forward-Looking Statements

This press release contains "forward-looking statements" concerning our goals, beliefs, expectations, strategies, objectives, plans, future operating results and underlying assumptions, and other statements that are not necessarily based on historical facts. Examples of these statements include, but are not limited to, statements regarding our full year 2018 outlook and other targets, our expectations regarding Indian Carrier Consolidation-Driven Churn and factors that could affect our expectations, foreign currency exchange rates, our expectations regarding TV Azteca interest payments and our expectations regarding the leasing demand for communications real estate. Actual results may differ materially from those indicated in our forward-looking statements as a result of various important factors, including: (1) a significant decrease in leasing demand for our communications infrastructure would materially and adversely affect our business and operating results, and we cannot control that demand; (2) increasing competition within our industry for tenants may materially and adversely affect our revenue; (3) if our tenants consolidate their operations, exit the telecommunications business or share site infrastructure to a significant degree, our growth, revenue and ability to generate positive cash flows could be materially and adversely affected; (4) our business is subject to government and tax regulations and changes in current or future laws or regulations could restrict our ability to operate our business as we currently do or impact our competitive landscape; (5) our foreign operations are subject to economic, political and other risks that could materially and adversely affect our revenues or financial position, including risks associated with fluctuations in foreign currency exchange rates; (6) a substantial portion of our revenue is derived from a small number of tenants, and we are sensitive to changes in the creditworthiness and financial strength of our tenants; (7) our expansion initiatives involve a number of risks and uncertainties, including those related to integrating acquired or leased assets, that could adversely affect our operating results, disrupt our operations or expose us to additional risk; (8) competition for assets could adversely affect our ability to achieve our return on investment criteria; (9) new technologies or changes in a tenant's business model could make our tower leasing business less desirable and result in decreasing revenues and operating results; (10) our leverage and debt service obligations may materially and adversely affect our ability to raise additional financing to fund capital expenditures, future growth and expansion initiatives and to satisfy our distribution requirements; (11) if we fail to remain qualified for taxation as a REIT, we will be subject to tax at corporate income tax rates, which may substantially reduce funds otherwise available, and even if we qualify for taxation as a REIT, we may face tax liabilities that impact earnings and available cash flow; (12) complying with REIT requirements may limit our flexibility or cause us to forego otherwise attractive opportunities; (13) restrictive covenants in the agreements related to our securitization transactions, our credit facilities and our debt securities could materially and adversely affect our business by limiting flexibility, and we may be prohibited from paying dividends on our common stock, which may jeopardize our qualification for taxation as a REIT; (14) our towers, data centers or computer systems may be affected by natural disasters and other unforeseen events for which our insurance may not provide adequate coverage; (15) our costs could increase and our revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated; (16) we could have liability under environmental and occupational safety and health laws; (17) if we are unable to protect our rights to the land under our towers, it could adversely affect our business and operating results; and (18) if we are unable or choose not to exercise our rights to purchase towers that are subject to lease and sublease agreements at the end of the applicable period, our cash flows derived from those towers will be eliminated. For additional information regarding factors that may cause actual results to differ materially from those indicated in our forward-looking statements, we refer you to the information contained in Item 1A of our Form 10-K for the year ended December 31, 2017, under the caption "Risk Factors". We undertake no obligation to update the information contained in this press release to reflect subsequently occurring events or circumstances.

UNAUDITED CONSOLIDATED BALANCE SHEETS

(In millions)

	June 30, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 834.5	\$ 802.1
Restricted cash	135.6	152.8
Short-term investments	80.8	1.0
Accounts receivable, net	506.9	513.6
Prepaid and other current assets	569.3	568.6
Total current assets	2,127.1	2,038.1
PROPERTY AND EQUIPMENT, net	11,067.0	11,101.0
GOODWILL	5,526.6	5,638.4
OTHER INTANGIBLE ASSETS, net	11,758.2	11,783.3
DEFERRED TAX ASSET	183.7	204.4
DEFERRED RENT ASSET	1,518.6	1,499.0
NOTES RECEIVABLE AND OTHER NON-CURRENT ASSETS	1,024.5	950.1
TOTAL	\$ 33,205.7	\$ 33,214.3
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	\$ 137.0	\$ 142.9
Accrued expenses	782.5	854.3
Distributions payable	344.9	304.4
Accrued interest	178.1	166.9
Current portion of long-term obligations	2,791.8	774.8
Unearned revenue	328.6	268.8
Total current liabilities	4,562.9	2,512.1
LONG-TERM OBLIGATIONS	18,322.0	19,430.3
ASSET RETIREMENT OBLIGATIONS	1,185.8	1,175.3
DEFERRED TAX LIABILITY	752.2	898.1
OTHER NON-CURRENT LIABILITIES	1,246.9	1,244.2
Total liabilities	26,069.8	25,260.0
COMMITMENTS AND CONTINGENCIES		
REDEEMABLE NONCONTROLLING INTERESTS	1,009.3	1,126.2
EQUITY:		
Preferred stock, Series B	—	0.0
Common stock	4.5	4.4
Additional paid-in capital	10,251.9	10,247.5
Distributions in excess of earnings	(1,121.6)	(1,058.1)
Accumulated other comprehensive loss	(2,510.1)	(1,978.3)
Treasury stock	(1,074.0)	(974.0)
Total American Tower Corporation equity	5,550.7	6,241.5
Noncontrolling interests	575.9	586.6
Total equity	6,126.6	6,828.1
TOTAL	\$ 33,205.7	\$ 33,214.3

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
REVENUES:				
Property	\$ 1,749.4	\$ 1,638.1	\$ 3,459.8	\$ 3,232.2
Services	31.5	24.4	62.9	46.5
Total operating revenues	1,780.9	1,662.5	3,522.7	3,278.7
OPERATING EXPENSES:				
Costs of operations (exclusive of items shown separately below):				
Property (including stock-based compensation expense of \$0.5, \$0.6, \$1.2 and \$1.3, respectively)	547.2	507.2	1,054.6	993.4
Services (including stock-based compensation expense of \$0.2, \$0.2, \$0.5 and \$0.4, respectively)	13.1	10.0	25.6	16.5
Depreciation, amortization and accretion	449.7	396.4	896.0	817.5
Selling, general, administrative and development expense (including stock-based compensation expense of \$24.1, \$25.0, \$65.8 and \$60.3, respectively)	157.9	153.1	362.8	317.9
Other operating expenses ⁽¹⁾	67.0	18.9	234.8	25.1
Total operating expenses	1,234.9	1,085.6	2,573.8	2,170.4
OPERATING INCOME	546.0	576.9	948.9	1,108.3
OTHER INCOME (EXPENSE):				
Interest (expense) income, TV Azteca (net of interest expense of \$0.0, \$0.3, \$0.3 and \$0.6, respectively)	(3.4)	2.8	(0.7)	5.5
Interest income	18.4	8.3	33.8	18.2
Interest expense	(207.9)	(187.0)	(407.5)	(370.7)
Loss on retirement of long-term obligations	—	(0.3)	—	(55.7)
Other (expense) income (including unrealized foreign currency (losses) gains of (\$39.1), \$7.7, (\$14.2) and \$35.7, respectively)	(34.8)	11.7	(7.0)	41.0
Total other expense	(227.7)	(164.5)	(381.4)	(361.7)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	318.3	412.4	567.5	746.6
Income tax (provision) benefit ⁽²⁾	(3.9)	(23.9)	27.2	(50.7)
NET INCOME	314.4	388.5	594.7	695.9
Net income attributable to noncontrolling interests	(7.7)	(21.5)	(2.8)	(12.8)
NET INCOME ATTRIBUTABLE TO AMERICAN TOWER CORPORATION STOCKHOLDERS	306.7	367.0	591.9	683.1
Dividends on preferred stock	—	(22.8)	(9.4)	(49.6)
NET INCOME ATTRIBUTABLE TO AMERICAN TOWER CORPORATION COMMON STOCKHOLDERS	\$ 306.7	\$ 344.2	\$ 582.5	\$ 633.5
NET INCOME PER COMMON SHARE AMOUNTS:				
Basic net income attributable to American Tower Corporation common stockholders	\$ 0.69	\$ 0.81	\$ 1.33	\$ 1.48
Diluted net income attributable to American Tower Corporation common stockholders	\$ 0.69	\$ 0.80	\$ 1.32	\$ 1.47
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING (in thousands):				
BASIC	441,497	427,298	438,328	427,288
DILUTED	444,362	430,487	441,513	430,444

(1) Three months and six months ended June 30, 2018 reflect impairment charges of approximately \$33 million and \$181 million, respectively, primarily associated with assets in India, partially offset by income tax benefits, also in India. The net impact of these items attributable to AMT common stockholders for the three and six months ended June 30, 2018 was approximately \$11 million and \$70 million, respectively.

(2) Six months ended June 30, 2018 includes income tax benefit primarily attributable to an income tax benefit in India recognized during the period.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾

(In millions)

	Six Months Ended June 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income.....	\$ 594.7	\$ 695.9
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation, amortization and accretion	896.0	817.5
Stock-based compensation expense	67.5	62.0
Loss on early retirement of long-term obligations.....	—	55.7
Other non-cash items reflected in statements of operations	206.0	(50.2)
Increase in net deferred rent balances	(10.7)	(71.5)
Increase in assets	(68.9)	(102.0)
Increase in liabilities.....	47.2	65.4
Cash provided by operating activities	1,731.8	1,472.8
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property and equipment and construction activities.....	(424.9)	(371.5)
Payments for acquisitions, net of cash acquired.....	(1,336.5)	(857.2)
Proceeds from sales of short-term investments and other non-current assets	894.5	7.2
Payments for short-term investments.....	(952.8)	—
Deposits and other.....	(23.3)	7.0
Cash used for investing activities	(1,843.0)	(1,214.5)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings under credit facilities.....	2,663.3	2,508.6
Proceeds from issuance of senior notes, net	584.9	1,279.4
Proceeds from term loan	1,500.0	—
Proceeds from issuance of securities in securitization transaction	500.0	—
Repayments of notes payable, credit facilities, senior notes, secured debt and capital leases ⁽²⁾	(4,257.4)	(3,126.7)
(Distributions to) contributions from noncontrolling interest holders, net.....	(13.9)	265.3
Purchases of common stock.....	(98.6)	(641.4)
Proceeds from stock options and ESPP.....	40.2	82.6
Distributions paid on common stock	(635.6)	(514.9)
Distributions paid on preferred stock.....	(18.9)	(53.6)
Payment for early retirement of long-term obligations	—	(61.8)
Deferred financing costs and other financing activities	(55.1)	(28.1)
Purchase of noncontrolling interest	(20.5)	—
Cash provided by (used for) financing activities	188.4	(290.6)
Net effect of changes in foreign currency exchange rates on cash and cash equivalents, and restricted cash	(62.0)	9.1
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH	15.2	(23.2)
CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF PERIOD	954.9	936.5
CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH, END OF PERIOD	\$ 970.1	\$ 913.3
CASH PAID FOR INCOME TAXES, NET	\$ 44.6	\$ 60.4
CASH PAID FOR INTEREST	\$ 382.5	\$ 352.0

(1) Reflects Financial Accounting Standards Board (FASB) guidance requiring restricted cash be included with cash and cash equivalents.

(2) Six months ended June 30, 2018 and June 30, 2017 include \$16.0 million and \$16.1 million, respectively, of payments on capital leases of property and equipment.

UNAUDITED CONSOLIDATED RESULTS FROM OPERATIONS, BY SEGMENT

(\$ in millions, totals may not add due to rounding.)

	Three Months Ended June 30, 2018							
	Property					Total Property	Services	Total
	U.S.	Latin America	Asia ⁽¹⁾	EMEA	Total International			
Segment revenues	\$ 957	\$ 318	\$ 308	\$ 167	\$ 792	\$ 1,749	\$ 32	\$ 1,781
Segment operating expenses ⁽²⁾	199	109	180	59	348	547	13	560
Interest expense, TV Azteca, net ⁽³⁾	—	(3)	—	—	(3)	(3)	—	(3)
Segment Gross Margin	\$ 758	\$ 205	\$ 128	\$ 108	\$ 441	\$ 1,199	\$ 19	\$ 1,218
Segment SG&A ⁽²⁾	44	19	15	18	52	96	3	99
Segment Operating Profit	\$ 714	\$ 186	\$ 113	\$ 91	\$ 389	\$ 1,104	\$ 16	\$ 1,119
Segment Operating Profit Margin	75%	59%	37 %	54%	49%	63%	50%	63%
Revenue Growth	6.7%	10.8%	4.5 %	4.4%	7.0%	6.8%	29.1%	7.1%
Total Tenant Billings Growth	8.1%	16.0%	6.6 %	8.0%	10.7%	9.1%		
Organic Tenant Billings Growth	7.4%	12.4%	(10.2)%	6.8%	2.9%	5.7%		

Revenue Components⁽⁴⁾

Prior-Year Tenant Billings	\$ 830	\$ 198	\$ 179	\$ 119	\$ 497	\$ 1,327
Colocations/Amendments	46	14	11	4	29	76
Escalations	26	11	3	6	20	46
Cancellations	(10)	(2)	(33)	(2)	(37)	(47)
Other	(1)	2	0	(0)	2	1
Organic Tenant Billings	\$ 891	\$ 223	\$ 161	\$ 127	\$ 511	\$ 1,402
New Site Tenant Billings	6	7	30	1	39	45
Total Tenant Billings	\$ 898	\$ 230	\$ 191	\$ 129	\$ 550	\$ 1,447
Foreign Currency Exchange Impact ⁽⁵⁾	—	(15)	(6)	(0)	(21)	(21)
Total Tenant Billings (Current Period)	\$ 898	\$ 216	\$ 184	\$ 129	\$ 528	\$ 1,426
Straight-Line Revenue	13	9	4	2	15	28
Prepaid Amortization Revenue	24	1	—	0	1	25
Other Revenue	23	17	(7)	1	12	35
International Pass-Through Revenue	—	83	130	35	249	249
Foreign Currency Exchange Impact ⁽⁶⁾	—	(7)	(5)	(1)	(12)	(12)
Total Property Revenue (Current Period)	\$ 957	\$ 318	\$ 308	\$ 167	\$ 792	\$ 1,749

(1) Inclusive of impacts from Indian Carrier Consolidation-Driven Churn. See quarterly supplemental materials package for additional detail.

(2) Excludes stock-based compensation expense.

(3) Represents reversal of interest income recognized in the prior period due to nonpayment.

(4) All components of revenue, except those labeled current period, have been translated at prior-period foreign currency exchange rates.

(5) Reflects foreign currency exchange impact on all components of Total Tenant Billings.

(6) Reflects foreign currency exchange impact on components of revenue, other than Total Tenant Billings.

UNAUDITED CONSOLIDATED RESULTS FROM OPERATIONS, BY SEGMENT (CONTINUED)

(\$ in millions, totals may not add due to rounding.)

	Three Months Ended June 30, 2017							
	Property					Total Property	Services	Total
	U.S.	Latin America	Asia ⁽¹⁾	EMEA	Total International			
Segment revenues	\$ 897	\$ 287	\$ 295	\$ 160	\$ 741	\$ 1,638	\$ 24	\$ 1,663
Segment operating expenses ⁽²⁾	184	96	168	59	323	507	10	516
Interest income, TV Azteca, net	—	3	—	—	3	3	—	3
Segment Gross Margin	\$ 714	\$ 193	\$ 127	\$ 101	\$ 421	\$ 1,134	\$ 15	\$ 1,149
Segment SG&A ⁽²⁾	36	19	17	18	54	90	4	94
Segment Operating Profit	\$ 677	\$ 174	\$ 110	\$ 83	\$ 367	\$ 1,044	\$ 11	\$ 1,055
Segment Operating Profit Margin	75%	61%	37%	52%	49%	64%	46%	63%
Revenue Growth	8.1%	20.9%	31.1%	18.5%	24.2%	14.9%	51.3%	15.3%
Total Tenant Billings Growth	6.4%	13.0%	32.0%	25.8%	22.4%	11.8%		
Organic Tenant Billings Growth	6.2%	11.1%	10.1%	8.9%	10.3%	7.6%		

Revenue Components⁽³⁾⁽⁴⁾

Prior-Year Tenant Billings	\$ 780	\$ 168	\$ 131	\$ 99	\$ 398	\$ 1,177		
Colocations/Amendments	38	9	15	5	29	67		
Escalations	24	10	4	6	20	44		
Cancellations	(14)	(1)	(6)	(1)	(8)	(22)		
Other	(0)	1	0	(0)	0	(0)		
Organic Tenant Billings	\$ 828	\$ 187	\$ 144	\$ 107	\$ 438	\$ 1,267		
New Site Tenant Billings	2	3	29	17	48	50		
Total Tenant Billings	\$ 830	\$ 190	\$ 173	\$ 124	\$ 487	\$ 1,317		
Foreign Currency Exchange Impact ⁽⁵⁾	—	8	6	(5)	10	10		
Total Tenant Billings (Current Period)	\$ 830	\$ 198	\$ 179	\$ 119	\$ 496	\$ 1,327		
Straight-Line Revenue	36	8	4	2	14	51		
Prepaid Amortization Revenue	26	0	—	0	1	26		
Other Revenue	5	4	(6)	(0)	(2)	3		
International Pass-Through Revenue	—	72	113	48	233	233		
Foreign Currency Exchange Impact ⁽⁶⁾	—	4	4	(10)	(2)	(2)		
Total Property Revenue (Current Period)	\$ 897	\$ 287	\$ 295	\$ 160	\$ 741	\$ 1,638		

(1) Inclusive of impacts from Indian Carrier Consolidation-Driven Churn. See quarterly supplemental materials package for additional detail.

(2) Excludes stock-based compensation expense.

(3) All components of revenue, except those labeled current period, have been translated at prior-period foreign currency exchange rates.

(4) Reflects reclassification of fiber solutions revenue from Tenant Billings components to Other Revenue.

(5) Reflects foreign currency exchange impact on all components of Total Tenant Billings.

(6) Reflects foreign currency exchange impact on components of revenue, other than Total Tenant Billings.

UNAUDITED SELECTED CONSOLIDATED FINANCIAL INFORMATION

(\$ in millions, totals may not add due to rounding.)

The reconciliation of Adjusted EBITDA to net income and the calculation of Adjusted EBITDA Margin are as follows:

	Three Months Ended June 30,	
	2018	2017
Net income	\$ 314.4	\$ 388.5
Income tax provision	3.9	23.9
Other expense (income)	34.8	(11.7)
Loss on retirement of long-term obligations	—	0.3
Interest expense	207.9	187.0
Interest income	(18.4)	(8.3)
Other operating expenses	67.0	18.9
Depreciation, amortization and accretion	449.7	396.4
Stock-based compensation expense	24.8	25.8
Adjusted EBITDA	\$ 1,084.1	\$ 1,020.8
Total revenue	1,780.9	1,662.5
Adjusted EBITDA Margin	61%	61%

The reconciliation of Nareit FFO attributable to American Tower Corporation common stockholders to net income and the calculation of Consolidated AFFO, Consolidated AFFO per Share, AFFO attributable to American Tower Corporation common stockholders and AFFO attributable to American Tower Corporation common stockholders per Share are presented below:

	Three Months Ended June 30,	
	2018	2017
Net income	\$ 314.4	\$ 388.5
Real estate related depreciation, amortization and accretion	400.1	352.5
Losses from sale or disposal of real estate and real estate related impairment charges	56.7	12.3
Dividends on preferred stock	—	(22.8)
Adjustments for unconsolidated affiliates and noncontrolling interests	(60.2)	(51.2)
Nareit FFO attributable to AMT common stockholders	\$ 711.0	\$ 679.3
Straight-line revenue	(27.5)	(50.9)
Straight-line expense	20.6	14.3
Stock-based compensation expense	24.8	25.8
Deferred portion of income tax ⁽¹⁾	(16.0)	(13.4)
Non-real estate related depreciation, amortization and accretion	49.6	43.9
Amortization of deferred financing costs, capitalized interest and debt discounts and premiums and long-term deferred interest charges	6.1	8.2
Other expense (income) ⁽²⁾	34.8	(11.7)
Loss on retirement of long-term obligations	—	0.3
Other operating expense ⁽³⁾	10.3	6.4
Capital improvement capital expenditures	(27.6)	(24.8)
Corporate capital expenditures	(2.3)	(3.5)
Adjustments for unconsolidated affiliates and noncontrolling interests	60.2	51.2
Consolidated AFFO	844.0	725.1
Adjustments for unconsolidated affiliates and noncontrolling interests ⁽⁴⁾	(69.3)	(43.9)
AFFO attributable to AMT common stockholders	\$ 774.7	\$ 681.2
Divided by weighted average diluted shares outstanding	444,362	430,487
Consolidated AFFO per Share	\$ 1.90	\$ 1.68
AFFO attributable to AMT common stockholders per Share	\$ 1.74	\$ 1.58

(1) Reflects tax benefit in India recorded in Q2 2018.

(2) Q2 2018 and Q2 2017 include unrealized losses (gains) on foreign currency exchange rate fluctuations of \$39.1 million and (\$7.7) million, respectively.

(3) Primarily includes integration and acquisition-related costs.

(4) Includes adjustments for the impact on both Nareit FFO attributable to American Tower Corporation common stockholders and the other line items included in the calculation of Consolidated AFFO.