

SBA COMMUNICATIONS CORP
Form 10-Q
November 04, 2009
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2009

or

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

For the transition period from to

Commission File Number: 000-30110

SBA COMMUNICATIONS CORPORATION

(Exact name of registrant as specified in its charter)

Florida (State or other jurisdiction of incorporation or organization)	65-0716501 (I.R.S. Employer Identification No.)
5900 Broken Sound Parkway NW Boca Raton, Florida (Address of principal executive offices)	33487 (Zip code)
(561) 995-7670 (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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 116,888,578 shares of Class A common stock outstanding as of November 2, 2009.

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	September 30, 2009	December 31, 2008 (as restated)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 285,843	\$ 78,856
Short-term investments	6,332	162
Restricted cash	26,534	38,599
Accounts receivable, net of allowance of \$316 and \$852 in 2009 and 2008, respectively	15,630	16,351
Costs and estimated earnings in excess of billings on uncompleted contracts	10,181	10,658
Prepaid and other current assets	10,226	9,689
Total current assets	354,746	154,315
Property and equipment, net	1,469,067	1,502,672
Intangible assets, net	1,385,200	1,425,132
Deferred financing fees, net	39,855	29,705
Other assets	102,735	96,005
Total assets	\$ 3,351,603	\$ 3,207,829
LIABILITIES AND SHAREHOLDERS EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$ -	\$ 6,000
Accounts payable	10,142	8,963
Accrued expenses	24,594	21,529
Deferred revenue	49,804	45,306
Interest payable	26,796	5,946
Other current liabilities	2,918	2,850
Total current liabilities	114,254	90,594
Long-term liabilities:		
Long-term debt, net of current maturities	2,508,419	2,386,230
Other long-term liabilities	90,980	80,495
Total long-term liabilities	2,599,399	2,466,725
Commitments and contingencies		
Shareholders' equity:		
Preferred stock - par value \$.01, 30,000 shares authorized, none issued or outstanding	-	-
Common stock - Class A, par value \$.01, 200,000 shares authorized, 116,771 and 117,525 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively	1,167	1,175

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Additional paid-in capital	2,221,794	2,085,915
Accumulated deficit	(1,582,372)	(1,435,031)
Accumulated other comprehensive loss, net	(3,777)	(1,549)
Noncontrolling interests	1,138	-
Total shareholders' equity	637,950	650,510
Total liabilities and shareholders' equity	\$ 3,351,603	\$ 3,207,829

The accompanying condensed notes are an integral part of these consolidated financial statements.

Table of Contents**SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF OPERATIONS****(unaudited) (in thousands, except per share amounts)**

	For the three months ended September 30		For the nine months ended September 30	
	2009	2008 (as restated)	2009	2008 (as restated)
Revenues:				
Site leasing	\$ 120,551	\$ 100,506	\$ 353,371	\$ 283,620
Site development	18,738	18,150	57,162	56,905
Total revenues	139,289	118,656	410,533	340,525
Operating expenses:				
Cost of revenues (exclusive of depreciation, accretion and amortization shown below):				
Cost of site leasing	28,645	24,726	83,727	69,367
Cost of site development	16,643	17,282	49,972	52,237
Selling, general and administrative	13,204	12,419	38,440	35,459
Acquisition related expenses	899	77	2,646	77
Depreciation, accretion and amortization	64,946	52,725	192,850	149,331
Total operating expenses	124,337	107,229	367,635	306,471
Operating income	14,952	11,427	42,898	34,054
Other income (expense):				
Interest income	334	1,847	917	5,574
Interest expense	(36,421)	(26,747)	(93,316)	(75,845)
Non-cash interest expense	(14,035)	(9,877)	(35,427)	(22,385)
Amortization of deferred financing fees	(2,603)	(2,935)	(7,991)	(7,997)
Loss from extinguishment of debt and write-off of deferred financing fees	(12,518)	(414)	(4,189)	(414)
Other income (expense)	120	(525)	89	(5,412)
Total other expense	(65,123)	(38,651)	(139,917)	(106,479)
Loss before provision for income taxes	(50,171)	(27,224)	(97,019)	(72,425)
Provision for income taxes	(18)	(424)	(490)	(692)
Net loss	(50,189)	(27,648)	(97,509)	(73,117)
Less: Net loss attributable to the noncontrolling interest	80	-	148	-
Net loss attributable to SBA Communications Corporation	\$ (50,109)	\$ (27,648)	\$ (97,361)	\$ (73,117)
Basic and diluted loss per common share amount	\$ (0.43)	\$ (0.26)	\$ (0.83)	\$ (0.68)

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Basic and diluted weighted average number of common shares	116,686	107,384	117,245	107,661
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The accompanying condensed notes are an integral part of these consolidated financial statements.

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	Class A Common Stock	Additional	Accumulated	Accumulated	Noncontrolling	Total	
	Shares	Paid-In	Deficit	Other	Interest		
	Amount	Capital		Loss			
BALANCE, December 31, 2008 (as restated)	117,525	\$ 1,175	\$ 2,085,915	\$ (1,435,031)	\$ (1,549)	\$ -	\$ 650,510
Net loss	-	-	-	(97,361)	-	(148)	(97,509)
Amortization of deferred loss from settlement of derivative financial instruments, net	-	-	-	-	75	-	75
Write-off of deferred gain (loss) from derivative instruments related to repurchase of debt, net	-	-	-	-	(3,513)	-	