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EDITED TRANSCRIPT

SBAC.OQ - SBA Communications Corp at JPMorgan Global Technology,
Media and Communications Conference

EVENT DATE/TIME: MAY 14, 2019 / 8:00PM GMT



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PRESENTATION

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Hi my name is Philip Cusick. I cover the comms and infrastructure space here at JPMorgan. Please help me welcome Jeffrey Stoops, President and CEO of SBA since 2002. Jeff, thanks for spending some time with us today.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Happy to be here. Good afternoon.

QUESTIONS AND ANSWERS

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Nice to see you. So let's start with the U.S. macro tower business. We're seeing healthy activity without solid growth from AT&T, Verizon, T-Mobile. Do you do think the activity levels can continue at this levels?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Yes. I feel like we're at a -- what I've described as kind of cruising altitude, and I think we stay here for a while. We've attained this level of operational activity in the second half of last year, carried right over the turn of the calendar, stayed fairly consistent all through the first quarter and continues to stay consistent here as we find ourselves, I think, smacked right in the middle halfway point in the second quarter.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Okay. And you've talked about sort of net starting to pick up through the year. And then how should we think about next year as well?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Well as we report our growth metrics, remember they're on a trailing 12-month basis. So we're benefiting a little bit by better comps moving through the year compared to the year ago periods. Actually, how we roll into next year on a true kind of operational run rate basis is largely going to be dictated by the levels of activity we see really in the third and the fourth quarter. So we're going to have to kind of wait and see on that. But the way -- because growth rates are a trailing 12 reporting type of metric, they're not a spot rate, so they're not a perfect correlation of how you move into the next period.



Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

And to your point, you're seeing sort of percentage growth rates pick up, but on an activity basis. Are things sort of at the level that you expect to continue for the rest of the years?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes. I think there's plenty of business yet to be done and that we know will be done as we move through this year. And our backlogs are strong enough, big enough and have enough visibility where I feel pretty good that we're going to see a solid rest of the year.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Okay. Talked about the other side, the churn side. How should we think about that sort of phasing in through the year?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

You know I think we are going to continue to see churn in the 1% to 1.5% x consolidation churn. We've had a couple of particular instances. We had one iDEN customer, non-Sprint. It was actually another iDEN customer that had actually changed out of iDEN several years ago where we booked those revenues, where they moved over and then the iDEN year finally came down, that was a big contributor in Q1. And you're going to see things like that. So I think, as we've always said, the right way to look at this business x consolidation, 1%, 1.5%, I think we're going to be there.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

What's left from that acquired network churn after this year?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

I'm going to let -- well, Marks's giving me hand signals back there, so -- \$8 million to \$10 million, sorry.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Yes. Okay. So pretty much through it at this point.

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes. Yes, I think we'll be entirely through it as we get into 2021.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Okay. And from the mix of activity, you've talked about the amendments versus new leases mix. What are you seeing right now?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

We're still very heavy on the amendment side, certainly, in number of transactions. So you probably have 2, 2.5, 3 amendments for every lease in terms of dollar equivalents. So if 60-plus percent of our revenue adds are coming from amendments, at least on the piece paper side of things, it's vastly weighted towards the amendment side. And I think you'd expect that, given where the carriers are in their network deployments.



Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

In terms of new sites, AT&T has been very clear they're putting up some -- standing up some new tower owners. Has that given you less ability to get lease-up as well as build new sites for them? Or the lease-up sort of comes wherever it comes?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

No. The lease-up is more a function of where the sites are and where the needs are. The new builds are definitely a function of what you're willing to agree to relative to your competition, and there are a lot of folks out there who do some things that we think will be, long-term, bad for their investors and things that we're not quite as interested in.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Okay. Remind us where you are in terms of exposure to Sprint and T-Mobile, just on a percentage basis, before we dig into the other pieces?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes. On a direct overlap, we have about 6% to 6.5% of our revenue that is affected by the direct overlap. Sprint, because of some agreements that we entered into at the end of 2017, has average remaining life across all leases of about 5 years, and T-Mobile is about 3.5 years.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Okay. And in terms of the -- you've talked about how Sprint has a lot of the activity in your services business. How does that tie into the activity in your overall macro business?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Well, let's say, a direct kind of reflection, although not a totally proportionate reflection. I mean, if services is busy, it means there's going to be generally healthy leasing environment. But we do a disproportionate -- our leasing revenues come in at a various proportion, but our services mix is different. It just depends on who we're busy for at that time.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

And what exactly are you doing for Sprint that's been so active lately?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Doing a lot of 2.5G antenna work, a lot of swaps and adds. I mean, the same thing we'd be doing for AT&T, Verizon and T-Mobile.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

And you've talked about that in the guidance anyway, you assumed that, that goes away at the end of the second quarter.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

We do, just because we felt we needed to take some position on that merger. And obviously, if the merger gets approved, there won't be a Sprint anymore. T-Mobile will take over all of the network at that point for the combined companies, and we thought it was a more kind of conservative, easier thing to understand position to take that, "Okay, if the merger happens at that point, then that's a kind of line of demarcation with respect to your Sprint business."

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

If the business -- if the merger doesn't happen, are there contracts there to continue that effort? Or would you anticipate a (inaudible) happening there?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

There will be some of that, and there will probably be some benefits. But I would -- and I don't know this for sure, because the Sprint folks, of course, and the T-Mobile folks are very gung ho and moving forward as if the only thing to happen is the completion of the merger and they really don't engage in conversations on any alternatives. But I would imagine, which is why we wouldn't really speculate anything differently in our guidance, that there would be some lull in Sprint's activity while they figured out what Plan B were to be, should that happen.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Right. Okay. Beyond the Big Four, we've seen alternatives from a couple of categories. Talk about what other companies might be doing on the network today, beyond those Big Four carriers?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Well, all the regional carriers are doing a variety of upgrades and movement slowly towards enhanced 4G and then, ultimately, 5G. So your U.S. Cellulares, your Shentels, your -- all the different other players that exist out there continue to give us a good piece of business. Probably the newest contributor for us that has -- a year ago, we might not have been talking about or certainly, 2 years ago, we would not have been talking about was DISH. So they're doing their build-out. We're doing a lot of business with them, as I suspect others in our industry are as well, as they move towards their Phase 1 build-out, and they're busy. They're serious, they're busy, they're doing a lot of things to get there when they need to get there.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Do you -- you've talked about working with DISH in the past. Given what seems like a building relationship here, would you expect to get a larger than your proportionate share of towers in the U.S. in terms of their current build-out?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

I think, our -- I think we do well by them because we have the history and the knowledge of network development, which is something they've never done before on the wireless side. So we're there to help. We still have those capabilities through our services side that has proven valuable to them. And we have good towers where they need to be, and we're easy to work with, and all those things have, I think, worked together to form a good relationship. So -- but I don't know exactly whether we're getting how much more of the lion's share of the business.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Okay. And that business, he needs to have those -- that network up and running in less than a year from now? So how should we expect that activity to ramp over the next year?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes, I think there will continue to be a meaningful source of incremental business. Now because they started from 0, they won't show up in a top 10 leasing customer list on a portfolio basis anytime soon, but certainly, on a quarterly basis of new incremental business added, they're busy.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

You mentioned 5G. As part of 5G, we've seen private networks start to become a bigger and bigger conversation, whether that's enterprises or alternative carriers. What kind of conversations do you have with potential companies like that?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

We have quite a few, and that's where we really look at the exclusive real estate and get excited about adding key parcels of real estate. The conversations are a bit premature because what most of the conversation revolves around is what can we do with the CBRS spectrum. And that's not quite yet ready for prime time, but it will be. And that's really going to be the basis by which we think a lot of these private networks -- private LTE networks are going to be deployed. And I think it's actually going to open up a lot of opportunities that, heretofore, were not viewed as economic if the only solution for a venue or a building was a DAS type of architecture.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

So help me think about that. Can you give me an example of a business model that might be evolving from a sort of CBRS private network standpoint?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

So before CBRS, to bring wireless in to a venue, it was essentially a DAS type of architecture and it had a certain cost associated with it. And the issue was who's going to pay for that? Is it going to be the customer? And the customer would pay for, if the venue was exciting enough and attractive enough like a sports stadium or, pick something else, a large hospital. Then if the customer said, well, no, that's not something we're prepared to do right now, but maybe later. Then you will go to the building owner and the building -- well, building owner, what do you think? This is going to make your property so much more valuable. And you'd have either buy into that or you wouldn't. And then the third choice, of course, was us, where we would invest ahead of any revenue on a spec basis and say, well, this is a good-enough property where we would take that chance. Because CBRS is going to come in and allow similar types of products, services and performance to what DAS did at a fraction of the cost, I think, the practical matter is, a whole bunch more venues are going to get lit up than previously was the case. So things that we would have passed on before or our customers were have passed on, or the building owner passed on and nobody did, are going to get done, because now it's cheaper.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

And you've talked about an in-building effort that you've got going. Would you -- do you really want to be just the infrastructure provider there? Would you want to expand your sort of purview into some other revenue streams?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Well, we want to be in the recurring revenue business model. So we want to manage those properties. We want to install and fund the systems and find the right mix where we're providing value to the business owner, to our customers and being the capital provider, the operator, the knowledge provider in an exclusive asset setting, where, in years to come, you really have something that is unique and gives you the right spot at the table when it comes time to talk about renewals and things like that. I mean, a good example of that type of property is Macy's Herald Square, where we have built out -- we've build out a DAS system and that worked out there because it's such a unique wonderfully desirable property that all the economics worked. But in the future -- I mean, a Macy's Herald Square-type property will always be done because it is that unique, but with the advent of CBRS, you're going to expand that multitude of properties that would not have otherwise economically penciled out. With a DAS type architecture, you're going to just have a lot more of those available to you.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

And is that -- so CBRS is the venue owner building their CBRS? Is there a network on CBRS?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Well, no. It's a system that will allow you to talk to and interconnect with the wireless providers. So they'll be able to -- I mean, they're going to -- you're going to start to be able to buy phones that have CBRS chips in them that they'll be able to turn on and you'll -- if you have this system, they'll talk, but then you could also have your own phones where the communications can be kept private. So you'd be able to dialogue with your provider of choice, commercially, but then you'll also have your own, if you want it, your private LTE network.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

So I could run my point-of-sale system, my retail...

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

At a price point that will be more attractive than it has been previously.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

And so CBRS, for you, is much more about sort of indoor and venues than it is about the existing macro tower business?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

There will be some outdoor applications, but it's going to have its biggest use, we believe, indoor, as opposed to the C-band, which we think once all that gets sorted out, we think it's going to have primarily a macro tower benefit.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Is that -- you expect the C-band to be mostly existing carriers going out in -- or do you think there are new companies there as well?



Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Could be. But I think the C-band is going to be highly prized by the existing customers as one of the last few remaining slots of true mid-band spectrum that, I think, will prove to be so valuable for 5G.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Okay. I had a question earlier, and it's actually worth asking up here. Someone was asking me, so Sprint at 2.5 is putting up 128 antennas. Aren't you getting paid a whole lot more for 128 antennas than you are for 1 at 700? And can just talk for a minute about the economics of how you upgrade customers and what your share of that might be?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Wells, Sprint's 128 antennas, of course, is in 1 box. So we charge by the -- we charge on a variety of basis and the beauty of SBA over the years is there is no set formula, it's all based on the facts and circumstances of a particular installation. But in general, a Max MIMO antenna is going to be larger, heavier, bulkier than the traditional antennas that we've seen heretofore. And my understanding, and there'll be others who have a much more in-depth understanding, is that to get to true 5G, you need these Max MIMO antennas, and that is going to be the next sustaining leg, I think, for our industry as our customers truly move to 5G, which, heretofore, they really haven't done in terms of the true equipment that's going to be necessary on the towers to deliver true 5G speeds, latency and quality. Short answer is, yes. Bigger, heavier, more voluminous that historically always adds additional revenue because that uses up tower capacity. I mean, that is using up an asset and brings along with it increased rents.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Do you anticipate 5G bringing an incremental amount of -- or using an incremental amount of tower capacity versus previous upgrades? That it would drive higher escalators?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

We think it will be the next -- after the existing -- whenever the existing root causes of activity that we're currently enjoying stop, whether it's FirstNet for AT&T or 600 MHz for T-Mo or whatever, for the companies to truly offer 5G, they're all going to have to deploy these large antennas, particularly, in the mid-band spectrum, which I think is why the C-band is going to be so valuable. And I do think that's going to be very beneficial to the sustained growth path for the industry.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Okay. Going back to something we talked about a minute ago, and after this, I'll open it up to the audience if anybody wants to ask a question. But you have a macro business which is a great business. You have of a sort of a venue business which is a developing business and you like. Help me understand why that's substantially different than an outdoor small cell business, or historically, a sort of rooftop business that you've avoided?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

We actually haven't really avoided the rooftop business. We just haven't pursued it, perhaps, as aggressively as some others. But we do actually have a rooftop business. It's about 1% to 1.5% of our revenue. And for the right buildings, we love that business. For us, at all, the answers to your questions, and there's a couple of them in there, it all comes back to exactly the same point. We've built the company around a type of asset, an exclusive asset that has high barriers to entry, where our customers need to be, where we think they'll always need to be, such that when -- whatever the contractual term is and it's renewal time, it comes to an end, you're in a great position to extend your relationship. You don't typically have that in the large-scale outdoor small cell business where you're responding to RFPs, where most of the cost is around the fiber provider, where

there are multiple alternatives for fiber in almost any scenario and there are really, other than economic barriers, which you've seen over time people do irrational things with money, there are really no true barriers to entry for someone overbuilding fiber.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Okay. And you used to be an owner of a small cell business and had an option to look at that and you chose to pass.

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Any sort of regret on that?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

None at all.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

None at all. Okay. Sorry, I was going to ask to see if there are any questions. There's one over here on this side.

Unidentified Analyst

Do you think that C-band can be deployed on the existing macro tower grids of the nationwide carriers? Or do you think they need to be denser, and if that's the case, can you guys benefit by building more towers?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes, I think it's a little bit more of the latter. I mean, as a mid-band, it's going to promulgate more like Sprint's 2.5G, maybe a little bit even more dense on the requirements. So it is going to be macro suitable, but it's not going to be like 600 MHz, for sure.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Just to take the second part of his question was, can you benefit by building more towers? If carriers start densifying their networks and constructing more towers, would you anticipate that being an attractive opportunity? Or do you think you'd -- that could get in the way?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Well, again, depending on the terms, and if it's an RFP-driven process and how -- I mean, we're not -- we don't build towers just to increase tower count. We build towers to maximize return on invested capital. So if I can do that, yes, I will.



Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

Another -- something that one of your peers talked about this morning, and we have a couple of companies on our private panels in a couple of days. But edge computing is something we're talking about a lot around towers as sort of an opportunity coming down the way. Can you talk about how you look at this internally?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Yes, we actually have -- and we might have been the first to actually deploy, and it's right here in Boston, we have a site over at Gillette Stadium where we have deployed an edge facility. And what we're doing is we're working with a company called Packet. We've a couple of other folks that we're talking to. And our goal right now is to be all over the various different aspects of how edge computing will ultimately play out. Because we know that, should it play out the way that it is thought to play out by the technologist, that you have to have computing power at the cell site, well, obviously, we're in a position to benefit from that. So our goal is to figure out between now and then whether there's an actionable business model that is really ready to produce revenue. How should we play in that? Should we be a most basic landlord where we just let out the space and have somebody else do it all? Should we be somewhere in the middle where we own the actual pod or container and do some level of operation, although, leave all the active complex work to someone else? Which is kind of where we are today with our Packet trial. Or should we jump more in with both feet to be a mini Equinix or other data center provider where we're actually doing the operations and the sales at each of our facilities where we have deployed these things? And each of them, of course, have different levels of complexity and return and return on invested capital. But that's what we're focused on between now and the time that the entire ecosystem plays itself out, and we see folks -- see how folks are going to actually deploy at the edge and how revenue is going to get generated.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

So -- and I think we have Jacob, one of the founders of Packet here on Thursdays, but -- so what's the business model of Packet in being there? So what use are they serving?

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Packet is serving as a -- basically a gatekeeper to the on-ramp to folks to the cloud, to a number of folks. They're actually mini cloud storage for some who want to have their data very close to them, so folks who are actually here in Boston. And they're sourcing people who want to be at that location for a variety of reasons, some of which I found very hard to believe, like there's not a lot of on-ramps to Microsoft around the Boston area. Things that struck me as not -- didn't really appreciate that. But they've had very good uptake in their trial so far, and we've had a lot of other inquiries from folks who are interested. And we haven't even really yet achieved the most important part of the trial, which is connecting the pod to the cell site. This is just operating as a true mini data center that people found attractive because of its location and because of the fact that we had zoning power and fiber to the site.

Philip A. Cusick - JP Morgan Chase & Co, Research Division - MD and Senior Analyst

So you have differentiation in having zoning and power and fiber, but the big sort of hurdle to get a cell site out has been getting that big mass up in the air? Can you get...

Jeffrey A. Stoops - SBA Communications Corporation - President, CEO & Director

Well, ultimately, to achieve the maximum, I think, value of edge computing for a tower company, you're going to want the interconnect to be right there, because that's why most -- that's where you're going to command your largest interested customer base. I mean, the people who want to be right there gathering the signal off the wireless as soon as it hits and doing the compute right there. I mean, for autonomous driving, for example,

you want to -- that has to be a very quick compute to get in and out back to the road. So those are all the things that I think are here yet to play out, but we've actually, surprisingly, had good demand without even yet being connected.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

That's interesting. When you had said Gillette Stadium in the past, I assumed that it was sort of a -- some sort of edge video caching center to serve the stadium. This is more just a location to serve the Boston area?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Yes. Yes.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

That's interesting.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

And just one other thing. I mean, think of all the new revenue sources and credits that, that opens up for us.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Like what?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Microsoft, Amazon, Google, to name just a couple.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

So we won't be talking to you about Sprint and T-Mobile all the time?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

We probably will, but there might be some other things, too.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Raise your hand if you have a question. Otherwise, let's shift to international for a few minutes. This has been a big portion. Just talk about where we are in Brazil, and how you think about opening up new markets from here.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

We really like Brazil. We've done extremely well down there. The only thing that has been noise and a disappointment for us, because it's a disappointment for our investor base, has been the movement in the real. The operational results have all exceeded plan, momentum there is



strong. I mean from a macro sense, the economy is feeling better down there. People are rallying around Bolsonaro. He's got a heavy lift to do down there in reforming the pension systems. He is committed to do that. I mean, if that happens, there is a lot of very, very positive momentum that I think will follow there. So we like Brazil, and we will continue to look for the right opportunities to grow there.

In terms of other markets, we look for markets where we find growth of a multiplicity of wireless carriers, good rules of law, stable nations, and obviously, where we're going to be contracting and doing business not in U.S. dollars where we feel like we can get a handle around that and can rightsize that risk. And that, of course, will also factor into the returns that we're looking for. We will take a lesser return in a U.S. dollar-denominated foreign country than we will require in a non-U. S. Dollar foreign currency-denominated country.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Speaking of Brazil, as the economy gets better there, if someone were to want to sell you 1,000, or a couple of thousand towers there, would you be interested? Or is that big enough as a portion of revenue, you don't want to make that bigger?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

No, we would look at that. We would look at that, and we would analyze it and take all the factors into consideration. And for the right deal, scale as we have proven in markets where we're #1 or #2 has its benefits.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

There are -- are there countries in Latin America that make sense to enter that you're not in today?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Were only -- the only country that we are not in today that I think would fit that debate would be Mexico. And we continue to watch for opportunities there, and I don't know if we'll ever get there or not. But the ones that were not in, I don't think, are going to fit the bill, Venezuela, no; Bolivia, no. I mean, the only other ones we're not in are Paraguay and Uruguay.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

You're already in some tough markets.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

But we're really not. I mean, when you cut through the currency, which has really been the noise in Brazil, our Latin America markets, have been probably, if not -- I mean, it's hard to compare it to the U.S. because we've been in the U.S. for such a longer period of time, but for the period of time that we've been in these markets, there really have performed very, very well.

Michael George Bowen - *KeyBanc Capital Markets Inc., Research Division - Former Senior Research Analyst of Communications Services*

And they pay in dollars.



Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Yes. Yes.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

And what about going into other regions? There was a conversation, I think I've asked you about Africa in the past. Has that sort of ship sailed and you've said no?

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Well, I mean it hasn't sailed. It's -- there's opportunity there, but you have to -- I mean, if you go back through the litany of things I said we look at, you have to find stability in the country, and the right demographics, and there are going to be fewer countries there that, I think, we would be interested in, than certainly has been the case in South America.

Philip A. Cusick - *JP Morgan Chase & Co, Research Division - MD and Senior Analyst*

Okay. Okay. Any other questions from the floor? Then I think we'll cut it off there. Thanks, Jeff.

Jeffrey A. Stoops - *SBA Communications Corporation - President, CEO & Director*

Great. Thank you.

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