

SBA COMMUNICATIONS CORP
Form 8-K
October 05, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) October 5, 2004

SBA Communications Corporation

(Exact Name of Registrant as Specified in Its Charter)

Florida

(State or Other Jurisdiction of Incorporation)

000-30110
(Commission File Number)

65-0716501
(IRS Employer Identification No.)

5900 Broken Sound Parkway N.W., Boca Raton, Florida
(Address of Principal Executive Offices)

33487
(Zip Code)

(561) 995-7670

(Registrant's Telephone Number, Including Area Code)

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(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

On October 5, 2004, we will be speaking at the PCIA Wireless Infrastructure Conference & Expo. Exhibit 99.1 includes highlights of our presentation.

The presentation contains disclosures regarding Adjusted EBITDA, Annualized Adjusted EBITDA and our Leverage Ratio which are non-GAAP financial measures. Adjusted EBITDA is defined as loss from continuing operations plus net interest expenses, taxes, depreciation, accretion and amortization, asset impairment charges, non-cash compensation, restructuring and other charges, and other expenses. We have included these non-GAAP financial measures because we believe they are indicators of the profitability and performance of our core operations and reflect the changes in our operating results. In addition, Adjusted EBITDA is a component of the calculation used by our lenders to determine compliance with some of our debt instruments, particularly our senior credit facility. Neither Adjusted EBITDA nor Annualized Adjusted EBITDA are intended to be alternative measures of operating income or gross profit margin as determined in accordance with generally accepted accounting principles. The calculations of Adjusted EBITDA, Annualized Adjusted EBITDA and Leverage Ratio are provided below.

| | <u>Q1 2003</u> | <u>Q2 2003</u> | <u>Q3 2003</u> | <u>Q4 2003</u> | <u>Q1 2004</u> | <u>Q2 2004</u> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| | (in thousands) | | | | | |
| Loss from continuing operations | \$ (32,785) | \$ (45,399) | \$ (32,396) | \$ (53,105) | \$ (47,974) | \$ (22,767) |
| Interest income | (129) | (123) | (120) | (319) | (142) | (54) |
| Interest expense | 23,362 | 24,508 | 24,287 | 23,735 | 21,923 | 19,346 |
| Depreciation, accretion and amortization | 21,674 | 20,663 | 21,000 | 20,812 | 20,684 | 20,559 |
| Asset impairment charges | 452 | 10,265 | 50 | 6,199 | 17 | 1,543 |
| Provision for income taxes | 500 | 435 | 433 | 452 | 276 | 274 |
| Write-off of deferred financing fees, loss on extinguishment of debt, and other expenses, net | (44) | 4,876 | 434 | 18,783 | 22,155 | 444 |
| Non-cash compensation (included in selling, general and administrative) | 262 | 210 | 224 | 107 | 115 | 126 |
| Restructuring and other charges | 728 | 349 | 957 | 60 | 163 | 57 |
| Other expenses (included in selling, general and administrative) | 805 | 86 | 925 | | | |
| Adjusted EBITDA | \$ 14,825 | \$ 15,869 | \$ 15,793 | \$ 16,724 | \$ 17,217 | \$ 19,529 |
| Annualized Adjusted EBITDA | \$ 59,300 | \$ 63,476 | \$ 63,172 | \$ 66,898 | \$ 68,869 | \$ 78,118 |
| Net debt ¹ | \$ 976,239 | \$ 844,733 | \$ 817,604 | \$ 832,317 | \$ 867,153 | \$ 860,468 |
| Leverage Ratio ² | 16.5 | 13.3 | 12.9 | 12.4 | 12.6 | 11.0 |

¹ Net debt is defined as Total Debt minus Cash and Cash Equivalents, Short Term Investments and Restricted Cash.

² Leverage Ratio is defined as our Net Debt divided by our Annualized Adjusted EBITDA.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

| <u>Number</u> | <u>Description</u> |
|---------------|--|
| 99.1 | Highlights of presentation at the PCIA Wireless Infrastructure Conference & Expo |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

October 5, 2004

SBA COMMUNICATIONS CORPORATION

/s/ Anthony J. Macaione
Anthony J. Macaione

Chief Financial Officer