ARROWHEAD RESEARCH CORP
Form S-3
June 28, 2007
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As filed with the Securities and Exchange Commission on June 27, 2007

File No. 333-_____

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM S-3

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

ARROWHEAD RESEARCH CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**46-0408024**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

201 South Lake Avenue, Suite 703

Pasadena, California 91101

(626) 304-3400

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

R. Bruce Stewart, Chief Executive Officer

ARROWHEAD RESEARCH CORPORATION

201 South Lake Avenue, Suite 703

Pasadena, California 91101

(626) 304-3400
(Name, address, including zip code, and telephone number,

including area code, of agent for service)

Copies of communications sent to:

Rachael Simonoff Wexler, Esq.

GOODWIN | PROCTER LLP

10250 Constellation Boulevard, 21st Floor

Los Angeles, California 90067

(310) 788-5100

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of the Registration Statement, as determined by the Registrant.

If the only securities being registered on this form are to be offered pursuant to dividend or interest reinvestment plans, please check the following box. ¨

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ¨

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered[1]	Proposed Maximum Offering Price per Share[2]	Proposed Maximum Aggregate Offering Price[2]	Amount of Registration Fee
Common Stock, par value $.001 per share	5,220,987	$ 5.42	$ 28,297,749.54	$ 868.75

(1) Pursuant to Rule 416 of the Securities Act of 1933, as amended, this Registration Statement also covers such additional securities as may become issuable to prevent dilution resulting from stock splits, stock dividends and similar events.

(2) Pursuant to Rule 457(c), calculated on the basis of the average of the high and low prices per share of the Registrant's Common Stock reported on the NASDAQ Capital Market on June 26, 2007.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. The security holders identified in this prospectus may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)

dated June 27, 2007

ARROWHEAD RESEARCH CORPORATION

5,220,987 shares of Common Stock

This prospectus covers the sale of an aggregate of 5,220,987 shares of our Common Stock, $.001 par value, by the selling security holders identified in this prospectus (collectively with any holder s transferee, pledgee, donee or successor, the **Selling Stockholders**). The Common Stock covered by this prospectus consists of (i) 2,849,446 shares of Common Stock issued in a private placement that closed on May 29, 2007 (the **Private Placement**), (ii) 712,363 shares of Common Stock issuable upon exercise of warrants (the **Warrants**) issued in connection with the Private Placement, (iii) 1,431,222 shares of Common Stock issued pursuant to a Stock Purchase Agreement dated April 20, 2007 (the **Private Exchange**); and (iv) 227,956 shares of Common Stock issuable upon exercise of Warrants issued to the placement agent in connection with the Private Placement. The shares identified in clauses (i), (ii), (iii) and (iv) are referred to collectively in this prospectus as the **Shares**.

The Company will not receive any proceeds from the sale by the Selling Stockholders of the Common Stock. However, the Company may indirectly receive proceeds to the extent that any selling stockholders exercise warrants to purchase our common stock and then resell those shares under this prospectus. We are paying the cost of registering the shares of common stock covered by this prospectus as well as various related expenses. The selling stockholders are responsible for all selling commissions, transfer taxes and other costs related to the offer and sale of their shares. If required, the number of shares to be sold, the public offering price of those shares, the names of any broker-dealers and any applicable commission or discount will be included in a supplement to this prospectus, called a prospectus supplement.

The Company s Common Stock is traded on The NASDAQ Capital Market under the symbol ARWR. On June 26 2007, the closing sale price of our Common Stock on The NASDAQ Capital Market was $5.42 per share. Our principal executive offices are located at 201 South Lake Avenue, Suite 703, Pasadena, California 91101, and our telephone number is (626) 304-3400.

Investing in our securities involves risks. You should carefully consider the risk factors beginning on page 1 of this prospectus before you make an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2007

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You should read this prospectus, any applicable prospectus supplement and the information incorporated by reference in this prospectus before making an investment in the securities of Arrowhead Research Corporation. See Where You Can Find Additional Information for more information, page 12. You should rely only on the information contained in or incorporated by reference in this prospectus or a prospectus supplement. The Company has not authorized anyone to provide you with different information. This document may be used only in jurisdictions where offers and sales of these securities are permitted. You should assume that information contained in this prospectus, or in any document incorporated by reference, is accurate only as of any date on the front cover of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

SPECIA L NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into it contain forward-looking statements that involve risks and uncertainties. The statements contained or incorporated by reference in this prospectus that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the **Securities Act**) and Section 21E of the Securities Exchange Act of 1934, as amended (the **Exchange Act**). The Company has made these statements in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to future events or our future performance and include, but are not limited to; statements concerning our business strategy, future research and development projects, potential commercial revenues, capital requirements, new potential product introductions, expansion plans and the Company s funding requirements. Other statements contained in our filings that are not historical facts are also forward-looking statements. The Company has tried, wherever possible, to identify forward-looking statements by terminology such as may, will, could, should, expects, anticipates, intends, plans, believes, seeks, estimates terminology.

Forward-looking statements are not guarantees of future performance and are subject to various risks, uncertainties and assumptions that are difficult to predict. Actual results may differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including the risk factors described below in this prospectus and in our periodic filings with the SEC, incorporated by reference or included in this prospectus. All forward-looking statements contained in this prospectus are made only as of the date on the prospectus cover. We are under no obligation and we expressly disclaim any such obligation to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise. Before deciding to buy or sell our securities, you should be aware that the occurrence of the events described in these risk factors could harm our business, operating results and financial condition, which consequences could materially diminish the trading price of our securities and/or their value.

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SU MMARY

Unless otherwise noted, (1) the term Arrowhead Research refers to Arrowhead Research Corporation, a Delaware corporation, formerly known as InterActive Group, Inc., (2) the terms Arrowhead, the Company, we, us, and our, refer to the ongoing business operations of Arrowhead and its subsidiaries, whether conducted through Arrowhead Research or a subsidiary of the company, and (3) the term Common Stock refers to shares of Arrowhead Research s Common Stock and the term stockholder(s) refers to the holders of Common Stock or securities exercisable for Common Stock.

Arrowhead Research Corporation is a development stage nanotechnology company commercializing new technologies in the areas of life sciences, electronics and energy. Arrowhead is building value for shareholders through the progress of majority owned subsidiaries (each a **Subsidiary** and collectively, the **Subsidiaries**) founded on nanotechnologies originally developed at universities. The company works closely with universities to source early stage deals and to generate rights to intellectual property covering promising new nanotechnologies. Currently, Arrowhead has five subsidiaries commercializing nanotech products and applications, including anti-cancer drugs, RNAi therapeutics, carbon-based electronics, fullerene-based antioxidants and compound semiconductor materials.

Our common stock is quoted on the NASDAQ Capital Market under the symbol ARWR.

Our executive offices are located at 201 South Lake Avenue, Suite 703 and our telephone number is 626-304-3400. Additional information regarding our company, including our audited financial statements and descriptions of our business, is contained in the documents incorporated by reference in this prospectus. See Where You Can Find Additional Information on page 12 and Information Incorporated by Reference on page 13.

RISK FA CTORS

We are a development stage company and we have limited historical operations. We urge you to consider our likelihood of success and prospects in light of the risks, expenses and difficulties frequently encountered by entities at our current stage of development.

CERTAIN RISK FACTORS RELATING TO THE COMPANY S FOCUS ON NANOTECHNOLOGY

There are substantial inherent risks in attempting to commercialize new technological applications, and, as a result, we may not be able to successfully develop nanotechnology for commercial use.

The Company finances research and development of nanotechnology, which is a new and unproven field. The Company s research scientists are working on developing technology in various stages. However, such technology s commercial feasibility and acceptance is unknown. Scientific research and development requires significant amounts of capital and takes an extremely long time to reach commercial viability, if at all. To date, the Company s research and development projects have not produced commercially viable applications, and may never do so. During the research and development process, the Company may experience technological barriers that it may be unable to overcome. For example, our scientists must determine how to design and develop nanotechnology applications for potential products designed by third parties for use in cost-effective manufacturing processes. Because of these uncertainties, it is possible that none of our potential applications will be successfully developed. If the Company is unable to successfully develop nanotechnology applications for commercial use, we will be unable to generate revenue or build a sustainable or profitable business.

We will need to achieve commercial acceptance of our applications to obtain revenue and achieve profitability.

Even if our research and development yields technologically feasible applications, the Company may not successfully develop commercial products, and even if it does, it may not be on a timely basis. If the Company s research efforts are successful on the technology side, it could take at least several years before this technology will be commercially viable. During this period, superior competitive technologies may be introduced or customer needs

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may change, which will diminish or extinguish the commercial uses for our applications. To date, the commercial markets have generally not adopted nanotechnology-enabled products. The Company cannot predict when commercial market acceptance for nanotechnology-enabled products will develop, if at all, and we cannot reliably estimate the projected size of any such potential market. If markets fail to accept nanotechnology-enabled products, we may not be able to derive revenue from the commercial application of our technologies. Our revenue growth and achievement of profitability will depend substantially on our ability to introduce new technological applications to manufacturers for products accepted by customers. If we are unable to cost-effectively achieve OEM acceptance of our technology, or if the associated products do not achieve wide market acceptance, our business will be materially and adversely affected.

The Company may not be able to effectively secure first-tier research and development projects when competing against existing or new ventures.

Management believes that the Company s success to date in raising capital to finance nanotechnology research and commercialization projects can be largely attributed to the fact that the plan of operations adopted by the Company is relatively novel. If the Company continues to be successful in attracting funding for research and commercialization projects, it is possible that additional competitors could emerge and compete for such funding. Should that occur, the Company could encounter difficulty in raising funds to finance its future operations and further research and commercialization projects.

Additionally, there are some companies that already fund early-stage, scientific research at universities, and some venture capital funds invest in companies seeking to commercialize technology. It is possible that these established companies and venture funds, as well as possible additional competitors, have financed or will begin to finance nanotechnology research. Should that occur, the Company may not be able to secure the opportunity to finance first-tier research and commercialization projects. Furthermore, should any commercial undertaking by the Company prove to be successful, there can be no assurance competitors with greater financial resources will not offer competitive products and/or technologies.

We will need to establish additional relationships with strategic and development partners to fully develop and market our products.

The Company does not possess all of the resources necessary to develop and commercialize products that may result from its technologies on a mass scale. Unless the Company expands its product development capacity and enhances its internal marketing, the Company will need to make appropriate arrangements with strategic partners to develop and commercialize current and future products. This would mean that the overall success of the development and commercialization of product candidates in those programs will depend largely on the efforts of other parties and is beyond our control. If the Company does not find appropriate partners, or if its existing arrangements or future agreements are not successful, the Company s ability to develop and commercialize products could be adversely affected. In addition, in the event the Company pursues its commercialization strategy through collaboration, there are a variety of attendant technical, business and legal risks. For instance, a development partner would likely gain access to Company proprietary information, potentially enabling the partner to develop products without the Company or design around the Company s intellectual property.

Nanotechnology-enabled products are new and may be viewed as being harmful to human health or the environment.

There is an increase in public concern regarding the environmental and ethical implications of nanotechnology that could impede market acceptance of products developed through these means. Potentially, nanotechnology-enabled products could be composed of materials such as carbon, silicon, silicon carbide, germanium, gallium arsenide, gallium nitride, cadmium selenide or indium phosphide, which may prove to be unsafe. In addition, nanotechnology-enabled products have no historical safety record. Because of the size, shape, or composition of the nanostructures and because they may contain harmful elements, nanotechnology-enabled products could pose a safety risk to human health or the environment. Furthermore, some countries have adopted regulations prohibiting or limiting the use of materials that contain certain chemicals, which may limit the market for nanotechnology-enabled products. U.S. government authorities could, for social or other purposes, prohibit or regulate the use of nanotechnology. The regulation and limitation of the kinds of materials used in or used to develop nanotechnology-enabled products, or the regulation of the products themselves, could halt the commercialization of nanotechnology-enabled products or substantially increase the cost, which will impair our ability to achieve revenue from the license of nanotechnology applications.

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We rely on outside sources for various components and processes for our products.

We rely on outside sources for various components and processes for our products. While we try to have at least two sources for each component and process, we may not be able to achieve multiple sourcing because there may be no acceptable second source, other companies may choose not to work with us, or the component or process sought may be so new that a second source does not exist, or does not exist on acceptable terms. Therefore, it is possible that the business plans of the Company will have to be slowed down or stopped completely at times due to our inability to obtain required raw materials, components and outsourced processes at an acceptable cost, if at all, or to get a timely response from vendors.

We may be unable to scale up our manufacturing processes in a cost effective way.

In some cases, nanotechnology will require new technological and manufacturing processes that, at this time, are very expensive and subject to error. There is no assurance that technology and manufacturing process will expand and improve quickly enough to enable the Company s targeted products to be made within rigorous tolerances cost effectively. If manufacturing and mass production is not available at a favorable cost, the Company s technology may not be adopted by the applicable industry. Under such scenario, the Company may not achieve its business plan for one or more process or product, which could adversely impact the value of our Common Stock.

The Company will need approval from governmental authorities in the United States and other countries to successfully realize commercial value from the Company s activities.

In order to clinically test, manufacture and market products for commercial use, two of the Company s current Subsidiaries must satisfy mandatory procedures and safety and effectiveness standards established by various regulatory bodies, including the U.S. Food and Drug Administration (FDA). Technology and product development and approval within this regulatory framework takes a number of years and involves the expenditure of substantial resources. The time and expense required to perform the necessary testing can vary and is substantial. In addition, no action can be taken to market any biologic, drug or device in the United States until the FDA approves an appropriate marketing application. Furthermore, even after initial FDA approval has been obtained, further trials may be required to obtain additional data on safety and effectiveness. Adverse events that are reported during regulatory trials or after marketing approval can result in additional limitations being placed on a product s use and, potentially, withdrawal of the product from the market. Any adverse event, either before or after approval, can result in product liability claims against the Company, which could significantly and adversely impact the value of our Common Stock.

If export controls affecting our products are expanded, our business will be adversely affected.

The U.S. government regulates the sale and shipment of numerous technologies by U.S. companies to foreign countries. Arrowhead s Subsidiaries may develop products that might be useful for military and antiterrorism activities. Accordingly, U.S. government export regulations could restrict sales of these products in other countries. If the U.S. government places burdensome export controls on our technology or products, our business would be materially and adversely affected. If the U.S. government determines that we have not complied with the applicable export regulations, we may face penalties in the form of fines or other punishment.

Our research and product development efforts pertaining to the pharmaceutical industry are subject to additional risks.

Two of our Subsidiaries, Insert and Calando, are focused on research and development projects related to new and improved pharmaceutical conjugates. Drug development is time-consuming, expensive and risky. Even product candidates that appear promising in the early phases of development, such as in early animal and human clinical trials, often fail to reach the market for a number of reasons, such as:

clinical trial results are not acceptable, even though preclinical trial results were promising;

inefficacy and/or harmful side effects in humans or animals;

the necessary regulatory bodies, such as the FDA, did not approve our potential product for the intended use; and

manufacturing and distribution is uneconomical;

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Clinical trial results are frequently susceptible to varying interpretations by scientists, medical personnel, regulatory personnel, statisticians and others, which often delays, limits, or prevents further clinical development or regulatory approvals of potential products. If Insert and Calando are unable to cost-effectively achieve acceptance of their respective biopharmaceutical technology, or if the associated drug products do not achieve wide market acceptance, the businesses of Insert and Calando will be materially and adversely affected, and the value of Company s interest in each Subsidiary will diminish.

Our corporate compliance program cannot guarantee that we are in compliance with all applicable federal and state regulations.

The Company s operations, including its research and development and its commercialization efforts, such as clinical trials, manufacturing and distribution, are subject to extensive federal and state regulation. While we have developed and instituted a corporate compliance program based on current best practices, we cannot assure you that the Company or its employees are or will be in compliance with all potentially applicable federal and state regulations or laws. If we fail to comply with any of these regulations or laws, a range of actions could result, including, but not limited to, the termination of clinical trials, the failure to approve a commercialized product, significant fines, sanctions, or litigation.

The Company s ability to protect its patents and other proprietary rights is uncertain, exposing it to the possible loss of competitive advantage.

The Company s Subsidiaries have licensed rights to pending patents and have filed and will continue to file patent applications. The researchers sponsored by the Company may also file patent applications that Arrowhead chooses to license. If a particular patent is not granted, the value of the invention described in the patent would be diminished. Further, even if these patents are granted, they may be difficult to enforce. Even if successful, efforts to enforce our patent rights could be expensive, distracting for management, cause our patents to be invalidated, and frustrate commercialization of products. Additionally, even if patents are issued, and are enforceable, others may independently develop similar, superior, or parallel technologies to any technology developed by us, or the Company s technology may prove to infringe upon patents or rights owned by others. Thus, the patents held by or licensed to us may not afford us any meaningful competitive advantage. If we are unable to derive value from our licensed or owned intellectual property, the value of your investment in the Company may decline.

CERTAIN RISK FACTORS RELATING TO THE EARLY STAGE OF THE COMPANY S BUSINESS

We are a development stage company and the Company s success is subject to the substantial risks inherent in the establishment of a new business venture.

As a consequence of the change in the control of the Company on January 12, 2004, the Company changed management, and all efforts that were previously initiated by prior management were abandoned. At that time, the Company s new management adopted a new plan of operations based on the strategy that was formulated by the California corporation following its formation in May 2003 and not previously proven successful. To date, implementation of this strategy is still in the development stage. We have acquired majority interests in five Subsidiary companies and are sponsoring two university research project at Caltech, one university research project at Duke University, one university research project at Stanford and one university research project at the University of Florida. The Company s business and operations should be considered to be in the development stage and subject to all of the risks inherent in the establishment of a new business venture. Accordingly, the intended business and operations of the Company may not prove to be successful in the near future, if at all. Any future success that the Company might enjoy will depend upon many factors, several of which may be beyond the control of the Company, or which cannot be predicted at this time, and could have a material adverse effect upon the financial condition, business prospects and operations of the Company and the value of an investment in the Company.

The Company has not generated revenue and its business model does not predict significant revenues in the foreseeable future.

To date, the Company has only generated a small amount of revenue as a result of its current plan of operations. Moreover, given its strategy of financing new and unproven technology research, we do not expect to realize significant revenue from operations in the foreseeable future, if at all.

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Failure to effectively manage our growth could place strains on our managerial, operational and financial resources and could adversely affect our business and operating results.

Our growth has placed, and is expected to continue to place, a strain on our managerial, operational and financial resources. Further, as our Subsidiaries businesses grow, we will be required to manage multiple relationships. Any further growth by us or our Subsidiaries, or an increase in the number of our strategic relationships will increase this strain on our managerial, operational and financial resources. This strain may inhibit our ability to achieve the rapid execution necessary to implement our business plan, and could have a material adverse effect upon the financial condition, business prospects and operations of the Company and the value of an investment in the Company.

Our future success depends on our ability to expand our organization to match the growth of our Subsidiaries.

As our Subsidiaries grow, the administrative demands upon the Company will grow, and our success will depend on our ability to meet these demands. These demands include increased accounting, management, legal services, staff support and general office services. We may need to hire additional qualified personnel to meet these demands, the cost and quality of which is dependent in part on market factors beyond our control. Further, we will need to effectively manage the training and growth of our staff to maintain and efficient and effective workforce, and our failure to do so could adversely affect our business and operating results.

We must overcome the many obstacles associated with integrating and operating varying business ventures to succeed.

Arrowhead s model to integrate and oversee the strategic direction of various Subsidiaries and research and development projects presents many risks, including:

- the difficulty of integrating operations and personnel; and
- the diversion of our management s attention as a result of evaluating, negotiating and integrating acquisitions or new business ventures.

If we are unable to timely and efficiently design and integrate administrative and operational support for our Subsidiaries, we may be unable to manage projects effectively, which could adversely affect our ability to meet our business objectives and the value of an investment in the Company could decline.

In addition, consummating acquisitions and taking advantage of strategic relationships could adversely impact our cash position, and dilute stockholder interests, for many reasons, including:

- changes to our income to reflect the amortization of acquired intangible assets, including goodwill;
- interest costs and debt service requirements for any debt incurred to fund our growth strategy; and
- any issuance of securities to fund our operations or growth, which dilutes or lessens the rights of current stockholders.

Neither the Company nor any of its Subsidiaries have confirmed the value of their assets or business by an independent valuation.

The Company is a development stage company and our assets consist mainly of intellectual property, rights and contracts. The Company s Common Stock is traded on the NASDAQ Capital Market and the trading price of our Common Stock has served as a baseline valuation for Arrowhead Research. However, neither the Company, on a consolidated basis, nor any Subsidiary has sought an independent valuation for their businesses or assets. Traditional methods of valuation include a discounted cash flow analysis and a comparable company analysis. The Company has not generated a positive cash flow to date and does not expect to generate significant cash flow in the near future. Additionally, the Company does believe that there exist comparable public companies to provide a meaningful valuation comparison. Arrowhead Research s Subsidiary investments were the result of negotiation with Subsidiary management and equityholders, but the investment valuations were not

independent verified. Accordingly, Arrowhead Research may have invested in its various holding at higher or lower valuations than an independent source would have dictated. Therefore, there may be no correlation between the investment valuations used by Arrowhead Research over the years for its investments and the actual market values. If Arrowhead should eventually sell all or a part of any of its consolidated business or that of a Subsidiary the ultimate sale price may be for a value substantially lower or higher than previously determined by Arrowhead, which could materially and adversely impair the value of our Common Stock.

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The Company may need to raise additional capital in the near future, and, if we are unable to secure adequate funds on acceptable terms, the Company may be unable to support its business plan.

The Company s plan of operations is to provide substantial amounts of research project funding and financial support for majority-owned Subsidiaries over an extended period of time. Accordingly, the Company may need to raise additional capital in the near term, and may seek to do so by conducting one or more private placements of equity securities, selling additional securities in a registered public offering, or through a combination of one or more of such financing alternatives. There can be no assurance that any additional capital resources needed by the Company will be available to the Company as and when required, or on favorable terms that will be acceptable to the Company. If the Company is unable to raise the capital required on a timely basis, it may not be able to fund its research projects or the development of the businesses of its Subsidiaries. In such event, the Company may be required to delay or reduce implementation of certain aspects of its plan of operations.

Stockholder interest in the Company may be substantially diluted in additional financings by the Company.

Our Certificate of Incorporation authorizes the issuance of an aggregate of 75,000,000 shares of Common Stock, on such terms and at such prices as the Board of Directors of the Company may determine. As of June 25, 2007, 38,593,795 shares of common stock were issued and outstanding. As of June 25, 2007, 1,632,500 shares and 4,843,667 shares were reserved for issuance upon exercise of options granted under Arrowhead s 2000 Stock Option Plan and 2004 Equity Incentive Plan, respectively. As of June 25, 2007, options to purchase 1,632,500 shares were outstanding under the 2000 Stock Option Plan and options to purchase 3,329,048 shares were outstanding under the 2004 Incentive Plan. As of June 25, 2007, the Company had warrants outstanding to purchase 2,109,863 shares of Common Stock that are callable by the Company under certain market conditions. The issuance of additional securities in financing transactions by the Company or through the exercise of options or warrants would dilute the equity interests of the Company s existing stockholders, perhaps substantially, and might result in dilution in the tangible net book value of a share of our Common Stock, depending upon the price and other terms on which the additional shares are issued.

The Company s success depends on the attraction and retention of senior management and scientists with relevant expertise.

The Company s future success will depend to a significant extent on the continued services of its key employees, particularly Mr. R. Bruce Stewart, Chief Executive Officer, who conceived of the Company s business and overall operating strategy and has been most instrumental in assisting the Company raise capital. On September 7, 2004, Mr. Joseph T. Kingsley joined the Company as its Chief Financial Officer and on June 2, 2006 was appointed Interim President. Mr. Kingsley also remains the Company s Chief Financial Officer. Mr. Kingsley is a key member of the Company s management team. The Company does not maintain key man life insurance for Mr. Stewart, Mr. Kingsley, or any other executive. The Company s ability to execute its strategy also will depend on its ability to continue to attract and retain qualified scientists, sales, marketing and additional managerial personnel. If we are unable to find, hire and retain qualified individuals, we could have difficulty implementing our business plan in a timely manner, or at all.

CERTAIN RISK FACTORS RELATING TO OUR STOCK

Arrowhead s Common Stock price has fluctuated significantly during fiscal 2005, 2006 and 2007 and may continue to do so in the future.

Because we are a development stage company, there are few objective metrics by which our progress may be measured. Consequently, we expect that the market price of our Common Stock will likely continue to fluctuate significantly. We do not expect to generate substantial revenue from the license or sale of our nanotechnology for several years, if at all. In the absence of product revenue as a measure of our operating performance, we anticipate that investors and market analysts will assess our performance by considering factors such as:

- announcements of developments related to our business;
- developments in our strategic relationships with scientists within the nanotechnology field;
- our ability to enter into or extend investigation phase, development phase, commercialization phase and other agreements with new and/or existing partners;

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announcements regarding the status of any or all of our collaborations or products;

market perception and/or investor sentiment regarding nanotechnology as the next technological wave;

announcements regarding developments in the nanotechnology field in general;

the issuance of competitive patents or disallowance or loss of our patent rights; and

quarterly variations in our operating results.

We will not have control over many of these factors but expect that they may influence our stock price. As a result, our stock price may be volatile and you may lose all or part of your investment.

The market for purchases and sales of the Company s Common Stock may be very limited, and the sale of a limited number of shares could cause the price to fall sharply.

Although the Company s Common Stock is listed for trading on The NASDAQ Capital Market, currently, our securities are relatively thinly traded. Accordingly, it may be difficult to sell shares of Common Stock quickly without significantly depressing the value of the stock. Unless we are successful in developing continued investor interest in our stock, sales of our stock could continue to result in major fluctuations in the price of the stock.

If securities or industry analysts do not publish research reports about our business, of if they make adverse recommendations regarding an investment in our stock, our stock price and trading volume may decline.

The trading market for our Common Stock will be influenced by the research and reports that industry or securities analysts publish about our business. We do not currently have and may never obtain research coverage by industry or securities analysts. If no industry or securities analysts commence coverage of our Company, the trading price of our stock could be negatively impacted. In the event we obtain industry or security analyst coverage, if one or more of the analysts downgrade our stock or comment negatively on our prospects, our stock price would likely decline. If one of more of these analysts cease to cover our industry or us or fails to publish reports about our Company regularly, our Common Stock could lose visibility in the financial markets, which could also cause our stock price or trading volume to decline.

The market price of our Common Stock may be adversely affected by the sale of shares by the Company s management or founding Stockholders.

Sales of our Common Stock by our officers, directors and founding Stockholders could adversely and unpredictably affect the price of those securities. Additionally, the price of Arrowhead s Common Stock could be affected even by the potential for sales by these persons. We cannot predict the effect that any future sales of our Common Stock or the potential for those sales, will have on our share price. Furthermore, due to relatively low trading volume of our stock, should one or more large stockholders seek to sell a significant portion of its stock in a short period of time, the price of our stock may decline.

We may be the target of securities class action litigation due to future stock price volatility.

In the past, when the market price of a stock has been volatile, holders of that stock have often initiated securities class action litigation against the company that issued the stock. If any of our Stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. The lawsuit could also divert the time and attention of our management.

We do not intend to declare cash dividends on our Common Stock.

We will not distribute cash to our stockholders until and unless we can develop sufficient funds from operations to meet our ongoing needs and implement our business plan. The time frame for that is inherently unpredictable, and you should not plan on it occurring in the near future, if at all.

Our Board of Directors has the authority to issue shares of blank check Preferred Stock, which may make an acquisition of our company by another company more difficult.

We have adopted and may in the future adopt certain measures that may have the effect of delaying, deferring or preventing a takeover or other change in control of the Company that a holder of our Common Stock might

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consider in its best interest. Specifically, the Company s Board of Directors, without further action by the Company s stockholders, currently has the authority to issue up to 5,000,000 shares of preferred stock and to fix the rights (including voting rights), preferences and privileges of these shares (blank check preferred). Such preferred stock may have rights, including economic rights, senior to our Common Stock. As a result, the issuance of the preferred stock could have a material adverse effect on the price of our Common Stock and could make it more difficult for a third party to acquire a majority of our outstanding Common Stock.

US E OF PROCEEDS

The proceeds from the resale of the Shares under this prospectus are solely for the account of the Selling Stockholders. We may indirectly receive proceeds of up to $6,638,652 to the extent that any Selling Stockholders exercise warrants to purchase Shares and then resell those Shares under this prospectus, however, we will not directly receive any proceeds from the sale of Shares under this prospectus.

SELLI NG SECURITY HOLDERS

The Company has included in this prospectus the following shares of Common Stock:

- 2,849,446 shares of Common Stock issued upon the closing of the Private Placement,
- 712,363 shares of Common Stock issuable upon exercise the Warrants issued in connection with the Private Placement,
- 1,431,222 shares of Common Stock issued in the Private Exchange, and
- 227,956 shares of Common Stock issuable upon exercise the Warrants issued to Global Crown Capital, the placement agent in the Private Placement.

On May 29, 2007, we sold to certain institutional and accredited investors an aggregate of 2,849,446 shares of common stock (the **Private Placement Shares**) at a per share purchase price of $5.78, and Warrants to purchase up to an additional 712,363 shares of common stock (the **Warrant Shares**), exercisable at $7.06 per share, in the Private Placement. Two investment vehicles of York Capital Management, a stockholder holding greater than 10% of the Company s Common Stock, participated in the offering.

The Warrants may be exercised beginning on November 21, 2007 and expire on May 21, 2017. The number of Warrant Shares issuable upon exercise of each Warrant and the exercise price thereof are subject to adjustment from time to time in the event of stock subdivisions, stock splits and stock combinations. At any time on or after the first anniversary of the closing of the Private Placement, the Warrants can be redeemed at our option, in whole but not in part, at a redemption price equal to $0.001 per Warrant Share in the event that the closing bid price of a share of our common stock as traded on the NASDAQ Capital Market equals or exceeds $8.47 for 20 consecutive trading days ending not more than 15 days prior to the date of the redemption notice.

In connection with the Private Placement, we entered into a registration rights agreement, pursuant to which we have agreed to file a registration statement with the Securities and Exchange Commission covering the resale of the Private Placement Shares and the Warrant Shares.

On April 20, 2007, we consummated the Private Exchange by entering into a Stock Purchase Agreement with William A. McMinn, Robert Gower, Mary H. Cain and The Mary H. Cain Marital Trust, pursuant to which we issued and sold an aggregate of 1,431,222 shares of Common Stock (the **Exchange Shares**) in exchange for 1,080,000 shares of Series E Preferred Stock of Carbon Nanotechnologies, Inc., a Delaware corporation. In connection with the Private Exchange, we entered into a registration rights agreement, pursuant to which we have agreed to register the Exchange Shares for resale.

The following table sets forth certain information regarding the Selling Stockholders and the shares of Common Stock beneficially owned by them, which information is available to us as of June 25, 2007. Selling Stockholders may offer shares under this prospectus from time to time and may elect to sell none, some or all of the shares set forth next to their name. As a result, we cannot estimate the number of shares of Common Stock that a

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Selling Stockholder will beneficially own after termination of sales under this prospectus. In addition, a Selling Stockholder may have sold, transferred or otherwise disposed of all or a portion of that holder s shares of Common Stock since the date on which they provided information for this table. We have not made independent inquiries about this. We are relying on written commitments from the Selling Stockholders to notify us of any changes in their beneficial ownership after the date they originally provided this information. See Plan of Distribution beginning on page 11.

Selling Security Holder(1)	# of Shares held before Offering	# Shares Being Offered	# of Shares Underlying Warrants	# of Shares held after Offering	Percentage of Shares After Offering
William A. McMinn (2)	413,464	413,464	0	0	0
Bob G. Gower (2)(3)	439,968	439,968	0	0	0
Mary H. Cain (2)	577,790(4)	288,895	0	0	0
The Mary H. Cain Marital Trust (2)	577,790(4)	288,895	0	0	0
Clarion Capital Corporation	70,000(5)	62,500(6)	12,500	20,000	*
Clarion World Offshore Fund, Ltd.	70,000(5)	25,000(7)	5,000	50,000	*
Shahab Mohamed Gargash	648,789	648,789(8)	129,758	0	0
Fidelity Advisors Electronics Funds Int l Sub Portfolio	4,240,931(9)	324,395(10)	64,879	3,981,415	10.34%
Fidelity Select Electronics Funds Int l Sub Portfolio	4,240,931(9)	1,427,336(11)	285,468	3,099,063	8.05%
York Select, L.P.	4,629,459(12)	302,768(13)	60,554	4,387,245	11.39%
York Select Unit Trust	4,629,459(12)	346,020(14)	69,204	4,352,643	11.30%
Capital Ventures International (15)	425,000	425,000(16)	85,000	0	0
Global Crown Capital (17)	0	227,956(18)	227,956	0	0

* Less than 1%.

(1) If required, information about other selling security holders, except for any future transferees, pledgees, donees or successors of selling security holders named in the table above, will be set forth in a prospectus supplement or amendment to the registration statement of which this prospectus is a part. Additionally, post-effective amendments to the registration statement will be filed to disclose any material changes to the plan of distribution from the description contained in the final prospectus.

(2) Each of the selling security holders that acquired shares in the Private Exchange have entered into a lock-up agreement that restricts the holder from selling any of the Company s securities until October 18, 2007.

(3) Bob G. Gower is a member of the Board of Directors of Unidym Inc., a majority-owned subsidiary of the Company.

(4) Mary H. Cain, an individual, beneficially owns 288,895 shares of Common Stock purchased in the Private Exchange. The Mary H. Cain Marital Trust (**Cain Trust**) holds an additional 288,895 shares of Common Stock purchased in the Private Exchange. Because Ms. Cain is the sole trustee of the Cain Trust and, therefore, has sole voting and dispositive power with respect to the shares held by Cain Trust, the shares held by Ms. Cain and the Cain Trust have been aggregated and reported as beneficially owned by both Selling Stockholders in the above table.

(5) Clarion Capital Corporation (**Clarion Capital**) holds 50,000 shares of Common Stock and Warrants to purchase 12,500 shares of Common Stock. Clarion World Offshore Fund, Ltd. (**Clarion Offshore Fund**) holds 20,000 shares of Common Stock and Warrants to purchase 5,000 shares of Common Stock. Morton A. Cohen, who is the Chairman of Clarion Capital and the investment manager of Clarion Offshore Fund, has voting and dispositive power with respect to the shares held by both Clarion Capital and Clarion Offshore Fund. Accordingly, the number of shares of Common Stock held by Clarion Capital and Clarion Offshore Fund have been aggregated and reported as beneficially owned by both Selling Stockholders in the above table.

(6) Includes 12,500 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(7) Includes 5,000 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(8) Includes 129,758 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

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(9) Fidelity Advisors Electronics Funds Int l Sub Portfolio (**Fidelity Advisors**) holds 324,395 shares of Common Stock and Warrants to purchase 64,879 shares of Common Stock. Fidelity Select Electronics Funds Int l Sub Portfolio (**Fidelity Select**) holds 1,427,336 shares of Common Stock and Warrants to purchase 285,468 shares of Common Stock. Fidelity Advisors and Fidelity Select are registered investment funds advised by Fidelity Management & Research Company (**FMR Co.**), a registered investment adviser under the Investment Advisers Act of 1940, as amended. FMR Co. is a wholly-owned subsidiary of FMR Corp. Accordingly, FMR Corp., through its control of FMR Co., may be deemed to have beneficial ownership over the shares of Common Stock reported as held by Fidelity Advisors and Fidelity Select, and, therefore, the table includes 2,839,546 shares of Common Stock beneficially owned by FMR Corp., as reported in a Schedule 13G filed on June 11, 2007. In addition, as a result of this relationship, the Common Stock held by Fidelity Advisors and Fidelity Select are aggregated and reported as beneficially owned by both Selling Stockholders in the above table. Edward C. Johnson 3d., the Chairman of FMR Corp., together with Fidelity Advisors or Fidelity Select, as the case may be, has dispositive power over the respective shares reported as held by Fidelity Advisors and Fidelity Select. The respective Boards of Trustees of Fidelity Select and Fidelity Advisors have voting power over the shares reported as held by each of these funds. Fidelity Advisors and Fidelity Select are affiliates of a registered broker-dealer, purchased the shares in the ordinary course of business and, at the time of such purchase, did not have any agreements or understandings, directly or indirectly, with any person to distribute the shares.

(10) Includes 64,879 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(11) Includes 285,468 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(12) York Select, L.P. (**York L.P.**) and York Select Unit Trust (**York Trust**) are advisory clients of affiliates of JGD Management Corp. (**JGD**). The general partner of York L.P. and the investment manager of York Trust have delegated certain management and administrative duties of such funds to JGD. Accordingly, JGD may be deemed to have beneficial ownership over the shares of Common Stock reported as held by York L.P. and York Trust, and, therefore, the table includes 4,110,429 shares of Common Stock beneficially owned by JGD (through this and other affiliated relationships), as reported in a Form 13F filed by JGD on May 15, 2007.

(13) Includes 60,554 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(14) Includes 69,204 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(15) Heights Capital Management, Inc., the authorized agent of Capital Ventures International (**CVI**), has discretionary authority to vote and dispose of the shares held by CVI and may be deemed to be the beneficial owner of these shares. CVI is affiliated with one or more registered broker-dealers. CVI purchased the shares being registered in the ordinary course of business and at the time of purchase, had no agreements or understandings, directly or indirectly, with any other person to distribute the shares.

(16) Includes 85,000 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

(17) Global Crown Capital (**GCC**) acted as the Company s placement agent in the Private Placement. In partial consideration for GCC s services as placement agent, the Company issued a warrant to purchase 227,956 shares of Common Stock to GCC.

(18) Includes 227,956 shares of Common Stock issuable upon exercise of ten-year warrants, first exercisable on November 21, 2007.

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PLA N OF DISTRIBUTION

The Shares offered by this prospectus may be sold by the Selling Stockholders. Such sales may be made at fixed prices that may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices, and may be made in the over-the-counter market or any exchange on which our common stock may then be listed, or otherwise. In addition, the Selling Stockholders may sell some or all of their Shares through:

a block trade in which a broker-dealer may resell a portion of the block, as principal, in order to facilitate the transaction;

purchases by a broker-dealer, as principal, and resale by the broker-dealer for its account;

ordinary brokerage transactions and transactions in which a broker solicits purchasers;

in negotiated transactions;

in a combination of any of the above methods of sale; or

any other method permitted under applicable law.

The Selling Stockholders may also engage in short sales against the box, puts and calls and other hedging transactions in the Shares or derivatives of the Shares and may sell or deliver the Shares in connection with these trades. For example, the Selling Stockholders may:

enter into transactions involving short sales of our common stock by broker-dealers;

sell our common stock short themselves and redeliver such shares to close out their short positions;

enter into option or other types of transactions that require the Selling Stockholder to deliver shares of common stock to a broker-dealer, who will then resell or transfer the common stock under this prospectus; or

loan or pledge shares of common stock to a broker-dealer, who may sell the loaned shares or, in the event of default, sell the pledged shNOSHADE ALIGN="right" STYLE="color:#000000">

Total operating expenses	986,750	1,051,856	1,200,957	1,523,400	1,756,241	1,267,102	1,498,061
Operating income	606,754	672,258	784,378	920,132	1,119,719	840,484	921,377
Interest income, TV Azteca, net	14,253	14,210	14,212	14,214	14,258	10,715	10,673
Interest income	3,413	1,722	5,024	7,378	7,680	6,253	5,468

Interest expense	(253,584)	(249,803)	(246,018)	(311,854)	(401,665)	(297,622)	(318,916)
Loss on retirement of long-term obligations	(4,904)	(18,194)	(1,886)		(398)	(398)	(37,967)
Other income (expense)(4)	5,988	1,294	315	(122,975)	(38,300)	(19,468)	(148,991)
Income from continuing operations before income taxes and income on equity method investments	371,920	421,487	556,025	506,895	701,294	539,964	431,644
Income tax provision	(135,509)	(182,565)	(182,489)	(125,080)	(107,304)	(64,117)	(23,361)
Income on equity method investments	22	26	40	25	35	25	
Income from continuing operations	236,433	238,948	373,576	381,840	594,025	475,872	408,283
Income from discontinued operations	110,982	8,179	30				
Net Income	347,415	247,127	373,606	381,840	594,025	475,872	408,283
Net (income) loss attributable to noncontrolling interest	(169)	(532)	(670)	14,622	43,258	25,732	43,068
Net Income attributable to American Tower Corporation	$ 347,246	$ 246,595	$ 372,936	$ 396,462	$ 637,283	$ 501,604	$ 451,351
Other Data:							
Capital expenditures	243,484	250,262	346,664	523,015	568,048	377,026	448,249
Cash provided by operating activities	773,258	842,126	1,020,977	1,165,942	1,414,391	1,116,547	1,144,443
Cash used for investing activities	(274,940)	(543,066)	(1,300,902)	(2,790,812)	(2,558,385)	(1,174,266)	(958,638)
Cash (used for) provided by financing activities	(388,172)	(194,942)	910,330	1,086,095	1,170,366	112,095	3,494,759
Sites owned and operated at end of period	23,740	27,256	35,074	45,478	54,604	50,966	57,389

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	As of December 31,					As of September 30,
	2008	2009	2010	2011	2012	2013
			(In thousands)			(unaudited)
Balance Sheet Data(5):						
Cash and cash equivalents (including restricted cash)(6)	$ 194,943	$ 295,129	$ 959,935	$ 372,406	$ 437,934	$ 4,172,372
Property and equipment, net	3,022,636	3,169,623	3,683,474	4,981,722	5,766,150	5,878,826
Total assets	8,211,665	8,519,931	10,370,084	12,242,395	14,089,418	18,181,320
Long-term obligation, including current portion	4,333,146	4,211,581	5,587,388	7,236,308	8,753,376	12,645,808
Total American Tower Corporation equity	2,991,322	3,315,082	3,501,444	3,287,220	3,573,101	3,528,963

(1) For the years ended December 31, 2008 through 2010, there was no stock-based compensation expense included. For the years ended December 31, 2011 and 2012, amount includes approximately $1.1 million and $0.8 million, respectively, in stock-based compensation expense. For the nine months ended September 30, 2012 and 2013, amount includes approximately $0.6 million and $0.8 million, respectively, in stock-based compensation expense.

(2) For the years ended December 31, 2008 through 2010, there was no stock-based compensation expense included. For the years ended December 31, 2011 and 2012, amount includes approximately $1.2 million and $1.0 million, respectively, in stock-based compensation expense. For the nine months ended September 30, 2012 and 2013, amount includes approximately $0.7 million and $0.4 million, respectively, in stock-based compensation expense.

(3) For the years ended December 31, 2008, 2009, 2010, 2011 and 2012, amount includes approximately $54.8 million, $60.7 million, $52.6 million, $45.1 million and $50.2 million, respectively, in stock-based compensation expense. For the nine months ended September 30, 2012 and 2013, amount includes approximately $38.3 million and $52.0 million, respectively, in stock-based compensation expense.

(4) For the years ended December 31, 2008, 2009, 2010, 2011 and 2012, amount includes unrealized foreign currency gains (losses) of approximately $0, $(0.5) million, $4.8 million, $(131.1) million and $(34.3) million, respectively. For the nine months ended September 30, 2012 and 2013, amount includes unrealized foreign currency losses of $(12.8) million and $(151.7) million, respectively.

(5) Balances have been revised to reflect purchase accounting measurement period adjustments.

(6) As of December 31, 2008, 2009, 2010, 2011, 2012 and September 30, 2013, amount includes approximately $51.9 million, $47.8 million, $76.0 million, $42.2 million, $69.3 million and $132.0 million, respectively, of restricted funds pledged as collateral to secure obligations and cash, the use of which is otherwise limited by contractual provisions.

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RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of earnings to fixed charges for the periods presented:

	Year Ended December 31,					Nine Months Ended September 30,
	2008	2009	2010	2011	2012	2013
Ratio of earnings to fixed charges(1)	2.12x	2.27x	2.65x	2.19x	2.32x	2.01x

(1) For the purpose of this calculation, earnings consists of income from continuing operations before income taxes, income on equity method investments and fixed charges (excluding interest capitalized and amortization of interest capitalized). Fixed charges consists of interest expensed and capitalized, amortization of debt discounts and premiums and related issuance costs and the component of rental expense associated with operating leases believed by management to be representative of the interest factor thereon.

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RISK FACTORS

You should carefully consider the following risk factors, in addition to the other information presented and incorporated by reference in this prospectus supplement and the accompanying prospectus, in evaluating us, our business and an investment in the notes. A description of the risks related to our business is included in the Risk Factors section in Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which is incorporated by reference herein. The risks and uncertainties described below and incorporated by reference are not the only ones we face. Additional risks and uncertainties that we do not currently know about, or that we currently believe are immaterial, may also adversely impact our business. Events relating to any of the following risks as well as other risks and uncertainties could seriously harm our business, financial condition and results of operations. In such a case, the trading value of the notes could decline, or we may be unable to meet our obligations under the notes, which in turn could cause you to lose all or part of your investment.

Risks related to this offering

Our leverage and debt service obligations may materially and adversely affect us.

We have a substantial amount of indebtedness. As of September 30, 2013, after giving effect to the transactions described under Capitalization, we would have had approximately $14,491.4 million of consolidated debt and the ability to borrow additional aggregate amounts of approximately $2,776.9 million under the 2012 Credit Facility, the 2013 Credit Facility and the Short-Term Credit Facility, net of approximately $10.1 million of outstanding undrawn letters of credit. Our substantial level of indebtedness increases the possibility that we may be unable to generate cash sufficient to pay when due the principal of, interest on, or other amounts due with respect to, our indebtedness. We are also permitted, subject to certain restrictions under our existing indebtedness, to obtain additional long-term debt and working capital lines of credit to meet future financing needs. This would effectively increase our total leverage. Furthermore, the indenture relating to the notes does not prohibit us from incurring additional indebtedness. Our leverage could have significant negative consequences on our financial condition and results of operations, including:

- impairing our ability to meet one or more of the financial ratio covenants contained in our debt agreements or to generate cash sufficient to pay interest or principal due under those agreements, which could result in an acceleration of some or all of our outstanding debt and the loss of towers subject to our securitization transactions if an uncured default occurs;
- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to obtain additional debt or equity financing;
- increasing our borrowing costs if our current investment grade debt ratings decline;
- requiring the dedication of a substantial portion of our cash flow from operations to service our debt, thereby reducing the amount of our cash flow available for other purposes, including capital expenditures or REIT distributions;
- requiring us to sell debt or equity securities or to sell some of our core assets, possibly on unfavorable terms, to meet payment obligations;

limiting our flexibility in planning for, or reacting to, changes in our business and the markets in which we compete;

limiting our ability to repurchase our common stock or make distributions to our stockholders; and

placing us at a possible competitive disadvantage to less leveraged competitors and competitors that may have better access to capital resources.

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Our holding company structure results in structural subordination of the notes and may affect our ability to make payments on the notes.

The notes are obligations exclusively of American Tower Corporation and not of our subsidiaries. However, all of our operations are conducted through our subsidiaries. Our cash flow and our ability to service our debt, including the notes, is dependent upon distributions of earnings, loans or other payments by our subsidiaries to us. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the notes or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other consideration. Payments to us by our subsidiaries are contingent upon our subsidiaries earnings and cash flows. Moreover, our subsidiaries may incur indebtedness that may restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to us. The notes are structurally subordinated to all existing, and will be structurally subordinated to all future, indebtedness and other obligations issued by our subsidiaries. Certain of our subsidiary indebtedness is also secured. As of September 30, 2013, after giving effect to the transactions described under Capitalization, our subsidiaries would have had approximately $4,493.7 million of total debt obligations (excluding intercompany obligations), including:

- $1.8 billion in secured tower revenue securities backed by the debt of two special purpose subsidiaries, which is secured primarily by mortgages on those subsidiaries interests in 5,195 broadcast and wireless communications towers and the related tower sites;
- $92.5 million of subsidiary ZAR denominated secured debt (926.9 million ZAR) that was used to partially finance the purchase of towers in South Africa;
- $56.4 million of subsidiary COP denominated debt (108.0 billion COP) that was used to finance the purchase of towers in Colombia;
- $70.5 million of COP denominated secured debt (135.0 billion COP) under the Colombian long-term credit facility that was used to partially finance the purchase of towers and of exclusive use rights in Colombia;
- $251.7 million of aggregated U.S. Dollar denominated debt entered into by our majority owned joint ventures in Colombia, Ghana and Uganda (represents the portion of the debt reported as our outstanding debt, after elimination in consolidation of the portion of the debt loaned by our wholly owned subsidiaries);
- $205.9 million in secured cellular site revenue notes ($196.0 million principal amount due at maturity plus $9.9 million of unamortized premium) secured by, among other things, liens on approximately 1,470 real property interests and assumed by us in connection with the acquisition of certain legal entities from Unison Holdings, LLC and Unison Site Management II, L.L.C.;
- $374.7 million of subsidiary MXN denominated debt (4.9 billion MXN) under the Mexican Loan;
- $1.54 billion in secured tower revenue notes ($1.49 billion principal amount due at maturity plus $53.0 million of unamortized premium) secured by, among other things, liens on real property interests, which, in the aggregate, represent substantially all of the domestic communications sites we acquired in the Acquisition;
- $32.6 million of U.S. Dollar denominated secured debt in Costa Rica, which we assumed in connection with the Acquisition; and
- approximately $65.9 million of other debt, which consists primarily of capital leases attributable to wholly owned subsidiaries.

In the event of our insolvency, liquidation or reorganization, or should any of the indebtedness of our subsidiaries be accelerated because of a default, the holders of those debt obligations would have a claim to the proceeds from any liquidation of, or distribution from, certain of our subsidiaries prior to a claim by holders of the notes.

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There may be no public market for the notes offered hereby.

As with the original notes, we do not intend to apply for listing of the reopened notes on any securities exchange or any automated dealer quotation system. The underwriters have advised us that they presently intend to continue to make a market in the notes. The underwriters are not obligated, however, to make a market in the notes, and may discontinue any such market-making at any time at their sole discretion. In addition, any market-making activity will be subject to the limits imposed by securities laws. Accordingly, we cannot assure you as to:

the liquidity or sustainability of any market for the notes;

your ability to sell your notes; or

the price at which you would be able to sell your notes.

If a market were to exist for the notes, the notes could trade at prices that are lower than the principal amount of your purchase price, depending on many factors, including prevailing interest rates, the market for similar notes and our financial performance.

We may be unable to repay the notes when due or repurchase the notes when we are required to do so and holders may be unable to require us to repurchase their notes in certain circumstances.

At final maturity of the notes or in the event of acceleration of the notes following an event of default, the entire outstanding principal amount of the notes will become due and payable. Upon the occurrence of a Change of Control Triggering Event (as described in this prospectus supplement), we will be required to offer to repurchase in cash all outstanding notes at a redemption price equal to 101% of the principal amount of the notes plus accrued and unpaid interest, if any, up to, but not including, the repurchase date. If we were unable to make the required payments or repurchases of the notes, it would constitute an event of default under the notes and, as a result, under the 2012 Credit Facility, the 2013 Credit Facility, Short-Term Credit Facility and other outstanding indebtedness. The indentures for our other outstanding indebtedness also provide for repurchase rights upon a change of control and, in some cases, other fundamental changes under different terms. As a result, holders of our other indebtedness may have the ability to require us to repurchase their debt securities before the holders of the notes would have such repurchase rights. It is possible that we will not have sufficient funds at maturity, upon acceleration or at the time of the Change of Control Triggering Event or other fundamental change to make the required repurchase of notes and other indebtedness. In addition, a Change of Control (as described in this prospectus supplement) and certain other change of control events would constitute an event of default under the 2012 Credit Facility, the 2013 Credit Facility and the Short-Term Credit Facility.

Holders may not be able to require us to purchase their notes in certain circumstances involving a significant change in the composition of our board of directors, including a proxy contest where our board of directors does not endorse the dissident slate of directors but approves them as Continuing Directors (as described in this prospectus supplement). In this regard, a decision of the Delaware Chancery Court (not involving us or our securities) considered a change of control redemption provision of an indenture governing publicly traded debt securities that is substantially similar to the change of control event described in clause (3) of the definition of Change of Control. In its decision, the court noted that a board of directors may approve a dissident shareholder s nominees solely for purposes of such an indenture, provided the board of directors determines in good faith that the election of the dissident nominees would not be materially adverse to the interests of the corporation or its stockholders (without taking into consideration the interests of the holders of debt securities in making this determination). See Description of Notes Repurchase of Notes Upon a Change of Control Triggering Event.

The notes effectively rank junior to any secured indebtedness we incur in the future.

The notes are our general unsecured obligations, and effectively rank junior to any secured indebtedness we incur in the future to the extent of the assets securing such indebtedness. In the event of our bankruptcy,

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liquidation, reorganization or other winding up, our assets that secure indebtedness will be available to pay obligations on the notes only after all such secured indebtedness has been repaid in full from such assets. As a result, there may not be sufficient assets remaining to pay amounts due on any or all of the notes then outstanding.

The unaudited pro forma condensed combined financial information relating to the Acquisition incorporated by reference in this prospectus supplement is presented for illustrative purposes only and does not represent what the financial position or results of operations of the combined company would have been had the Acquisition been completed on the date assumed for purposes of that pro forma information nor does it represent the actual financial position or results of operations of the combined company following the Acquisition.

The unaudited pro forma condensed combined financial information relating to the Acquisition incorporated by reference in this prospectus supplement is presented for illustrative purposes only, contains a variety of adjustments, assumptions and preliminary estimates, is subject to numerous other uncertainties and does not reflect what the combined company s financial position or results of operations would have been had the Acquisition been completed as of the dates assumed for purposes of that pro forma financial information nor does it reflect the financial position or results of operations of the combined company following the Acquisition. The pro forma adjustments are based on the preliminary information available at the time of the preparation of pro forma financial information. For purposes of the unaudited pro forma condensed combined financial information, the estimated Acquisition consideration has been preliminarily allocated to the assets acquired and liabilities assumed based on information presently available to American Tower to estimate fair values. The Acquisition consideration will be allocated among the relative fair values of the assets acquired and liabilities assumed based on their estimated fair values as of October 1, 2013, the date of the Acquisition. The final allocation is dependent upon certain valuations and other analyses that cannot be completed prior to the Acquisition and are required to make a definitive allocation. The actual amounts recorded may differ materially from the information presented in the unaudited pro forma condensed combined financial information. Additionally, the unaudited pro forma condensed combined financial information does not reflect the cost of any integration activities or benefits from synergies that may be derived from any integration activities nor does it include any other items not expected to have a continuing impact on the consolidated results of operations. See our Current Report on Form 8-K filed with the SEC on January 7, 2014, incorporated by reference in this prospectus supplement.

Our and MIPT s actual financial positions and results of operations prior to the Acquisition and that of the combined company following the Acquisition may not be consistent with, or evident from, the unaudited pro forma condensed combined financial information incorporated by reference in this prospectus supplement. In addition, the assumptions or estimates used in preparing the unaudited pro forma condensed combined financial information incorporated by reference in this prospectus supplement may not prove to be accurate and may be affected by other factors. Any significant changes in the size of or assumed interest rate associated with the 2012 Credit Facility or the 2013 Credit Facility or the cost of the Acquisition (whether as a result of contractual purchase price adjustments or otherwise) from those assumed or used for purposes of preparing the estimated pro forma financial information may cause a significant change in the pro forma financial information. The pro forma adjustments for the Acquisition do not include any adjustments to the purchase price that may occur pursuant to the purchase agreement related to the Acquisition, and any such adjustments may be material.

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USE OF PROCEEDS

We expect that the net proceeds of this offering will be approximately $763.8 million (plus $13,120,833.34 of accrued interest), after deducting discounts and commissions payable to the underwriters and estimated expenses of this offering payable by us. We intend to use the net proceeds to repay existing indebtedness incurred under the 2012 Credit Facility and the 2013 Credit Facility, which was used to fund the Acquisition and other acquisitions. The remainder of the proceeds, if any, will be used for general corporate purposes, including to repay other existing indebtedness. Pending use, the net proceeds may be invested temporarily in short-term marketable securities. Our management will have broad discretion in the application of the net proceeds, and the purposes for which the net proceeds are used may change from those described above.

The 2012 Credit Facility has a term of five years, matures on January 31, 2017 and currently bears interest at a rate equal to 1.625% above the London Interbank Offered Rate (LIBOR). In September 2013, we borrowed approximately $963 million under the 2012 Credit Facility to finance the Acquisition, and we subsequently repaid $750 million with proceeds from our $1.5 billion unsecured term loan entered into in October 2013 (the 2013 Term Loan) and $125 million using cash on hand. See Capitalization.

The 2013 Credit Facility has a term of five years, matures on June 28, 2018 and includes two one-year renewal periods at our option and currently bears interest at a rate equal to 1.250% above LIBOR. In September 2013, we borrowed approximately $1,853 million under the 2013 Credit Facility to finance the Acquisition. See Capitalization.

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CAPITALIZATION

The following table shows our cash and cash equivalents and capitalization as of September 30, 2013:

- on a historical basis;
- on an as adjusted basis, after giving effect to the following: (i) payments on October 1, 2013 of $3.3 billion in cash and debt assumed of $1.54 billion of securitized indebtedness ($1.49 billion principal amount due at maturity plus $53.0 million of unamortized premium) and $32.6 million of secured debt in Costa Rica related to the Acquisition, (ii) borrowings of $1.5 billion under the 2013 Term Loan and the associated repayment of all amounts outstanding under the $750 million term loan entered into in June 2012 and repayment of $750 million of borrowings under the 2012 Credit Facility, (iii) repayment of $125.0 million under the 2012 Credit Facility using cash on hand, (iv) borrowings in November under the Mexican Loan of $374.7 million, (v) repayment of $2.3 million under our South African facility, (vi) payments of $436.9 million to acquire communications sites from NII in Mexico, (vii) payments of $67.8 million to acquire communications sites from Z-Sites in Brazil and (viii) payments of $349.0 million to acquire communications sites from NII in Brazil; and
- on an as further adjusted basis, after giving effect to the receipt of approximately $763.8 million, after deducting discounts and commissions payable to the underwriters and estimated expenses payable by us, and the use of the net proceeds to repay existing indebtedness incurred under the 2012 Credit Facility and the 2013 Credit Facility.

In addition, we have the ability to borrow additional amounts under the 2012 Credit Facility, the 2013 Credit Facility and the Short-Term Credit Facility. You should read the capitalization table below in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes, which are incorporated by reference in this prospectus supplement.

	As of September 30, 2013		
	Historical	As Adjusted	As Further Adjusted
	(In Thousands)		
Cash and cash equivalents(1)(2)	$ 4,040,353	$ 118,084	$ 153,888
Long-term debt, including current portion(3):			
American Tower subsidiary debt:			
Secured Tower Revenue Securities, Series 2013-1A	$ 500,000	$ 500,000	$ 500,000
Secured Tower Revenue Securities, Series 2013-2A	1,300,000	1,300,000	1,300,000
Unison notes, Series 2010-1 Class C, Series 2010-2 Class C and Series 2010-2 Class F notes	205,874	205,874	205,874
South African facility(4)	94,798	92,491	92,491
Colombian bridge loans(5)	56,415	56,415	56,415
Colombian long-term credit facility(5)	70,509	70,509	70,509
Colombian loan(6)	35,176	35,176	35,176
Ghana loan(6)	151,509	151,509	151,509
Uganda loan(6)	64,982	64,982	64,982
Indian working capital facility			
Mexican Loan(7)		374,679	374,679
GTP Securitization		1,543,586	1,543,586
GTP Costa Rica loan(6)		32,600	32,600

Other debt, including capital leases	65,900	65,900	65,900
Total American Tower subsidiary debt	2,545,163	4,493,721	4,493,721
American Tower Corporation debt:			
2013 Term Loan		1,500,000	1,500,000
2012 Term Loan	750,000		
2012 Credit Facility	963,000	88,000	
2013 Credit Facility	1,853,000	1,853,000	1,213,000
4.625% senior notes due 2015	599,754	599,754	599,754
7.00% senior notes due 2017	500,000	500,000	500,000
4.50% senior notes due 2018	999,493	999,493	999,493
7.25% senior notes due 2019	296,626	296,626	296,626
5.05% senior notes due 2020	699,393	699,393	699,393
5.90% senior notes due 2021	499,399	499,399	499,399
4.70% senior notes due 2022	698,842	698,842	698,842
3.50% senior notes due 2023	992,347	992,347	992,347
3.40% senior notes due 2019 (including the reopened 2019 notes)	749,346	749,346	999,346
5.00% senior notes due 2024 (including the reopened 2024 notes)	499,445	499,445	999,445
Total American Tower Corporation debt	10,100,645	9,975,645	9,997,645
Total long-term debt, including current portion	$ 12,645,808	$ 14,469,366	$ 14,491,366

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	As of September 30, 2013		
	Historical	As Adjusted	As Further Adjusted
		(In Thousands)	
Equity:			
Common Stock(8)	3,973	3,973	3,973
Additional paid-in capital	5,097,325	5,097,325	5,097,325
Distributions in excess of earnings	(1,066,580)	(1,066,580)	(1,066,580)
Accumulated other comprehensive income	(298,015)	(298,015)	(298,015)
Treasury stock	(207,740)	(207,740)	(207,740)
American Tower Corporation Stockholders Equity	3,528,963	3,528,963	3,528,963
Non-controlling interest	82,954	82,954	82,954
Total equity	3,611,917	3,611,917	3,611,917
Total capitalization	$ 16,257,725	$ 18,081,283	$ 18,103,283

(1) Does not reflect (a) the October 2013 distribution of approximately $110.5 million to our stockholders of record, which was accrued for at September 30, 2013, (b) the December 2013 distribution of approximately $114.5 million to our stockholders of record and (c) $13,120,833.34 of interest accrued on the reopened notes.

(2) As of September 30, 2013, amount excludes approximately $132.0 million of restricted funds pledged as collateral to secure obligations and cash, the use of which is otherwise limited by contractual provisions.

(3) Excludes intercompany indebtedness that is eliminated in our consolidated financial statements.

(4) The South African facility is denominated in ZAR.

(5) The Colombian bridge loans and the Colombian long-term credit facility are denominated in COP.

(6) The Colombian, Ghana and Uganda loans and GTP Costa Rica loan are denominated in U.S. Dollars.

(7) The Mexican Loan is denominated in MXN.

(8) Common stock consists of common stock, par value $.01 per share 1,000,000,000 shares authorized, 397,345,022 shares issued and 394,534,996 shares outstanding, as of September 30, 2013.

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DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading Certain Definitions. In this description, the references to American Tower, we, us or our refer only to American Tower Corporation (and not to any of its affiliates, including Subsidiaries, as defined below). The following description supplements and, to the extent inconsistent therewith, replaces the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus.

American Tower Corporation will issue the reopened 2019 notes and the reopened 2024 notes under an indenture dated as of May 23, 2013, between us and U.S. Bank National Association, as trustee, as supplemented by a supplemental indenture thereto, dated as of August 19, 2013, relating to the notes. We refer to the indenture as so supplemented as the indenture. The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended (the Trust Indenture Act).

The following description is a summary of the material provisions of the indenture and does not restate the indenture in its entirety. We urge you to read the indenture because the indenture, and not this description, defines your rights as a holder of the notes. Copies of the indenture are available from the trustee and a copy has been filed with the registration statement of which the accompanying prospectus is a part, as set forth below under Where You Can Find More Information. We use certain defined terms in this description that are not defined below under Certain Definitions or elsewhere in this description; these terms have the meanings assigned to them in the indenture.

General

We will issue $250 million aggregate principal amount of the reopened 2019 notes and $500 million aggregate principal amount of the reopened 2024 notes in this offering. Upon issuance of the reopened notes, the aggregate principal amount outstanding of our 2019 notes will be $1 billion and the aggregate principal amount outstanding of our 2024 notes will be $1 billion. The reopened 2019 notes will have identical terms, be fungible with and be part of a single series of senior debt securities with the original 2019 notes. The reopened 2024 notes will have identical terms, be fungible with and be part of a single series of senior debt securities with the original 2024 notes.

The reopened notes will be issued in minimum denominations of $2,000 and multiples of $1,000 thereafter.

We may, without the consent of the holders of the notes, issue additional notes having the same ranking, interest rate, maturity and other terms as the notes previously issued. Any additional notes having such similar terms, together with the notes previously issued, will constitute a single series of notes previously issued under the indenture.

The 2019 notes will mature on February 15, 2019 and the 2024 notes will mature on February 15, 2024. Accrued and unpaid interest on the notes will be payable in U.S. Dollars semi-annually in arrears on February 15 and August 15 of each year, which we refer to as interest payment dates, beginning on February 15, 2014 to the persons in whose names the notes are registered at the close of business on the preceding February 1 and August 1 respectively, which we refer to as record dates. Interest on the notes will accrue from August 19, 2013 and will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Each payment of interest on the notes will include interest accrued through the day before the applicable interest payment date. Any payment required to be made on any day that is not a business day will be made on the next business day as if made on the date that the payment was due and no interest will accrue on that payment for the period from the original payment date to the date of that payment on the next business day.

We will pay principal and interest on the notes, register the transfer of the notes and exchange the notes at our office or agency maintained for that purpose, which initially will be the Corporate Trust Office of the trustee. We may change the paying agent or registrar without prior notice to the holders of the notes, and we or any of our subsidiaries may act as paying agent or registrar. So long as the notes are represented by global debt

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securities, the interest payable on the notes will be paid to Cede & Co, the nominee of the depositary, or its registered assigns as the registered owner of such global debt securities, by wire transfer of immediately available funds on each of the applicable interest payment dates. If any of the notes are no longer represented by a global debt security, we have the option to pay interest by check mailed to the address of the person entitled to the interest. No service charge will be made for any transfer or exchange of notes, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable.

The notes are our senior unsecured obligations and rank equally in right of payment with all our existing and future senior unsecured debt. The notes are effectively junior to all of our secured indebtedness to the extent of the assets securing such indebtedness. Our operations are conducted through our subsidiaries and, therefore, we depend on the cash flow of our subsidiaries to meet our obligations, including our obligations under the notes. Our subsidiaries are not guarantors of the notes. Accordingly, the notes are effectively subordinated to all indebtedness and other obligations of our subsidiaries, including (i) $1.8 billion of indebtedness incurred by two of our special-purpose subsidiaries in connection with the offering of secured tower revenue securities, which indebtedness is secured primarily by mortgages on the subsidiaries interest in 5,195 wireless and broadcast communication towers (as of September 30, 2013) and the related tower sites, trade payables and lease obligations, (ii) $196.0 million of indebtedness (the carrying value of which was $205.9 million as of September 30, 2013) incurred by entities we acquired in connection with the acquisition of certain legal entities from Unison Holdings, LLC and Unison Site Management II, L.L.C., which indebtedness is secured by, among other things, liens on approximately 1,470 real property interests and (iii) $1.49 billion of indebtedness (the fair value of which was $1.54 billion at the date of acquisition) incurred by entities we acquired in the Acquisition, which indebtedness is secured by, among other things, liens on real property interests, which, in the aggregate, represent substantially all of the domestic communications sites we acquired in the Acquisition.

As of September 30, 2013, after giving effect to the transactions described under Capitalization, we and our subsidiaries would have had total outstanding consolidated debt of approximately $14,491.4 million, consisting of:

- approximately $9,997.6 million of our indebtedness; and
- approximately $4,493.7 million of indebtedness of our subsidiaries.

As of September 30, 2013, after giving effect to the transactions described under Capitalization, we had the ability to borrow an additional $2,776.9 million under the 2012 Credit Facility, the 2013 Credit Facility and the Short-Term Credit Facility, net of approximately $10.1 million of outstanding undrawn letters of credit.

As of the issue date, our current subsidiaries, other than those listed in the definition of Unrestricted Subsidiary under Certain Definitions below, will be Subsidiaries. Under certain circumstances, we will be able to designate current or future subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to the restrictive covenants set forth in the indenture.

The notes are not subject to a sinking fund.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer. We are not required to transfer or exchange any note selected for redemption or tendered for repurchase. Also, we are not required to transfer or exchange any note for a period of 15 days preceding the first mailing of notice of redemption of notes to be redeemed.

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Optional Redemption

The 2019 notes are redeemable at our election, in whole or in part, at any time at a redemption price equal to the greater of:

(1) 100% of the principal amount of the 2019 notes to be redeemed then outstanding; and

(2) as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal and interest on the 2019 notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate for the 2019 notes, plus 30 basis points;

plus, in either of the above cases, accrued and unpaid interest to the date of redemption on the 2019 notes to be redeemed.

The 2024 notes are redeemable at our election, in whole or in part, at any time at a redemption price equal to the greater of:

(1) 100% of the principal amount of the 2024 notes to be redeemed then outstanding; and

(2) as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal and interest on the 2024 notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate for the 2024 notes, plus 35 basis points;

plus, in either of the above cases, accrued and unpaid interest to the date of redemption on the 2024 notes to be redeemed.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the person in whose name the note is registered at the close of business on such record date.

We will mail or cause to be mailed a notice of redemption at least 30 days but not more than 60 days before the redemption date to each holder of the notes to be redeemed at their registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the notes or a satisfaction and discharge of the indenture. Notices of redemption may not be conditional.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption. Notes called for redemption become due on the date fixed for redemption.

If less than all of the notes are to be redeemed, the trustee will select notes for redemption as follows:

(1) if the notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the notes are listed; or

(2) if the notes are not so listed, on a pro rata basis (subject to the procedures of DTC) or, to the extent a pro rata basis is not permitted, by lot or in such other manner as the trustee shall deem to be fair and appropriate.

However, no note of $2,000 in principal amount or less shall be redeemed in part. If any note is to be redeemed in part only, the notice of redemption relating to such note will state the portion of the principal amount to be redeemed. A new note in principal amount equal to the unredeemed portion will be issued in the name of the holder thereof upon cancellation of the existing note.

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Repurchase of Notes Upon a Change of Control Triggering Event

If a Change of Control Triggering Event occurs with respect to the notes, each holder of notes will have the right to require us to repurchase all or any part, equal to $2,000 or an integral multiple of $1,000 thereafter, of that holder s notes, provided that any unpurchased portion of the notes will equal $2,000 or an integral multiple of $1,000 thereafter, pursuant to a Change of Control Offer on the terms set forth in the indenture. In the Change of Control Offer, we will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest on the notes up to but excluding the date of repurchase. Within 30 days following any Change of Control Triggering Event, if we had not, prior to the Change of Control Triggering Event, sent a redemption notice for all the notes in connection with an optional redemption permitted by the indenture, we will mail or cause to be mailed a notice to each registered holder briefly describing the transaction or transactions that constitute a Change of Control Triggering Event and offering to repurchase notes on the date specified in such notice (the Change of Control Payment Date), which date will be no earlier than 30 days and no later than 60 days from the date the notice is mailed, pursuant to the procedures required by the indenture and described in such notice.

We will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable to any Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the indenture relating to the covenant described above, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the provisions of the indenture relating to the covenant described above by virtue of such conflict.

On the Change of Control Payment Date, we will, to the extent lawful:

(1) accept for payment all notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions thereof properly tendered; and

(3) deliver or cause to be delivered to the trustee the notes so accepted together with an Officers Certificate stating the aggregate principal amount of notes or portions thereof being purchased by us.

The paying agent will promptly mail to each registered holder of notes so tendered the Change of Control Payment for such notes, and the trustee will promptly authenticate and mail, or cause to be transferred by book entry, to each holder a new note equal in principal amount to any unpurchased portion of the notes surrendered, if any; *provided* that each such new note will be in a principal amount of $2,000 or an integral multiple of $1,000 thereafter. Any note so accepted for payment will cease to accrue interest on and after the Change of Control Payment Date.

Except as described above, the provisions described above will be applicable regardless of whether or not any other provisions of the indenture are applicable. Other than with respect to a Change of Control Triggering Event, the indenture does not contain provisions that permit the holders of the notes to require that we repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

Holders will not be entitled to require us to purchase their notes in the event of a takeover, recapitalization, leveraged buyout or similar transaction that is not a Change of Control. We may nonetheless incur significant additional indebtedness in connection with such a transaction.

For the avoidance of doubt, a Change of Control will not be deemed to have occurred if we merge with an affiliate solely for the purpose of reincorporating American Tower in its current or another jurisdiction within the United States of America.

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Holders may not be able to require us to purchase their notes in certain circumstances involving a significant change in the composition of our board of directors, including a proxy contest where our board of directors does not endorse the dissident slate of directors but approves them as Continuing Directors. In this regard, a decision of the Delaware Chancery Court (not involving us or our securities) considered a change of control redemption provision of an indenture governing publicly traded debt securities that is substantially similar to the change of control event described in clause (3) of the definition of Change of Control. In its decision, the court noted that a board of directors may approve a dissident shareholder s nominees solely for purposes of such an indenture, provided the board of directors determines in good faith that the election of the dissident nominees would not be materially adverse to the interests of the corporation or its stockholders (without taking into consideration the interests of the holders of debt securities in making this determination). See Risk Factors We may be unable to repay the notes when due or repurchase the notes when we are required to do so and holders may be unable to require us to repurchase their notes in certain circumstances.

We will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to a Change of Control Offer made by us and purchases all notes properly tendered and not withdrawn under the Change of Control Offer.

A Change of Control Offer may be made in advance of a Change of Control Triggering Event, and conditional upon the occurrence of such Change of Control Triggering Event, if a definitive agreement is in place for the Change of Control Triggering Event at the time of making the Change of Control Offer.

There can be no assurance that we will have sufficient funds available at the time of any Change of Control Triggering Event, and consummate a Change of Control Offer for all notes then outstanding, at a purchase price for 101% of their principal amount, plus accrued and unpaid interest to the Change of Control Payment Date. The indentures for our other outstanding indebtedness also provide for repurchase rights upon a change in control and, in some cases, certain other events under different terms. As a result, holders of our other indebtedness may have the ability to require us to repurchase their debt securities before the holders of the notes offered hereby would have such repurchase rights. In addition, a Change of Control (as described herein) and certain other change of control events would constitute an event of default under the 2012 Credit Facility, the 2013 Credit Facility and the Short-Term Credit Facility. As a result, we may not be able to make any of the required payments on, or repurchases of, the notes without obtaining the consent of the lenders under the 2012 Credit Facility, the 2013 Credit Facility or the Short-Term Credit Facility with respect to such payment or repurchase.

Covenants

Limitations on liens

Under the indenture, we will not, and will not permit any of our Subsidiaries to, allow any Lien (other than Permitted Liens) on any of our or our Subsidiaries property or assets (which includes Capital Stock) securing Indebtedness, unless the Lien secures the notes equally and ratably with, or prior to, any other Indebtedness secured by such Lien, so long as such other Indebtedness is so secured.

Notwithstanding the foregoing, we may, and may permit any of our Subsidiaries to, incur Liens securing Indebtedness without equally and ratably securing the notes if, after giving effect to the incurrence of such Liens, the aggregate amount (without duplication) of the Indebtedness secured by Liens (other than Permitted Liens) on the property or assets (which includes Capital Stock) of us and our Subsidiaries shall not exceed the Permitted Amount at the time of the incurrence of such Liens (it being understood that Liens securing the SpectraSite ABS Facility shall be deemed to be incurred pursuant to this paragraph).

Trustee

The trustee for the notes is U.S. Bank National Association, and we have initially appointed the trustee as the paying agent, registrar, and custodian with regard to the notes. Except during the continuance of an Event of

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Default, the trustee will perform only such duties as are specifically set forth in the indenture. During the existence of an Event of Default, the trustee will exercise such of the rights and powers vested in it under the indenture and use the same degree of care and skill in its exercise as a prudent person would exercise under the circumstances in the conduct of such person s own affairs. The holders of a majority in principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee, subject to certain exceptions. Subject to these provisions, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of notes, unless such holder has offered to the trustee security and indemnity satisfactory to it against any loss, liability or expense.

Pursuant and subject to the Trust Indenture Act, the trustee will be permitted to engage in other transactions with us; however, if the trustee acquires any conflicting interest (as defined in the Trust Indenture Act), it would be required to eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee or resign. The trustee is also the trustee under the trust and servicing agreement related to our securitization transaction.

Governing Law

The indenture and the notes are governed by and construed in accordance with the laws of the State of New York.

Book-Entry; Delivery and Form

We have obtained the information in this section concerning DTC, Clearstream Banking, *société anonyme* (Clearstream), and the Euroclear System (Euroclear) and their book-entry systems and procedures from sources that we believe to be reliable. We take no responsibility for an accurate portrayal of this information. In addition, the description of the clearing systems in this section reflects our understanding of the rules and procedures of DTC, Clearstream and Euroclear as they are currently in effect. Those systems could change their rules and procedures at any time.

The reopened notes will initially be represented by one or more fully registered global notes. Each such global note will be deposited with, or on behalf of, DTC or any successor thereto and registered in the name of Cede & Co. (DTC s nominee). You may hold your interests in the global notes in the United States through DTC, or in Europe through Clearstream or Euroclear, either as a participant in such systems or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold interests in the global notes on behalf of their respective participating organizations or customers through customers securities accounts in Clearstream s or Euroclear s names on the books of their respective depositaries, which in turn will hold those positions in customers securities accounts in the depositaries names on the books of DTC. Citibank, N.A. will act as depositary for Clearstream and Euroclear Bank S.A./N.V. will act as depositary for Euroclear.

So long as DTC or its nominee is the registered owner of the global securities representing the notes, DTC or such nominee will be considered the sole owner and holder of the notes for all purposes of the notes and the indenture. Except as provided below, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not receive or be entitled to receive physical delivery of the notes in definitive form and will not be considered the owners or holders of the notes under the indenture, including for purposes of receiving any reports delivered by us or the trustee pursuant to the indenture. Accordingly, each person owning a beneficial interest in a note must rely on the procedures of DTC or its nominee and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder of notes.

Unless and until we issue the notes in fully certificated, registered form under the limited circumstances described below under the heading Certificated Notes :

you will not be entitled to receive a certificate representing your interest in the notes;

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all references in this prospectus supplement to actions by holders will refer to actions taken by DTC upon instructions from its direct participants; and

all references in this prospectus supplement to payments and notices to holders will refer to payments and notices to DTC or Cede & Co., as the registered holder of the notes, for distribution to you in accordance with DTC procedures.

The Depository Trust Company

DTC will act as securities depositary for the reopened notes. The reopened notes will be issued as fully registered notes registered in the name of Cede & Co. DTC is:

a limited-purpose trust company organized under the New York Banking Law;

a banking organization under the New York Banking Law;

a member of the Federal Reserve System;

a clearing corporation under the New York Uniform Commercial Code; and

a clearing agency registered under the provisions of Section 17A of the Exchange Act.

DTC holds securities that its direct participants deposit with DTC. DTC facilitates the settlement among direct participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in direct participants accounts, thereby eliminating the need for physical movement of securities certificates.

Direct participants of DTC include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations and certain other organizations. DTC is owned by a number of its direct participants. Indirect participants of DTC, such as securities brokers and dealers, banks and trust companies, can also access the DTC system if they maintain a custodial relationship with a direct participant.

Purchases of notes under DTC s system must be made by or through direct participants, which will receive a credit for the notes on DTC s records. The ownership interest of each beneficial owner is in turn to be recorded on the records of direct participants and indirect participants. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct participants or indirect participants through which such beneficial owners entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in notes, except as provided below under the heading Certificated Notes.

To facilitate subsequent transfers, all notes deposited with DTC are registered in the name of DTC s nominee, Cede & Co. The deposit of notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the notes. DTC s records reflect only the identity of the direct participants to whose accounts such notes are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

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Book-Entry Format

Under the book-entry format, the trustee will pay interest or principal payments to Cede & Co., as nominee of DTC. DTC will forward the payment to the direct participants, who will then forward the payment to the indirect participants (including Clearstream or Euroclear) or to you as the beneficial owner. You may experience some delay in receiving your payments under this system. Neither we, the trustee under the indenture nor any paying agent has any direct responsibility or liability for the payment of principal or interest on the notes to owners of beneficial interests in the notes.

DTC is required to make book-entry transfers on behalf of its direct participants and is required to receive and transmit payments of principal, premium, if any, and interest on the notes. Any direct participant or indirect participant with which you have an account is similarly required to make book-entry transfers and to receive and transmit payments with respect to the notes on your behalf. We and the trustee under the indenture have no responsibility for any aspect of the actions of DTC, Clearstream or Euroclear or any of their direct or indirect participants. In addition, we and the trustee under the indenture have no responsibility or liability for any aspect of t