

Monthly Operating Report

CASE NAME: FiberTower Corporation
CASE NUMBER: 12-44029-DML-11
JUDGE: D. Michael Lynn

ACCRUAL BASIS

UNITED STATES BANKRUPTCY COURT

NORTHERN
DISTRICT OF
TEXAS

DIVISION 6

MONTHLY OPERATING REPORT

MONTH ENDING: March 2014
(AMENDED)

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I
DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING
MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND
THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE
DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER
(OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH
PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

John Lipscomb
PRINTED NAME OF RESPONSIBLE PARTY

Vice President, Corporate Controller
TITLE

8/4/2014
DATE

PREPARER:


ORIGINAL SIGNATURE OF PREPARER

John Lipscomb
PRINTED NAME OF PREPARER

Vice President, Corporate Controller
TITLE

8/4/2014
DATE

Monthly Operating Report

CASE NAME:	FiberTower Corporation
CASE NUMBER:	12-44029-DML-11

ACCRUAL BASIS-1

COMPARATIVE BALANCE SHEET

ASSETS	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
		January 2014	February 2014	March 2014
1. UNRESTRICTED CASH	\$1,201,283	\$15,671	\$15,671	\$15,671
2. RESTRICTED CASH	\$2,495,786			
3. TOTAL CASH	\$3,697,069	\$15,671	\$15,671	\$15,671
4. ACCOUNTS RECEIVABLE (NET)	\$0			
5. INVENTORY	\$0	\$0		
6. NOTES RECEIVABLE	\$0	\$0		
7. PREPAID EXPENSES	\$660,540	\$478,952	\$478,952	\$453,376
8. OTHER (ATTACH LIST)	\$0	\$0		
9. TOTAL CURRENT ASSETS	\$4,357,609	\$494,623	\$494,623	\$469,047
10. PROPERTY, PLANT & EQUIPMENT	\$0	\$0	\$0	\$0
11. LESS: ACCUMULATED DEPRECIATION / DEPLETION	\$0	\$0	\$0	\$0
12. NET PROPERTY, PLANT & EQUIPMENT	\$0	\$0	\$0	\$0
13. DUE FROM INSIDERS	\$0	\$0	\$0	\$0
14. OTHER ASSETS - NET OF AMORTIZATION (Debit Issuance Cost)	\$65,630	\$0	\$0	\$0
15. INTERCOMPANY RECEIVABLE	\$324,126,655	\$324,126,655	\$324,126,655	\$0
16. TOTAL ASSETS	\$328,549,895	\$324,621,278	\$324,621,278	\$469,047
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		\$0	\$0	\$0
18. TAXES PAYABLE		(\$822)	(\$822)	\$0
19. INTERCOMPANY PAYABLE		\$21,965,615	\$21,965,615	\$0
20. PROFESSIONAL FEES		\$829,988	\$829,988	\$0
21. SECURED DEBT		\$0	\$0	\$0
22. OTHER (ATTACH LIST)		\$2,370,725	\$2,370,725	\$6,578,471
23. TOTAL POSTPETITION LIABILITIES		\$25,165,507	\$25,165,507	\$6,578,471
PREPETITION LIABILITIES				
24. SECURED DEBT	\$139,416,543	\$125,147,578	\$125,147,578	\$0
25. PRIORITY DEBT	\$0	\$0	\$0	\$0
26. UNSECURED DEBT	\$37,144,694	\$37,718,684	\$37,718,684	\$0
27. OTHER (ATTACH LIST)	\$11,879,475	\$11,879,475	\$11,879,475	\$0
28. TOTAL PREPETITION LIABILITIES	\$188,440,711	\$174,745,737	\$174,745,737	\$0
29. TOTAL LIABILITIES	\$188,440,711	\$199,911,244	\$199,911,244	\$6,578,471
EQUITY				
30. PREPETITION OWNERS' EQUITY	\$140,109,184	\$140,109,184	\$140,109,184	\$0
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(\$15,325,096)	(\$15,325,096)	(\$6,109,424)
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		(\$74,054)	(\$74,054)	\$0
33. TOTAL EQUITY	\$140,109,184	\$124,710,035	\$124,710,035	(\$6,109,424)
34. TOTAL LIABILITIES & OWNERS' EQUITY	\$328,549,895	\$324,621,278	\$324,621,278	\$469,047

Monthly Operating Report

CASE NAME:	FiberTower Corporation
CASE NUMBER:	12-44029-DML-11

ACCRUAL BASIS-2

INCOME STATEMENT				
	MONTH	MONTH	MONTH	MONTH
REVENUES	December 2013	January 2014	February 2014	March 2014
1. GROSS REVENUES	\$0	\$0	\$0	\$0
2. LESS: RETURNS & DISCOUNTS	\$0	\$0	\$0	\$0
3. NET REVENUE	\$0	\$0	\$0	\$0
COST OF GOODS SOLD				
4. MATERIAL	\$0	\$0	\$0	\$0
5. DIRECT LABOR	\$0	\$0	\$0	\$0
6. DIRECT OVERHEAD	\$0	\$0	\$0	\$0
7. TOTAL COST OF GOODS SOLD	\$0	\$0	\$0	\$0
8. GROSS PROFIT	\$0	\$0	\$0	\$0
OPERATING EXPENSES				
9. OFFICER / INSIDER COMPENSATION	\$0	\$0	\$0	\$0
10. SELLING & MARKETING	\$0	\$0	\$0	\$0
11. GENERAL & ADMINISTRATIVE	\$0	\$27,399	\$0	\$0
12. RENT & LEASE	\$0	\$0	\$0	\$0
13. OTHER (ATTACH LIST)	\$0	\$0	\$0	\$0
14. TOTAL OPERATING EXPENSES	\$0	\$27,399	\$0	\$0
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	\$0	(\$27,399)	\$0	\$0
OTHER INCOME & EXPENSES				
16. NON-OPERATING INCOME	\$0	\$0	\$0	\$0
17. NON-OPERATING EXPENSE (ATT. LIST)	\$0	\$0	\$0	\$6,082.025
18. INTEREST EXPENSE	\$0	\$0	\$0	\$0
19. DEPRECIATION / DEPLETION	\$0	\$0	\$0	\$0
20. AMORTIZATION	\$0	\$0	\$0	\$0
21. OTHER (ATTACH LIST)	\$0	\$0	\$0	\$0
22. NET OTHER INCOME & EXPENSES	\$0	\$0	\$0	\$6,082.025
REORGANIZATION EXPENSES				
23. PROFESSIONAL FEES	\$0	\$0	\$0	\$0
24. U.S. TRUSTEE FEES	\$0	\$0	\$0	\$0
25. OTHER (ATTACH LIST)	\$0	\$0	\$0	\$0
26. TOTAL REORGANIZATION EXPENSES	\$0	\$0	\$0	\$0
27. INCOME TAX				
28. NET PROFIT (LOSS)	\$0	(\$27,399)	\$0	(\$6,082.025)

Monthly Operating Report

CASE NAME: FiberTower Corporation
CASE NUMBER: 12-44029-DML-11

ACCRUAL BASIS-3

CASH RECEIPTS AND DISBURSEMENTS	MONTH	MONTH	MONTH	QUARTER TOTAL
	January 2014	February 2014	March 2014	
1. CASH - BEGINNING OF MONTH	\$43,070	\$15,671	\$15,671	
RECEIPTS FROM OPERATIONS				
2. CASH SALES	\$0	\$0	\$0	
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION	\$0	\$0	\$0	
4. POSTPETITION	\$0	\$0	\$0	
5. TOTAL OPERATING RECEIPTS	\$0	\$0	\$0	\$0
NON - OPERATING RECEIPTS				
6. ADVANCE from FiberTower Network Service Inc.				
7. SALE OF ASSETS	\$0	\$0	\$0	
8. OTHER (INTEREST)	\$0	\$0	\$0	
9. TOTAL NON-OPERATING RECEIPTS	\$0	\$0	\$0	\$0
10. TOTAL RECEIPTS	\$0	\$0	\$0	\$0
11. TOTAL CASH AVAILABLE	\$43,070	\$15,671	\$15,671	\$0
OPERATING DISBURSEMENTS				
12. NET PAYROLL	\$0	\$0	\$0	
13. PAYROLL TAXES PAID	\$0	\$0	\$0	
14. SALES, USE & OTHER TAXES PAID	\$0	\$0	\$0	
15. SECURED / RENTAL / LEASES	\$0	\$0	\$0	
16. UTILITIES	\$0	\$0	\$0	
17. INSURANCE	\$0	\$0	\$0	
18. INVENTORY PURCHASES	\$0	\$0	\$0	
19. VEHICLE EXPENSES	\$0	\$0	\$0	
20. TRAVEL	\$0	\$0	\$0	
21. ENTERTAINMENT	\$0	\$0	\$0	
22. REPAIRS & MAINTENANCE	\$0	\$0	\$0	
23. SUPPLIES	\$0	\$0	\$0	
24. CONSULTING FEES	\$0	\$0	\$0	
25. INTEREST	\$0	\$0	\$0	
26. TOTAL OPERATING DISBURSEMENTS	\$0	\$0	\$0	\$0
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES	\$27,399	\$0	\$0	
28. U.S. TRUSTEE FEES	\$0	\$0	\$0	
29. CREDITOR DISTRIBUTION	\$0	\$0	\$0	
30. TOTAL REORGANIZATION EXPENSES	\$27,399	\$0	\$0	\$0
31. TOTAL DISBURSEMENTS	\$27,399	\$0	\$0	\$0
32. NET CASH FLOW	(\$27,399)	\$0	\$0	\$0
33. CASH - END OF MONTH	\$15,671	\$15,671	\$15,671	\$0

Monthly Operating Report

CASE NAME: FiberTower Corporation

ACCRUAL BASIS-4

CASE NUMBER: 12-44029-DML-11

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
		January 2014	February 2014	March 2014
1. 0-30		\$0	\$0	\$0
2. 31-60		\$0	\$0	\$0
3. 61-90		\$0	\$0	\$0
4. 91+		\$0	\$0	\$0
5. TOTAL ACCOUNTS RECEIVABLE	\$0	\$0	\$0	\$0
6. AMOUNT CONSIDERED UNCOLLECTIBLE		\$0	\$0	\$0
7. ACCOUNTS RECEIVABLE (NET)	\$0	\$0	\$0	\$0

AGING OF POSTPETITION TAXES AND PAYABLES					MONTH ENDING: March 2014
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE	\$0	\$0	\$0	\$0	\$0

STATUS OF POSTPETITION TAXES					MONTH ENDING: March 2014
FEDERAL	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	
1. WITHHOLDING**				\$0	
2. FICA-EMPLOYEE**				\$0	
3. FICA-EMPLOYER**				\$0	
4. UNEMPLOYMENT				\$0	
5. INCOME				\$0	
6. OTHER (ATTACH LIST)				\$0	
7. TOTAL FEDERAL TAXES	\$0	\$0	\$0	\$0	
STATE AND LOCAL					
8. WITHHOLDING				\$0	
9. SALES				\$0	
10. EXCISE				\$0	
11. UNEMPLOYMENT				\$0	
12. REAL PROPERTY				\$0	
13. PERSONAL PROPERTY				\$0	
14. OTHER (ATTACH LIST)				\$0	
15. TOTAL STATE & LOCAL	\$0	\$0	\$0	\$0	
16. TOTAL TAXES	\$0	\$0	\$0	\$0	

* The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero.
 ** Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment or deposit.

Monthly Operating Report

CASE NAME:	FiberTower Corporation
CASE NUMBER:	12-44029-DML-11

ACCRUAL BASIS-5

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH ENDING: March 2014

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	
A. BANK:	SunTrust Bank				TOTAL
B. ACCOUNT NUMBER:	XXXXXXXXX6872				
C. PURPOSE (TYPE):	Operational Checking				
1. BALANCE PER BANK STATEMENT	\$15,671				\$15,671
2. ADD: TOTAL DEPOSITS NOT CREDITED	\$0				\$0
3. SUBTRACT: OUTSTANDING CHECKS	\$0				\$0
4. OTHER RECONCILING ITEMS	\$0				\$0
5. MONTH END BALANCE PER BOOKS	\$15,671		\$0	\$0	\$15,671
6. NUMBER OF LAST CHECK WRITTEN	140124009642				

INVESTMENT ACCOUNTS				
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH	
12. CURRENCY ON HAND	\$0
13. TOTAL CASH - END OF MONTH	\$15,671

Monthly Operating Report

CASE NAME:	FiberTower Corporation
CASE NUMBER:	12-44029-DML-11

ACCRUAL BASIS-6

MONTH ENDING: March 2014

PAYMENTS TO INSIDERS AND PROFESSIONALS

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101 (31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1. Black Raven Partners, LLC	Board of Director Fee	\$0	\$50,000
2. Mark Holliday	Board of Director Fee	\$0	\$50,000
3. Ontrac Advisors, Inc.	Board of Director Fee	\$0	\$50,000
4.			
5. TOTAL PAYMENTS TO INSIDERS		\$0	\$150,000

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
1. Andrews Kurth LLP	No Authorization in Jan	\$0	\$0	\$1,499,693	\$1,499,693
2. Bingham McCutchen	No Authorization in Jan	\$0	\$0	\$61,862	\$61,862
3. BMC Group, Inc	No Authorization in Jan	\$0	\$0	\$183,014	\$183,014
4. Haynes and Boone, LLP	No Authorization in Jan	\$0	\$0	\$115,128	\$115,128
5. Cole, Schatz, Mersel, Fort	No Authorization in Jan	\$0	\$0	\$38,394	\$39,208
6. Goldin Associates, LLC	No Authorization in Jan	\$0	\$0	\$269,659	\$269,659
7. Hogan Lovells US LLP	No Authorization in Jan	\$0	\$0	\$427,147	\$427,147
8. Otterbourg, Seindler, Hou	No Authorization in Jan	\$0	\$0	\$226,173	\$226,173
9. Reed Smith LLP	No Authorization in Jan	\$0	\$0	\$158,904	\$158,904
10. Stroock and Stroock and L	No Authorization in Jan	\$0	\$0	\$524,327	\$524,327
11. Wilkie Farr & Gallagher	No Authorization in Jan	\$0	\$0	\$106,295	\$106,295
12.					
13. TOTAL PAYMENTS TO PROFESSIONALS		\$0	\$0	\$3,610,597	\$3,611,411

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. N/A			
2.			
3. TOTAL	\$0	\$0	\$0

Monthly Operating Report

CASE NAME: FiberTower Corporation
CASE NUMBER: 12-44029-DML-11

ACCRUAL BASIS-7

MONTH ENDING: March 2014

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
D&O POLICY	XL Specialty Insurance Company	8/29/2013 - 8/29/2014	\$200,000 - annual payment
General Insurance	Cincinnati Insurance Company	11/7/2013 - 11/7/2014	\$7,000 - Annual payment

Other (Attach List)

MOR-1	Line 27	Line 22
Accrued Interest Payable		-
Inter Company Due From		-
Deferred Revenue LT		-
Deferred Tax Liability - Spectrum	-	6,578,471
Total for line 22 and Line 27	-	6,578,471

Fresh Start Accounting Adjustments (following emergence from Chapter 11 on 3/31/14)

	<u>Debit Amount</u>	<u>Credit Amount</u>	<u>Net adjustment</u>
<u>Revaluation of assets to estimated fair value:</u>			
Adjust prepaid expense	\$28,867.65		(\$28,867.65)
Write-off intercompany balances (fresh start accounting)	\$142,444,595.27		(\$142,444,595.27)
Miscellaneous fresh start accounting adjustments		\$25,952.71	\$25,952.71
<u>Revaluation liabilities to estimated fair value:</u>			
Adjust over accrued professional fees		\$829,988.20	\$829,988.20
Write-off accrued interest on cancelled debt (fresh start accounting)		\$5,751,981.40	\$5,751,981.40
Write-off cancelled senior secured notes (fresh start accounting)		\$162,842,778.17	\$162,842,778.17
Adjust deferred tax liability on spectrum license (fresh start accounting)	\$440,200.52		(\$440,200.52)
<u>Revaluation equity to estimated fair value:</u>			
Write-off common stock & additional paid in capital (fresh start)		\$897,621,552.35	\$897,621,552.35
Write-off retained earnings (fresh start)	\$930,240,614.70		(\$930,240,614.70)
	<u>\$1,073,154,278.14</u>	<u>\$1,067,072,252.83</u>	<u>(\$6,082,025.31)</u>