

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND OPERATING DATA**  
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AND SHARE DATA)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2004 Actual	2003 Actual	% Change	2004 Actual	2003 Actual	% Change
<b>REVENUES:</b>						
Video.....	\$ 846	\$ 875	(3)%	\$ 1,695	\$ 1,741	(3)%
High-speed data.....	181	136	33%	349	258	35%
Advertising sales.....	73	67	9%	132	124	6%
Commercial.....	58	50	16%	114	97	18%
Other.....	81	89	(9)%	163	175	(7)%
Total revenues.....	<u>1,239</u>	<u>1,217</u>	2%	<u>2,453</u>	<u>2,395</u>	2%
<b>COSTS AND EXPENSES:</b>						
Programming.....	329	313	5%	663	627	6%
Advertising sales.....	25	23	9%	48	44	9%
Service.....	161	152	6%	316	302	5%
General and administrative.....	208	203	2%	416	418	-
Marketing.....	36	29	24%	67	49	37%
Operating costs and expenses.....	<u>759</u>	<u>720</u>	5%	<u>1,510</u>	<u>1,440</u>	5%
Adjusted EBITDA.....	<u>480</u>	<u>497</u>	(3)%	<u>943</u>	<u>955</u>	(1)%
Adjusted EBITDA margin.....	<u>39%</u>	<u>41%</u>		<u>38%</u>	<u>40%</u>	
Depreciation and amortization.....	364	373		734	743	
(Gain) loss on sale of assets, net.....	2	4		(104)	13	
Option compensation expense, net.....	12	-		26	-	
Special charges, net.....	87	8		97	10	
Income from operations.....	<u>15</u>	<u>112</u>		<u>190</u>	<u>189</u>	
<b>OTHER INCOME AND EXPENSES:</b>						
Interest expense, net.....	(410)	(386)		(803)	(776)	
Gain (loss) on derivative instruments and hedging activities, net.....	63	(10)		56	4	
Loss on debt to equity conversions.....	(15)	-		(23)	-	
Loss on extinguishment of debt.....	(21)	-		(21)	-	
Other, net.....	2	(2)		-	(4)	
	<u>(381)</u>	<u>(398)</u>		<u>(791)</u>	<u>(776)</u>	
Loss before minority interest and income taxes.....	(366)	(286)		(601)	(587)	
Minority interest.....	(6)	151		(10)	311	
Loss before income taxes.....	(372)	(135)		(611)	(276)	
Income tax benefit (expense).....	(43)	98		(97)	58	
Net loss.....	(415)	(37)		(708)	(218)	
Dividends on preferred stock - redeemable.....	(1)	(1)		(2)	(2)	
Net loss applicable to common stock.....	<u>\$ (416)</u>	<u>\$ (38)</u>		<u>\$ (710)</u>	<u>\$ (220)</u>	
Loss per common share, basic and diluted.....	<u>\$ (1.39)</u>	<u>\$ (0.13)</u>		<u>\$ (2.39)</u>	<u>\$ (0.75)</u>	
Weighted average common shares outstanding.....	<u>300,522,815</u>	<u>294,474,596</u>		<u>297,814,091</u>	<u>294,471,798</u>	

NOTE: Certain 2003 amounts have been reclassified to conform with the 2004 presentation.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND OPERATING DATA**  
**(DOLLARS IN MILLIONS, EXCEPT PER SHARE AND SHARE DATA)**

	Three Months Ended June 30,			Six Months Ended June 30,		
	2004 Actual	2003 Pro Forma (a)	% Change	2004 Pro Forma (a)	2003 Pro Forma (a)	% Change
<b>REVENUES:</b>						
Video.....	\$ 846	\$ 840	1%	\$ 1,674	\$ 1,671	-
High-speed data.....	181	132	37%	346	250	38%
Advertising sales.....	73	65	12%	131	120	9%
Commercial.....	58	46	26%	112	89	26%
Other.....	81	85	(5)%	161	168	(4)%
Total revenues.....	<u>1,239</u>	<u>1,168</u>	6%	<u>2,424</u>	<u>2,298</u>	5%
<b>COSTS AND EXPENSES:</b>						
Programming.....	329	300	10%	654	601	9%
Advertising sales.....	25	22	14%	48	42	14%
Service.....	161	148	9%	313	294	6%
General and administrative.....	208	197	6%	412	406	1%
Marketing.....	36	28	29%	67	47	43%
Operating costs and expenses.....	<u>759</u>	<u>695</u>	9%	<u>1,494</u>	<u>1,390</u>	7%
Adjusted EBITDA.....	<u>480</u>	<u>473</u>	1%	<u>930</u>	<u>908</u>	2%
Adjusted EBITDA margin.....	<u>39%</u>	<u>40%</u>		<u>38%</u>	<u>40%</u>	
Depreciation and amortization.....	364	363		728	723	
(Gain) loss on sale of assets, net.....	2	4		1	12	
Option compensation expense, net.....	12	-		26	-	
Special charges, net.....	87	8		97	10	
Income from operations.....	<u>15</u>	<u>98</u>		<u>78</u>	<u>163</u>	
<b>OTHER INCOME AND EXPENSES:</b>						
Interest expense, net.....	(410)	(379)		(799)	(762)	
Gain (loss) on derivative instruments and hedging activities, net.....	63	(10)		56	4	
Loss on debt to equity conversions.....	(15)	-		(23)	-	
Loss on extinguishment of debt.....	(21)	-		(21)	-	
Other, net.....	2	(2)		-	(4)	
	<u>(381)</u>	<u>(391)</u>		<u>(787)</u>	<u>(762)</u>	
Loss before minority interest and income taxes.....	(366)	(293)		(709)	(599)	
Minority interest.....	(6)	155		(10)	318	
Loss before income taxes.....	(372)	(138)		(719)	(281)	
Income tax benefit (expense).....	(43)	98		(83)	58	
Net loss.....	(415)	(40)		(802)	(223)	
Dividends on preferred stock - redeemable.....	(1)	(1)		(2)	(2)	
Net loss applicable to common stock.....	<u>\$ (416)</u>	<u>\$ (41)</u>		<u>\$ (804)</u>	<u>\$ (225)</u>	
Loss per common share, basic and diluted.....	<u>\$ (1.39)</u>	<u>\$ (0.14)</u>		<u>\$ (2.71)</u>	<u>\$ (0.76)</u>	
Weighted average common shares outstanding.....	<u>300,522,815</u>	<u>294,474,596</u>		<u>297,814,091</u>	<u>294,471,798</u>	

(a) Pro forma results reflect the sales of systems to Atlantic Broadband Finance, LLC in March and April 2004 and WaveDivision Holdings, LLC in October 2003, as if they both occurred as of January 1, 2003. Actual revenues exceeded pro forma revenues for the six months ended June 30, 2004 and the three and six months ended June 30, 2003 by \$29 million, \$49 million and \$97 million, respectively. Actual adjusted EBITDA exceeded pro forma adjusted EBITDA by \$13 million, \$24 million and \$47 million for the six months ended June 30, 2004 and the three and six months ended June 30, 2003, respectively. Pro forma net loss exceeded actual net loss by \$94 million, \$3 million and \$5 million for the six months ended June 30, 2004 and the three and six months ended June 30, 2003, respectively. The unaudited pro forma financial information required allocation of certain revenues and expenses and such information has been presented for comparative purposes and does not purport to be indicative of the consolidated results of operations had these transactions been completed as of the assumed date or which may be obtained in the future. Adjusted EBITDA is a non-GAAP term. See page 7 of this addendum for the reconciliation of adjusted EBITDA to net cash flows from operating activities as defined by GAAP.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED BALANCE SHEETS**  
**(DOLLARS IN MILLIONS)**

	<b>June 30, 2004</b>	<b>December 31, 2003</b>
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents.....	\$ 124	\$ 127
Accounts receivable, net of allowance for doubtful accounts.....	185	189
Prepaid expenses and other current assets.....	<u>31</u>	<u>34</u>
Total current assets.....	<u>340</u>	<u>350</u>
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net .....	6,536	7,014
Franchises, net .....	<u>13,195</u>	<u>13,680</u>
Total investment in cable properties, net.....	<u>19,731</u>	<u>20,694</u>
OTHER NONCURRENT ASSETS.....		
Total assets.....	<u>\$ 20,519</u>	<u>\$ 21,364</u>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses.....	\$ <u>1,150</u>	\$ <u>1,286</u>
Total current liabilities.....	<u>1,150</u>	<u>1,286</u>
LONG-TERM DEBT.....	18,411	18,647
DEFERRED MANAGEMENT FEES - RELATED PARTY.....	14	14
OTHER LONG-TERM LIABILITIES.....	973	848
MINORITY INTEREST.....	713	689
PREFERRED STOCK - REDEEMABLE.....	55	55
SHAREHOLDERS' DEFICIT.....	(797)	(175)
Total liabilities and shareholders' deficit.....	<u>\$ 20,519</u>	<u>\$ 21,364</u>

NOTE: Certain 2003 amounts have been reclassified to conform with the 2004 presentation.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(DOLLARS IN MILLIONS)**

	<b>Six Months Ended June 30,</b>	
	<b>2004</b>	<b>2003</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss.....	\$ (708)	\$ (218)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Minority interest.....	10	(311)
Depreciation and amortization.....	734	743
Option compensation expense, net.....	22	-
Special charges, net.....	85	-
Noncash interest expense.....	163	211
Gain on derivative instruments and hedging activities, net.....	(56)	(4)
(Gain) loss on sale of assets, net.....	(104)	13
Loss on debt to equity conversions.....	23	-
Loss on extinguishment of debt.....	18	-
Deferred income taxes.....	97	(58)
Other, net.....	(2)	2
Changes in operating assets and liabilities, net of effects from dispositions:		
Accounts receivable.....	1	32
Prepaid expenses and other assets.....	3	7
Accounts payable, accrued expenses and other.....	(118)	(140)
Receivables from and payables to related party, including deferred management fees.....	-	8
Net cash flows from operating activities.....	168	285
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant and equipment.....	(390)	(264)
Change in accrued expenses related to capital expenditures.....	(52)	(113)
Proceeds from sale of assets.....	729	-
Purchases of investments.....	(12)	(4)
Other, net.....	(2)	(5)
Net cash flows from investing activities.....	273	(386)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Borrowings of long-term debt.....	2,813	346
Repayments of long-term debt.....	(3,160)	(340)
Payments for debt issuance costs.....	(97)	(14)
Net cash flows from financing activities.....	(444)	(8)
NET DECREASE IN CASH AND CASH EQUIVALENTS.....	(3)	(109)
CASH AND CASH EQUIVALENTS, beginning of period.....	127	321
CASH AND CASH EQUIVALENTS, end of period.....	\$ 124	\$ 212
CASH PAID FOR INTEREST.....	\$ 609	\$ 562
<b>NONCASH TRANSACTIONS:</b>		
Debt exchanged for Charter Class A common stock.....	\$ 30	\$ -

NOTE: Certain 2003 amounts have been reclassified to conform with the 2004 presentation.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED SUMMARY OF OPERATING STATISTICS**

	Approximate as of			
	June 30, 2004 Actual (a)	March 31, 2004 Pro Forma (a)	December 31, 2003 Pro Forma (a)	June 30, 2003 Pro Forma (a)
<b>Customer Summary:</b>				
<b>Customer Relationships:</b>				
Residential (non-bulk) analog video customers (b).....	5,892,600	5,953,200	5,963,000	5,996,100
Multi-dwelling (bulk) and commercial unit customers (c).....	240,600	238,800	237,500	231,900
Total analog video customers (b) (c).....	6,133,200	6,192,000	6,200,500	6,228,000
Non-video customers (b).....	176,900	142,700	105,700	70,500
Total customer relationships (d).....	6,310,100	6,334,700	6,306,200	6,298,500
Pro forma average monthly revenue per analog video customer (e).....	\$ 67.02	\$ 63.75	\$ 62.86	\$ 62.32
Bundled customers (f).....	1,544,600	1,510,300	1,422,100	1,233,600
<b>Revenue Generating Units:</b>				
Analog video customers (b) (c).....	6,133,200	6,192,000	6,200,500	6,228,000
Digital video customers (g).....	2,650,200	2,657,400	2,588,600	2,511,800
Residential high-speed data customers (h).....	1,711,400	1,653,000	1,527,800	1,304,100
Telephony customers (i).....	31,200	26,300	24,900	23,700
Total revenue generating units (j).....	10,526,000	10,528,700	10,341,800	10,067,600
<b>Cable Video Services:</b>				
<b>Analog Video:</b>				
Estimated homes passed (k).....	11,979,300	11,895,400	11,817,500	11,672,200
Analog video customers (b)(c).....	6,133,200	6,192,000	6,200,500	6,228,000
Estimated penetration of analog video homes passed (b) (c) (k) (l).....	51%	52%	52%	53%
Pro forma average monthly analog revenue per analog video customer (m).....	\$ 37.27	\$ 36.58	\$ 36.23	\$ 36.92
Analog video customers quarterly net loss (b) (c) (n).....	(58,800)	(8,500)	(38,500)	(37,900)
<b>Digital Video:</b>				
Estimated digital homes passed (k).....	11,851,600	11,776,700	11,716,400	11,522,500
Digital video customers (g).....	2,650,200	2,657,400	2,588,600	2,511,800
Estimated penetration of digital homes passed (g) (k) (l).....	22%	23%	22%	22%
Digital percentage of analog video customers (b) (c) (g) (o).....	43%	43%	42%	40%
Digital set-top terminals deployed.....	3,751,900	3,756,300	3,634,500	3,554,600
Pro forma average incremental monthly digital revenue per digital video customer (m).....	\$ 23.87	\$ 22.87	\$ 23.00	\$ 23.28
Digital video customers quarterly net gain (loss) (g) (n).....	(7,200)	68,800	18,300	(44,900)
Estimated video on demand homes passed (k).....	5,032,900	4,567,000	4,476,000	3,727,300
<b>Non-Video Cable Services:</b>				
<b>High-Speed Data Services:</b>				
Estimated high-speed data homes passed (k).....	10,475,100	10,392,800	10,321,100	9,909,600
Residential high-speed data customers (h).....	1,711,400	1,653,000	1,527,800	1,304,100
Estimated penetration of high-speed data homes passed (h) (k) (l).....	16%	16%	15%	13%
Pro forma average monthly high-speed data revenue per high-speed data customer (m).....	\$ 35.87	\$ 34.58	\$ 33.45	\$ 34.74
Residential high-speed data customers quarterly net gain (h) (n).....	58,400	125,200	86,300	74,900
Dial-up customers.....	7,800	8,900	9,600	11,700
Estimated telephony homes passed (k).....	327,600	113,700	102,600	91,900
Telephony customers (i).....	31,200	26,300	24,900	23,700
Pro forma average monthly telephony revenue per telephony customer (m).....	\$ 44.85	\$ 49.70	\$ 49.15	\$ 49.98

Pro forma results reflect the sales of systems to Atlantic Broadband Finance, LLC in March and April 2004 and WaveDivision Holdings, LLC which closed in October 2003, as if they both occurred as of January 1, 2003.

See footnotes to unaudited summary of operating statistics on page 6 of this Addendum.

(a) "Customers" include all persons our corporate billing records show as receiving service (regardless of their payment status), except for complimentary accounts (such as our employees). Further, "customers" include persons receiving service under promotional programs that offered up to two months of service for free, some of whom had not requested to be disconnected, but had not become paying customers as of June 30, 2004. If such persons do not become paying customers, we do not believe this would have a material impact on our consolidated financial condition or consolidated results of operations. In addition, at June 30, 2004, March 31, 2004, December 31, 2003 and June 30, 2003, "customers" include approximately 58,700, 53,100, 72,700 and 71,400 persons whose accounts were over 60 days past due in payment, approximately 6,300, 5,800, 6,500 and 8,700 persons whose accounts were over 90 days past due in payment and approximately 2,000, 2,200, 2,000 and 1,900 of which were over 120 days past due in payment, respectively.

(b) "Analog video customers" as of June 30, 2004 include all customers who receive video services (including those who also purchase high-speed data and telephony services) but excludes approximately 176,900 customer relationships at June 30, 2004 who receive high-speed data service only or telephony service only and who are only counted as high-speed data customers or telephony customers, and therefore are shown as "non-video" customers. As of March 31, 2004, December 31, 2003 and June 30, 2003, "analog video customers" include all customers who receive video services (including those who also purchase high-speed data and telephony services) but exclude approximately 142,700, 105,700 and 70,500 customer relationships at March 31, 2004, December 31, 2003 and June 30, 2003, respectively, who received high-speed data service only and who are only counted as high-speed data customers, and therefore are shown as "non-video customers." Telephony customers represented approximately 8,500 of the 176,900 "non-video customers" as of June 30, 2004.

(c) Included within "video customers" are those in commercial and multi-dwelling structures, which are calculated on an equivalent bulk unit ("EBU") basis. EBU is calculated for a system by dividing the bulk price charged to accounts in an area by the most prevalent price charged to non-bulk residential customers in that market for the comparable tier of service. The EBU method of estimating analog video customers is consistent with the methodology used in determining costs paid to programmers and has been consistently applied year over year. As we increase our effective analog video prices to residential customers without a corresponding increase in the prices charged to commercial service or multi-dwelling customers, our EBU count will decline even if there is no real loss in commercial service or multi-dwelling customers.

(d) "Customer relationships" as of June 30, 2004 include the number of customers that receive one or more levels of service, encompassing video, data and telephony services, without regard to which service(s) such customers receive. As of March 31, 2004, December 31, 2003 and June 30, 2003, "customer relationships" include the number of customers that receive one or more levels of video and data services, without regard to which service(s) such customers receive. Telephony customers represented approximately 8,500 of the 6,310,100 "customer relationships" as of June 30, 2004. This statistic is computed in accordance with the guidelines of the National Cable & Telecommunications Association (NCTA) that have been adopted by eleven publicly traded cable operators, including Charter.

(e) Pro forma average monthly revenue per analog customer is calculated as total pro forma quarterly revenue divided by three divided by average pro forma analog customers during the respective quarter. This calculation is pro forma giving affect to the reduction of monthly revenue and average analog customers for the disposition of systems sold to Atlantic Broadband Finance, LLC and WaveDivision Holdings, LLC (as discussed on page 5 of this addendum).

(f) "Bundled customers" as of June 30, 2004 include customers receiving to a combination of at least two different types of service, including Charter's video service, high-speed data service or telephony. As of March 31, 2004, December 31, 2003 and June 30, 2003, "bundled customers" include customers subscribing to both Charter's video service and high-speed data service. "Bundled customers" do not include customers who only subscribe to video service. By including telephony customers, "bundled customers" include approximately 1,600 more customers as of June 30, 2004.

(g) "Digital video customers" include all households that have one or more digital set-top terminals. Included in "digital video customers" on June 30, 2004, March 31, 2004, December 31, 2003 and June 30, 2003 are approximately 11,400, 12,000, 12,000 and 13,100 customers, respectively, that receive digital video service directly through satellite transmission.

(h) All of these customers also receive video service and are included in the video statistics above. However, the video statistics do not include approximately 168,400, 142,700, 105,700 and 70,500 of these customers at June 30, 2004, March 31, 2004, December 31, 2003 and June 30, 2003, respectively, who were high-speed data only customers.

(i) "Telephony customers" include all households receiving telephone service.

(j) "Revenue generating units" represent the sum total of all primary analog video, digital video, high-speed data and telephony customers, not counting additional outlets within one household. For example, a customer who receives two types of service (such as analog video and digital video) would be treated as two revenue generating units, and if that customer added on high-speed data service, the customer would be treated as three revenue generating units. This statistic is computed in accordance with the guidelines of the NCTA that have been adopted by eleven publicly traded cable operators, including Charter.

(k) "Homes passed" represent our estimate of the number of living units, such as single family homes, apartment units and condominium units passed by our cable distribution network in the areas where we offer the service indicated. "Homes passed" exclude commercial units passed by our cable distribution network. These estimates are updated for all periods presented when estimates change.

(l) Penetration represents customers as a percentage of homes passed.

(m) "Pro forma average monthly revenue" represents pro forma quarterly revenue for the service indicated divided by three divided by the average number of pro forma customers for the service indicated during the respective quarter. This calculation is pro forma giving effect to the reduction of monthly revenue and average analog customers for the disposition of systems sold to Atlantic Broadband Finance, LLC and WaveDivision Holdings, LLC (as discussed on page 5 of this addendum).

(n) "Quarterly net gain (loss)" represents the net gain or loss in the respective quarter for the service indicated.

(o) Represents the number of digital video customers as a percentage of analog video customers.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED RECONCILIATION OF NON-GAAP MEASURES TO GAAP MEASURES**  
**(DOLLARS IN MILLIONS)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004 Actual	2003 Actual	2004 Actual	2003 Actual
Adjusted EBITDA (a)	\$ 480	\$ 497	\$ 943	\$ 955
Less: Purchases of property, plant and equipment	(200)	(160)	(390)	(264)
Un-levered free cash flow	280	337	553	691
Less: Interest on cash pay obligations (b)	(340)	(281)	(640)	(565)
Free cash flow	(60)	56	(87)	126
Purchases of property, plant and equipment	200	160	390	264
Special charges, net	(2)	(8)	(12)	(10)
Other, net	(5)	(11)	(9)	(2)
Change in operating assets and liabilities	(80)	(74)	(114)	(93)
Net cash flows from operating activities	\$ 53	\$ 123	\$ 168	\$ 285

	Three Months Ended June 30, 2003 Pro Forma	Six Months Ended June 30, 2004 2003 Pro Forma	
	Pro Forma	Pro Forma	Pro Forma
Adjusted EBITDA (a)	\$ 473	\$ 930	\$ 908
Less: Purchases of property, plant and equipment	(157)	(388)	(257)
Un-levered free cash flow	316	542	651
Less: Interest on cash pay obligations (b)	(274)	(636)	(551)
Free cash flow	42	(94)	100
Purchases of property, plant and equipment	157	388	257
Special charges, net	(8)	(12)	(10)
Other, net	(9)	(14)	(4)
Change in operating assets and liabilities	(64)	(103)	(71)
Net cash flows from operating activities	\$ 118	\$ 165	\$ 272

(a) See pages 1 and 2 of this addendum for detail of the components included within adjusted EBITDA.

(b) Interest on cash pay obligations excludes accretion of original issue discounts on certain debt securities and amortization of deferred financing costs that are reflected as interest expense in our consolidated statements of operations.

The above schedules are presented in order to reconcile adjusted EBITDA, un-levered free cash flows and free cash flows, all non-GAAP measures, to the most directly comparable GAAP measures in accordance with Section 401(b) of the Sarbanes-Oxley Act.

Pro forma results reflect the sales of systems to Atlantic Broadband Finance, LLC in March and April 2004 and WaveDivision Holdings, LLC in October 2003, as if they both occurred as of January 1, 2003.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CAPITAL EXPENDITURES**  
**(DOLLARS IN MILLIONS)**

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Customer premise equipment (a)	\$ 112	\$ 68	\$ 226	\$ 132
Scalable infrastructure (b)	14	12	33	20
Line extensions (c)	30	17	53	25
Upgrade/Rebuild (d)	5	37	16	52
Support capital (e)	<u>39</u>	<u>26</u>	<u>62</u>	<u>35</u>
Total capital expenditures (f)	<u>\$ 200</u>	<u>\$ 160</u>	<u>\$ 390</u>	<u>\$ 264</u>

(a) Customer premise equipment includes costs incurred at the customer residence to secure new customers, revenue units and additional bandwidth revenues. It also includes customer installation costs in accordance with SFAS 51 and customer premise equipment (e.g., set-top terminals and cable modems, etc.).

(b) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers, revenue units and additional bandwidth revenues or provide service enhancements (e.g., headend equipment).

(c) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).

(d) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including betterments.

(e) Support capital includes costs associated with the replacement or enhancement of non-network assets due to technological and physical obsolescence (e.g., non-network equipment, land, buildings and vehicles).

(f) Represents all capital expenditures made during the three and six months ended June 30, 2004 and 2003, respectively.