

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 December 31,			Year Ended December 31,		
	2004	2003	% Change	2004	2003	% Change
REVENUES:						
Video.....	\$ 839	\$ 854	(2)%	\$ 3,373	\$ 3,461	(3)%
High-speed data.....	203	153	33%	741	556	33%
Advertising sales.....	84	75	12%	289	263	10%
Commercial.....	63	55	15%	238	204	17%
Other.....	87	80	9%	336	335	-
Total revenues.....	<u>1,276</u>	<u>1,217</u>	5%	<u>4,977</u>	<u>4,819</u>	3%
COSTS AND EXPENSES:						
Programming.....	328	315	4%	1,319	1,249	6%
Advertising sales.....	26	23	13%	98	88	11%
Service.....	174	157	11%	663	615	8%
General and administrative.....	213	211	1%	849	833	2%
Marketing.....	23	27	(15)%	122	107	14%
Operating costs and expenses.....	<u>764</u>	<u>733</u>	4%	<u>3,051</u>	<u>2,892</u>	5%
Adjusted EBITDA.....	<u>512</u>	<u>484</u>	6%	<u>1,926</u>	<u>1,927</u>	-
Adjusted EBITDA margin.....	<u>40%</u>	<u>40%</u>		<u>39%</u>	<u>40%</u>	
Depreciation and amortization.....	390	358		1,495	1,453	
Impairment of franchises.....	-	-		2,433	-	
(Gain) loss on sale of assets, net.....	18	(18)		(86)	5	
Option compensation expense (income), net.....	(3)	3		31	4	
Special charges, net.....	4	3		104	21	
Unfavorable contracts and other settlements.....	(5)	(72)		(5)	(72)	
Income (loss) from operations.....	<u>108</u>	<u>210</u>		<u>(2,046)</u>	<u>516</u>	
OTHER INCOME AND EXPENSES:						
Interest expense, net.....	(443)	(394)		(1,670)	(1,557)	
Gain on derivative instruments and hedging activities, net.....	21	30		69	65	
Loss on debt to equity conversions.....	-	-		(23)	-	
Gain (loss) on extinguishment of debt.....	(10)	-		(31)	267	
Other, net.....	3	(7)		3	(16)	
	<u>(429)</u>	<u>(371)</u>		<u>(1,652)</u>	<u>(1,241)</u>	
Loss before minority interest, income taxes and cumulative effect of accounting change.....	(321)	(161)		(3,698)	(725)	
Minority interest.....	(5)	80		19	377	
Loss before income taxes and cumulative effect of accounting change.....	(326)	(81)		(3,679)	(348)	
Income tax benefit (expense).....	(13)	24		103	110	
Loss before cumulative effect of accounting change.....	(339)	(57)		(3,576)	(238)	
Cumulative effect of accounting change, net of tax.....	-	-		(765)	-	
Net loss.....	(339)	(57)		(4,341)	(238)	
Dividends on preferred stock - redeemable.....	(1)	(1)		(4)	(4)	
Net loss applicable to common stock.....	<u>\$ (340)</u>	<u>\$ (58)</u>		<u>\$ (4,345)</u>	<u>\$ (242)</u>	
EARNINGS PER SHARE:						
Basic and diluted.....	<u>\$ (1.12)</u>	<u>\$ (0.20)</u>		<u>\$ (14.47)</u>	<u>\$ (0.82)</u>	
Weighted average common shares outstanding, basic and diluted.....	<u>302,934,348</u>	<u>294,875,504</u>		<u>300,291,877</u>	<u>294,597,519</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 December 31,			Year Ended December 31,		
	2004 Actual	2003 Pro Forma (a)	% Change	2004 Pro Forma (a)	2003 Pro Forma (a)	% Change
REVENUES:						
Video.....	\$ 839	\$ 822	2%	\$ 3,352	\$ 3,324	1%
High-speed data.....	203	150	35%	738	541	36%
Advertising sales.....	84	73	15%	288	255	13%
Commercial.....	63	51	24%	236	188	26%
Other.....	87	77	13%	334	322	4%
Total revenues.....	<u>1,276</u>	<u>1,173</u>	9%	<u>4,948</u>	<u>4,630</u>	7%
COSTS AND EXPENSES:						
Programming.....	328	303	8%	1,310	1,198	9%
Advertising sales.....	26	23	13%	98	86	14%
Service.....	174	152	14%	660	597	11%
General and administrative.....	213	206	3%	845	810	4%
Marketing.....	23	26	(12)%	122	104	17%
Operating costs and expenses.....	<u>764</u>	<u>710</u>	8%	<u>3,035</u>	<u>2,795</u>	9%
Adjusted EBITDA.....	<u>512</u>	<u>463</u>	11%	<u>1,913</u>	<u>1,835</u>	4%
Adjusted EBITDA margin.....	<u>40%</u>	<u>39%</u>		<u>39%</u>	<u>40%</u>	
Depreciation and amortization.....	390	349		1,489	1,413	
Impairment of franchises.....	-	-		2,433	-	
Loss on sale of assets, net.....	18	2		19	24	
Option compensation expense (income), net.....	(3)	3		31	4	
Special charges, net.....	4	3		104	21	
Unfavorable contracts and other settlements.....	(5)	(72)		(5)	(72)	
Income (loss) from operations.....	<u>108</u>	<u>178</u>		<u>(2,158)</u>	<u>445</u>	
OTHER INCOME AND EXPENSES:						
Interest expense, net.....	(443)	(388)		(1,666)	(1,530)	
Gain on derivative instruments and hedging activities, net.....	21	30		69	65	
Loss on debt to equity conversions.....	-	-		(23)	-	
Gain (loss) on extinguishment of debt.....	(10)	-		(31)	267	
Other, net.....	3	(7)		3	(16)	
	<u>(429)</u>	<u>(365)</u>		<u>(1,648)</u>	<u>(1,214)</u>	
Loss before minority interest, income taxes and cumulative effect of accounting change.....	(321)	(187)		(3,806)	(769)	
Minority interest.....	(5)	94		19	401	
Loss before income taxes and cumulative effect of accounting change.....	(326)	(93)		(3,787)	(368)	
Income tax benefit (expense).....	(13)	29		117	115	
Loss before cumulative effect of accounting change.....	(339)	(64)		(3,670)	(253)	
Cumulative effect of accounting change, net of tax.....	-	-		(765)	-	
Net loss.....	(339)	(64)		(4,435)	(253)	
Dividends on preferred stock - redeemable.....	(1)	(1)		(4)	(4)	
Net loss applicable to common stock.....	<u>\$ (340)</u>	<u>\$ (65)</u>		<u>\$ (4,439)</u>	<u>\$ (257)</u>	
EARNINGS PER SHARE:						
Basic and diluted.....	<u>\$ (1.12)</u>	<u>\$ (0.22)</u>		<u>\$ (14.78)</u>	<u>\$ (0.87)</u>	
Weighted average common shares outstanding, basic and diluted.....	<u>302,934,348</u>	<u>294,875,504</u>		<u>300,291,877</u>	<u>294,597,519</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 year ended December 31, 2004 and the three and twelve months ended December 31, 2003 by \$29 million, \$44 million and \$189 million, respectively. Actual adjusted EBITDA exceeded pro forma adjusted EBITDA by \$13 million, \$21 million and \$92 million for the year ended December 31, 2004 and the three and twelve months ended December 31, 2003, respectively. Pro forma net loss exceeded actual net loss by \$94 million, \$7 million and \$15 million for the year ended December 31, 2004 and the three and twelve months ended December 31, 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)

	December 31,	
	2004	2003
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents.....	\$ 650	\$ 127
Accounts receivable, net of allowance for doubtful accounts.....	190	189
Prepaid expenses and other current assets.....	82	34
Total current assets.....	922	350
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	6,289	7,014
Franchises, net	9,878	13,680
Total investment in cable properties, net.....	16,167	20,694
OTHER NONCURRENT ASSETS	584	320
Total assets.....	\$ 17,673	\$ 21,364
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses.....	\$ 1,217	\$ 1,286
Total current liabilities.....	1,217	1,286
LONG-TERM DEBT	19,464	18,647
DEFERRED MANAGEMENT FEES - RELATED PARTY	14	14
OTHER LONG-TERM LIABILITIES	681	848
MINORITY INTEREST	648	689
PREFERRED STOCK - REDEEMABLE	55	55
SHAREHOLDERS' DEFICIT	(4,406)	(175)
Total liabilities and shareholders' deficit.....	\$ 17,673	\$ 21,364

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)

	Year Ended December 31,	
	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss.....	\$ (4,341)	\$ (238)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Minority interest.....	(19)	(377)
Depreciation and amortization.....	1,495	1,453
Impairment of franchises.....	2,433	-
Option compensation expense, net.....	27	4
Special charges, net.....	85	-
Noncash interest expense.....	324	414
Gain on derivative instruments and hedging activities, net.....	(69)	(65)
(Gain) loss on sale of assets, net.....	(86)	5
Loss on debt to equity conversions.....	23	-
(Gain) loss on extinguishment of debt.....	20	(267)
Deferred income taxes.....	(109)	(110)
Cumulative effect of accounting change, net.....	765	-
Unfavorable contracts and other settlements.....	(5)	(72)
Other, net.....	(3)	3
Changes in operating assets and liabilities, net of effects from dispositions:		
Accounts receivable.....	(7)	70
Prepaid expenses and other assets.....	(2)	5
Accounts payable, accrued expenses and other.....	(59)	(69)
Receivables from and payables to related party, including deferred management fees.....	-	9
Net cash flows from operating activities.....	472	765
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment.....	(924)	(854)
Change in accrued expenses related to capital expenditures.....	(43)	(33)
Proceeds from sale of assets.....	744	91
Purchases of investments.....	(17)	(11)
Other, net.....	(3)	(10)
Net cash flows from investing activities.....	(243)	(817)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt.....	3,148	738
Repayments of long-term debt.....	(5,448)	(1,368)
Proceeds from issuance of debt.....	2,882	529
Payments for debt issuance costs.....	(145)	(41)
Purchase of pledge securities.....	(143)	-
Net cash flows from financing activities.....	294	(142)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	523	(194)
CASH AND CASH EQUIVALENTS, beginning of period.....	127	321
CASH AND CASH EQUIVALENTS, end of period.....	\$ 650	\$ 127
CASH PAID FOR INTEREST.....	\$ 1,302	\$ 1,111
NONCASH TRANSACTIONS:		
Debt exchanged for Charter Class A common stock.....	\$ 30	\$ -
Issuance of debt by CCH II, LLC.....	\$ -	\$ 1,572
Retirement of debt.....	\$ -	\$ 1,866
Issuance of preferred stock - redeemable, as payment for acquisitions.....	\$ -	\$ 4
Issuance of equity as partial payments for acquisitions.....	\$ -	\$ 2

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		
	December 31, 2004 (a)	September 30, 2004 (a)	December 31, 2003 Pro Forma (a)
Customer Summary:			
Customer Relationships:			
Residential (non-bulk) analog video customers (b).....	5,739,900	5,825,000	5,963,000
Multi-dwelling (bulk) and commercial unit customers (c).....	251,600	249,600	237,500
Total analog video customers (b) (c).....	5,991,500	6,074,600	6,200,500
Non-video customers (b).....	228,700	216,200	105,700
Total customer relationships (d).....	6,220,200	6,290,800	6,306,200
Pro forma average monthly revenue per analog video customer (e).....	\$ 70.50	\$ 68.15	\$ 62.86
Bundled customers (f).....	1,659,700	1,617,600	1,422,100
Revenue Generating Units:			
Analog video customers (b) (c).....	5,991,500	6,074,600	6,200,500
Digital video customers (g).....	2,674,700	2,688,900	2,588,600
Residential high-speed data customers (h).....	1,884,400	1,819,900	1,527,800
Telephony customers (i).....	45,400	40,200	24,900
Total revenue generating units (j).....	10,596,000	10,623,600	10,341,800
Cable Video Services:			
Analog Video:			
Estimated homes passed (k).....	12,085,900	12,066,300	11,817,500
Analog video customers (b)(c).....	5,991,500	6,074,600	6,200,500
Estimated penetration of analog video homes passed (b) (c) (k) (l).....	50%	50%	52%
Pro forma average monthly analog revenue per analog video customer (m).....	\$ 37.52	\$ 37.13	\$ 36.23
Analog video customers quarterly net loss (b) (c) (n).....	(83,100)	(58,600)	(38,500)
Digital Video:			
Estimated digital homes passed (k).....	12,000,500	11,966,400	11,716,400
Digital video customers (g).....	2,674,700	2,688,900	2,588,600
Estimated penetration of digital homes passed (g) (k) (l).....	22%	22%	22%
Digital percentage of analog video customers (b) (c) (g) (o).....	45%	44%	42%
Digital set-top terminals deployed.....	3,791,600	3,792,900	3,634,500
Pro forma average incremental monthly digital revenue per digital video customer (m).....	\$ 23.99	\$ 23.97	\$ 23.00
Digital video customers quarterly net gain (loss) (g) (n).....	(14,200)	38,700	18,300
Non-Video Cable Services:			
High-Speed Data Services:			
Estimated high-speed data homes passed (k).....	10,682,800	10,618,200	10,321,100
Residential high-speed data customers (h).....	1,884,400	1,819,900	1,527,800
Estimated penetration of high-speed data homes passed (h) (k) (l).....	18%	17%	15%
Pro forma average monthly high-speed data revenue per high-speed data customer (m).....	\$ 36.53	\$ 35.68	\$ 33.45
Residential high-speed data customers quarterly net gain (h) (n).....	64,500	108,500	86,300
Dial-up customers.....	3,800	7,300	9,600
Telephony customers (i).....	45,400	40,200	24,900
Pro forma average monthly telephony revenue per telephony customer (m).....	\$ 41.95	\$ 43.26	\$ 49.15

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). At December 31, 2004, September 30, 2004, and December 31, 2003, "customers" include approximately 44,700, 46,000 and 72,700 persons whose accounts were over 60 days past due in payment, approximately 5,200, 5,500 and 6,500 persons whose accounts were over 90 days past due in payment and approximately 2,300, 2,000 and 2,000 of which were over 120 days past due in payment, respectively.
- (b) "Analog video customers" as of December 31, 2004 and September 30, 2004 include all customers who receive video services (including those who also purchase high-speed data and telephony services) but excludes approximately 228,700 and 216,200 customer relationships at December 31, 2004 and September 30, 2004, respectively, 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 December 31, 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 105,700 customer relationships at December 31, 2003 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 11,300 and 10,700 of the 228,700 and 216,200 "non-video customers" as of December 31, 2004 and September 30, 2004, respectively.
- (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 December 31, 2004 and September 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 December 31, 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 11,300 and 10,700 of the 6,220,200 and 6,290,800 "customer relationships" as of December 31, 2004 and September 30, 2004, respectively. 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 December 31, 2004 and September 30, 2004 include customers receiving a combination of at least two different types of service, including Charter's video service, high-speed data service or telephony. As of December 31, 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 16,200 and 15,000 more customers as of December 31, 2004 and September 30, 2004, respectively.
- (g) "Digital video customers" include all households that have one or more digital set-top terminals. Included in "digital video customers" on December 31, 2004, September 30, 2004 and December 31, 2003 are approximately 10,100, 10,700 and 12,000 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 217,400, 205,500 and 105,700 of these customers at December 31, 2004, September 30, 2004 and December 31, 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)

	<u>Three Months Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Adjusted EBITDA (a)	\$ 512	\$ 484	\$ 1,926	\$ 1,927
Less: Purchases of property, plant and equipment	(285)	(351)	(924)	(854)
Un-levered free cash flow	227	133	1,002	1,073
Less: Interest on cash pay obligations (b)	(356)	(299)	(1,346)	(1,143)
Free cash flow	(129)	(166)	(344)	(70)
Purchases of property, plant and equipment	285	351	924	854
Special charges, net	(4)	(3)	(19)	(21)
Other, net	(13)	(8)	(21)	(13)
Change in operating assets and liabilities	(50)	(47)	(68)	15
Net cash flows from operating activities	<u>\$ 89</u>	<u>\$ 127</u>	<u>\$ 472</u>	<u>\$ 765</u>

	<u>Three Months Ended</u>	<u>Year Ended December 31,</u>	
	<u>December 31, 2003</u>	<u>2004</u>	<u>2003</u>
	<u>Pro Forma</u>	<u>Pro Forma</u>	<u>Pro Forma</u>
Adjusted EBITDA (a)	\$ 463	\$ 1,913	\$ 1,835
Less: Purchases of property, plant and equipment	(345)	(922)	(835)
Un-levered free cash flow	118	991	1,000
Less: Interest on cash pay obligations (b)	(293)	(1,342)	(1,116)
Free cash flow	(175)	(351)	(116)
Purchases of property, plant and equipment	345	922	835
Special charges, net	(3)	(19)	(21)
Other, net	(9)	(26)	(11)
Change in operating assets and liabilities	(36)	(57)	56
Net cash flows from operating activities	<u>\$ 122</u>	<u>\$ 469</u>	<u>\$ 743</u>

(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 December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Customer premise equipment (a)	\$ 106	\$ 127	\$ 451	\$ 380
Scalable infrastructure (b)	53	32	108	67
Line extensions (c)	37	62	131	131
Upgrade/Rebuild (d)	21	56	49	132
Support capital (e)	<u>68</u>	<u>74</u>	<u>185</u>	<u>144</u>
Total capital expenditures (f)	<u>\$ 285</u>	<u>\$ 351</u>	<u>\$ 924</u>	<u>\$ 854</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 months and year ended December 31, 2004 and 2003, respectively.