

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 September 30,			Nine Months Ended September 30,		
	2007 Actual	2006 Actual	% Change	2007 Actual	2006 Actual	% Change
REVENUES:						
Video	\$ 845	\$ 836	1.1%	\$ 2,542	\$ 2,520	0.9%
High-speed Internet	320	267	19.9%	926	773	19.8%
Telephone	94	37	154.1%	236	86	174.4%
Advertising sales	77	81	(4.9%)	216	228	(5.3%)
Commercial	87	78	11.5%	251	227	10.6%
Other	102	89	14.6%	278	257	8.2%
Total revenues	<u>1,525</u>	<u>1,388</u>	9.9%	<u>4,449</u>	<u>4,091</u>	8.8%
COSTS AND EXPENSES:						
Operating (excluding depreciation and amortization) (a)	679	615	10.4%	1,957	1,830	6.9%
Selling, general and administrative (excluding stock compensation expense) (b)	336	306	9.8%	946	850	11.3%
Operating costs and expenses	<u>1,015</u>	<u>921</u>	10.2%	<u>2,903</u>	<u>2,680</u>	8.3%
Adjusted EBITDA	<u>510</u>	<u>467</u>	9.2%	<u>1,546</u>	<u>1,411</u>	9.6%
Adjusted EBITDA margin	<u>33.4%</u>	<u>33.6%</u>		<u>34.7%</u>	<u>34.5%</u>	
Depreciation and amortization	334	334		999	1,024	
Asset impairment charges	56	60		56	159	
Stock compensation expense	5	3		15	10	
Other operating expenses, net	8	4		13	14	
Operating income from continuing operations	<u>107</u>	<u>66</u>		<u>463</u>	<u>204</u>	
OTHER INCOME AND (EXPENSES):						
Interest expense, net	(452)	(466)		(1,387)	(1,409)	
Gain (loss) on extinguishment of debt	-	128		(35)	101	
Other income (expense), net	(21)	3		(20)	20	
	<u>(473)</u>	<u>(335)</u>		<u>(1,442)</u>	<u>(1,288)</u>	
Loss from continuing operations before income taxes	(366)	(269)		(979)	(1,084)	
Income tax expense	(41)	(64)		(169)	(124)	
Loss from continuing operations	(407)	(333)		(1,148)	(1,208)	
Income from discontinued operations, net of tax	-	200		-	234	
Net loss	<u>\$ (407)</u>	<u>\$ (133)</u>		<u>\$ (1,148)</u>	<u>\$ (974)</u>	
LOSS PER COMMON SHARE, BASIC AND DILUTED:						
Loss from continuing operations	<u>\$ (1.10)</u>	<u>\$ (1.02)</u>		<u>\$ (3.12)</u>	<u>\$ (3.77)</u>	
Net loss	<u>\$ (1.10)</u>	<u>\$ (0.41)</u>		<u>\$ (3.12)</u>	<u>\$ (3.04)</u>	
Weighted average common shares outstanding, basic and diluted	<u>369,239,742</u>	<u>326,960,632</u>		<u>367,671,479</u>	<u>320,730,698</u>	

(a) Operating expenses include programming, service, and advertising sales expenses.

(b) Selling, general and administrative expenses include general and administrative and marketing expenses.

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 STATEMENTS OF OPERATIONS AND OPERATING DATA
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AND SHARE DATA)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2007	2006	% Change	2007	2006	% Change
	Pro Forma (a)	Pro Forma (a)		Pro Forma (a)	Pro Forma (a)	
REVENUES:						
Video	\$ 846	\$ 826	2.4%	\$ 2,544	\$ 2,467	3.1%
High-speed Internet	320	265	20.8%	925	762	21.4%
Telephone	94	37	154.1%	236	86	174.4%
Advertising sales	77	81	(4.9%)	216	225	(4.0%)
Commercial	87	76	14.5%	251	220	14.1%
Other	102	87	17.2%	279	251	11.2%
Total revenues	<u>1,526</u>	<u>1,372</u>	11.2%	<u>4,451</u>	<u>4,011</u>	11.0%
COSTS AND EXPENSES:						
Operating (excluding depreciation and amortization) (b)	679	606	12.0%	1,957	1,786	9.6%
Selling, general and administrative (excluding stock compensation expense) (c)	336	304	10.5%	948	839	13.0%
Operating costs and expenses	<u>1,015</u>	<u>910</u>	11.5%	<u>2,905</u>	<u>2,625</u>	10.7%
Adjusted EBITDA	<u>511</u>	<u>462</u>	10.6%	<u>1,546</u>	<u>1,386</u>	11.5%
Adjusted EBITDA margin	<u>33.5%</u>	<u>33.7%</u>		<u>34.7%</u>	<u>34.6%</u>	
Depreciation and amortization	335	332		1,001	1,012	
Asset impairment charges	56	-		56	-	
Stock compensation expense	5	3		15	10	
Other operating expenses, net	8	2		12	12	
Operating income from operations	<u>107</u>	<u>125</u>		<u>462</u>	<u>352</u>	
OTHER INCOME AND (EXPENSES):						
Interest expense, net	(452)	(466)		(1,387)	(1,383)	
Gain (loss) on extinguishment of debt	-	128		(35)	101	
Other expense, net	(21)	3		(20)	20	
	<u>(473)</u>	<u>(335)</u>		<u>(1,442)</u>	<u>(1,262)</u>	
Loss before income taxes	(366)	(210)		(980)	(910)	
Income tax expense	(41)	(53)		(150)	(132)	
Net loss	<u>\$ (407)</u>	<u>\$ (263)</u>		<u>\$ (1,130)</u>	<u>\$ (1,042)</u>	
LOSS PER COMMON SHARE, BASIC AND DILUTED:	<u>\$ (1.10)</u>	<u>\$ (0.81)</u>		<u>\$ (3.07)</u>	<u>\$ (3.25)</u>	
Weighted average common shares outstanding, basic and diluted	<u>369,239,742</u>	<u>326,960,632</u>		<u>367,671,479</u>	<u>320,730,698</u>	

(a) Pro forma results reflect certain sales of cable systems in the third quarter of 2006, January 2007 and May 2007, and the acquisition of cable systems in August 2007 as if they occurred as of January 1, 2006. The pro forma statements of operations do not include adjustments for financing transactions completed by Charter during the periods presented or certain other dispositions of assets because those transactions did not significantly impact Charter's adjusted EBITDA. However, all transactions completed in the third quarter of 2006, January 2007, May 2007 and August 2007 have been reflected in the operating statistics. The pro forma data is based on information available to Charter as of the date of this document and certain assumptions that we believe are reasonable under the circumstances. The financial data required allocation of certain revenues and expenses and such information has been presented for comparative purposes and is not intended to provide any indication of what our actual financial position, or results of operations would have been had the transactions described above been completed on the dates indicated or to project our results of operations for any future date.

(b) Operating expenses include programming, service, and advertising sales expenses.

(c) Selling, general and administrative expenses include general and administrative and marketing expenses.

September 30, 2007. Pro forma revenues were increased by \$1 million and \$2 million for the three and nine months ended September 30, 2007, respectively. Pro forma operating costs and expenses were increased by \$0 and \$2 million for the three and nine months ended September 30, 2007, respectively. Pro forma net loss was reduced by \$0 and \$18 million for the three and nine months ended September 30, 2007, respectively.

September 30, 2006. Pro forma revenues were reduced by \$16 million and \$80 million for the three and nine months ended September 30, 2006, respectively. Pro forma operating costs and expenses were reduced by \$11 million and \$55 million for the three and nine months ended September 30, 2006, respectively. Pro forma net loss was increased by \$130 million and \$68 million for the three and nine months ended September 30, 2006, respectively.

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)

	September 30, 2007	December 31, 2006
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 59	\$ 60
Accounts receivable, net of allowance for doubtful accounts	223	195
Prepaid expenses and other current assets	62	84
Total current assets	<u>344</u>	<u>339</u>
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	5,108	5,217
Franchises, net	9,144	9,223
Total investment in cable properties, net	<u>14,252</u>	<u>14,440</u>
OTHER NONCURRENT ASSETS	323	321
Total assets	<u>\$ 14,919</u>	<u>\$ 15,100</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 1,410	\$ 1,298
Total current liabilities	<u>1,410</u>	<u>1,298</u>
LONG-TERM DEBT	19,691	19,062
NOTE PAYABLE - RELATED PARTY	63	57
DEFERRED MANAGEMENT FEES - RELATED PARTY	14	14
OTHER LONG-TERM LIABILITIES	874	692
MINORITY INTEREST	196	192
PREFERRED STOCK - REDEEMABLE	5	4
SHAREHOLDERS' DEFICIT	(7,334)	(6,219)
Total liabilities and shareholders' deficit	<u>\$ 14,919</u>	<u>\$ 15,100</u>

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

	Nine Months Ended September 30,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (1,148)	\$ (974)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation and amortization	999	1,032
Asset impairment charges	56	159
Noncash interest expense	33	108
Deferred income taxes	161	123
(Gain) loss on sale of assets, net	5	(198)
(Gain) loss on extinguishment of debt	23	(101)
Other, net	37	(10)
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:		
Accounts receivable	(33)	46
Prepaid expenses and other assets	21	23
Accounts payable, accrued expenses and other	173	140
Net cash flows from operating activities	<u>327</u>	<u>348</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(890)	(795)
Change in accrued expenses related to capital expenditures	(51)	4
Proceeds from sale of assets, including cable systems	37	988
Other, net	(31)	(1)
Net cash flows from investing activities	<u>(935)</u>	<u>196</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	7,472	5,970
Repayments of long-term debt	(6,841)	(6,846)
Proceeds from issuance of debt	-	440
Payments for debt issuance costs	(33)	(44)
Other, net	9	-
Net cash flows from financing activities	<u>607</u>	<u>(480)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1)</u>	<u>64</u>
CASH AND CASH EQUIVALENTS, beginning of period	<u>60</u>	<u>21</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 59</u>	<u>\$ 85</u>
CASH PAID FOR INTEREST	<u>\$ 1,230</u>	<u>\$ 1,121</u>
NONCASH TRANSACTIONS:		
Cumulative adjustment to Accumulated Deficit for the adoption of FIN 48	\$ 56	\$ -
Issuance of debt by CCH I, LLC	\$ -	\$ 419
Issuance of debt by CCH II, LLC	\$ -	\$ 410
Issuance of debt by Charter Communications Operating, LLC	\$ -	\$ 37
Retirement of Charter Communications Holdings, LLC debt	\$ -	\$ (796)
Retirement of Renaissance Media Group LLC debt	\$ -	\$ (37)
Issuance of Class A common stock	\$ -	\$ 68
Retirement of convertible notes	\$ -	\$ (255)

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

	Approximate			
	Actual September 30, 2007 (a)	June 30, 2007 (a)	Pro Forma as of December 31, 2006 (a)	September 30, 2006 (a)
Customer Summary:				
Customer Relationships:				
Residential (non-bulk) analog video customers (b)	5,073,900	5,119,000	5,141,800	5,184,600
Multi-dwelling (bulk) and commercial unit customers (c)	273,900	269,000	259,000	257,700
Total analog video customers (b) (c)	5,347,800	5,388,000	5,400,800	5,442,300
Non-video customers (b)	308,100	303,100	295,800	288,000
Total customer relationships (d)	5,655,900	5,691,100	5,696,600	5,730,300
Pro forma average monthly revenue per analog video customer (e)	\$ 94.90	\$ 92.46	\$ 86.53	\$ 83.98
Pro forma average monthly video revenue per analog video customer (m)	\$ 55.04	\$ 55.36	\$ 52.91	\$ 52.76
Bundled customers (f)	2,448,400	2,386,500	2,190,300	2,124,600
Revenue Generating Units:				
Analog video customers (b) (c)	5,347,800	5,388,000	5,400,800	5,442,300
Digital video customers (g)	2,882,900	2,867,100	2,794,400	2,753,700
Residential high-speed Internet customers (h)	2,639,200	2,586,200	2,401,900	2,342,900
Telephone customers (i)	802,600	700,300	445,800	339,600
Total revenue generating units (j)	11,672,500	11,541,600	11,042,900	10,878,500
Video Cable Services:				
Analog Video:				
Estimated homes passed (k)	11,837,000	11,757,800	11,714,700	11,675,600
Analog video customers (b)(c)	5,347,800	5,388,000	5,400,800	5,442,300
Estimated penetration of analog video homes passed (b) (c) (k) (l)	45.2%	45.8%	46.1%	46.6%
Pro forma analog video customers quarterly net gain (loss) (b) (c) (n)	(40,200)	(29,300)	(41,500)	(8,900)
Digital Video:				
Estimated digital video homes passed (k)	11,740,600	11,660,900	11,579,200	11,512,200
Digital video customers (g)	2,882,900	2,867,100	2,794,400	2,753,700
Estimated penetration of digital homes passed (g) (k) (l)	24.6%	24.6%	24.1%	23.9%
Digital penetration of analog video customers (b) (c) (g) (o)	53.9%	53.2%	51.7%	50.6%
Digital set-top terminals deployed	4,141,800	4,118,900	4,003,000	3,918,400
Pro forma digital video customers quarterly net gain (g) (n)	15,800	7,700	40,700	49,700
Non-Video Cable Services:				
High-Speed Internet Services:				
Estimated high-speed Internet homes passed (k)	11,007,000	10,916,500	10,860,600	10,788,100
Residential high-speed Internet customers (h)	2,639,200	2,586,200	2,401,900	2,342,900
Estimated penetration of high-speed Internet homes passed (h) (k) (l)	24.0%	23.7%	22.1%	21.7%
Pro forma average monthly high-speed Internet revenue per high-speed Internet customer (m)	\$ 40.88	\$ 40.41	\$ 38.98	\$ 38.53
Pro forma high-speed Internet customers quarterly net gain (h) (n)	53,000	60,300	59,000	88,100
Telephone Services:				
Estimated telephone homes passed (k)	8,289,200	7,649,100	6,799,300	5,892,000
Telephone customers (i)	802,600	700,300	445,800	339,600
Estimated penetration of telephone homes passed (h) (k) (l)	9.7%	9.2%	6.6%	5.8%
Pro forma average monthly telephone revenue per telephone customer (m)	\$ 42.48	\$ 42.06	\$ 42.26	\$ 42.40
Pro forma telephone customers quarterly net gain (i) (n)	102,300	127,700	106,200	82,000

Pro forma operating statistics reflect the sales of cable systems in the third quarter of 2006, January 2007 and May 2007, and the acquisition of cable systems in August 2007 as if such transactions had occurred as of the last day of the respective period for all periods presented. The pro forma statements of operations do not include adjustments for financing transactions completed by Charter during the periods presented or certain other dispositions of assets because those transactions did not significantly impact Charter's adjusted EBITDA. However, all transactions completed in the third quarter of 2006, January 2007, May 2007 and August 2007 have been reflected in the operating statistics.

At June 30, 2007 actual analog video customers, digital video customers, high-speed Internet customers and telephone customers were 5,376,800, 2,866,000, 2,583,200 and 700,300, respectively.

At December 31, 2006 actual analog video customers, digital video customers, high-speed Internet customers and telephone customers were 5,433,300, 2,808,400, 2,402,200 and 445,800, respectively.

At September 30, 2006 actual analog video customers, digital video customers, high-speed Internet customers and telephone customers were 5,476,600, 2,767,900, 2,343,200 and 339,600, respectively.

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). In addition, at September 30, 2007, June 30, 2007, December 31, 2006 and September 30, 2006, "customers" include approximately 33,800, 31,300, 32,700 and 43,500 persons whose accounts were over 60 days past due in payment, approximately 5,700, 3,800, 5,400 and 8,400 persons whose accounts were over 90 days past due in payment and approximately 2,100, 1,500, 2,700 and 5,100 of which were over 120 days past due in payment, respectively.
- (b) "Analog video customers" include all customers who receive video services (including those who also purchase high-speed Internet and telephone services) but excludes approximately 308,100, 303,100, 295,800 and 288,000 customer relationships at September 30, 2007, June 30, 2007, December 31, 2006 and September 30, 2006, respectively, who receive high-speed Internet service only or telephone service only and who are only counted as high-speed Internet customers or telephone customers.
- (c) Included within "analog 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 used consistently. 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" include the number of customers that receive one or more levels of service, encompassing video, Internet and telephone services, without regard to which service(s) such customers receive. 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 video customer" is calculated as total quarterly pro forma revenue divided by three divided by average pro forma analog video customers during the respective quarter.
- (f) "Bundled customers" include customers receiving a combination of at least two different types of service, including Charter's video service, high-speed Internet service or telephone. "Bundled customers" do not include customers who only subscribe to video service.
- (g) "Digital video customers" include all households that have one or more digital set-top boxes or cable cards deployed. Included in "digital video customers" on September 30, 2007, June 30, 2007, December 31, 2006 and September 30, 2006 are approximately 3,100, 3,200, 4,700 and 5,100 customers, respectively, that receive digital video service directly through satellite transmission.
- (h) "Residential high-speed Internet customers" represent those residential customers who subscribe to our high-speed Internet service. At September 30, 2007, June 30, 2007, December 31, 2006 and September 30, 2006, approximately 2,363,100, 2,313,000, 2,133,300 and 2,080,500 of these high-speed Internet customers, respectively, receive video and/or telephone services from us and are included within the respective statistics above.
- (i) "Telephone customers" include all customers receiving telephone service. As of September 30, 2007, June 30, 2007, December 31, 2006 and September 30, 2006, approximately 770,600, 670,400, 418,600 and 314,000 of these telephone customers, respectively, receive video and/or high-speed Internet services from us and are included within the respective statistics above.
- (j) "Revenue generating units" represent the sum total of all analog video, digital video, high-speed Internet and telephone 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 Internet 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 for the service indicated.
- (m) "Pro forma average monthly revenue per customer" represents quarterly pro forma revenue for the service indicated divided by three divided by the number of pro forma customers for the service indicated during the respective quarter.
- (n) "Pro forma quarterly net gain (loss)" represents the pro forma net gain or loss in the respective quarter for the service indicated.
- (o) "Digital penetration of analog video customers" 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 September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
	Actual	Actual	Actual	Actual
Net cash flows from operating activities	\$ 209	\$ 143	\$ 327	\$ 348
Less: Purchases of property, plant and equipment	(311)	(256)	(890)	(795)
Less: Change in accrued expenses related to capital expenditures	(12)	13	(51)	4
Free cash flow	(114)	(100)	(614)	(443)
Interest on cash pay obligations (a)	449	445	1,354	1,301
Purchases of property, plant and equipment	311	256	890	795
Change in accrued expenses related to capital expenditures	12	(13)	51	(4)
Other, net	6	3	26	17
Change in operating assets and liabilities	(154)	(124)	(161)	(209)
Adjusted EBITDA from continuing and discontinued operations (b)	<u>\$ 510</u>	<u>\$ 467</u>	<u>\$ 1,546</u>	<u>\$ 1,457</u>
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
	Pro Forma (c)	Pro Forma (c)	Pro Forma (c)	Pro Forma (c)
Net cash flows from operating activities	\$ 210	\$ 138	\$ 327	\$ 303
Less: Purchases of property, plant and equipment	(311)	(254)	(890)	(777)
Less: Change in accrued expenses related to capital expenditures	(12)	13	(51)	4
Free cash flow	(113)	(103)	(614)	(470)
Interest on cash pay obligations (a)	449	445	1,354	1,275
Purchases of property, plant and equipment	311	254	890	777
Change in accrued expenses related to capital expenditures	12	(13)	51	(4)
Other, net	6	3	26	17
Change in operating assets and liabilities	(154)	(124)	(161)	(209)
Adjusted EBITDA (b)	<u>\$ 511</u>	<u>\$ 462</u>	<u>\$ 1,546</u>	<u>\$ 1,386</u>

(a) 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.

(b) See page 1 of this addendum for detail of the components included within adjusted EBITDA. Adjusted EBITDA from continuing and discontinued operations of \$467 million and \$1.5 billion for the three and nine months ended September 30, 2006, respectively, includes \$0 and \$46 million of adjusted EBITDA recorded in discontinued operations in our consolidated statements of operations.

(c) Pro forma results reflect certain sales of cable systems in the third quarter of 2006, January 2007 and May 2007, and the acquisition of cable systems in August 2007 as if they occurred as of January 1, 2006.

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Customer premise equipment (a)	\$ 139	\$ 120	\$ 428	\$ 378
Scalable infrastructure (b)	64	49	164	146
Line extensions (c)	27	23	76	82
Upgrade/Rebuild (d)	11	13	35	36
Support capital (e)	70	51	187	153
Total capital expenditures	\$ 311	\$ 256	\$ 890	\$ 795

(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 No. 51 and customer premise equipment (e.g., set-top boxes 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).