

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

	<u>Three Months Ended September 30,</u>			<u>Nine Months Ended September 30,</u>		
	<u>2008</u>	<u>2007</u>	<u>% Change</u>	<u>2008</u>	<u>2007</u>	<u>% Change</u>
	<u>Actual</u>	<u>Actual</u>		<u>Actual</u>	<u>Actual</u>	
REVENUES:						
Video	\$ 867	\$ 845	2.6%	\$ 2,599	\$ 2,542	2.2%
High-speed Internet	342	318	7.5%	1,009	920	9.7%
Telephone	144	94	53.2%	399	236	69.1%
Commercial	100	87	14.9%	289	251	15.1%
Advertising sales	80	77	3.9%	223	216	3.2%
Other	103	104	(1.0%)	304	284	7.0%
Total revenues	<u>1,636</u>	<u>1,525</u>	7.3%	<u>4,823</u>	<u>4,449</u>	8.4%
COSTS AND EXPENSES:						
Operating (excluding depreciation and amortization) (a)	710	679	4.6%	2,089	1,957	6.7%
Selling, general and administrative (excluding stock compensation expense) (b)	363	336	8.0%	1,035	946	9.4%
Operating costs and expenses	<u>1,073</u>	<u>1,015</u>	5.7%	<u>3,124</u>	<u>2,903</u>	7.6%
Adjusted EBITDA	<u>563</u>	<u>510</u>	10.4%	<u>1,699</u>	<u>1,546</u>	9.9%
Adjusted EBITDA margin	<u>34.4%</u>	<u>33.4%</u>		<u>35.2%</u>	<u>34.7%</u>	
Depreciation and amortization	332	334		981	999	
Asset impairment charges	-	56		-	56	
Stock compensation expense	8	5		24	15	
Other operating expenses, net	15	8		51	13	
Income from operations	<u>208</u>	<u>107</u>		<u>643</u>	<u>463</u>	
OTHER INCOME (EXPENSES):						
Interest expense, net	(478)	(459)		(1,417)	(1,385)	
Change in value of derivatives	10	(14)		(1)	(18)	
Other expense, net	(5)	-		(7)	(39)	
	<u>(473)</u>	<u>(473)</u>		<u>(1,425)</u>	<u>(1,442)</u>	
Loss before income taxes	(265)	(366)		(782)	(979)	
Income tax expense	(57)	(41)		(174)	(169)	
Net loss	<u>\$ (322)</u>	<u>\$ (407)</u>		<u>\$ (956)</u>	<u>\$ (1,148)</u>	
Loss per common share, basic and diluted	<u>\$ (0.86)</u>	<u>\$ (1.10)</u>		<u>\$ (2.57)</u>	<u>\$ (3.12)</u>	
Weighted average common shares outstanding, basic and diluted	<u>374,145,243</u>	<u>369,239,742</u>		<u>371,968,952</u>	<u>367,671,479</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,		
	2008 Actual	2007 Pro Forma (a)	% Change	2008 Actual	2007 Pro Forma (a)	% Change
REVENUES:						
Video	\$ 867	\$ 840	3.2%	\$ 2,599	\$ 2,524	3.0%
High-speed Internet	342	316	8.2%	1,009	916	10.2%
Telephone	144	93	54.8%	399	236	69.1%
Commercial	100	86	16.3%	289	249	16.1%
Advertising sales	80	77	3.9%	223	214	4.2%
Other	103	105	(1.9%)	304	284	7.0%
Total revenues	<u>1,636</u>	<u>1,517</u>	7.8%	<u>4,823</u>	<u>4,423</u>	9.0%
COSTS AND EXPENSES:						
Operating (excluding depreciation and amortization) (b)	710	674	5.3%	2,089	1,942	7.6%
Selling, general and administrative (excluding stock compensation expense) (c)	363	335	8.4%	1,035	943	9.8%
Operating costs and expenses	<u>1,073</u>	<u>1,009</u>	6.3%	<u>3,124</u>	<u>2,885</u>	8.3%
Adjusted EBITDA	<u>563</u>	<u>508</u>	10.8%	<u>1,699</u>	<u>1,538</u>	10.5%
Adjusted EBITDA margin	<u>34.4%</u>	<u>33.5%</u>		<u>35.2%</u>	<u>34.8%</u>	
Depreciation and amortization	332	335		981	997	
Stock compensation expense	8	5		24	15	
Other operating expenses, net	15	8		51	12	
Income from operations	<u>208</u>	<u>160</u>		<u>643</u>	<u>514</u>	
OTHER INCOME (EXPENSES):						
Interest expense, net	(478)	(459)		(1,417)	(1,385)	
Change in value of derivatives	10	(14)		(1)	(18)	
Other expense, net	(5)	-		(7)	(39)	
	<u>(473)</u>	<u>(473)</u>		<u>(1,425)</u>	<u>(1,442)</u>	
Loss before income taxes	(265)	(313)		(782)	(928)	
Income tax expense	(57)	(44)		(174)	(153)	
Net loss	<u>\$ (322)</u>	<u>\$ (357)</u>		<u>\$ (956)</u>	<u>\$ (1,081)</u>	
Loss per common share, basic and diluted	<u>\$ (0.86)</u>	<u>\$ (0.96)</u>		<u>\$ (2.57)</u>	<u>\$ (2.94)</u>	
Weighted average common shares outstanding, basic and diluted	<u>374,145,243</u>	<u>369,239,742</u>		<u>371,968,952</u>	<u>367,671,479</u>	

(a) Pro forma results reflect certain sales and acquisitions of cable systems in 2007 as if they occurred as of January 1, 2007. 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 2007 and 2008 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, operating costs and expenses and net loss were reduced by \$8 million, \$6 million and \$50 million, respectively, for the three months ended September 30, 2007. Pro forma revenues, operating costs and expenses and net loss were reduced by \$26 million, \$18 million and \$67 million, respectively, for the nine months ended September 30, 2007.

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)

	<u>September 30, 2008</u>	<u>December 31, 2007</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 569	\$ 75
Accounts receivable, net of allowance for doubtful accounts	246	225
Prepaid expenses and other current assets	45	36
Total current assets	<u>860</u>	<u>336</u>
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	5,062	5,103
Franchises, net	8,933	8,942
Total investment in cable properties, net	<u>13,995</u>	<u>14,045</u>
OTHER NONCURRENT ASSETS		
Total assets	<u>\$ 15,157</u>	<u>\$ 14,666</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 1,465	\$ 1,332
Total current liabilities	<u>1,465</u>	<u>1,332</u>
LONG-TERM DEBT	21,031	19,908
NOTE PAYABLE - RELATED PARTY	72	65
DEFERRED MANAGEMENT FEES - RELATED PARTY	14	14
OTHER LONG-TERM LIABILITIES	1,205	1,035
MINORITY INTEREST	204	199
PREFERRED STOCK - REDEEMABLE	-	5
SHAREHOLDERS' DEFICIT	(8,834)	(7,892)
Total liabilities and shareholders' deficit	<u>\$ 15,157</u>	<u>\$ 14,666</u>

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

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss	\$ (322)	\$ (407)	\$ (956)	\$ (1,148)
Adjustments to reconcile net loss to net cash flows from operating activities:				
Depreciation and amortization	332	334	981	999
Asset impairment charges	-	56	-	56
Noncash interest expense	16	10	43	31
Change in value of derivatives	(10)	14	1	18
Deferred income taxes	55	38	169	161
Other, net	17	10	39	49
Changes in operating assets and liabilities, net of effects from dispositions				
Accounts receivable	3	(4)	(21)	(33)
Prepaid expenses and other assets	(9)	(5)	(9)	21
Accounts payable, accrued expenses and other	160	163	163	173
Net cash flows from operating activities	<u>242</u>	<u>209</u>	<u>410</u>	<u>327</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property, plant and equipment	(288)	(311)	(938)	(890)
Change in accrued expenses related to capital expenditures	-	(12)	(41)	(51)
Other, net	10	(25)	(1)	6
Net cash flows from investing activities	<u>(278)</u>	<u>(348)</u>	<u>(980)</u>	<u>(935)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowings of long-term debt	590	225	2,355	7,472
Repayments of long-term debt	(43)	(114)	(1,238)	(6,841)
Payments for debt issuance costs	(3)	-	(42)	(33)
Other, net	(2)	6	(11)	9
Net cash flows from financing activities	<u>542</u>	<u>117</u>	<u>1,064</u>	<u>607</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	506	(22)	494	(1)
CASH AND CASH EQUIVALENTS, beginning of period	63	81	75	60
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 569</u>	<u>\$ 59</u>	<u>\$ 569</u>	<u>\$ 59</u>
CASH PAID FOR INTEREST	<u>\$ 329</u>	<u>\$ 312</u>	<u>\$ 1,241</u>	<u>\$ 1,230</u>
NONCASH TRANSACTIONS:				
Cumulative adjustment to Accumulated Deficit for the adoption of FIN 48	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56</u>

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

	Approximate as of			
	Actual		Pro Forma	
	September 30, 2008 (a)	June 30, 2008 (a)	December 31, 2007 (a)	September 30, 2007 (a)
Customer Summary:				
Customer Relationships:				
Residential (non-bulk) basic video customers (b)	4,860,100	4,897,100	4,958,600	5,011,200
Multi-dwelling (bulk) and commercial unit customers (c)	276,000	264,900	260,100	273,900
Total basic video customers	<u>5,136,100</u>	<u>5,162,000</u>	<u>5,218,700</u>	<u>5,285,100</u>
Non-video customers (b)	408,300	395,600	376,400	361,300
Total customer relationships (d)	<u>5,544,400</u>	<u>5,557,600</u>	<u>5,595,100</u>	<u>5,646,400</u>
Pro forma average monthly revenue per basic video customer (e)	\$ 106.07	\$ 104.35	\$ 98.13	\$ 95.45
Pro forma average monthly video revenue per basic video customer (f)	\$ 58.87	\$ 58.73	\$ 56.13	\$ 55.25
Residential bundled customers (g)	2,718,100	2,639,000	2,506,700	2,433,400
Revenue Generating Units:				
Basic video customers (b) (c)	5,136,100	5,162,000	5,218,700	5,285,100
Digital video customers (h)	3,118,500	3,056,900	2,920,100	2,860,500
Residential high-speed Internet customers (i)	2,858,200	2,787,300	2,682,300	2,631,800
Telephone customers (j)	1,274,300	1,175,500	959,300	804,000
Total revenue generating units (k)	<u>12,387,100</u>	<u>12,181,700</u>	<u>11,780,400</u>	<u>11,581,400</u>
Video Cable Services:				
Basic Video:				
Estimated homes passed (l)	11,932,800	11,890,800	11,741,500	11,671,000
Basic video customers (b)(c)	5,136,100	5,162,000	5,218,700	5,285,100
Estimated penetration of basic homes passed (b) (c) (l) (m)	43.0%	43.4%	44.4%	45.3%
Pro forma basic video customers quarterly net loss (b) (c) (n)	(25,900)	(44,800)	(66,400)	(38,700)
Digital Video:				
Digital video customers (h)	3,118,500	3,056,900	2,920,100	2,860,500
Digital penetration of basic video customers (b) (c) (h) (o)	60.7%	59.2%	56.0%	54.1%
Digital set-top terminals deployed	4,504,800	4,409,300	4,192,700	4,125,400
Pro forma digital video customers quarterly net gain (h) (n)	61,600	33,900	59,600	16,700
Non-Video Cable Services:				
High-Speed Internet Services:				
Estimated high-speed Internet homes passed (l)	11,245,600	11,203,400	11,051,400	10,967,600
Residential high-speed Internet customers (i)	2,858,200	2,787,300	2,682,300	2,631,800
Estimated penetration of high-speed Internet homes passed (i) (l) (m)	25.4%	24.9%	24.3%	24.0%
Pro forma average monthly high-speed Internet revenue per high-speed Internet customer (f)	\$ 40.53	\$ 40.67	\$ 40.54	\$ 40.58
Pro forma high-speed Internet customers quarterly net gain (i) (n)	70,900	19,300	50,500	53,900
Telephone Services:				
Estimated telephone homes passed (l)	10,236,000	9,990,500	9,013,900	8,289,200
Telephone customers (j)	1,274,300	1,175,500	959,300	804,000
Estimated penetration of telephone homes passed (i) (l) (m)	12.4%	11.8%	10.6%	9.7%
Pro forma average monthly telephone revenue per telephone customer (f)	\$ 40.67	\$ 40.62	\$ 41.74	\$ 42.42
Pro forma telephone customers quarterly net gain (j) (n)	98,800	90,500	155,300	102,700

Pro forma operating statistics reflect the sales and acquisitions of cable systems in 2007 and 2008 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 2007 and 2008 have been reflected in the operating statistics.

At December 31, 2007 actual basic video customers, digital video customers, high-speed Internet customers and telephone customers were 5,219,900, 2,920,400, 2,682,500, and 959,300, respectively.

At September 30, 2007 actual basic video customers, digital video customers, high-speed Internet customers and telephone customers were 5,347,800, 2,882,900, 2,639,200, and 802,600, 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, 2008, June 30, 2008, December 31, 2007, and September 30, 2007, "customers" include approximately 42,100, 34,200, 48,200, and 33,800 persons whose accounts were over 60 days past due in payment, approximately 7,700, 5,300, 10,700, and 5,700 persons whose accounts were over 90 days past due in payment and approximately 3,800, 2,600, 2,900, and 2,100 of which were over 120 days past due in payment, respectively.
- (b) "Basic video customers" include all residential customers who receive video services (including those who also purchase high-speed Internet and telephone services) but excludes approximately 408,300, 395,600, 376,400, and 361,300 customer relationships at September 30, 2008, June 30, 2008, December 31, 2007, and September 30, 2007, respectively, who receive high-speed Internet service only, telephone service only, or both high-speed Internet service and telephone service and who are only counted as high-speed Internet customers or telephone customers.
- (c) Included within "basic 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 basic video customers is consistent with the methodology used in determining costs paid to programmers and has been used consistently. As we increase our effective 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 basic video customer" is calculated as total quarterly pro forma revenue divided by three divided by average pro forma basic video customers during the respective quarter.
- (f) "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.
- (g) "Residential bundled customers" include residential customers receiving a combination of at least two different types of service, including Charter's video service, high-speed Internet service or telephone. "Residential bundled customers" do not include residential customers who only subscribe to video service.
- (h) "Digital video customers" include all basic video customers that have one or more digital set-top boxes or cable cards deployed.
- (i) "Residential high-speed Internet customers" represent those residential customers who subscribe to our high-speed Internet service. At September 30, 2008, June 30, 2008, December 31, 2007, and September 30, 2007, approximately 2,559,700, 2,494,600, 2,392,700, and 2,343,700 of these high-speed Internet customers, respectively, receive video and/or telephone services from us and are included within the respective statistics above.
- (j) "Telephone customers" include all customers receiving telephone service. As of September 30, 2008, June 30, 2008, December 31, 2007, and September 30, 2007, approximately 1,233,100, 1,133,800, 920,600, and 769,800 of these telephone customers, respectively, receive video and/or high-speed Internet services from us and are included within the respective statistics above.
- (k) "Revenue generating units" represent the sum total of all basic 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 basic 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.
- (l) "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.
- (m) "Penetration" represents customers as a percentage of homes passed for the service indicated.
- (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 basic video customers" represents the number of digital video customers as a percentage of basic video customers.

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

	Three Months Ended September 30,		
	2008 Actual	2007 Actual	2007 Pro Forma (a)
Net cash flows from operating activities	\$ 242	\$ 209	\$ 207
Less: Purchases of property, plant and equipment	(288)	(311)	(311)
Less: Change in accrued expenses related to capital expenditures	-	(12)	(12)
Free cash flow	(46)	(114)	(116)
Interest on cash pay obligations (b)	462	449	449
Purchases of property, plant and equipment	288	311	311
Change in accrued expenses related to capital expenditures	-	12	12
Other, net	13	6	6
Change in operating assets and liabilities	(154)	(154)	(154)
Adjusted EBITDA (c)	<u>\$ 563</u>	<u>\$ 510</u>	<u>\$ 508</u>

	Nine Months Ended September 30,		
	2008 Actual	2007 Actual	2007 Pro Forma (a)
Net cash flows from operating activities	\$ 410	\$ 327	\$ 319
Less: Purchases of property, plant and equipment	(938)	(890)	(890)
Less: Change in accrued expenses related to capital expenditures	(41)	(51)	(51)
Free cash flow	(569)	(614)	(622)
Interest on cash pay obligations (b)	1,374	1,354	1,354
Purchases of property, plant and equipment	938	890	890
Change in accrued expenses related to capital expenditures	41	51	51
Other, net	48	26	26
Change in operating assets and liabilities	(133)	(161)	(161)
Adjusted EBITDA (c)	<u>\$ 1,699</u>	<u>\$ 1,546</u>	<u>\$ 1,538</u>

(a) Pro forma results reflect certain sales and acquisitions of cable systems in 2007 as if they occurred as of January 1, 2007.

(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.

(c) See page 1 of this addendum for detail of the components included within adjusted EBITDA.

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)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Customer premise equipment (a)	\$ 157	\$ 139	\$ 480	\$ 428
Scalable infrastructure (b)	52	64	185	164
Line extensions (c)	19	27	63	76
Upgrade/Rebuild (d)	8	11	37	35
Support capital (e)	<u>52</u>	<u>70</u>	<u>173</u>	<u>187</u>
Total capital expenditures	<u>\$ 288</u>	<u>\$ 311</u>	<u>\$ 938</u>	<u>\$ 890</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 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).