

# Charter Communications, Inc.

## Unaudited Consolidated Statements of Operations

(Dollars in thousands, except share data)

	Three Months Ended June 30,		
	<i>Actual</i> 2001 (a)	<i>Actual</i> 2000	<i>Pro Forma</i> 2000 (b)
<b>Revenues:</b>			
Analog video	\$ 666,725	\$ 636,187	\$ 640,615
Digital video	68,192	15,066	15,066
Cable modem	32,850	15,067	15,067
Advertising sales	64,514	41,794	41,794
Other	96,194	86,666	87,060
Total revenues	<u>928,475</u>	<u>794,780</u>	<u>799,602</u>
<b>Operating Expenses:</b>			
General, administrative and service	197,786	173,956	174,031
Analog video programming	211,839	181,635	182,931
Digital video	24,081	5,820	5,820
Cable modem	20,440	13,218	13,218
Advertising sales	13,665	14,771	15,604
Marketing	18,617	17,144	17,604
Corporate expenses	13,993	15,007	15,103
Total operating expenses	<u>500,421</u>	<u>421,551</u>	<u>424,311</u>
Operating cash flow	428,054	373,229	375,291
Depreciation	395,097	296,912	305,844
Amortization	325,855	306,775	306,775
Option compensation expense	4,850	10,589	10,589
Interest, net	314,910	250,453	306,599
Other, net	23,991	2,636	2,677
	<u>(636,649)</u>	<u>(494,136)</u>	<u>(557,193)</u>
Minority interest	362,784	297,315	296,970
Net loss	<u>\$ (273,865)</u>	<u>\$ (196,821)</u>	<u>\$ (260,223)</u>
Basic and diluted loss per share	<u>\$ (1.07)</u>	<u>\$ (0.89)</u>	<u>\$ (0.89)</u>
Weighted average common shares outstanding	<u>255,027,543</u>	<u>222,089,746</u>	<u>293,510,455</u>

(a) The actual results exclude the operating results of the systems acquired in the AT&T transactions which closed on June 30, 2001.

(b) The pro forma results reflect all acquisitions and dispositions of cable systems closed during 2000 and borrowings under the Charter Holdings senior bridge loan facility, issuance of the October 2000 senior convertible notes, issuance of the January 2001 Charter Holdings notes, issuance of the May 2001 Charter Holdings notes, issuance of 60,247,350 shares of common stock, issuance of the May 2001 senior convertible notes and application of the proceeds from all such borrowings to repay portions of other notes and credit facilities.

# Charter Communications, Inc.

## Unaudited Summary of Operating Statistics

<u>Cable Television</u>	<i>Actual</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
	<b>June 30, 2001 (a)</b>	<b>December 31, 2000 (b)</b>	<b>June 30, 2000 (b)</b>
Homes Passed	10,311,500	10,219,300	10,062,000
Basic Customers	6,388,300	6,346,200	6,258,500
Basic Penetration	62.0%	62.1%	62.2%
Premium Units	5,234,600	4,936,800	3,326,500
Premium Penetration	81.9%	77.8%	53.2%
Average Monthly Revenue per Basic Customer (quarter)	\$ 48.45	\$ 46.95	\$ 42.59
<u>Digital Video</u>	<i>Actual</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
	<b>June 30, 2001 (a)</b>	<b>December 31, 2000 (b)</b>	<b>June 30, 2000 (b)</b>
Digital Homes Passed	9,060,700	8,787,500	6,528,100
Customers	1,585,000	1,068,900	375,000
Penetration of Digital Homes Passed	17.5%	12.2%	5.7%
Penetration of Basic Customers	24.8%	16.8%	6.0%
Digital Converters Deployed	2,100,400	1,336,600	456,100
<u>Data Services</u>	<i>Actual</i>	<i>Pro Forma</i>	<i>Pro Forma</i>
	<b>June 30, 2001 (a)</b>	<b>December 31, 2000 (b)</b>	<b>June 30, 2000 (b)</b>
Data Homes Passed	6,110,179	5,550,800	5,201,700
Customers	419,400	252,400	149,300
Penetration	6.9%	4.5%	2.9%
<u>Other Statistics</u>	<i>Actual</i>		
	<b>June 30, 2001 (a)</b>		
<i>For the quarter ended</i>			
Capital Expenditures (in 000's)	\$ 837,737		
<i>As of</i>			
Book Value per Share	\$ 11.97		

(a) The actual statistics exclude the systems acquired in the AT&T transactions which closed on June 30, 2001.

(b) The pro forma statistics reflect all acquisitions and dispositions of cable systems closed during 2000. The pro forma statistics exclude the systems acquired in the AT&T transactions which closed on June 30, 2001.

**Charter Communications, Inc.**  
**Unaudited Consolidated Statements of Operations**  
(Dollars in thousands, except share data)

	Periods Ended June 30, 2001	
	Three Months (a)	Six Months (a)
<b>Revenues:</b>		
Analog video	\$ 666,725	\$ 1,316,080
Digital video	68,192	123,239
Cable modem	32,850	58,016
Advertising sales	64,514	120,155
Other	96,194	184,783
Total revenues	<u>928,475</u>	<u>1,802,273</u>
<b>Operating Expenses:</b>		
General, administrative and service	197,786	389,416
Analog video programming	211,839	422,213
Digital video	24,081	44,690
Cable modem	20,440	38,086
Advertising sales	13,665	28,930
Marketing	18,617	35,241
Corporate expenses	13,993	27,715
Total operating expenses	<u>500,421</u>	<u>986,291</u>
Operating cash flow	428,054	815,982
Depreciation	395,097	762,038
Amortization	325,855	654,809
Option compensation expense	4,850	10,888
Interest, net	314,910	625,650
Other, net	23,991	83,908 (b)
	<u>(636,649)</u>	<u>(1,321,311)</u>
Minority interest	362,784	766,746
Net loss	<u>\$ (273,865)</u>	<u>\$ (554,565)</u>
Basic and diluted loss per share	<u>\$ (1.07)</u>	<u>\$ (2.27)</u>
Weighted average common shares outstanding	<u>255,027,543</u>	<u>244,461,311</u>

(a) Operating results exclude the operating results of the systems acquired in the AT&T transactions which closed on June 30, 2001.

(b) Includes a \$23.9 million cumulative effect of a change in accounting principle and current period expense of \$14.7 million, both as a result of the implementation of SFAS 133 "Accounting for Derivative Instruments and Hedging Activities".

**Charter Communications, Inc.**  
**Unaudited Consolidated Balance Sheet Data**  
(Dollars in thousands)

	<i>Actual</i> <b>June 30, 2001 (a)</b>	<i>Actual</i> <b>December 31, 2000</b>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 572,733	\$ 130,702
Accounts receivable, net of allowance for doubtful accounts	214,334	217,667
Receivable from related party	1,129	6,480
Prepaid expenses and other	84,201	77,719
Total current assets	<u>872,397</u>	<u>432,568</u>
Investment in Cable Properties:		
Property, plant and equipment, net	6,339,551	5,267,519
Franchises, net	17,794,981	17,068,702
Total investment in cable properties	<u>24,134,532</u>	<u>22,336,221</u>
Other assets	323,265	274,777
	<u>\$ 25,330,194</u>	<u>\$ 23,043,566</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,188,505	\$ 1,367,234
Total current liabilities	<u>1,188,505</u>	<u>1,367,234</u>
Long-term debt	15,570,699	13,060,455
Deferred management fees - related party	13,751	13,751
Other long-term liabilities	325,285	285,266
Minority interest	4,710,817	4,089,329
Redeemable securities	-	1,104,327
Shareholders' equity	3,521,137	3,123,204
	<u>\$ 25,330,194</u>	<u>\$ 23,043,566</u>

(a) The balance sheet at June 30, 2001 includes the systems acquired in the AT&T transactions which closed on June 30, 2001.