

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
UNAUDITED RECONCILIATION OF NON-GAAP MEASURES TO GAAP MEASURES
(dollars in millions)

	Three Months Ended March 31,	
	2024	2023
Net income attributable to Charter shareholders	\$ 1,106	\$ 1,021
Plus: Net income attributable to noncontrolling interest	174	162
Interest expense, net	1,316	1,265
Income tax expense	446	374
Depreciation and amortization	2,190	2,206
Stock compensation expense	214	208
Other, net	51	114
Adjusted EBITDA ^(a)	<u>\$ 5,497</u>	<u>\$ 5,350</u>
Net cash flows from operating activities	\$ 3,212	\$ 3,323
Less: Purchases of property, plant and equipment	(2,791)	(2,464)
Change in accrued expenses related to capital expenditures	(63)	(195)
Free cash flow ^(a)	<u>\$ 358</u>	<u>\$ 664</u>

The above schedule is presented in order to reconcile Adjusted EBITDA and free cash flow, non-GAAP measures, to the most directly comparable GAAP measures in accordance with Section 401(b) of the Sarbanes-Oxley Act.

UNAUDITED ALTERNATIVE PRESENTATION OF ADJUSTED EBITDA
(dollars in millions)

	Three Months Ended March 31,		
	2024	2023	% Change
REVENUES:			
Internet	\$ 5,826	\$ 5,718	1.9 %
Video	3,908	4,254	(8.1)%
Voice	374	373	0.3 %
Mobile service	685	497	37.8 %
Residential revenue	10,793	10,842	(0.4)%
Small and medium business	1,088	1,091	(0.3)%
Enterprise	708	682	3.8 %
Commercial revenue	1,796	1,773	1.3 %
Advertising sales	391	355	10.0 %
Other	699	683	2.4 %
Total Revenues	<u>13,679</u>	<u>13,653</u>	0.2 %
COSTS AND EXPENSES:			
Programming	2,570	2,799	(8.2)%
Other costs of revenue	1,458	1,328	9.8 %
Costs to service customers	2,094	2,095	— %
Sales and marketing	920	946	(2.7)%
Other expense ^(b)	1,140	1,135	0.5 %
Total operating costs and expenses ^(b)	<u>8,182</u>	<u>8,303</u>	(1.5)%
Adjusted EBITDA ^(a)	<u>\$ 5,497</u>	<u>\$ 5,350</u>	2.8 %

All percentages are calculated using whole numbers. Minor differences may exist due to rounding.

See footnotes on page 7.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars in millions, except per share data)

	Three Months Ended March 31,	
	2024	2023
REVENUES	\$ 13,679	\$ 13,653
COSTS AND EXPENSES:		
Operating costs and expenses (exclusive of items shown separately below)	8,396	8,511
Depreciation and amortization	2,190	2,206
Other operating (income) expense, net	(38)	10
	<u>10,548</u>	<u>10,727</u>
Income from operations	<u>3,131</u>	<u>2,926</u>
OTHER INCOME (EXPENSE):		
Interest expense, net	(1,316)	(1,265)
Other expense, net	(89)	(104)
	<u>(1,405)</u>	<u>(1,369)</u>
Income before income taxes	1,726	1,557
Income tax expense	(446)	(374)
Consolidated net income	1,280	1,183
Less: Net income attributable to noncontrolling interests	(174)	(162)
Net income attributable to Charter shareholders	<u>\$ 1,106</u>	<u>\$ 1,021</u>
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:		
Basic	<u>\$ 7.66</u>	<u>\$ 6.74</u>
Diluted	<u>\$ 7.55</u>	<u>\$ 6.65</u>
Weighted average common shares outstanding, basic	<u>144,510,317</u>	<u>151,438,371</u>
Weighted average common shares outstanding, diluted	<u>146,643,199</u>	<u>153,538,359</u>

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in millions)

	March 31,	December 31,
ASSETS	2024	2023
	(unaudited)	
CURRENT ASSETS:		
Cash and cash equivalents	\$ 661	\$ 709
Accounts receivable, net	3,004	2,965
Prepaid expenses and other current assets	731	458
Total current assets	4,396	4,132
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	40,349	39,520
Customer relationships, net	1,509	1,745
Franchises	67,396	67,396
Goodwill	29,668	29,668
Total investment in cable properties, net	138,922	138,329
OTHER NONCURRENT ASSETS		
	4,726	4,732
Total assets	\$ 148,044	\$ 147,193
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable, accrued and other current liabilities	\$ 10,926	\$ 11,214
Current portion of long-term debt	—	2,000
Total current liabilities	10,926	13,214
LONG-TERM DEBT		
	97,965	95,777
DEFERRED INCOME TAXES		
	18,966	18,954
OTHER LONG-TERM LIABILITIES		
	4,581	4,530
SHAREHOLDERS' EQUITY:		
Controlling interest	11,874	11,086
Noncontrolling interests	3,732	3,632
Total shareholders' equity	15,606	14,718
Total liabilities and shareholders' equity	\$ 148,044	\$ 147,193

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in millions)

	Three Months Ended March 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net income	\$ 1,280	\$ 1,183
Adjustments to reconcile consolidated net income to net cash flows from operating activities:		
Depreciation and amortization	2,190	2,206
Stock compensation expense	214	208
Noncash interest, net	8	(3)
Deferred income taxes	21	(23)
Other, net	15	104
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:		
Accounts receivable	(39)	70
Prepaid expenses and other assets	(366)	(336)
Accounts payable, accrued liabilities and other	(111)	(86)
Net cash flows from operating activities	3,212	3,323
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(2,791)	(2,464)
Change in accrued expenses related to capital expenditures	(63)	(195)
Other, net	(53)	(80)
Net cash flows from investing activities	(2,907)	(2,739)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	5,921	7,104
Repayments of long-term debt	(5,716)	(6,740)
Payments for debt issuance costs	(2)	(18)
Purchase of treasury stock	(516)	(912)
Proceeds from exercise of stock options	2	2
Purchase of noncontrolling interest	(95)	(122)
Distributions to noncontrolling interest	(3)	(3)
Other, net	56	(6)
Net cash flows from financing activities	(353)	(695)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(48)	(111)
CASH AND CASH EQUIVALENTS, beginning of period	709	645
CASH AND CASH EQUIVALENTS, end of period	\$ 661	\$ 534
CASH PAID FOR INTEREST	\$ 1,236	\$ 1,189
CASH PAID FOR TAXES	\$ 78	\$ 61

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
UNAUDITED SUMMARY OF OPERATING STATISTICS
(in thousands, except per customer and penetration data)

	Approximate as of		
	March 31, 2024 ^(c)	December 31, 2023 ^(c)	March 31, 2023 ^(c)
Footprint			
Estimated Passings ^(d)	57,351	56,986	55,885
Customer Relationships ^(e)			
Residential	29,797	29,904	29,996
SMB	2,219	2,222	2,215
Total Customer Relationships	32,016	32,126	32,211
Residential	(107)	(108)	8
SMB	(3)	(2)	8
Total Customer Relationships Quarterly Net Additions	(110)	(110)	16
Total Customer Relationship Penetration of Estimated Passings ^(f)	55.8 %	56.4 %	57.6 %
Monthly Residential Revenue per Residential Customer ^(g)	\$ 120.48	\$ 119.41	\$ 120.56
Monthly SMB Revenue per SMB Customer ^(h)	\$ 163.44	\$ 162.38	\$ 164.58
Residential Customer Relationships Penetration			
One Product Penetration ⁽ⁱ⁾	47.3 %	46.7 %	46.0 %
Two Product Penetration ⁽ⁱ⁾	33.0 %	33.1 %	32.8 %
Three or More Product Penetration ⁽ⁱ⁾	19.7 %	20.2 %	21.1 %
% Residential Non-Video Customer Relationships	56.0 %	54.8 %	52.5 %
Internet			
Residential	28,472	28,544	28,479
SMB	2,044	2,044	2,030
Total Internet Customers	30,516	30,588	30,509
Residential	(72)	(62)	67
SMB	—	1	9
Total Internet Quarterly Net Additions	(72)	(61)	76
Video			
Residential	13,111	13,503	14,260
SMB	606	619	646
Total Video Customers	13,717	14,122	14,906
Residential	(392)	(248)	(237)
SMB	(13)	(9)	(4)
Total Video Quarterly Net Additions	(405)	(257)	(241)
Voice			
Residential	6,438	6,712	7,473
SMB	1,288	1,293	1,290
Total Voice Customers	7,726	8,005	8,763
Residential	(274)	(248)	(224)
SMB	(5)	(3)	4
Total Voice Quarterly Net Additions	(279)	(251)	(220)
Mobile Lines ^(j)			
Residential	7,992	7,519	5,782
SMB	260	247	196
Total Mobile Lines	8,252	7,766	5,978
Residential	473	532	666
SMB	13	14	20
Total Mobile Lines Quarterly Net Additions	486	546	686
Enterprise ^(k)			
Enterprise Primary Service Units ("PSUs")	308	303	288
Enterprise Quarterly Net Additions	5	5	4

See footnotes on page 7.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
UNAUDITED CAPITAL EXPENDITURES
(dollars in millions)

	Three Months Ended March 31,	
	2024	2023
Customer premise equipment ^(l)	\$ 635	\$ 537
Scalable infrastructure ^(m)	328	354
Upgrade/rebuild ⁽ⁿ⁾	481	289
Support capital ^(o)	388	394
Capital expenditures, excluding line extensions	1,832	1,574
Subsidized rural construction line extensions	427	371
Other line extensions	532	519
Total line extensions ^(p)	959	890
Total capital expenditures	\$ 2,791	\$ 2,464
Capital expenditures included in total related to:		
Commercial services	\$ 375	\$ 367
Subsidized rural construction initiative ^(q)	\$ 427	\$ 391
Mobile	\$ 59	\$ 77

See footnotes on page 7.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
FOOTNOTES

- (a) Adjusted EBITDA is defined as net income attributable to Charter shareholders plus net income attributable to noncontrolling interest, net interest expense, income taxes, depreciation and amortization, stock compensation expense, other (income) expenses, net and other operating (income) expenses, net such as special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or special items, and is unaffected by our capital structure or investment activities. Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.
- (b) Other expense excludes stock compensation expense. Total operating costs and expenses excludes stock compensation expense, depreciation and amortization and other operating (income) expenses, net.
- (c) We calculate the aging of customer accounts based on the monthly billing cycle for each account in accordance with our collection policies. On that basis, at March 31, 2024, December 31, 2023 and March 31, 2023, customers included approximately 110,000, 135,800 and 119,800 customers, respectively, whose accounts were over 60 days past due, approximately 42,600, 54,700 and 42,100 customers, respectively, whose accounts were over 90 days past due and approximately 283,100, 286,000 and 217,800 customers, respectively, whose accounts were over 120 days past due. The increase in accounts past due more than 120 days is predominately due to pre-existing and incremental unsubsidized services, including video services. These customers are downgraded to a subsidized Internet-only service. Bad debt expense associated with these past due accounts has been reflected in our consolidated statements of operations.
- (d) Passings represent our estimate of the number of units, such as single family homes, apartment and condominium units and SMB and enterprise sites passed by our cable distribution network in the areas where we offer the service indicated. These estimates are based upon the information available at this time and are updated for all periods presented when new information becomes available.
- (e) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video, voice and mobile services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units ("MDUs") and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (f) Penetration represents residential and SMB customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (g) Monthly residential revenue per residential customer is calculated as total residential quarterly revenue divided by three divided by average residential customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (h) Monthly SMB revenue per SMB customer is calculated as total SMB quarterly revenue divided by three divided by average SMB customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (i) One product, two product and three or more product penetration represents the number of residential customers that subscribe to one product, two products or three or more products, respectively, as a percentage of residential customer relationships, excluding mobile-only customers.
- (j) Mobile lines include phones and tablets which require one of our standard rate plans (e.g., "Unlimited" or "By the Gig"). Mobile lines exclude wearables and other devices that do not require standard phone rate plans.
- (k) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.
- (l) Customer premise equipment includes equipment and devices located at the customer's premise used to deliver our Internet, video and voice services (e.g., modems, routers and set-top boxes), as well as installation costs.
- (m) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers or provide service enhancements (e.g., headend equipment).
- (n) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including our network evolution initiative.
- (o) Support capital includes costs associated with the replacement or enhancement of non-network assets (e.g., back-office systems, non-network equipment, land and buildings, vehicles, tools and test equipment).
- (p) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (q) The subsidized rural construction initiative subcategory includes projects for which we are receiving subsidies from federal, state and local governments, excluding customer premise equipment and installation.