UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2000.

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From ______ to ______.

Commission File Numbers:
333-77499
333-77499-01

CHARTER COMMUNICATIONS HOLDINGS, LLC
CHARTER COMMUNICATIONS HOLDINGS CAPITAL CORPORATION*
(Exact names of registrants as specified in their charters)

(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Delaware	43-1843179
Delaware	43-1843177

(Address of principal executive offices)	(Zip Code)
12444 Powerscourt Drive - Suite 100 St. Louis, Missouri	63131

(Registrants' telephone number, including area code) (314) 965-0555

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes X No __

Number of shares of Charter Communications Holdings Capital Corporation common stock outstanding as of November 13, 2000: 100.

* Charter Communications Holdings Capital Corporation meets the conditions set forth in General Instruction (H)(1)(a) and (b) of Form 10-Q and is therefore filing this Form with the reduced disclosure format.

CHARTER COMMUNICATIONS HOLDINGS, LLC
CHARTER COMMUNICATIONS HOLDINGS CAPITAL CORPORATION

FORM 10-Q - FOR THE QUARTER ENDED SEPTEMBER 30, 2000
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NOTE: Separate financial statements of Charter Communications Holdings Capital Corporation have not been presented as this entity had no operations and substantially no assets or equity. Accordingly, management has determined that these financial statements are not material.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS:

This Report includes forward-looking statements regarding, among other things, our plans, strategies and prospects, both business and financial. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions. Many of the forward-looking statements contained in this Report may be identified by the use of forward-looking words such as "believe," "expect," "anticipate," "should," "planned," "estimated" and "potential," among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this Report are set forth in this Report and in other reports or documents that we file from time to time with the Securities and Exchange Commission and include, but are not limited to:

- Our plans to achieve growth by offering new products and services;
- Our anticipated capital expenditures for our planned upgrades and the ability to fund these expenditures;
- Our beliefs regarding the effects of governmental regulation on our business; and
- Our ability to effectively compete in a highly competitive environment.

All forward-looking statements attributable to us or a person acting on our behalf are expressly qualified in their entirety by those cautionary statements.

PART I. FINANCIAL INFORMATION.
ITEM 1. FINANCIAL STATEMENTS.

CHARTER COMMUNICATIONS HOLDINGS, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS)

	SEPTEMBER 30, 2000	DECEMBER 31, 1999*
ASSETS	(UNAUDITED)	
CURRENT ASSETS:		
Cash and cash equivalents	$ 44,992	$ 114,096
Accounts receivable, less allowance for doubtful accounts of $10,184 and $11,471, respectively	190,479	93,743
Receivables from manager of cable systems - related parties	12,095	--
Prepaid expenses and other	43,062	34,513
Total current assets	290,628	242,352
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net of accumulated depreciation of $906,641 and $317,079, respectively	4,640,836	3,490,573
Franchises, net of accumulated amortization of $1,562,235 and $650,476, respectively	17,273,858	14,985,793
	21,914,694	18,476,366
OTHER ASSETS	219,516	220,759
	$22,424,838	$18,939,477
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 1,201,931	$ 704,734
Payables to manager of cable systems - related parties	--	6,713
Total current liabilities	1,201,931	711,447
LONG-TERM DEBT	12,167,729	8,936,455
LOANS PAYABLE - RELATED PARTIES	--	1,079,163
DEFERRED MANAGEMENT FEES - RELATED PARTIES	13,751	21,623
OTHER LONG-TERM LIABILITIES	162,849	142,836
MINORITY INTEREST	637,353	--
MEMBER'S EQUITY:		
Member's equity (217,585,246 units issued and outstanding at September 30, 2000 and December 31, 1999)	8,239,483	8,045,737
Accumulated other comprehensive income	1,742	2,216
Total member's equity	8,241,225	8,047,953
	$22,424,838	$18,939,477

The accompanying notes are an integral part of these consolidated statements.

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* Agrees with the supplemental audited consolidated balance sheet included in Amendment No. 1 to the Company's Registration Statement on Form S-4.

CHARTER COMMUNICATIONS HOLDINGS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(DOLLARS IN THOUSANDS)

	THREE MONTHS ENDED SEPTEMBER 30, 2000	THREE MONTHS ENDED SEPTEMBER 30, 1999
REVENUES	$ 838,961	$ 376,189
OPERATING EXPENSES:		
Operating, general and administrative	426,010	194,716
Depreciation	310,378	71,898
Amortization	312,829	119,541
Option compensation expense	8,116	21,094
Corporate expense charges - related parties	14,055	7,236
	1,071,388	414,485
Loss from operations	(232,427)	(38,296)
OTHER INCOME (EXPENSE):		
Interest expense	(283,221)	(131,081)
Interest income	607	8,241
Other, net	(2,314)	(3,017)
	(284,928)	(125,857)
Loss before minority interest	(517,355)	(164,153)
MINORITY INTEREST EXPENSE	(3,173)	--
Net loss	$ (520,528)	$ (164,153)

The accompanying notes are an integral part of these consolidated statements.

CHARTER COMMUNICATIONS HOLDINGS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(DOLLARS IN THOUSANDS)

	NINE MONTHS ENDED SEPTEMBER 30, 2000	NINE MONTHS ENDED SEPTEMBER 30, 1999
REVENUES	$ 2,355,345	$ 845,182
OPERATING EXPENSES:		
Operating, general and administrative	1,203,987	436,057
Depreciation	860,166	150,626
Amortization	912,598	290,765
Option compensation expense	34,205	59,288
Corporate expense charges - related parties	41,570	18,309
	3,052,526	955,045
Loss from operations	(697,181)	(109,863)
OTHER INCOME (EXPENSE):		
Interest expense	(780,111)	(288,750)
Interest income	6,077	18,326
Other, net	(2,780)	(177)
	(776,814)	(270,601)
Loss before minority interest and extraordinary item	(1,473,995)	(380,464)
MINORITY INTEREST EXPENSE	(7,864)	--
Loss before extraordinary item	(1,481,859)	(380,464)
EXTRAORDINARY ITEM - Loss from early extinguishment of debt	--	7,794
Net loss	$(1,481,859)	$ (388,258)

The accompanying notes are an integral part of these consolidated statements.

CHARTER COMMUNICATIONS HOLDINGS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(DOLLARS IN THOUSANDS)

	NINE MONTHS ENDED SEPTEMBER 30, 2000	NINE MONTHS ENDED SEPTEMBER 30, 1999
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$(1,481,859)	$ (388,258)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Minority interest expense	7,864	--
Depreciation and amortization	1,772,765	441,391
Option compensation expense	34,205	59,288
Non-cash interest expense	126,565	66,028
Loss from early extinguishment of debt	--	7,794
Changes in assets and liabilities, net of effects from acquisitions:		
Accounts receivable	(85,250)	(2,358)
Prepaid expenses and other	14,224	(11,665)
Accounts payable and accrued expenses	517,594	76,591
Payables to manager of cable systems - related parties, including deferred management fees	(71,163)	17,887
Other operating activities	2,324	(1,087)
Net cash provided by operating activities	837,269	265,611
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(1,810,952)	(385,301)
Note receivable from parent company	--	(51,458)
Payments for acquisitions, net of cash acquired	(74,619)	(2,659,384)
Loan to Marcus Cable Holdings, LLC	--	(1,680,142)
Other investing activities	(14,807)	(11,106)
Net cash used in investing activities	(1,900,378)	(4,787,391)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt, including proceeds from Charter Holdings Notes	5,551,303	6,464,188
Repayments of long-term debt	(3,437,008)	(2,539,340)
Borrowings of loans payable to related parties	817,000	--
Repayments of loans payable to related parties	(1,896,163)	--
Payments for debt issuance costs	(62,848)	(107,562)
Capital contribution	47,100	1,144,290
Capital distributions	(26,591)	(14,786)
Other financing activities	1,212	(400)
Net cash provided by financing activities	994,005	4,946,390
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(69,104)	424,610
CASH AND CASH EQUIVALENTS, beginning of period	114,096	9,573
CASH AND CASH EQUIVALENTS, end of period	$ 44,992	$ 434,183
CASH PAID FOR INTEREST	$ 455,984	$ 136,626
NON-CASH TRANSACTIONS:		
Transfer of operating subsidiaries to the Company	$ 1,228,478	$ 1,252,370
Issuance of equity by parent for acquisition	$ 384,621	$ 314,022
Issuance of preferred equity in connection with acquisitions	$ 629,489	$ 25,000

The accompanying notes are an integral part of these consolidated statements.

CHARTER COMMUNICATIONS HOLDINGS, LLC AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. ORGANIZATION AND BASIS OF PRESENTATION

Charter Communications Holdings, LLC (Charter Holdings), a Delaware limited liability company, owns and operates cable systems serving approximately 6.3 million customers. Charter Holdings currently offers a full array of traditional cable television services and advanced bandwidth services such as digital video and related enhancements, interactive video programming, Internet access through television-based service, dial-up telephone modems and high-speed cable modems. Charter Holdings is a subsidiary of Charter Communications Holding Company, LLC (Charter Holdco), which is a subsidiary of Charter Communications, Inc. (Charter).

Charter Holdings and its subsidiaries are collectively referred to as the "Company" herein. All material intercompany transactions and balances have been eliminated in consolidation.

2. RESPONSIBILITY FOR INTERIM FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Company have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted.

The accompanying consolidated financial statements are unaudited; however, in the opinion of management, such statements include all adjustments, which consist of only normal recurring adjustments, necessary for a fair presentation of the results for the periods presented. Interim results are not necessarily indicative of results for a full year. For further information, see the Company's Annual Report on Form 10-K for the year ended December 31, 1999 and Amendment No.1 to the Company's Registration Statement on Form S-4.

3. ACQUISITIONS AND TRANSFERS

On January 1, 2000, Charter Holdco and Charter Holdings effected a number of transactions in which certain cable systems acquired by Charter Holdco in November 1999 were contributed to Charter Holdings (the "Transferred Systems"). Effective January 1, 2000, Charter Holdings accounted for the contribution of the Transferred Systems as a reorganization of entities under common control in a manner similar to a pooling of interests. The accompanying consolidated balance sheet as of December 31, 1999, reflects this reorganization. The accounts of the Transferred Systems are included in Charter Holdings' financial statements from the date the Transferred Systems were acquired by Charter Holdco.

On February 14, 2000, Charter Holdco and Charter Holdings completed the acquisition of Bresnan Communications Company Limited Partnership (Bresnan). The Bresnan cable systems acquired are primarily located in Michigan, Minnesota, Wisconsin and Nebraska and serve approximately 682,100 customers at September 30, 2000.

The purchase price for Bresnan was $3.1 billion, subject to adjustment, and was comprised of $1.1 billion in cash, $384.6 million of equity (14.8 million Class C common membership units) in Charter Holdco and $629.5 million of equity (24.2 million Class A preferred membership units) in CC VIII, LLC (CC VIII), a subsidiary of Charter Holdings, and $963.3 million in assumed debt. The holders of the Class A preferred membership units are entitled to a 2% annual return. All of the membership units received by the sellers are exchangeable on a one-for-one basis for shares of Class A common stock of Charter. The Bresnan sellers who acquired Class C common membership units of Charter Holdco and Class A preferred membership units in CC VIII may have rescission rights against Charter Holdco and Charter arising out of possible violations of Section 5 of the Securities Act of 1933, as amended, in connection with the offers and sales of these equity interests (see Note 5). The purchase price was allocated to assets acquired and liabilities assumed based on their relative fair values, including amounts assigned to franchises of $2.8 billion.

In April 2000, one of Charter's subsidiaries purchased a cable system from Falcon/Capital Cable Partners, L.P. (Capital Cable) and another cable system from Farmington Cablevision Company (Farmington). These cable systems are primarily located in Illinois, Indiana and Missouri and serve approximately 28,900 customers at September 30, 2000. The aggregate purchase price for these acquisitions was $75.0 million in cash and was funded with borrowings from the Charter Operating Credit Facilities (see Note 4).

On September 7, 2000, Charter completed a stock-for-stock merger with Cablevision of Michigan, Inc., the owner of a cable system in Kalamazoo, Michigan. In the merger, Charter acquired all of the outstanding stock of Cablevision of Michigan in exchange for 11,173,376 shares of Charter's Class A common stock valued at approximately $170.6 million. After the merger, Charter contributed 100% of the equity interests acquired to Charter Holdco in exchange for membership units. Charter Holdco in turn contributed the interests to Charter Holdings. The Kalamazoo cable system has approximately 50,700 customers at September 30, 2000.

All of the above transactions were accounted for using the purchase method of accounting, and, accordingly, results of operations of the acquired assets have been included in the financial statements from the date of acquisition. The allocation of the purchase price for the Bresnan and Kalamazoo transactions are based, in part, on preliminary information, which is subject to adjustment upon obtaining complete valuation information. Management believes that finalization of the purchase prices and allocation will not have a material impact on the consolidated results of operations or financial position of the Company.

Summarized pro forma operating results of the Company as though all acquisitions completed since January 1, 1999 and the contribution of the transferred systems, the issuance and sale of the January 2000 Charter Holdings Notes (see Note 4) and the drawdown of the Charter Holdings Senior Bridge Loan Facility (see Note 4) had occurred on January 1, 1999, with adjustments to give effect to amortization of franchises, interest expense, minority interest and certain other adjustments, follows.

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
	(in thousands)			
Revenues	$ 842,881	$ 740,090	$2,406,986	$2,187,785
Loss from operations	(233,137)	(104,302)	(726,998)	(351,718)
Net loss	(537,656)	(363,278)	(1,563,747)	(1,108,554)

The pro forma 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.

4. LONG-TERM DEBT

JANUARY 2000 CHARTER HOLDINGS NOTES. On January 12, 2000, Charter Holdings and Charter Communications Holdings Capital Corporation issued notes with a principal amount of $1.5 billion. The January 2000 Charter Holdings Notes consist of $675.0 million 10.00% Senior Notes due 2009, $325.0 million 10.25% Senior Notes due 2010 and $532.0 million 11.75% Senior Discount Notes due 2010. The net proceeds were approximately $1.3 billion, after giving effect to discounts, commissions and expenses. The proceeds from the sale of the January 2000 Charter Holdings Notes were used to finance the repurchases of debt assumed in certain transactions, as described below.

In June 2000, Charter Holdings and Charter Communications Holdings Capital Corporation exchanged these notes for new January 2000 Charter Holdings Notes, with substantially similar terms, except that the new January 2000 Charter Holdings Notes are registered under the Securities Act of 1933, as amended, and, therefore, do not bear legends restricting their transfer.

CC V HOLDINGS, LLC AND ITS SUBSIDIARIES (COLLECTIVELY, "AVALON") NOTES. In January 2000, through change of control offers and purchases in the open market, all of the Avalon 9.375% Senior Subordinated Notes due 2008 with a principal amount of $150.0 million were repurchased for $153.7 million. In addition, also through change of control offers, $16.3 million in aggregate principal amount at maturity of the Avalon 11.875% Senior Discount Notes due 2008 was repurchased for $10.5 million. As of September 30, 2000, Avalon 11.875% notes with an aggregate principal amount of $179.8 million at maturity and an accreted value of $124.8 million remain outstanding.

CC VII HOLDINGS, LLC AND ITS SUBSIDIARIES (COLLECTIVELY, "FALCON") DEBENTURES. In February 2000, through change of control offers and purchases in the open market, all of the Falcon 8.375% Senior Debentures due 2010 with a principal amount of $375.0 million were repurchased for $388.0 million, and all of the Falcon 9.285% Senior Discount Debentures due 2010 with an aggregate principal amount at maturity of $435.3 million were repurchased for $328.1 million.

CC VIII, LLC AND ITS SUBSIDIARIES (COLLECTIVELY, "BRESNAN") CREDIT FACILITIES. Upon the closing of the Bresnan acquisition on February 14, 2000, the then-existing Bresnan credit facilities were amended and assumed. The Bresnan credit facilities provide for borrowings of up to $900.0 million, consisting of: two term facilities, one with a principal amount of $403.0 million (Term A) and the other with a principal amount of $297.0 million (Term B), and a reducing revolving loan facility in the amount of $200.0 million. The Bresnan credit facilities provide for the amortization of the principal amount of the Term A loan facility and the reduction of the revolving loan facility beginning March 31, 2002 with a final maturity date of June 30, 2007. The amortization of the Term B loan facility is substantially "back-ended" with more than ninety percent of the principal balance due on the final maturity date of February 2, 2008. The Bresnan credit facilities also provide for an incremental facility of up to $200.0 million that is conditioned upon receipt of additional commitments from lenders. Amounts under the Bresnan credit facilities bear interest at the Base Rate or the Eurodollar Rate, as defined, plus a margin of up to 2.75%. A quarterly commitment fee of between 0.250% and 0.375% is payable on the unborrowed balance of Term A and the revolving loan facility. At the closing of the Bresnan acquisition, $599.9 million was borrowed to replace the borrowings outstanding under the previous credit facilities, and an additional $31.3 million was borrowed to fund a portion of the Bresnan purchase price. As of September 30, 2000, $668.0 million was outstanding, and $232.0 million was available for borrowing.

BRESNAN NOTES. Upon the closing of the Bresnan acquisition, Charter Holdco and Charter assumed Bresnan's $170.0 million in principal amount of 8% Senior Notes due 2009 and $275.0 million in principal amount at maturity of 9.25% Senior Discount Notes due 2009. In March 2000, all of the outstanding Bresnan notes were repurchased at 101% of the outstanding principal amounts plus accrued and unpaid interest or accreted value, as applicable, for a total of $369.7 million using proceeds from the sale of the January 2000 Charter Holdings Notes.

CHARTER COMMUNICATIONS OPERATING, LLC CREDIT FACILITIES. In March 2000, the Charter Operating Credit Facilities were amended to increase the amount of the supplemental credit facility to $1.0 billion. In connection with this amendment, $600.0 million of the supplemental credit facility was exercised, thereby increasing the total borrowing capacity to $4.7 billion. The remaining $400.0 million of the supplemental credit facility is subject to the Company's ability to obtain additional commitments from the lenders. As of September 30, 2000, outstanding borrowings were $3.6 billion, and the unused availability was $1.1 billion.

CHARTER HOLDINGS SENIOR BRIDGE LOAN FACILITY. On August 4, 2000, Morgan Stanley Senior Funding, Inc. and others, and Charter Holdings and Charter Communications Holdings Capital Corporation entered into a senior bridge loan agreement providing for senior increasing rate bridge loans in an aggregate principal amount of up to $1.0 billion.

On August 14, 2000, the Company borrowed $1.0 billion under the senior bridge loan facility and used substantially all of the proceeds to repay a portion of the amounts outstanding under the Charter Operating and Falcon revolving credit facilities. The bridge loan initially bears interest at an annual rate of 10.21%. If this loan is not repaid within 90 days following August 14, 2000, the interest rate will increase by 1.25% at the end of such 90-day period and will increase by an additional 0.50% at the end of each additional 90-day period. Unless additional special interest is assessed, the interest rate on the bridge loan will not exceed 15% annually. If the bridge loan has not been repaid in full by August 14, 2001, then it will be converted to a term loan. The bridge loan matures one year from August 14, 2000 and upon payment of any accrued and unpaid interest shall convert to a term loan that matures on the tenth anniversary of the initial bridge loan borrowing. The term loan will bear interest at a fixed rate equal to the greater of the applicable rate of the bridge loan on the date on the conversion plus 0.50%, and the yield corresponding to the bid price on Charter Holdings 10.25% notes as of the date immediately prior to the conversion. If the term loan is not repaid within 90 days after the conversion from the bridge loan, the interest rate thereon will increase by 0.50% at the end of each 90-day period. Unless additional special interest is assessed, the interest rate on the term loan will not exceed 15% annually. The term loan will mature on the tenth anniversary of the initial senior bridge loan borrowing.

5. POSSIBLE RESCISSION LIABILITY

The Company acquired Helicon I, L.P. and affiliates (Helicon) in July 1999 and acquired Rifkin Acquisition Partners L.L.L.P. and InterLink Communications Partners, LLLP (collectively, "Rifkin") in September 1999. Charter Holdco acquired Falcon Communications, L.P. (Falcon) in November 1999, and the Company acquired Bresnan in February 2000. In connection with these acquisitions, the Rifkin, Falcon and Bresnan sellers who acquired Charter Holdco membership units or, in the case of Bresnan, additional equity interests in a subsidiary of Charter Holdings and the Helicon sellers who acquired shares of Class A common stock in Charter's initial public offering may have rescission rights against Charter and Charter Holdco arising out of possible violations of Section 5 of the Securities Act of 1933, as amended, in connection with the offers and sales of these equity interests.

If all of these equity holders successfully exercised their possible rescission rights, Charter or Charter Holdco would become obligated to repurchase all such equity interests, and the total repurchase obligation could be as much as up approximately $1.8 billion as of September 30, 2000 (see Note 10). If Charter and Charter Holdco fail to obtain capital sufficient to fund any required repurchases, they could seek funds from Charter Holdings and its subsidiaries. This could adversely affect the Company's consolidated financial condition and results of operations. These possible rescission rights expire one year from the dates of issuance or purchase of these equity interests.

6. REVENUES

Revenues consist of the following (in thousands):

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
Basic	$ 574,348	$ 264,886	$ 1,668,092	$ 593,076
Premium	57,465	33,260	171,432	76,036
Pay-per-view	5,848	8,389	21,875	18,750
Digital	25,582	1,372	49,844	2,081
Advertising sales	37,693	19,255	112,765	42,577
Data services	13,542	2,100	36,880	4,275
Other	124,483	46,927	294,457	108,387
	$ 838,961	$ 376,189	$ 2,355,345	$ 845,182

7. OPERATING, GENERAL AND ADMINISTRATIVE EXPENSES

Operating, general and administrative expenses consist of the following (in thousands):

	THREE MONTHS ENDED SEPTEMBER 30, 2000	1999	NINE MONTHS ENDED SEPTEMBER 30, 2000	1999
Programming	$ 180,919	$ 85,905	$ 527,379	$ 193,852
General and administrative	144,621	64,068	404,130	145,124
Service	49,900	26,373	143,585	55,989
Marketing	14,046	11,298	45,693	24,421
Other	36,523	7,072	83,199	16,671
	$ 426,009	$ 194,716	$1,203,986	$ 436,057

8. COMPREHENSIVE LOSS (in thousands)

Comprehensive loss was $506,921 and $164,153 for the three months ended September 30, 2000 and 1999, respectively, and $1,469,306 and $388,258 for the nine months ended September 30, 2000 and 1999, respectively. The Company owns common stock of WorldGate Communications, Inc. and of Motorola, Inc. that is classified as "available for sale" and reported at market value, with unrealized gains and losses recorded as accumulated other comprehensive income in the accompanying consolidate balance sheets.

9. RELATED PARTY TRANSACTIONS

In September 2000, Charter Communications Ventures, LLC, a subsidiary of Charter Holdco, entered into a joint venture with General Instrument Corporation (doing business as the Broadband Communications Sector of Motorola, Inc.), Replay TV, Inc. and Interval Research Corporation, an entity controlled by Mr. Allen, to develop and integrate digital video recording capabilities in advanced digital set-top boxes.

10. SUBSEQUENT EVENTS

On October 19, 2000, Charter Ventures entered into a stock purchase agreement pursuant to which Vulcan Ventures Inc., an entity controlled by Mr. Allen, and Charter Ventures will invest $38.0 million and $37.0 million, respectively, in exchange for 38,000 shares and 37,000 shares, respectively, of senior convertible preferred stock of High Speed Access Corp. The preferred stock will have a liquidation preference of $1,000 per share, will in general share in dividends on High Speed Access common stock on an "as converted to common stock" basis and would be convertible into common stock of High Speed Access at a conversion rate of $5.01875 per share of High Speed Access common stock, subject to certain adjustments. Vulcan Ventures and Charter Ventures will be granted certain preemptive, first refusal, registration and significant board representation rights as part of the transaction. The stock purchase agreement is subject to approval by High Speed Access shareholders. It is anticipated that the transaction will close in the fourth quarter 2000.

In October 2000, Charter completed a convertible debt offering for $650.0 million in Convertible Senior Notes due in 2005 plus an additional $100.0 million pursuant to an option granted to the initial purchasers. The Convertible Senior Notes have an annual interest rate of 5.75% and are convertible into shares of Charter's Class A common stock at $21.56 per share. The issuance and sale was made in a private placement pursuant to Rule 144A under the Securities Act. The net proceeds of this issuance were contributed as equity to Charter Holdings and used to repay a portion of amounts outstanding under the Charter Holdings Senior Bridge Loan Facility.

In November 2000, Rifkin's, Helicon's and a portion of Falcon's possible rescission rights with a maximum potential obligation of $741.8 million expired without these parties requesting repurchase of their securities (see Note 5).

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Reference is made to the "Certain Trends and Uncertainties" section below in this Management's Discussion and Analysis for a discussion of important factors that could cause actual results to differ from expectations and non-historical information contained herein.

INTRODUCTION

We do not believe that our historical financial condition and results of operations are accurate indicators of future results because of certain past and pending events, including:

(1) the merger of Marcus Cable Holdings, LLC (Marcus Holdings) with and into Charter Communications Holdings, LLC (Charter Holdings) in March 1999;

(2) the acquisitions of charter communications Holdings Company, LLC (Charter Holdco) and its direct and indirect subsidiaries since January 1, 1999, including the Kalamazoo acquisition;

(3) the refinancing or replacement of previous credit facilities; and

(4) the purchase of publicly held notes that had been issued by several of our direct and indirect subsidiaries.

As of September 30, 2000, our cable systems served approximately 400% more customers than we served as of December 31, 1998.

GENERAL

Charter owns and operates cable systems serving approximately 6.3 million customers. We currently offer our customers a full array of traditional cable television services and advanced bandwidth services such as digital television, interactive video programming, Internet access through television-based service, dial-up telephone modems and high-speed cable modems. We plan to continually enhance and upgrade these services, including adding new programming and other telecommunications services such as interactive programming and telephony service.

We are beginning to offer video-on-demand (VOD) service to some of our customers. With VOD service, customers can access hundreds of movies and other programming at any time, with digital picture quality. VOD allows customers to pause, rewind and fast-forward programs. They can also stop a program and resume watching it several hours later during the rental period. VOD service requires the use of a digital set-top converter and is offered as a standard feature of our digital service packages. Generally, customers pay for VOD on a per-selection basis.

We have entered into an agreement to offer VOD to the Los Angeles and Atlanta areas and other future markets with DIVA Systems Corporation, a company providing interactive VOD products and services to the cable industry. DIVA will provide us with hardware, software, programming and operational support as part of this agreement. We worked with DIVA for over a year on a VOD trial with 7,000 customers in our Gwinnett County, Georgia cable system. VOD has now been launched in this North Atlanta system, and every digital customer there can receive VOD service. In addition, we completed a launch of VOD technology to about 167,000 homes in the Pasadena area of the Los Angeles area in October 2000 with a planned rollout to 275,000 homes by year-end. We plan on launching VOD service to additional markets in 2001.

We expect to be able to offer cable telephony services in the next twelve to eighteen months in selected markets using our systems' direct, two-way connections to homes and other buildings. We are exploring technologies using Internet protocol telephony, as well as traditional switching technologies that are currently available, to transmit digital voice signals over our systems. AT&T and other telephone companies have already begun to pursue strategic partnering and other programs which make it attractive for us to acquire and develop this alternative Internet protocol technology. For the last two years, we have sold telephony services as a competitive access provider in the state of Wisconsin through one of our subsidiaries and are currently looking to expand our services as a competitive access provider into other states.

The following statistics for September 30, 2000 and September 30, 1999, are actual; the statistics for December 31, 1999, are pro forma for acquisitions completed since that date, including the Bresnan and Kalamazoo acquisitions.

	ACTUAL SEPTEMBER 30,2000	PRO FORMA DECEMBER 31, 1999	ACTUAL SEPTEMBER 30, 1999
CABLE TELEVISION			
Homes Passed	10,160,200	9,970,000	5,540,700
Basic Customers	6,318,300	6,193,700	3,425,700
Basic Penetration	62.2%	62.1%	61.8%
Premium Subscriptions	4,426,200	3,144,500	2,039,000
Premium Penetration	70.1%	50.8%	59.5%
Average Monthly Revenue per Basic Customer (quarter)	$ 44.26	$ 41.13	$ 36.60
DIGITAL VIDEO			
Homes Passed	7,568,100	4,675,000	897,600
Digital Customers	653,800	155,400	28,600
Penetration	8.6%	3.3%	3.2%
Digital Converters Deployed	807,900	176,600	35,300
DATA SERVICES			
Homes Passed	4,580,400	4,422,000	2,589,000
Data Customers	184,600	84,400	21,900
Penetration	4.0%	1.9%	0.8%
TELEVISION-BASED INTERNET ACCESS			
Homes Passed	463,700	429,000	429,000
Customers	10,100	7,100	6,200
Penetration	2.2%	1.7%	1.4%

ACQUISITIONS AND TRANSFERS

The following table sets forth information on our acquisitions in 1999:

	ACQUISITION DATE	PURCHASE PRICE, INCLUDING DEBT ASSUMED (IN MILLIONS)	CUSTOMERS AS OF SEPTEMBER 30, 2000
Renaissance Media Group LLC	4/99	$ 459	135,100
American Cable Entertainment, LLC	5/99	240	68,700
Cable systems of Greater Media Cablevision, Inc.	6/99	500	176,800
Helicon Partners I, L.P. and affiliates	7/99	550	173,200
Vista Broadband Communications, L.L.C.	7/99	126	26,700
Cable system of Cable Satellite of South Miami, Inc.	8/99	22	8,000
Rifkin Acquisition Partners, L.L.L.P. and InterLink Communications Partners, LLLP	9/99	1,460	463,000
Cable systems of InterMedia Capital Partners IV, L.P. InterMedia Partners and affiliates (InterMedia)	10/99	873+	415,300
		systems swap	(142,000)(a)
			273,300
Cable systems of Fanch Cablevision L.P. and Affiliates			
Falcon Communications, L.P.	11/99	2,400	535,600
Avalon Cable of Michigan Holdings, Inc. (Avalon)	11/99	3,481	977,200
	11/99	832	270,800
Total		$10,943	3,108,400

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(a) As part of the October 1999 transaction with InterMedia we agreed to swap some of our non-strategic cable systems located in Indiana, Montana, Utah and northern Kentucky, representing 142,000 basic customers. We transferred cable systems with 112,000 customers to InterMedia in connection with this swap in October 1999. The remaining cable system, with customers totaling 30,000, was transferred in March 2000 after receipt of the necessary regulatory approvals. This swap is reflected in its entirety in the 1999 acquisition table above.

In addition, in April 1999, Marcus Holdings was merged into Charter Holdings, and the operating subsidiaries of Marcus Holdings and all of the cable systems they owned came under the ownership of Charter Holdings. As of September 30, 2000, Marcus Holdings had 1,006,000 customers.

The following table sets forth information on transfers from Charter Holdco to Charter Holdings in January 2000:

	TRANSFER DATE	PURCHASE PRICE, INCLUDING DEBT ASSUMED (in millions)	CUSTOMERS AS OF SEPTEMBER 30, 2000
Fanch	1/00	2,400	535,600
Falcon	1/00	3,481	977,200
Avalon	1/00	832	270,800
Total		$ 6,713	1,783,600

The following table sets forth information on acquisitions since January 1, 2000:

	ACQUISITION DATE	PURCHASE PRICE, INCLUDING DEBT ASSUMED (in millions)	CUSTOMERS AS OF SEPTEMBER 30, 2000
Cable system of Interlake Cablevision Enterprises, LLC (ICE)	2/00	$ 13	6,000
Bresnan	2/00	3,100	695,100
Cable system of Falcon/Capital Cable Partners, L.P.	4/00	60	23,200
Cable system of Farmington Cablevision Company	4/00	15	5,700
Cablevision of Michigan, Inc. (Kalamazoo)	9/00	173	50,700
Total		$ 3,361	780,700

Effective January 31, 2000, Charter Holdings acquired the ICE cable system from former affiliates of Avalon using available cash.

On February 14, 2000, Charter Holdco and Charter Holdings completed the acquisition of Bresnan Communications Company Limited Partnership (Bresnan). The Bresnan cable systems acquired are primarily located in Michigan, Minnesota, Wisconsin, and Nebraska. The purchase price for Bresnan was $3.1 billion, subject to adjustment, and was comprised of $1.1 billion in cash, $384.6 million and $629.5 million in equity in Charter Holdco and CC VIII, LLC (CC VIII), respectively, and approximately $963.3 million in assumed debt. The holders of the CC VIII equity are entitled to a 2% annual return. All of the membership units received by the sellers are exchangeable on a one-for-one basis for Class A common stock of Charter.

The $75.0 million aggregate purchase price for the acquisitions of cable systems from Capital Cable and Farmington was funded with borrowings from the Charter Operating Credit Facilities (as defined herein).

On September 7, 2000, Charter completed a stock-for-stock merger with Cablevision of Michigan, Inc., the owner of a cable system in Kalamazoo, Michigan. In the merger, Charter acquired all of the outstanding stock of Cablevision of Michigan in exchange for 11,173,376 shares of Charter's Class A common stock valued at approximately $170.6 million. After the merger, Charter contributed 100% of the equity interests acquired to Charter Holdco in exchange for membership units. Charter Holdco in turn contributed the interests to Charter Holdings. The Kalamazoo cable system has approximately 50,700 customers at September 30, 2000.

OVERVIEW OF OPERATIONS

Approximately 85% and 87% of our historical revenues for the three months and nine months ended September 30, 2000, respectively, are attributable to monthly subscription fees charged to customers for our basic, expanded basic, premium and digital cable television programming services, Internet access through television-based service, dial-up telephone modems and high-speed cable modem service, equipment rental and ancillary services provided by our cable systems. In addition, we derive other revenues from installation and reconnection fees charged to customers to commence or reinstate service, pay-per-view programming, where users are charged a fee for individual programs requested, advertising revenues and commissions related to the sale of merchandise by home shopping services.

We have generated increased revenues in each of the past three years, primarily through internal customer growth, basic and expanded tier rate increases, customer growth from acquisitions, and revenues from new services and products. These new services and products are expected to significantly contribute to our future revenues provided that the necessary equipment is available from our vendors.

One of these services is digital cable, which provides customers with additional programming options. During the first nine months of 2000, we added an average of 12,800 digital customers per week compared to our original estimate of 10,000 customers per week throughout the year. During the third quarter of 2000, we added approximately 21,400 digital customers per week and we anticipate similar results for the remaining quarter. This success was largely due to an innovative promotion conducted in July and August.

We are also offering high-speed Internet access to the World Wide Web via cable modems. The number of customers signing up for our high-speed Internet access service also continues to increase. As of the end of the third quarter of 2000, we served approximately 184,600 data customers compared to approximately 65,000 at the end of last year. Throughout the first three quarters of the year we have added an average of 2,570 customers per week, ahead of our original goal of averaging 2,500 new customers each week throughout the year.

In addition, we are launching VOD service in certain systems. Our television-based Internet access allows us to offer users TV-based e-mail and other Internet service. Finally, we continue to work together with several companies in a field trial of telephony.

Our expenses primarily consist of operating costs, general and administrative expenses, depreciation and amortization expense, interest expense and corporate expense charges. Operating costs primarily include programming costs, cable service related expenses, marketing and advertising costs, franchise fees and expenses related to customer billings. Programming costs accounted for approximately 42% and 44% of our operating, general and administrative expenses for the three months and nine months ended September 30, 2000, respectively. Programming costs have increased in recent years and are expected to continue to increase due to additional programming being provided to customers and increased cost to purchase cable programming due to inflation and other factors affecting the cable television industry. As we continue to upgrade and rebuild our cable systems, additional channel capacity will be available resulting in increased programming costs. In each year we have operated, our costs to acquire programming have exceeded customary inflationary increases. Significant factors with respect to increased programming costs are the rate increases and surcharges imposed by national and regional sports networks directly tied to escalating costs to acquire programming for professional sports packages in a competitive market. We benefited in the past from our membership in an industry cooperative that provided members with volume discounts from programming networks. This industry cooperative no longer exists. However, our increased size is believed to give us substantially equivalent buying power. Also, we have been able to negotiate favorable terms with premium networks in conjunction with the premium packages we offer, which minimized the impact on margins and provided substantial volume incentives to grow the premium category. Although we believe that we will be able to pass future increases in programming costs through to customers, there can be no assurance that we will be able to do so.

General and administrative expenses primarily include system level management and administrative personnel, and expenditures primarily related to professional fees, copyright licensing fees and property taxes. Depreciation and amortization expense primarily relates to the depreciation of our tangible assets and the amortization of our franchise costs (both increase with the closing of acquisitions). Corporate expense charges are fees paid or charges for management services. Pursuant to a mutual services agreement between Charter and Charter Investment, each entity leases the necessary personnel and provides services to the other in order to manage Charter Holdco and to manage and operate the cable systems owned by its subsidiaries. We record actual expenses incurred by Charter on our behalf. All expenses and costs incurred by Charter with respect to the services provided are paid by us. Our credit facilities limit the amount of such reimbursements.

We have had a history of net losses and expect to continue to report net losses for the foreseeable future. The principal reasons for our prior and anticipated net losses include depreciation and amortization expenses associated with our acquisitions and capital expenditures related to construction and upgrading of our systems, and interest costs on borrowed money. We cannot predict what impact, if any, continued losses will have on our ability to finance our operations in the future.

RESULTS OF OPERATIONS

The following discusses the results of operations for:

(1) Charter Holdings, comprised of the Charter companies (Charter Communications Properties Holdings, LLC, CCA Group, and CharterComm Holdings, LLC) and the following for the three months and nine months ended September 30, 1999:

- Marcus Holdings for the period from March 31, 1999, the date Mr. Allen acquired voting control, through September 30, 1999;

- Renaissance Media Group LLC for the period from April 30, 1999, the acquisition date, through September 30, 1999;

- American Cable Entertainment, LLC for the period from May 7, 1999, the acquisition date, through September 30, 1999;

- Cable systems of Greater Media Cablevision, Inc. for the period from June 30, 1999, the acquisition date, through September 30, 1999;

- Helicon Partners I, LP and affiliates for the period from July 30, 1999, the acquisition date, through September 30, 1999;

- Vista Broadband Communications, LLS for the period from July 20, 1999 the acquisition date, through September 30, 1999;

- Cable system of Cable Satellite of South Miami, Inc. for the period from August 4, 1999, the acquisition date, through September 30, 1999; and

- Rifkin Acquisition Partners, LLLP and InterLink Communications Partners, LLLP for the period from September 13, 1999, the acquisition date, through September 30, 1999.

(2) Charter Holdings, comprised of the Charter companies, all acquisitions closed during 1999 and the following for the three months and nine months ended September 30, 2000:

- ICE from January 31, 2000, the acquisition date, through September 30, 2000;

- Bresnan from February 14, 2000, the acquisition date, through September 30, 2000;

- Cable system of Farmington from April 1, 2000, the acquisition date, through September 30, 2000;

- Cable system of Capital Cable from April 1, 2000, the acquisition date, through September 30, 2000; and

- Kalamazoo from September 7, 2000, the acquisition date, through September 30, 2000.

Since January 1, 1999, we have closed numerous acquisitions. In addition, we merged with Marcus Holdings effective in April 1999. As of September 30, 2000, our cable systems served approximately 400% more customers than we served as of December 31, 1998. Thus, amounts for the three months and nine months ended September 30, 2000, are not comparable to those for the three months and nine months ended September 30, 1999.

THREE MONTHS ENDED SEPTEMBER 30, 2000 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 1999

The following table sets forth the percentages of revenues that items in the statements of operations constitute for the indicated periods (dollars in thousands):

	THREE MONTHS ENDED SEPTEMBER 30, 2000		THREE MONTHS ENDED SEPTEMBER 30, 1999	
	AMOUNT	%	AMOUNT	%
STATEMENTS OF OPERATIONS:				
Revenues	$ 838,961	100.0%	$ 376,189	100.0%
Operating expenses:				
Operating	281,389	33.5%	130,648	34.7%
General and administrative	144,621	17.2%	64,068	17.0%
Depreciation	310,378	37.0%	71,898	19.1%
Amortization	312,829	37.3%	119,541	31.8%
Option compensation expense	8,116	1.0%	21,094	5.7%
Corporate expense charges	14,055	1.7%	7,236	1.9%
Total operating expenses	1,071,388	127.7%	414,485	110.2%
Loss from operations	(232,427)	(27.7%)	(38,296)	(10.2%)
Interest expense	(283,221)	(33.8%)	(131,081)	(34.8%)
Interest income	607	0.1%	8,241	2.2%
Other income (expense)	(2,314)	(0.3%)	(3,017)	(0.8%)
Loss before minority interest	(517,355)	(61.7%)	(164,153)	(43.6%)
Minority interest expense	(3,173)	(0.3%)	--	--
Net loss	$ (520,528)	(62.0%)	$ (164,153)	(43.6%)

REVENUES. Revenues increased by $462.8 million, from $376.2 million for the three months ended September 30, 1999, to $839.0 million for the three months ended September 30, 2000. The increase in revenues primarily resulted from acquisitions.

OPERATING COSTS. Operating costs increased by $150.7 million, from $130.6 million for the three months ended September 30, 1999, to $281.4 million for the three months ended September 30, 2000. This increase was due primarily to acquisitions.

GENERAL AND ADMINISTRATIVE COSTS. General and administrative costs increased by $80.6 million, from $64.1 million for the three months ended September 30, 1999, to $144.6 million for the three months ended September 30, 2000. This increase was due primarily to acquisitions.

DEPRECIATION. Depreciation expense increased by $238.5 million, from $71.9 million for the three months ended September 30, 1999, to $310.4 million for the three months ended September 30, 2000. This increase was due primarily to acquisitions. In addition, capital expenditures for system upgrades have increased, resulting in greater property, plant and equipment balances and a corresponding increase in depreciation expense.

AMORTIZATION. Amortization expense increased by $193.3 million, from $119.5 million for the three months ended September 30, 1999, to $312.8 million for the three months ended September 30, 2000. This increase was due primarily to franchises acquired.

OPTION COMPENSATION EXPENSE. Option compensation expense decreased by $13.0 million, from $21.1 million for the three months ended September 30, 1999, to $8.1 million for the three months ended September 30, 2000. This expense results from granting options to employees prior to Charter's initial public offering at exercise prices less than the estimated fair values of the underlying membership units at time of grant, resulting in compensation expense being accrued over the vesting period of each grant.

CORPORATE EXPENSE CHARGES. Corporate expense charges increased by $6.8 million, from $7.2 million for the three months ended September 30, 1999, to $14.1 million for the three months ended September 30, 2000. The increase was primarily the result of increased costs incurred by the manager due to the Company's growth from acquisitions.

INTEREST EXPENSE. Interest expense increased by $152.1 million, from $131.1 million for the three months ended September 30, 1999, to $283.2 million for the three months ended September 30, 2000. This increase resulted primarily from interest on debt used to finance acquisitions.

INTEREST INCOME. Interest income decreased by $7.6 million, from $8.2 million for the three months ended September 30, 1999, to $0.6 million for the three months ended September 30, 2000. This decrease is attributed to the fact that we had more excess cash for investment in 1999 (resulting from required credit facilities drawdowns and the issuance and sale of the March 1999 Charter Holdings notes) as compared to the amount available in 2000 (resulting from the issuance and sale of the January 2000 Charter Holdings notes prior to completing the change of control offers described herein).

OTHER INCOME (EXPENSE). Other income (expense) decreased by $0.7 million, from $3.0 million of expense for the three months ended September 30, 1999, to $2.3 million of expense for the three months ended September 30, 2000. The amount in 1999 reflected a gain on the sale of aircraft.

MINORITY INTEREST EXPENSE. Minority interest expense for the three months ended September 30, 2000, represents the accretion of dividends on the preferred membership units in an indirect subsidiary of Charter Holdings held by certain Bresnan sellers.

NET LOSS. Net loss increased by $356.4 million for the three months ended September 30, 2000, compared to the three months ended September 30, 1999. The increase in revenues that resulted from acquisitions was not sufficient to offset the increased expenses (including depreciation and amortization) associated with the acquired systems.

NINE MONTHS ENDED SEPTEMBER 30, 2000 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 1999

The following table sets forth the percentages of revenues that items in the statements of operations constitute for the indicated periods (dollars in thousands):

	NINE MONTHS ENDED SEPTEMBER 30, 2000		NINE MONTHS ENDED SEPTEMBER 30, 1999	
	AMOUNT	%	AMOUNT	%
STATEMENTS OF OPERATIONS:				
Revenues	$ 2,355,345	100.0%	$ 845,182	100.0%
Operating expenses:				
Operating	799,857	34.0%	290,933	34.4%
General and administrative	404,130	17.2%	145,124	17.2%
Depreciation	860,166	36.5%	150,626	17.8%
Amortization	912,598	38.7%	290,765	34.4%
Option compensation expense	34,205	1.4%	59,288	7.0%
Corporate expense charges	41,570	1.8%	18,309	2.2%
Total operating expenses	3,052,526	129.6%	955,045	113.0%
Loss from operations	(697,181)	(29.6%)	(109,863)	(13.0%)
Interest expense	(780,111)	(33.1%)	(288,750)	(34.2%)
Interest income	6,077	0.2%	18,326	2.2%
Other income (expense)	(2,780)	(0.1)%	(177)	--
Loss before minority interest and extraordinary item	(1,473,995)	(62.6%)	(380,464)	(45.0%)
Minority interest expense	(7,864)	(0.3%)	--	--
Extraordinary item	--	--	7,794	0.9%
Net loss	$(1,481,859)	(62.9%)	$ (388,258)	(45.9%)

REVENUES. Revenues increased by $1,510.2 million, from $845.2 million for the nine months ended September 30, 1999, to $2,355.3 million for the nine months ended September 30, 2000. The increase in revenues primarily resulted from acquisitions.

OPERATING COSTS. Operating costs increased by $508.9 million, from $290.9 million for the nine months ended September 30, 1999, to $799.9 million for the nine months ended September 30, 2000. This increase was due primarily to acquisitions.

GENERAL AND ADMINISTRATIVE COSTS. General and administrative costs increased by $259.0 million, from $145.1 million for the nine months ended September 30, 1999, to $404.1 million for the nine months ended September 30, 2000. This increase was due primarily to acquisitions.

DEPRECIATION. Depreciation expense increased by $709.5 million, from $150.6 million for the nine months ended September 30, 1999, to $860.2 million for the nine months ended September 30, 2000. This increase was due primarily to acquisitions. In addition, capital expenditures for system upgrades have increased, resulting in greater property, plant and equipment balances and a corresponding increase in depreciation expense.

AMORTIZATION. Amortization expense increased by $621.8 million, from $290.8 million for the nine months ended September 30, 1999, to $912.6 million for the nine months ended September 30, 2000. This increase was due primarily to franchises acquired.

OPTION COMPENSATION EXPENSE. Option compensation decreased by $25.1 million, from $59.3 million for the nine months ended September 30, 1999, to $34.2 million for the nine months ended September 30, 2000. This expense results from granting options to employees prior to Charter's initial public offering at exercise prices less than the estimated fair values of the underlying membership units at time of grant, resulting in compensation expense being accrued over the vesting period of each grant.

CORPORATE EXPENSE CHARGES. Corporate expense charges increased by $23.3 million, from $18.3 million for the nine months ended September 30, 1999, to $41.6 million for the nine months ended September 30, 2000. The increase was primarily the result of increased costs incurred by the manager due to the Company's growth from acquisitions.

INTEREST EXPENSE. Interest expense increased by $491.4 million, from $288.8 million for the nine months ended September 30, 1999, to $780.1 million for the nine months ended September 30, 2000. This increase resulted primarily from interest on debt used to finance acquisitions.

INTEREST INCOME. Interest income decreased by $12.2 million, from $18.3 million for the nine months ended September 30, 1999, to $6.1 million for the nine months ended September 30, 2000. This decrease is attributed to the fact that we had more excess cash for investment in 1999 (resulting from required credit facilities drawdowns and the issuance and sale of the March 1999 Charter Holdings notes) as compared to the amount available in 2000 (resulting from the issuance and sale of the January 2000 Charter Holdings notes prior to completing the change of control offers described herein).

OTHER INCOME (EXPENSE). Other income (expense) decreased by $2.6 million, from $177,000 of expense for the nine months ended September 30, 1999, to $2.8 million of expense for the nine months ended September 30, 2000.

MINORITY INTEREST EXPENSE. Minority interest expense for the nine months ended September 30, 2000, represents the accretion of dividends on the preferred membership units in an indirect subsidiary of Charter Holdings held by certain Bresnan sellers.

EXTRAORDINARY ITEM. In March 1999, the Company extinguished all then-existing long-term debt, excluding borrowings of the Company under its credit facilities, and refinanced substantially all then-existing credit facilities at various subsidiaries with a new credit facility. The excess of the amount paid over the carrying value, net of deferred financing costs, of the then-existing long-term debt was recorded as an extraordinary item.

NET LOSS. Net loss increased by $1,093.6 million for the nine months ended September 30, 2000, compared to the nine months ended September 30, 1999. The increase in revenues that resulted from acquisitions was not sufficient to offset the increased expenses (including depreciation and amortization) associated with the acquired systems.

LIQUIDITY AND CAPITAL RESOURCES

Our business requires significant cash to fund acquisitions, capital expenditures, debt service costs and ongoing operations. We have historically funded and expect to fund future liquidity and capital requirements through cash flows from operations, equity contributions, borrowings under our credit facilities, and debt and equity financings.

Our historical cash flows from operating activities were $837.3 million and $265.6 million for the nine months ended September 30, 2000 and 1999, respectively.

INVESTING ACTIVITIES

CAPITAL EXPENDITURES. We have substantial ongoing capital expenditure requirements. We make capital expenditures primarily to upgrade, rebuild and expand our cable systems, as well as for system maintenance, the development of new products and services, and digital converters. Converters are set-top devices added to a customer's television to change the frequency of the cable television signals to a viewable channel. The television is then able to tune and to allow access to premium service.

Upgrading our cable systems will enable us to offer new products and services, including digital television, additional channels and tiers, expanded pay-per-view options, high-speed Internet access, VOD and interactive services.

We made capital expenditures, excluding acquisitions of cable systems, of $1.9 billion and $385.3 million for the nine months ended September 30, 2000 and 1999, respectively. The majority of these capital expenditures relate to our accelerated rebuild and upgrade program and converters, and were funded from cash flows from operations and borrowings under credit facilities.

For the period from January 1, 2000 to December 31, 2002, we plan to spend approximately $6.4 billion for capital expenditures, approximately $3.5 billion of which will be used to upgrade and rebuild our systems to a bandwidth capacity of 550 megahertz or greater and add two-way capability, so that we may offer advanced services. The remaining $2.9 billion will be used for extensions of systems, roll-out of new products and services, converters and system maintenance. Capital expenditures for 2000 are expected to be approximately $2.7 billion, and aggregate capital expenditures for 2001 and 2002 are expected to be approximately $3.7 billion. We currently expect to finance the anticipated capital expenditures with cash generated from operations and additional borrowings under credit facilities, including a bridge loan entered into on August 4, 2000 and other debt financing. Currently a projected $1.75 billion funding shortfall through late 2002 exists, when we expect to become cash flow positive. We expect to satisfy the funding shortfall with a combination of a new high-yield debt offering and additional bank debt. We cannot be assured that these amounts will be sufficient to accomplish our planned system upgrades, expansion and maintenance, or that we can acquire necessary plant and equipment from vendors to complete these as scheduled. If we are not able to obtain amounts sufficient for our planned upgrades and other capital expenditures, it could adversely affect our ability to offer new products and services and compete effectively, and could adversely affect our growth, financial condition and results of operations. See "-- Certain Trends and Uncertainties" for further information.

JOINT VENTURE FOR DEVELOPMENT OF DIGITAL VIDEO RECORDER SET-TOP BOX. In September 2000, Charter Communications Ventures, LLC, a subsidiary of Charter Communications Holding Company, entered into a joint venture with General Instrument Corporation (doing business as Broadband Communications Sector of Motorola Inc.), Replay TV Inc. and Internal Research Corporation, an entity controlled by Mr. Allen, to develop and integrate digital video recording capabilities in advanced digital set-top boxes. The joint venture will focus on creating a set-top based digital video recording platform that will be designed for storing video, audio and Internet content. In connection with the formation of this joint venture, Charter Ventures contributed $3.2 million in October 2000.

HIGH SPEED ACCESS CORP. PENDING INVESTMENT. On October 19, 2000, our subsidiary, Charter Communications Ventures, LLC, entered into a stock purchase agreement pursuant to which Vulcan Ventures, Inc., an entity controlled by Mr. Allen, and Charter Ventures will invest $38.0 million and $37.0 million, respectively, in exchange for 38,000 shares and 37,000 shares, respectively, of senior convertible preferred stock of High Speed Access. The preferred stock will have a liquidation preference of $1,000 per share, will in general share in dividends on High speed Access common stock on an "as converted to common stock" basis and would be convertible into common stock of High Speed Access at a conversion rate of $5.01875 per share of High Speed Access common stock, subject to certain adjustments. Vulcan Ventures and Charter Ventures will be granted certain preemptive, first refusal, registration and significant board representation rights as part of the transaction. The stock purchase agreement is subject to approval by High Speed Access shareholders. It is anticipated that the transaction will close in the fourth quarter 2000.

FINANCING ACTIVITIES

As of September 30, 2000, our total debt was approximately $12.2 billion. Our significant amount of debt may adversely affect our ability to obtain financing in the future and react to changes in our business. Our credit facilities and other debt instruments contain various financial and operating covenants that could adversely impact our ability to operate our business, including restrictions on the ability of our operating subsidiaries to distribute cash to their parents. See "-- Certain Trends and Uncertainties -- Restrictive Covenants," for further information.

JANUARY 2000 CHARTER HOLDINGS NOTES. On January 12, 2000, Charter Holdings and Charter Communications Holdings Capital Corporation issued notes with a principal amount of $1.5 billion (January 2000 Charter Holdings Notes). The January 2000 Charter Holdings Notes are comprised of $675.0 million 10.00% Senior Notes due 2009, $325.0 million 10.25% Senior Notes due 2010, and $532.0 million 11.75% Senior Discount Notes due 2010. The net proceeds were approximately $1.3 billion, after giving effect to discounts, commissions and expenses. The proceeds from the January 2000 Charter Holdings Notes were used to finance the repurchases of debt assumed in certain transactions, as described below.

In June 2000, Charter Holdings and Charter Communications Holdings Capital Corporation exchanged these notes for new January 2000 Charter Holdings Notes, with substantially similar terms, except that the new January 2000 Charter Holdings Notes are registered under the Securities Act of 1933, as amended, and, therefore, do not bear legends restricting their transfer.

CC V HOLDINGS, LLC AND ITS SUBSIDIARIES (COLLECTIVELY, "AVALON") NOTES. In January 2000, through change of control offers and purchases in the open market, all of the Avalon 9.375% Senior Subordinated Notes due 2008 with a principal amount of $150.0 million were repurchased for $153.7 million. In addition, also through change of control offers, $16.3 million in aggregate principal amount at maturity of the Avalon 11.875% Senior Discount Notes due 2008 was repurchased for $10.5 million. As of September 30, 2000, Avalon 11.875% notes with an aggregate principal amount of $179.8 million at maturity and an accreted value of $124.8 million remain outstanding.

CC VII HOLDINGS, LLC AND ITS SUBSIDIARIES (COLLECTIVELY, "FALCON") DEBENTURES. In February 2000, through change of control offers and purchases in the open market, all of the Falcon 8.375% Senior Debentures due 2010 with a principal amount of $375.0 million were repurchased for $388.0 million, and all of the Falcon 9.285% Senior Discount Debentures due 2010 with an aggregate principal amount at maturity of $435.3 million were repurchased for $328.1 million.

CC VIII, LLC AND ITS SUBSIDIARIES (COLLECTIVELY, "BRESNAN") CREDIT FACILITIES. Upon the closing of the Bresnan acquisition on February 14, 2000, the then-existing Bresnan credit facilities were amended and assumed. The Bresnan credit facilities provide for borrowings of up to $900.0 million, consisting of: two term facilities, one with a principal amount of $403.0 million (Term A) and the other with a principal amount of $297.0 million (Term B), and a reducing revolving loan facility in the amount of $200.0 million. The Bresnan credit facilities provide for the amortization of the principal amount of the Term A loan facility and the reduction of the revolving loan facility beginning March 31, 2002 with a final maturity date of June 30, 2007. The amortization of the Term B loan facility is substantially "back-ended" with more than ninety percent of the principal balance due on the final maturity date of February 2, 2008. The Bresnan credit facilities also provide for an incremental facility of up to $200.0 million that is conditioned upon receipt of additional commitments from lenders. Amounts under the Bresnan credit facilities bear interest at the Base Rate or the Eurodollar Rate, as defined, plus a margin of up to 2.75%. A quarterly commitment fee of between 0.250% and 0.375% is payable on the unborrowed balance of Term A and the revolving loan facility. At the closing of the Bresnan acquisition, $599.9 million was borrowed to replace the borrowings outstanding under the previous credit facilities, and an additional $31.3 million was borrowed to fund a portion of the Bresnan purchase price. As of September 30, 2000, $668.0 million was outstanding, and $232.0 million was available for borrowing.

BRESNAN NOTES Upon the closing of the Bresnan acquisition, Charter Holdco and Charter assumed Bresnan's $170.0 million in principal amount of 8% Senior Notes due 2009 and $275.0 million in principal amount at maturity of 9.25% Senior Discount Notes due 2009. In March 2000, all of the outstanding Bresnan notes were repurchased at 101% of the outstanding principal amounts plus accrued and unpaid interest or accreted value, as applicable, for a total of $369.7 million using proceeds from the sale of the January 2000 Charter Holdings Notes.

CHARTER COMMUNICATIONS OPERATING, LLC CREDIT FACILITIES. In March 2000, the Charter Operating Credit Facilities were amended to increase the amount of the supplemental credit facility to $1.0 billion. In connection with this amendment, $600.0 million of the supplemental credit facility was exercised, thereby increasing the total borrowing capacity to $4.7 billion. The remaining $400.0 million of the supplemental credit facility is subject to the Company's ability to obtain additional commitments from the lenders. As of September 30, 2000, outstanding borrowings were $3.6 billion, and the unused availability was $1.1 billion.

CHARTER HOLDINGS SENIOR BRIDGE LOAN FACILITY. On August 4, 2000, Morgan Stanley Senior Funding, Inc. (Sole Arranger) and others, and Charter Holdings and Charter Communications Holdings Capital Corporation entered into a senior bridge loan agreement providing for senior increasing rate bridge loans in an aggregate principal amount of up to $1.0 billion.

On August 14, 2000, the Company borrowed $1.0 billion under the senior bridge loan facility and used substantially all of the proceeds to repay a portion of the amounts outstanding under the Charter Operating and Falcon revolving credit facilities. The bridge loan initially bears interest at an annual rate of 10.21%. If this loan is not repaid within 90 days following August 14, 2000, the interest rate will increase by 1.25% at the end of such 90-day period and will increase by an additional 0.50% at the end of each additional 90-day period. Unless additional special interest is assessed, the interest rate on the bridge loan will not exceed 15% annually. If the bridge loan has not been repaid in full by August 14, 2001, then it will be converted to a term loan. The bridge loan matures one year from August 14, 2000 and upon payment of any accrued and unpaid interest shall convert to a term loan that matures on the tenth anniversary of the initial bridge loan borrowing. The term loan will bear interest at a fixed rate equal to the greater of the applicable rate of the bridge loan on the date on the conversion plus 0.50%, and the yield corresponding to the bid price on Charter Holdings 10.25% notes as of the date immediately prior to the conversion. If the term loan is not repaid within 90 days after the conversion from the bridge loan, the interest rate thereon will increase by 0.50% at the end of each 90-day period. Unless additional special interest is assessed, the interest rate on the term loan will not exceed 15% annually. The term loan will mature on the tenth anniversary of the initial senior bridge loan borrowing.

As discussed below, a portion of the bridge loan facility was refinanced and we expect to refinance the remaining portion of the amounts outstanding with permanent financing.

CHARTER CONVERTIBLE SENIOR NOTES. On October 25, 2000, Charter issued convertible senior notes due 2005 with a principal amount of $650.0 million. An additional $100.0 million pursuant to the underwriter's over-allotment option were issued on November 3, 2000. The Convertible Senior Notes have an annual interest rate of 5.75%, payable semi-annually, and are convertible into shares of Charter Communications, Inc.'s Class A common stock at $21.56 per share. The issuance was made in a private placement pursuant to Rule 144A under the Securities Act. The net proceeds of approximately $720.5 million were used to repay a portion of amounts outstanding under the Charter Holdings Senior Bridge Loan Facility.

CERTAIN TRENDS AND UNCERTAINTIES

The following discussion highlights a number of trends and uncertainties, in addition to those discussed elsewhere in this Quarterly Report, that could materially impact our business, results of operations and financial condition.

SUBSTANTIAL LEVERAGE. As of September 30, 2000, our total debt was approximately $12.2 billion. We anticipate incurring significant additional debt in the future to fund the expansion, maintenance and upgrade of our cable systems.

Our ability to make payments on our debt and to fund our planned capital expenditures for upgrading our cable systems and our ongoing operations will depend on our ability to generate cash and secure financing in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors beyond our control. We cannot assure you that our business will generate sufficient cash flow from operations, or that future borrowings will be available to us under our existing credit facilities, new facilities or from other sources of financing at acceptable rates or in an amount sufficient to enable us to repay our debt, to grow our business or to fund our other liquidity and capital needs.

VARIABLE INTEREST RATES. At September 30, 2000, approximately 40% of our debt bears interest at variable rates that are linked to short-term interest rates. In addition, a significant portion of debt we might arrange in the future will bear interest at variable rates. If interest rates rise, our costs relative to those obligations will also rise. At September 30, 2000, our weighted average rate on outstanding bank commitments is approximately 8.6% and approximately 9.6% on high-yield debt resulting in a blended weighted average rate of 9.1%. See discussion in Item 3.

RESTRICTIVE COVENANTS. Our credit facilities and the indentures governing our outstanding debt contain a number of significant covenants that, among other things, restrict our ability and the ability of our subsidiaries to:

- pay dividends or make other distributions;
- make certain investments or acquisitions;
- dispose of assets or merge;
- incur additional debt;
- issue equity;
- repurchase or redeem equity interests and debt;
- create liens; and
- pledge assets.

Furthermore, in accordance with our credit facilities we are required to maintain specified financial ratios and meet financial tests. The ability to comply with these provisions may be affected by events beyond our control. The breach of any of these covenants will result in a default under the applicable debt agreement or instrument, which could trigger acceleration of the debt. Any default under our credit facilities or the indentures governing our outstanding debt may adversely affect our growth, our financial condition and our results of operations.

NEW SERVICES AND PRODUCTS GROWTH STRATEGY. We expect that a substantial portion of any of our future growth will be achieved through revenues from additional services. We cannot assure you that we will be able to offer new advanced services successfully to our customers or that those new advanced services will generate revenues.

The amount of our capital expenditures and related roll-out of advanced services may be limited by the availability of certain equipment (in particular, digital converter boxes and cable modems) due to production capacity constraints of certain vendors and materials shortages. We continue to work with our primary vendors to address such problems and have been assured that we will have an adequate supply to meet our demand. If we are unable to grow our cash flow sufficiently, we may be unable to fulfill our obligations or obtain alternative financing.

MANAGEMENT OF GROWTH. We have experienced rapid growth that has placed and is expected to continue to place a significant strain on our management, operations and other resources. Our future success will depend in part on our ability to successfully integrate the operations acquired and to be acquired and to attract and retain qualified personnel. No significant severance cost was incurred in conjunction with acquisitions in 1999 and 2000. The failure to retain or obtain needed personnel or to implement management, operating or financial systems necessary to successfully integrate acquired operations or otherwise manage growth when and as needed could have a material adverse effect on our business, results of operations and financial condition.

REGULATION AND LEGISLATION. Cable systems are extensively regulated at the federal, state, and local level. Effective March 31, 1999, the scope of rate regulation was reduced so that it continues to impact only the lowest level of basic cable service and associated equipment. This change affords cable operators much greater pricing flexibility, although Congress could revisit this issue if confronted with substantial rate increases.

Cable operators also face significant regulation of their channel capacity. They currently can be required to devote substantial capacity to the carriage of programming that they would not carry voluntarily, including certain local broadcast signals, local public, educational and government access users, and unaffiliated commercial leased access programmers. This carriage burden could increase in the future, particularly if the Federal Communications Commission (FCC) were to require cable systems to carry both the analog and digital versions of local broadcast signals. The FCC is currently conducting a proceeding in which it is considering this channel usage possibility.

There is also uncertainty whether local franchising authorities, state regulators, the FCC, or the U.S. Congress will impose obligations on cable operators to provide unaffiliated Internet service providers with access to cable plant on non-discriminatory terms. If they were to do so, and the obligations were found to be lawful, it could complicate our operations in general, and our Internet operations in particular, from a technical and marketing standpoint. These access obligations could adversely impact our profitability and discourage system upgrades and the introduction of new products and services. Recently, a federal district court in Virginia and a federal circuit court in California struck down as unlawful open access requirements imposed by two different franchising authorities. The federal circuit court ruling reversed an earlier district court decision that had upheld an open access requirement. There are other instances where "open access" requirements have been imposed and judicial challenges are pending. The FCC has initiated a new proceeding to categorize cable-delivered Internet service and perhaps establish an appropriate regulatory scheme.

POSSIBLE RESCISSION LIABILITY RIGHTS. The Company acquired Helicon I, L.P. and affiliates (Helicon) in July 1999 and acquired Rifkin Acquisition Partners L.L.L.P. and InterLink Communications Partners, LLLP (collectively, "Rifkin") in September 1999. Charter Holdco acquired Falcon Communications, L.P. (Falcon) in November 1999, and the Company acquired Bresnan in February 2000. In connection with these acquisitions, the Rifkin, Falcon and Bresnan sellers who acquired Charter Holdco membership units or, in the case of Bresnan, additional equity interests in a subsidiary of Charter Holdings and the Helicon sellers who acquired shares of Class A common stock in Charter's initial public offering may have rescission rights against Charter and Charter Holdco arising out of possible violations of Section 5 of the Securities Act of 1933, as amended, in connection with the offers and sales of these equity interests. Any such rights expired on November 12, 2000, the one year anniversary of the issuance of the equity interests. As a result, we have reclassified such amounts, totaling $741.8 million, from redeemable securities (temporary equity) to shareholders' equity and minority interest.

If all of these equity holders successfully exercised their possible rescission rights, Charter or Charter Holdco would become obligated to repurchase all such equity interests, and the total repurchase obligation could be as much as up approximately $1.1 billion as of November 14, 2000. If Charter and Charter Holdco fail to obtain capital sufficient to fund any required repurchases, they could seek funds from Charter Holdings and its subsidiaries. This could adversely affect the Company's consolidated financial condition and results of operations. These possible rescission rights expire one year from the dates of issuance or purchase of these equity interests.

ACCOUNTING STANDARDS RECENTLY IMPLEMENTED

In December 1999, the SEC issued Staff Accounting Bulletin No. 101 (SAB 101), Revenue Recognition in Financial Statements, which summarizes certain of the SEC staff's views on applying generally accepted accounting principles to revenue recognition in financial statements. Charter adopted the accounting provisions of SAB 101 effective April 1, 2000. Management believes that the implementation of SAB 101 has not had a significant effect on Charter's financial condition or results of operations.

SUPPLEMENTAL UNAUDITED PRO FORMA DATA

The following Supplemental Unaudited Pro Forma Data is based on the historical financial data of Charter Holdings. Our financial data, on a consolidated basis, is adjusted on a pro forma basis to illustrate the estimated effects of the following transactions as if they had occurred on January 1, 2000:

- the acquisitions by Charter Communications, Inc. and its subsidiaries completed since January 1, 2000, including the Bresnan and Kalamazoo acquisitions;
- borrowings under the Charter Holdings Senior Bridge Loan Facility and the applications of a portion of such borrowings to repay a portion of the amounts outstanding under the Charter Operating and CC VIII revolving credit facilities; and
- the repayment of a portion of the Charter Holdings Senior Bridge Loan Facility with an equity contribution from the net proceeds from the issuance and sale of the Senior Convertible Notes by Charter.

The pro forma impact of the issuance and sale of the January 2000 Charter Holdings Notes and the impact of the Chat TV transaction (See Part II - Other Information - Item 2. changes in Securities and Use of Proceeds for more information) are not significant and are therefore not taken into account below.

The Supplemental Unaudited Pro Forma Data reflects the application of the principles of purchase accounting to the ICE, Bresnan, Capital Cable, Farmington and Kalamazoo acquisitions completed since January 1, 2000. The allocation of the Bresnan and Kalamazoo purchase prices is based, in part, on preliminary information, which is subject to adjustment upon obtaining complete valuation information of intangible assets and is subject to post-closing purchase price adjustments. We believe that finalization of the purchase price allocation will not have a material impact on our results of operations or financial position.

The Supplemental Unaudited Pro Forma Data does not purport to be indicative of what our results of operations would actually have been had the transactions described above been completed on the dates indicated or to project our results of operations for any future date.

	SUPPLEMENTAL UNAUDITED PRO FORMA DATA AS OF AND FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000		
	CHARTER HOLDINGS	PRO FORMA ADJUSTMENTS (A)	TOTAL
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)		
STATEMENT OF OPERATIONS DATA:			
REVENUES:			
Basic	$ 1,668,092	$ 38,186	$ 1,706,278
Premium	171,432	5,202	176,634
Pay-per-view	21,875	480	22,355
Digital	49,844	754	50,598
Advertising	112,765	2,989	115,754
Data	42,676	1,643	44,319
Other	288,661	2,387	291,048
Total revenues	2,355,345	51,641	2,406,986
OPERATING EXPENSES:			
Programming	527,379	13,767	541,146
General and administrative	404,130	7,837	411,967
Service	143,585	7,208	150,793
Marketing	45,693	572	46,265
Other	83,200	4,027	87,227
Depreciation	860,166	16,025	876,191
Amortization	912,598	31,305	943,903
Option compensation expense	34,205	--	34,205
Corporate expense charges	41,570	717	42,287
Total operating expenses	3,052,526	81,458	3,133,984
Loss from operations	(697,181)	(29,817)	(726,998)
Interest expense	(780,111)	9,899	(770,212)
Interest income	6,077	(49)	6,028
Other expense	(2,780)	(137)	(2,917)
Loss before minority interest	(1,473,995)	(20,104)	(1,494,099)
Minority interest expense (b)	(7,864)	(1,578)	(9,442)
Net loss	$(1,481,859)	$ (21,682)	$(1,503,541)
OTHER FINANCIAL DATA:			
EBITDA (c)	$ 1,072,803	$ 17,376	$ 1,090,179
EBITDA margin (d)	45.5%	33.6%	45.3%
Adjusted EBITDA (e)	$ 1,151,358	$ 18,230	$ 1,169,588
OPERATING DATA (at end of period, except for average):			
Homes passed (f)			10,160,200
Basic customers (g)	5,537,600	780,700	6,318,300
Basic penetration (h)			62.2%
Premium units (i)	3,962,400	463,800	4,426,200
Premium penetration (j)	71.6%	59.4%	70.1%
Average monthly revenue per basic customer (k)			$ 42.33

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(a) Comprised of: (1) ICE's results of operations through January 31, 2000, the date of acquisition, Bresnan's results of operations through February 14, 2000, the date of acquisition, the results of operations of cable systems acquired by Bresnan through the respective dates of acquisition, Capital Cable's and Farmington's results of operations through April 1, 2000, the date of acquisition as well as Kalamazoo's results of operations through September 7, 2000, the date of acquisition; (2) borrowings under the Charter Holdings Senior Bridge Loan Facility and the applications of a portion of such borrowings to repay a portion of the amounts outstanding under the Charter Operating and CC VIII revolving credit facilities; and (3) the repayment of a portion of the Charter Holdings Senior Bridge Loan Facility with an equity contribution from the net proceeds from the issuance and sale of the Senior Convertible Notes by Charter.

(b) Represents the accretion of dividends on the preferred membership units in an indirect subsidiary of Charter Holdings held by certain Bresnan sellers.

(c) EBITDA represents earnings (loss) before interest, income taxes, depreciation and amortization, and minority interest. EBITDA is presented because it is a widely accepted financial indicator of a cable company's ability to service indebtedness. However, EBITDA should not be considered as an alternative to income from operations or to cash flows from operating, investing or financing activities, as determined in accordance with generally accepted accounting principles. EBITDA should also not be construed as an indication of a company's operating performance or as a measure of liquidity. In addition, because EBITDA is not calculated identically by all companies, the presentation here may not be comparable to other similarly titled measures of other companies. Management's discretionary use of funds depicted by EBITDA may be limited by working capital, debt service and capital expenditure requirements and by restrictions related to legal requirements, commitments and uncertainties.

(d) EBITDA margin represents EBITDA as a percentage of revenues.

(e) Adjusted EBITDA means EBITDA before option compensation expense, corporate expense charges, management fees and other income (expense). Adjusted EBITDA is presented because it is a widely accepted financial indicator of a cable company's ability to service its indebtedness. However, adjusted EBITDA should not be considered as an alternative to income from operations or to cash flows from operating, investing or financing activities, as determined in accordance with generally accepted accounting principles. Adjusted EBITDA should also not be construed as an indication of a company's operating performance or as a measure of liquidity. In addition, because adjusted EBITDA is not calculated identically by all companies, the presentation here may not be comparable to other similarly titled measures of other companies. Management's discretionary use of funds depicted by adjusted EBITDA may be limited by working capital, debt service and capital expenditure requirements and by restrictions related to legal requirements, commitments and uncertainties.

(f) Homes passed are the number of living units, such as single residence homes, apartments and condominium units, passed by the cable distribution network in a given cable system service area.

(g) Basic customers are customers who receive basic cable service.

(h) Basic penetration represents basic customers as a percentage of homes passed.

(i) Premium units represent the total number of subscriptions to premium channels.

(j) Premium penetration represents premium units as a percentage of basic customers.

(k) Average monthly revenue per basic customer represents revenues divided by the number of months in the period divided by the number of basic customers at period end.

The following information presents operating results and data for the three months ended September 30, 2000, as compared to the three months ended September 30, 1999, for the cable systems owned by us as of July 1, 1999.

STATEMENTS OF OPERATIONS (Unaudited)	FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2000	1999	PERCENT VARIANCE
	(Dollar amounts in thousands, except average monthly revenue per basic customer)		
Revenues:			
Basic	$248,690	$231,135	
Premium	28,162	29,765	
Pay-per-view	3,356	7,697	
Digital	14,018	1,134	
Advertising sales	19,773	15,096	
Data services	7,215	1,814	
Other	51,338	43,522	
Total revenues	372,552	330,163	12.8%
Operating Expenses:			
Programming	78,284	75,855	
General and administrative	64,378	56,687	
Service	20,216	22,076	
Marketing	5,338	8,623	
Other operating expenses	14,092	7,728	
Total operating expenses	182,308	170,969	6.6%
Adjusted EBITDA	$ 190,244	$ 159,194	19.5%

OPERATING DATA (Unaudited)	SEPTEMBER 30, 2000	SEPTEMBER 30, 1999	PERCENT VARIANCE
Homes passed	4,538,500	4,514,400	
Basic customers	2,671,000	2,611,400	2.3%
Basic penetration	58.9%	57.8%	
Premium units	2,125,100	1,653,100	28.6%
Digital video customers	332,600	28,600	
Data customers	54,100	21,400	
Average monthly revenue per basic customer	$ 46.49	$ 42.14	10.3%

Revenues increased by $42.4 million, or 12.8%, when comparing the revenues for the three months ended September 30, 2000, to the results for the comparable systems for the three months ended September 30, 1999. This increase is primarily due to: rate increases for basic customers and organic growth of basic customers, both digital and data revenues rising due to the roll-out of these services, advertising revenues increasing as a result of launching advertising in new markets and increasing the number of cable channels on which advertising is sold and beginning to sell more of our ad avails inventory internally as opposed to using third parties.

Total operating expenses increased approximately $11.3 million, or 6.6%, when comparing the operating expenses for the three months ended September 30, 2000, to the results for the same systems for the three months ended September 30, 1999. This increase is primarily due to increases in franchise fees, copyright fees and salary expenses associated with the growth of the business. Additionally, digital and data expenses increased due to the roll-out of these services and advertising expenses increased as we began to sell more of our ad avails inventory internally as opposed to using third parties.

We experienced growth in adjusted EBITDA of approximately $31.1 million, or 19.5%, when comparing adjusted EBITDA for the three months ended September 30, 2000, to the results for the same systems for the three months ended September 30, 1999. Adjusted EBITDA margin increased from 48.2% to 51.1% when comparing the similar periods.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK

The use of interest rate risk management instruments, such as interest rate exchange agreements, interest rate cap agreements and interest rate collar agreements is required under the terms of the credit facilities of our subsidiaries. Our policy is to manage interest costs using a mix of fixed and variable rate debt. Using interest rate swap agreements, we agree to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. Interest rate cap agreements are used to lock in a maximum interest rate should variable rates rise, but enable us to otherwise pay lower market rates. Collars limit our exposure to and benefits from interest rate fluctuations on variable rate debt to within a certain range of rates.

Our participation in interest rate hedging transactions involves instruments that have a close correlation with its debt, thereby managing its risk. Interest rate hedge agreements have been designated for hedging purposes and are not held or issued for speculative purposes.

At September 30, 2000, we had outstanding $2.0 billion, $15.0 million and $725.0 million in notional amounts of interest rate swaps, caps and collars, respectively. The notional amounts of interest rate instruments do not represent amounts exchanged by the parties and, thus, are not a measure of the Company's exposure to credit loss. While swaps, caps and collars represent an integral part of our interest rate risk management program, their incremental effect on interest expense for the three months and nine months ended September 30, 2000 and 1999, was not significant.

The fair value of fixed-rate debt at September 30, 2000 was $4.2 billion. The fair value of fixed-rate debt is based on quoted market prices. The fair value of variable-rate debt approximates the carrying value of $7.5 billion at September 30, 2000, since this debt bears interest at current market rates.

PART II. OTHER INFORMATION.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) EXHIBITS

10.34	Senior Bridge Loan Agreement, dated as of August 4, 2000, by and among Charter Communications Holdings, LLC and Charter Communications Holdings Capital Corporation as borrowers and the initial lenders named therein and Morgan Stanley Senior Funding, Inc. as sole arranger, syndication agent and administrative agent. (1)
27.1	Financial Data Schedule (supplied for the information of the Commission).*

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* Filed herewith.

(1) Incorporated by reference to the quarterly report on Form 10-Q filed by Charter Communications Holdings, LLC and Charter Communications Holdings Capital Corporation on August 14, 2000 (File No. 333-77499).

(b) REPORTS ON FORM 8-K

- On August 3, 2000, an 8-K dated August 2, 2000 was filed reporting the announcement of second quarter 2000 financial results under Item 5 and the filing of the related press release under Item 7.
- On September 6, 2000, an 8-K dated September 6, 2000 was filed reporting the completion of the merger of Cablevision of Michigan, Inc. with Charter under Item 5 and the filing of the related press release under Item 7.
- On October 25, 2000, an 8-K dated October 24, 2000 was filed reporting the announcement of Charter's intent to issue Convertible Senior Notes due 2005 and the offering of $650 million of Convertible Senior Notes due 2005 in a private placement under Rule 144A under Item 5 and the filing of the related press release under Item 7.
- On November 2, 2000, an 8-K dated November 1, 2000 was filed reporting the announcement of third quarter 2000 financial results under Item 5 and the filing of the related press release under Item 7.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

CHARTER COMMUNICATIONS HOLDINGS, LLC, a registrant

By: CHARTER COMMUNICATIONS, INC.,
sole manager

Dated November 13, 2000

By: /s/ Kent D. Kalkwarf
Name: Kent D. Kalkwarf
Title: Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

CHARTER COMMUNICATIONS HOLDINGS CAPITAL CORPORATION,
a registrant

Dated November 13, 2000

By: /s/ Kent D. Kalkwarf
Name: Kent D. Kalkwarf
Title: Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

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