

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net income attributable to Charter shareholders	\$ 1,471	\$ 1,020	\$ 2,674	\$ 1,827
Plus: Net income attributable to noncontrolling interest	237	138	423	252
Interest expense, net	1,109	1,004	2,169	1,987
Income tax expense	489	281	834	497
Depreciation and amortization	2,240	2,354	4,534	4,795
Stock compensation expense	104	100	251	234
Other (income) expenses, net	(141)	123	(163)	373
Adjusted EBITDA	\$ 5,509	\$ 5,020	\$ 10,722	\$ 9,965
Net cash flows from operating activities	\$ 3,734	\$ 3,999	\$ 7,381	\$ 7,750
Less: Purchases of property, plant and equipment	(2,193)	(1,881)	(4,050)	(3,702)
Change in accrued expenses related to capital expenditures	118	(50)	128	(125)
Free cash flow	\$ 1,659	\$ 2,068	\$ 3,459	\$ 3,923

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

UNAUDITED ALTERNATIVE PRESENTATION OF ADJUSTED EBITDA
(dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
REVENUES:						
Internet	\$ 5,562	\$ 5,221	6.5 %	\$ 11,014	\$ 10,307	6.9 %
Video	4,484	4,378	2.4 %	8,830	8,722	1.2 %
Voice	398	394	1.0 %	789	793	(0.5)%
Residential revenue	10,444	9,993	4.5 %	20,633	19,822	4.1 %
Small and medium business	1,080	1,042	3.7 %	2,139	2,054	4.1 %
Enterprise	669	636	4.9 %	1,330	1,274	4.3 %
Commercial revenue	1,749	1,678	4.2 %	3,469	3,328	4.2 %
Advertising sales	460	411	12.0 %	843	755	11.8 %
Mobile	726	519	39.8 %	1,416	1,011	40.0 %
Other	219	201	8.8 %	437	408	7.0 %
Total Revenues	13,598	12,802	6.2 %	26,798	25,324	5.8 %
COSTS AND EXPENSES:						
Programming	2,972	2,978	(0.2)%	5,949	5,966	(0.3)%
Regulatory, connectivity and produced content	599	668	(10.3)%	1,155	1,268	(8.9)%
Costs to service customers	1,920	1,827	5.1 %	3,819	3,631	5.2 %
Marketing	806	741	8.6 %	1,632	1,492	9.4 %
Mobile	797	586	35.9 %	1,557	1,158	34.4 %
Other expense (a)	995	982	1.3 %	1,964	1,844	6.5 %
Total operating costs and expenses (a)	8,089	7,782	3.9 %	16,076	15,359	4.7 %
Adjusted EBITDA	\$ 5,509	\$ 5,020	9.7 %	\$ 10,722	\$ 9,965	7.6 %

(a) Other expense excludes stock compensation expense. Total operating costs and expenses excludes stock compensation expense, depreciation and amortization and other operating (income) expenses, net.

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

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

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
REVENUES	\$ 13,598	\$ 12,802	\$ 26,798	\$ 25,324
COSTS AND EXPENSES:				
Operating costs and expenses (exclusive of items shown separately below)	8,193	7,882	16,327	15,593
Depreciation and amortization	2,240	2,354	4,534	4,795
Other operating (income) expenses, net	(62)	(9)	(61)	293
	<u>10,371</u>	<u>10,227</u>	<u>20,800</u>	<u>20,681</u>
Income from operations	<u>3,227</u>	<u>2,575</u>	<u>5,998</u>	<u>4,643</u>
OTHER INCOME (EXPENSES):				
Interest expense, net	(1,109)	(1,004)	(2,169)	(1,987)
Other income (expense), net	79	(132)	102	(80)
	<u>(1,030)</u>	<u>(1,136)</u>	<u>(2,067)</u>	<u>(2,067)</u>
Income before income taxes	2,197	1,439	3,931	2,576
Income tax expense	(489)	(281)	(834)	(497)
Consolidated net income	1,708	1,158	3,097	2,079
Less: Net income attributable to noncontrolling interests	(237)	(138)	(423)	(252)
Net income attributable to Charter shareholders	<u>\$ 1,471</u>	<u>\$ 1,020</u>	<u>\$ 2,674</u>	<u>\$ 1,827</u>
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:				
Basic	<u>\$ 8.96</u>	<u>\$ 5.48</u>	<u>\$ 15.98</u>	<u>\$ 9.69</u>
Diluted	<u>\$ 8.80</u>	<u>\$ 5.29</u>	<u>\$ 15.66</u>	<u>\$ 9.37</u>
Weighted average common shares outstanding, basic	<u>164,049,619</u>	<u>185,916,505</u>	<u>167,350,535</u>	<u>188,645,356</u>
Weighted average common shares outstanding, diluted	<u>167,090,925</u>	<u>199,077,390</u>	<u>170,741,462</u>	<u>202,458,265</u>

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

	June 30,	December 31,
	2022	2021
ASSETS	(unaudited)	
CURRENT ASSETS:		
Cash and cash equivalents	\$ 483	\$ 601
Accounts receivable, net	2,779	2,579
Prepaid expenses and other current assets	476	386
Total current assets	3,738	3,566
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	34,472	34,310
Customer relationships, net	3,373	4,060
Franchises	67,354	67,346
Goodwill	29,563	29,562
Total investment in cable properties, net	134,762	135,278
OTHER NONCURRENT ASSETS		
	4,758	3,647
Total assets	\$ 143,258	\$ 142,491
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 9,862	\$ 9,461
Current portion of long-term debt	1,533	2,997
Total current liabilities	11,395	12,458
LONG-TERM DEBT		
	94,468	88,564
DEFERRED INCOME TAXES		
	19,123	19,096
OTHER LONG-TERM LIABILITIES		
	4,759	4,217
SHAREHOLDERS' EQUITY:		
Controlling interest	9,879	14,050
Noncontrolling interests	3,634	4,106
Total shareholders' equity	13,513	18,156
Total liabilities and shareholders' equity	\$ 143,258	\$ 142,491

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income	\$ 1,708	\$ 1,158	\$ 3,097	\$ 2,079
Adjustments to reconcile consolidated net income to net cash flows from operating activities:				
Depreciation and amortization	2,240	2,354	4,534	4,795
Stock compensation expense	104	100	251	234
Noncash interest income, net	(4)	(8)	(7)	(15)
Deferred income taxes	77	215	115	371
Other, net	(132)	129	(153)	124
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:				
Accounts receivable	(249)	(188)	(200)	(44)
Prepaid expenses and other assets	52	69	(133)	(113)
Accounts payable, accrued liabilities and other	(62)	170	(123)	319
Net cash flows from operating activities	<u>3,734</u>	<u>3,999</u>	<u>7,381</u>	<u>7,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property, plant and equipment	(2,193)	(1,881)	(4,050)	(3,702)
Change in accrued expenses related to capital expenditures	118	(50)	128	(125)
Other, net	(220)	(85)	(160)	(145)
Net cash flows from investing activities	<u>(2,295)</u>	<u>(2,016)</u>	<u>(4,082)</u>	<u>(3,972)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowings of long-term debt	9,918	5,669	16,631	10,958
Repayments of long-term debt	(8,993)	(2,595)	(11,947)	(5,759)
Payments for debt issuance costs	(20)	(36)	(57)	(58)
Purchase of treasury stock	(3,687)	(3,516)	(7,020)	(7,168)
Proceeds from exercise of stock options	4	17	5	26
Purchase of noncontrolling interest	(578)	(583)	(994)	(1,090)
Distributions to noncontrolling interest	(5)	(32)	(7)	(71)
Other, net	(26)	32	(28)	94
Net cash flows from financing activities	<u>(3,387)</u>	<u>(1,044)</u>	<u>(3,417)</u>	<u>(3,068)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,948)	939	(118)	710
CASH AND CASH EQUIVALENTS, beginning of period	2,431	772	601	1,001
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 483</u>	<u>\$ 1,711</u>	<u>\$ 483</u>	<u>\$ 1,711</u>
CASH PAID FOR INTEREST	<u>\$ 1,168</u>	<u>\$ 979</u>	<u>\$ 2,150</u>	<u>\$ 1,996</u>
CASH PAID FOR TAXES	<u>\$ 441</u>	<u>\$ 49</u>	<u>\$ 470</u>	<u>\$ 69</u>

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

	Approximate as of			
	June 30, 2022 (a)	March 31, 2022 (a)	December 31, 2021 (a)	June 30, 2021 (a)
Footprint (b)				
Estimated Passings	55,008	54,739	54,521	54,000
Customer Relationships (c)				
Residential	29,942	30,035	29,926	29,660
SMB	2,182	2,163	2,143	2,104
Total Customer Relationships	32,124	32,198	32,069	31,764
Residential	(93)	109	103	299
SMB	19	20	17	33
Total Customer Relationships Quarterly Net Additions	(74)	129	120	332
Total Customer Relationship Penetration of Estimated Passings (d)	58.4 %	58.8 %	58.8 %	58.8 %
Monthly Residential Revenue per Residential Customer (e)	\$ 116.00	\$ 113.28	\$ 114.14	\$ 112.85
Monthly SMB Revenue per SMB Customer (f)	\$ 165.66	\$ 163.96	\$ 164.59	\$ 166.28
Residential Customer Relationships Penetration				
Single Play Penetration (g)	47.8 %	47.2 %	46.7 %	45.7 %
Double Play Penetration (g)	33.1 %	33.0 %	33.0 %	32.7 %
Triple Play Penetration (g)	19.1 %	19.8 %	20.4 %	21.6 %
% Residential Non-Video Customer Relationships	50.4 %	49.7 %	49.2 %	48.0 %
Internet				
Residential	28,259	28,301	28,137	27,722
SMB	1,994	1,973	1,952	1,912
Total Internet Customers	30,253	30,274	30,089	29,634
Residential	(42)	164	172	365
SMB	21	21	18	35
Total Internet Quarterly Net Additions	(21)	185	190	400
Video				
Residential	14,853	15,093	15,216	15,420
SMB	642	628	617	592
Total Video Customers	15,495	15,721	15,833	16,012
Residential	(240)	(123)	(71)	(63)
SMB	14	11	13	13
Total Video Quarterly Net Additions	(226)	(112)	(58)	(50)
Voice				
Residential	8,200	8,465	8,621	9,014
SMB	1,287	1,288	1,282	1,259
Total Voice Customers	9,487	9,753	9,903	10,273
Residential	(265)	(156)	(163)	(99)
SMB	(1)	6	9	21
Total Voice Quarterly Net Additions	(266)	(150)	(154)	(78)
Mobile Lines (h)				
Residential	4,134	3,805	3,448	2,855
SMB	147	132	116	85
Total Mobile Lines	4,281	3,937	3,564	2,940
Residential	329	357	363	250
SMB	15	16	17	15
Total Mobile Lines Quarterly Net Additions	344	373	380	265
Enterprise (i)				
Enterprise Primary Service Units ("PSUs")	277	274	272	265
Enterprise Quarterly Net Additions	3	2	3	4

- (a) We calculate the aging of customer accounts based on the monthly billing cycle for each account. On that basis, at June 30, 2022, March 31, 2022, December 31, 2021 and June 30, 2021, customers included approximately 154,500, 132,500, 128,300 and 162,700 customers, respectively, whose accounts were over 60 days past due, approximately 45,800, 29,000, 26,800 and 23,200 customers, respectively, whose accounts were over 90 days past due and approximately 97,200, 74,500, 43,200 and 30,400 customers, respectively, whose accounts were over 120 days past due. Bad debt expense associated with these past due accounts has been reflected in our consolidated statements of operations. The increase in past due accounts is predominately due to pre-existing and incremental unsubsidized amounts of customers' bills for those customers participating in government assistance programs. These customers are downgraded to a fully subsidized Internet only service. Included in the June 30, 2021 aging statistics are approximately 73,500 residential customers that would have been disconnected under our normal collection policies, but were not due to certain state mandates in place.
- (b) Passings represent our estimate of the number of units, such as single family homes, apartment and condominium units and SMB and enterprise sites passed by our cable distribution network in the areas where we offer the service indicated. These estimates are based upon the information available at this time and are updated for all periods presented when new information becomes available.
- (c) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video and voice services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units ("MDUs") and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (d) Penetration represents residential and SMB customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (e) Monthly residential revenue per residential customer is calculated as total residential quarterly revenue divided by three divided by average residential customer relationships during the respective quarter and excludes mobile revenue and customers.
- (f) Monthly SMB revenue per SMB customer is calculated as total SMB quarterly revenue divided by three divided by average SMB customer relationships during the respective quarter and excludes mobile revenue and customers.
- (g) Single play, double play and triple play penetration represents the number of residential single play, double play and triple play cable customers, respectively, as a percentage of residential customer relationships, excluding mobile.
- (h) Mobile lines include phones and tablets which require one of our standard rate plans (e.g., "Unlimited" or "By the Gig"). Mobile lines exclude wearables and other devices that do not require standard phone rate plans.
- (i) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Customer premise equipment (a)	\$ 560	\$ 494	\$ 1,029	\$ 983
Scalable infrastructure (b)	389	437	760	848
Line extensions (c)	694	400	1,236	799
Upgrade/rebuild (d)	181	161	327	306
Support capital (e)	369	389	698	766
Total capital expenditures	\$ 2,193	\$ 1,881	\$ 4,050	\$ 3,702

Capital expenditures included in total related to:

Commercial services	\$ 376	\$ 397	\$ 741	\$ 730
Mobile	\$ 95	\$ 124	\$ 169	\$ 236
Rural construction initiative (f)	\$ 357	\$ —	\$ 589	\$ —

- (a) Customer premise equipment includes costs incurred at the customer residence to secure new customers and revenue generating units, including customer installation costs and customer premise equipment (e.g., digital receivers and cable modems).
- (b) Scalable infrastructure includes costs, not related to customer premise equipment, to secure growth of new customers and revenue generating units, or provide service enhancements (e.g., headend equipment).
- (c) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (d) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including betterments.
- (e) Support capital includes costs associated with the replacement or enhancement of non-network assets due to technological and physical obsolescence (e.g., non-network equipment, land, buildings and vehicles).
- (f) The rural construction initiative subcategory includes expenditures associated with our Rural Construction Initiative (for which separate reporting was initiated in 2022), excluding customer premise equipment and installation.