

FORM 8-K/A

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

Date of report (date of earliest event reported): February 14, 2000  
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CHARTER COMMUNICATIONS, INC.  
-----

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware  
-----

(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)

000-27927  
-----

(COMMISSION FILE NUMBER)

43-1857213  
-----

(FEDERAL EMPLOYER  
IDENTIFICATION NUMBER)

12444 Powerscourt Drive - Suite 400  
St. Louis, Missouri  
-----

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

63131  
-----

(ZIP CODE)

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

(314) 965-0555  
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This Current Report on Form 8-K/A amends Charter Communications, Inc.'s previous Current Report on Form 8-K (dated February 14, 2000 and filed on February 29, 2000) and includes the required unaudited pro forma financial statements.

## ITEM 2. ACQUISITIONS OF ASSETS.

On February 14, 2000, Charter Communications Holding Company, LLC (Charter Holdco) and Charter Communications Holdings, LLC, each managed by Charter Communications, Inc., completed the acquisition (the "Bresnan Acquisition") of Bresnan Communications Company Limited Partnership, pursuant to a Purchase and Contribution Agreement, entered into as of June 29, 1999, by and among BCI (USA), LLC, William J. Bresnan, Blackstone BC Capital Partners L.P., Blackstone BC Offshore Capital Partners L.P., TCID of Michigan, Inc., TCI Bresnan LLC and Charter Holdco, as amended by the first amendment. Immediately prior to the Bresnan Acquisition, Charter Holdco was 40.6% owned by the Company and Charter Holdings was 100% owned by Charter Holdco. Prior to the Bresnan Acquisition, Charter Holdco assigned a portion of its rights to purchase Bresnan Communications Company to Charter Holdings.

As part of the transactions described above, Charter Holdco and Charter Holdings purchased approximately 52% of Bresnan Communications Company from certain of the Bresnan sellers for cash, and certain of the Bresnan sellers contributed approximately 18% of Bresnan Communications Company to Charter Holdco in exchange for approximately 14.8 million Class C common membership units of Charter Holdco then transferred its purchased interests in Bresnan Communications Company to Charter Holdings. Thereafter, Charter Holdings and certain of the Bresnan sellers, TCID of Michigan, Inc. and TCI Bresnan LLC, contributed all of the outstanding interests in Bresnan Communications Company to CC VIII, LLC, a subsidiary of Charter Holdings, and Bresnan Communications Company was dissolved. In exchange for the contribution of their interests in Bresnan Communications Company to CC VIII, TCID of Michigan, Inc. and TCI Bresnan LLC received approximately 24.2 million Class A preferred membership units in CC VIII representing approximately 30% of the equity of CC VIII and are entitled to a 2% annual return on the preferred membership units. As a result of the dissolution of Bresnan Communications Company, CC VIII succeeded to all of the rights and obligations of Bresnan Communications Company and became the successor parent entity of the Bresnan subsidiaries, including Bresnan Communications Group, LLC and the Bresnan cable systems, CC VIII is a Delaware limited liability company and is managed by the Charter Communications, Inc. The members of CC VIII are Charter Holdings, TCID of Michigan, Inc. and TCI Bresnan LLC.

The purchase price for Bresnan Communications Company was approximately \$3.1 billion, subject to adjustment, and was comprised of approximately \$1.1 billion in cash, approximately \$380.6 million and \$629.5 million in equity in Charter Holdco and CC VIII, respectively, and approximately \$964.4 million in assumed debt. The cash portion of the purchase price was funded with a portion of the proceeds from the Company's initial public offering of Class A common stock and \$30.0 million in additional borrowings under Bresnan's credit facilities.

The Bresnan cable systems are located primarily in Michigan, Minnesota, Wisconsin, and Nebraska and serve approximately 690,000 customers, including approximately 24,000 customers served by cable systems acquired by Bresnan Communications Company since December 31, 1999. For the year ended December 31, 1999, the revenues from the Bresnan cable systems and cable systems acquired since December 31, 1999 were approximately \$290.7 million.

## ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

## (a) Financial statements of business acquired.

Audited financial statements for each of the three years in the period ended December 31, 1999 (incorporated by reference to Amendment No. 1 to the Registration Statement on Form S-4 of Charter Communications Holdings, LLC and Charter Communications Holding Capital Corporation filed on April 18, 2000, File No. 333-77499).

## (b) Unaudited pro forma financial statements.

Pursuant to Article 11 of Regulation S-X, pro forma unaudited financial statements are included herein, beginning on page P-1.

## (c) Exhibits.

None.

## UNAUDITED PRO FORMA FINANCIAL STATEMENTS

The following Unaudited Pro Forma Financial Statements of Charter Communications, Inc. are based on the historical financial statements of Charter Communications, Inc. Since January 1, 1999, Charter Holdco and Charter Holdings have closed numerous acquisitions. In addition, Charter Holdings merged with Marcus Cable Holdings, LLC in April 1999. The consolidated financial statements are adjusted on a pro forma basis to illustrate the estimated effects of the Bresnan Acquisition and the sale of the January 2000 Charter Holdings Notes as if such transactions had occurred on December 31, 1999 for the unaudited pro forma balance sheet and to illustrate the estimated effects of the following transactions as if they had occurred on January 1, 1999 for the unaudited pro forma statement of operations:

- (1) the acquisition of Marcus Cable Company, L.L.C. by Paul G. Allen and Marcus Holdings, merger with and into Charter Holdings effective March 31, 1999;
- (2) the acquisitions by Charter Holdco, Charter Holdings and their subsidiaries completed from January 1, 1999 through March 31, 2000, including the transfer of an Indiana Cable system in the acquisition with Intermedia Capital Partners IV, L.P., Intermedia Partners and affiliates, (collectively referred to as the "Recent Acquisitions") and the Bresnan Acquisition;
- (3) the refinancing of the previous credit facilities of the Charter companies and certain subsidiaries acquired in 1999 and the Bresnan Acquisition; and
- (4) the sale of the March 1999 Charter Holdings Notes and the January 2000 Charter Holdings Notes, and the repurchase of certain of the Falcon Communications, L.P., Avalon Cable of Michigan Holdings, Inc., and Bresnan notes and debentures.

The Unaudited Pro Forma Balance Sheet also illustrates the effects of the issuance of common membership units in Charter Holdco in connection with the Bresnan Acquisition. As such, the consolidated pro forma financial statements of Charter Communications, Inc. reflect a minority interest equal to 60.4% of the equity of Charter Holdco and depict 60.4% of the losses being allocated to minority interest.

The Unaudited Pro Forma Financial Statements reflect the application of the principles of purchase accounting to the transactions listed in items (1) and (2) above. The allocation of certain 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 prices and the allocation will not have a material impact on the results of operations or financial position of Charter Communications, Inc.

The Unaudited Pro Forma Financial Statements of Charter Communications, Inc. do not purport to be indicative of what our financial position or 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.

UNAUDITED PRO FORMA DATA  
FOR THE YEAR ENDED DECEMBER 31, 1999

	CHARTER COMMUNICATIONS, INC. (NOTE A)	RECENT ACQUISITIONS (NOTE B)	SUBTOTAL	BRESNAN ACQUISITION (NOTE B)	OFFERING ADJUSTMENTS (NOTE C)	TOTAL
(DOLLARS IN THOUSANDS)						
<b>STATEMENT OF OPERATIONS:</b>						
Revenues.....	\$1,553,424	\$1,070,970	\$ 2,624,394	\$ 292,860	\$ --	\$ 2,917,254
Operating expenses:						
Operating, general and administrative	806,941	524,295	1,331,236	161,217	--	1,492,453
Depreciation and amortization.....	808,981	649,223	1,458,204	219,915	--	1,678,119
Option compensation expense.....	79,979	--	79,979	--	--	79,979
Corporate expense charges (Note D)...	51,428	43,036	94,464	15,324	--	109,788
Management fees.....	--	15,540	15,540	221	--	15,761
Total operating expenses.....	1,747,329	1,232,094	2,979,423	396,677	--	3,376,100
Loss from operations.....	(193,905)	(161,124)	(355,029)	(103,817)	--	(458,846)
Interest expense.....	(502,031)	(397,227)	(899,258)	(84,190)	(34,187)	(1,017,635)
Interest income.....	4,329	1,329	5,658	26	--	5,684
Other income (expense).....	285	(457)	(172)	--	--	(172)
Loss before income taxes and minority interest.....	(691,322)	(557,479)	(1,248,801)	(187,981)	(34,187)	(1,470,969)
Income tax benefit (expense).....	(1,030)	(2,752)	(3,782)	35	--	(3,747)
Minority interest (Note E).....	418,319	338,491	756,810	121,206	20,655	898,671
Net loss .....	\$ (274,033)	\$ (221,740)	\$ (495,773)	\$ (66,740)	\$(13,532)	\$ (576,045)
Basic and diluted loss per common share (Note F).....						\$ (2.59)
Weighted average common shares outstanding- Basic and diluted (Note G)						222,089,746
<b>OTHER FINANCIAL DATA:</b>						
Adjusted EBITDA (Note H).....	\$ 746,483	\$ 546,675	\$ 1,293,158	\$ 131,643		\$ 1,424,801
Adjusted EBITDA margin (Note I).....	48.1%	51.0%	49.3%	45.0%		48.8%

## NOTES TO UNAUDITED PRO FORMA STATEMENT OF OPERATIONS

NOTE A: Pro forma operating results for Charter Communications, Inc. consist of the following (dollars in thousands):

	HISTORICAL		PRO FORMA ADJUSTMENTS	TOTAL
	YEAR ENDED 12/31/99 CHARTER COMMUNICATIONS, INC.	1/1/99 THROUGH 3/31/99 MARCUS HOLDINGS(a)		
Revenues.....	\$1,428,244	\$125,180	\$ --	\$1,553,424
Operating expenses:				
Operating, general and administrative.....	737,957	68,984		806,941
Depreciation and amortization...	745,315	51,688	11,978 (b)	808,981
Option compensation expense.....	79,979	--	--	79,979
Corporate expense charges.....	51,428	--	--	51,428
Management fees.....	--	4,381	(4,381)(c)	--
Total operating expenses.....	1,614,679	125,053	7,597	1,747,329
Income (loss) from operations.....	(186,435)	127	(7,597)	(193,905)
Interest expense.....	(477,799)	(27,067)	2,835 (d)	(502,031)
Interest income.....	34,467	104	(30,242)(e)	4,329
Other income (expense).....	(8,039)	(158)	8,482 (f)	285
Loss before income taxes and minority interest .....	(637,806)	(26,994)	(26,522)	(691,322)
Income tax expense.....	(1,030)	--	--	(1,030)
Minority interest.....	572,607	--	(154,288)(g)	418,319
Net loss .....	\$ (66,229)	\$(26,994)	\$(180,810)	\$ (274,033)

(a) Marcus Holdings represents the results of operations of Marcus Cable through March 31, 1999, the date of its merger with Charter Holdings.

(b) As a result of Mr. Allen acquiring the controlling interest in Marcus Cable, a large portion of the purchase price was recorded as franchises (\$2.5 billion) that are amortized over 15 years. This resulted in additional amortization for the period from January 1, 1999 through March 31, 1999. The adjustment to depreciation and amortization expense consists of the following (dollars in millions):

	FAIR VALUE	WEIGHTED AVERAGE USEFUL LIFE (IN YEARS)	DEPRECIATION/ AMORTIZATION
Franchises.....	\$ 2,500.0	15	\$ 40.8
Cable distribution systems.....	720.0	8	21.2
Land, buildings and improvements.....	28.3	10	0.7
Vehicles and equipment.....	13.6	3	1.0
Total depreciation and amortization.....			63.7
Less-- historical depreciation and amortization of			(51.7)
Marcus Cable.....			
Adjustment.....			\$ 12.0

(c) Reflects the elimination of management fees.

(d) Interest expense was reduced by the effects of the extinguishment of substantially all of our long-term debt in March 1999, excluding borrowings of our previous credit facilities, and the refinancing of all previous credit facilities.

(e) Reflects the elimination of interest income on excess cash since we assumed substantially all such cash was used to finance a portion of the acquisitions completed in 1999.

(f) Reflects the elimination of non-recurring expenses related to the March 1999 extinguishment and refinancing of debt.

(g) Adjusts minority interest to reflect the allocation of 60.4% of pro forma losses to minority interest.



NOTE B: Pro forma operating results for the Recent Acquisitions and the Bresnan Acquisition consist of the following (dollars in thousands):

YEAR ENDED DECEMBER 31, 1999						
RECENT ACQUISITIONS - HISTORICAL						
	RENAISSANCE(a)	AMERICAN CABLE(a)	GREATER MEDIA SYSTEMS(a)	HELICON(a)	RIFKIN(a)	INTERMEDIA SYSTEMS(a)
Revenues.....	\$20,396	\$12,311	\$42,348	\$49,564	\$152,364	\$152,789
Operating expenses:						
Operating general and administrative...	9,382	6,465	26,067	31,563	95,077	84,174
Depreciation and amortization.....	8,912	5,537	5,195	16,617	77,985	79,325
Equity-based deferred compensation.....	--	--	--	--	--	--
Management fees.....	--	369	--	2,511	2,513	2,356
Total operating expenses.....	18,294	12,371	31,262	50,691	175,575	165,855
Income (loss) from operations.....	2,102	(60)	11,086	(1,127)	(23,211)	(13,066)
Interest expense.....	(6,321)	(3,218)	(565)	(20,682)	(34,926)	(17,636)
Interest income.....	122	32	--	124	--	187
Other income (expense)...	--	2	(398)	--	(12,742)	(2,719)
Income (loss) before income tax expense (benefit).....	(4,097)	(3,244)	10,123	(21,685)	(70,879)	(33,234)
Income tax expense (benefit).....	(65)	5	4,535	--	(1,975)	(2,681)
Income (loss) before extraordinary	\$(4,032)	\$(3,249)	\$ 5,588	\$(21,685)	\$(68,904)	\$(30,553)

YEAR ENDED DECEMBER 31, 1999					
RECENT ACQUISITIONS - HISTORICAL					
	FALCON(a)	FANCH(a)	AVALON(a)	OTHER(a)	TOTAL
Revenues.....	\$371,616	\$185,917	\$94,383	\$11,303	1,092,991
Operating expenses:					
Operating general and administrative...	220,108	85,577	53,089	6,213	617,715
Depreciation and amortization.....	196,260	62,097	39,943	3,746	495,617
Equity-based deferred compensation.....	44,600	--	--	--	44,600
Management fees.....	--	6,162	--	447	14,358
Total operating expenses.....	460,968	153,836	93,032	10,406	1,172,290
Income (loss) from operations.....	(89,352)	32,081	1,351	897	(79,299)
Interest expense.....	(114,993)	--	(40,162)	(1,944)	(240,447)
Interest income.....	--	--	764	--	1,229
Other income (expense)...	8,021	(7,796)	4,499	(30)	(11,163)
Income (loss) before income tax expense (benefit).....	(196,324)	24,285	(33,548)	(1,077)	(329,680)
Income tax expense (benefit).....	2,509	197	(13,936)	--	(11,411)
Income (loss) before extraordinary	\$(198,833)	\$24,088	\$(19,612)	\$(1,077)	(318,269)

YEAR ENDED DECEMBER 31, 1999

RECENT ACQUISITIONS

PRO FORMA

	HISTORICAL	ACQUISITIONS	DISPOSITIONS	ADJUSTMENTS	TOTAL
Revenues.....	\$1,092,991	\$ 34,462	\$ (53,513)	\$ (2,970)(d)	\$1,070,970
Operating expenses:					
Operating, general and and administrative .....	617,715	18,646	(25,424)	(86,642)(d)(e)	524,295
Depreciation and amortization .....	495,617	8,032	(22,827)	168,401 (f)	649,223
Equity-based deferred compensation.....	44,600	--	--	(44,600)(g)	--
Corporate expense charges.....	--	33	--	43,003 (e)	43,036
Management fees.....	14,358	1,182	--	--	15,540
Total operating expenses.....	1,172,290	27,893	(48,251)	80,162	1,232,094
Income (loss) from operations.....	(79,299)	6,569	(5,262)	(83,132)	(161,124)
Interest expense.....	(240,447)	(2,128)	13	(154,665)(h)	(397,227)
Interest income.....	1,229	100	--	--	1,329
Other income (expense)....	(11,163)	(7)	(2,576)	13,289 (i)	(457)
Income (loss) before income taxes, minority interest and extraordinary item...	(329,680)	4,534	(7,825)	(224,508)	(557,479)
Income tax expense (benefit).....	(11,411)	(12)	--	14,175 (j)	2,752
Minority interest.....	--	--	--	338,491 (k)	338,491
Income (loss) before extraordinary item.....	\$ (318,269)	\$ 4,546	\$ (7,825)	\$ 99,808	\$ (221,740)

YEAR ENDED DECEMBER 31, 1999

BRESNAN ACQUISITION

PRO FORMA

	HISTORICAL	ACQUISITIONS	DISPOSITIONS	ADJUSTMENTS	TOTAL
Revenues.....	\$ 283,574	\$ 9,399	\$ (113)	\$ --	\$ 292,860
Operating expenses:					
Operating, general and and administrative .....	176,611	6,724	(69)	(22,049)(e)	161,217
Depreciation and amortization .....	59,752	3,133	(23)	157,053 (f)	219,915
Equity-based deferred compensation.....	--	--	--	--	--
Corporate expense charges.....	--	1,246	--	14,078 (e)	15,324
Management fees.....	--	221	--	--	221
Total operating expenses.....	236,363	11,324	(92)	149,082	396,677
Income (loss) from operations.....	47,211	(1,925)	(21)	(149,082)	(103,817)
Interest expense.....	(67,291)	(274)	24	(16,649)(h)	(84,190)
Interest income.....	--	26	--	--	26
Other income (expense)....	(344)	49,031	--	(48,687)(i)	--
Income (loss) before income taxes, minority interest and extraordinary item...	(20,424)	46,858	3	(214,418)	(187,981)
Income tax expense (benefit).....	--	(35)	--	--	(35)
Minority interest.....	--	--	--	121,206 (k)	121,206
Income (loss) before extraordinary item.....	\$ (20,424)	\$ 46,893	\$ 3	\$ (93,212)	\$ (66,740)

- (a) Renaissance represents the results of operations of Renaissance Media Group, LLC through April 30, 1999, the date of acquisition by Charter Holdings. American Cable represents the results of operations of American Cable Entertainment, LLC through May 7, 1999, the date of acquisition by Charter Holdings. Greater Media Systems represents the results of operations of cable systems of Greater Media Cablevision, Inc. through June 30, 1999, the date of acquisition by Charter Holdings. InterMedia represents the results of operations of cable systems of Capital Partners IV, L.P., InterMedia Partners and affiliates through October 1, 1999, the date of acquisition by Charter Holdings. Helicon represents the results of operations of Helicon Partners I, L.P. and affiliates through July 30, 1999, the date of acquisition by Charter Holdings. Falcon represents the results of operations of cable systems of Falcon Communications, L.P. through November 12, 1999, the date of acquisition by Charter Holdco. Avalon represents the results of operations of cable systems of Avalon Cable of Michigan Holding, Inc. through November 15, 1999, the date of acquisition by Charter Holdco. Fanch represents the results of operations of cable systems of Fanch Cablevision L.P. and affiliates. Other represents the results of operations of Vista Broadband Communications, L.L.C. through July 30, 1999, the date of acquisition by Charter Holdings and the results of operations of cable systems of Cable Satellite of South Miami, Inc. through August 4, 1999, the date of acquisition by Charter Holdings. Rifkin includes the results of operations of Rifkin Acquisition Partners, L.L.L.P., Rifkin Cable Income Partners L.P., Indiana Cable Associates, Ltd. and R/N South Florida Cable Management Limited Partnership, all under common ownership through September 13, 1999, the date of acquisition by Charter Holdings, as follows (dollars in thousands):

	RIFKIN ACQUISITION	RIFKIN CABLE INCOME	INDIANA CABLE	SOUTH FLORIDA	OTHER	TOTAL
	-----	-----	-----	-----	-----	-----
Revenues.....	\$ 68,829	\$ 3,807	\$ 6,034	\$ 17,516	\$ 56,178	\$152,364
Income (loss) from operations	(6,954)	146	(3,714)	(14,844)	2,155	(23,211)
Loss before extraordinary item.....	(21,571)	(391)	(4,336)	(15,605)	(27,001)	(68,904)

- (b) Represents the historical results of operations for the period from January 1, 1999 through the dates of purchases for acquisitions completed by Rifkin, Fanch, Avalon and Bresnan before December 31, 1999 and for the year ended December 31, 1999 for the systems acquired by Bresnan after December 31, 1999.

These acquisitions were accounted for using the purchase method of accounting. The purchase prices in millions and closing dates for significant acquisitions are as follows:

	RIFKIN ACQUISITIONS	FANCH ACQUISITIONS	BRESNAN ACQUISITIONS
	-----	-----	-----
Purchase price	\$ 165.0	\$ 42.2	\$ 40.0
Closing date.....	February 1999	February 1999	January 1999
Purchase price	\$ 53.8	\$ 248.0	\$ 27.0
Closing date.....	July 1999	February 1999	March 1999
Purchase price		\$ 70.5	\$ 35.2
Closing date.....		March 1999	January 2000
Purchase price		\$ 50.0	
Closing date.....		June 1999	

- (c) Represents the elimination of the operating results related to the cable systems transferred to InterMedia as part of a swap of cable systems in October 1999. The agreed value of our systems transferred to InterMedia was \$420.0 million. This number includes 30,000 customers served by an Indiana cable system that we did not transfer at the time of the InterMedia closing because some of the necessary regulatory approvals were still pending. This system was transferred in March 2000. No material gain or loss occurred on the disposition as these systems were recently acquired and recorded at fair value at that time. Also represents the elimination of the operating results related to the sale of a Bresnan cable system sold in January 1999.
- (d) Reflects the elimination of historical revenues and expenses associated with an entity not included in the purchase by Charter.

(e) Reflects a reclassification of expenses representing corporate expenses that would have occurred at Charter Investment, Inc. totaling \$57.1 million. The remaining adjustment primarily relates to the elimination of severance payments of \$32.2 million and the write-off of debt issuance costs of \$7.4 million that were included in operating, general and administrative expense.

(f) Represents additional depreciation and amortization as a result of the Recent Acquisitions and the Bresnan Acquisition. A large portion of the purchase price was allocated to franchises (\$12.4 billion) that are amortized over 15 years. The adjustment to depreciation and amortization expense consists of the following (dollars in millions):

	FAIR VALUE	WEIGHTED AVERAGE USEFUL LIFE	DEPRECIATION/ AMORTIZATION
	-----	-----	-----
Franchises.....	\$12,356.5	15	\$ 666.6
Cable distribution systems.....	1,729.1	8	177.3
Land, buildings and improvements.....	53.9	10	4.1
Vehicles and equipment.....	89.1	3	21.1
			-----
Total depreciation and amortization....			869.1
Less-historical depreciation and amortization.....			(543.6)
			-----
Adjustment.....			\$ 325.5
			=====

(g) Reflects the elimination of approximately \$44.6 million of change in control payments under the terms of Falcon's equity-based compensation plans that were triggered by the acquisition of Falcon by Charter Holdco. These plans will be terminated and the employees will participate in the option plan of Charter Holdco. As such, these costs will not recur.

(h) Reflects additional interest expense on borrowings, which were used to finance the acquisitions as follows (dollars in millions):

\$170.0 million of credit facilities at a composite current rate of 8.6% -- Avalon.....	\$ 12.2
\$150.0 million 9.375% senior subordinated notes-- Avalon.....	12.3
\$196.0 million 11.875% senior discount notes-- Avalon.....	11.6
\$850.0 million of credit facilities at a composite current rate of 8.5%-- Fanch.....	62.0
\$1.0 billion of credit facilities at a composite current rate of 8.0%-- Falcon.....	71.9
\$375.0 million 8.375% senior debentures-- Falcon..	27.2
\$435.3 million 9.285% senior discount debentures-- Falcon.....	26.0
\$631.2 million of credit facilities at a composite current rate of 8.4%-- Bresnan.....	52.9
\$170.0 million 8.0% senior notes-- Bresnan.....	13.6
\$275.0 million 9.25% senior discount notes-- Bresnan	17.7
Interest expense on additional borrowings used to finance	174.0
	-----
acquisitions at a composite current rate of 8.8%	
Total pro forma interest expense.....	481.4
Less-historical interest expense from acquired companies.....	(310.1)
	-----
Adjustment.....	\$ 171.3
	=====

An increase in the interest rate of 0.125% on all variable rate debt would result in an increase in interest expense of \$8.1 million.

(i) Represents the elimination of gain (loss) on sale of cable television systems whose results of operations have been eliminated in (c) above.

(j) Represents an adjustment to eliminate income tax benefit as a result of expected recurring future losses and record income tax expense. Income tax expense represents taxes assessed by certain state jurisdictions for certain indirect subsidiaries. The losses will not be tax benefited, and a net deferred tax asset will not be recorded.



- (k) Represents the allocation of losses to the minority interest based on ownership of Charter Holdco.

NOTE C: The offering adjustment of approximately \$34.2 million in higher interest expense consists of the following (dollars in millions):

DESCRIPTION	INTEREST EXPENSE
-----	-----
\$675.0 million of 10.00% senior notes....	\$ 67.5
\$325.0 million of 10.25% senior notes....	33.3
\$532.0 million of 11.75% senior discount notes.....	36.3
Amortization of debt issuance costs.....	5.0
	-----
Total pro forma interest expense.....	142.1
Less-historical interest expense.....	(107.9)
	-----
Adjustment.....	\$ 34.2
	=====

The offering adjustment to minority interest represents the allocation of 60.4% of the interest expense adjustment to minority interest.

NOTE D: From January 1, 1999 through November 9, 1999, the date of the initial public offering of Charter Communications, Inc., Charter Investment, Inc. provided management services to subsidiaries of Charter Communications Operating, LLC. From and after the initial public offering of Charter Communications Inc., such management services were provided by Charter Communications, Inc.

NOTE E: Represents the allocation of losses to the minority interest based on ownership of Charter Holdco. These membership units are exchangeable on a one-for-one basis for shares of Class A common stock of Charter Communications, Inc.

NOTE F: Basic and diluted loss per common share assume none of the membership units of Charter Holdco or CC VIII are exchanged for shares of Class A common stock in Charter Communications, Inc. and none of the outstanding options to purchase membership units of Charter Holdco that will be automatically exchanged for Charter Communications, Inc. common stock are exercised. Basic and diluted loss per share equals net loss divided by weighted average shares outstanding. If all the membership units were exchanged or options exercised, the effects would be antidilutive.

NOTE G: Represents the Class A and Class B shares of common stock outstanding as of December 31, 1999, plus the additional shares of Class A common stock issued to the Falcon sellers when the Bresnan Acquisition closed.

NOTE H: Adjusted EBITDA represents net loss before interest, income taxes, depreciation and amortization, minority interest, 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 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.

NOTE I: Adjusted EBITDA margin represents adjusted EBITDA as a percentage of revenues.

UNAUDITED PRO FORMA BALANCE SHEET  
AS OF DECEMBER 31, 1999

	CHARTER COMMUNICATIONS, INC.	RECENT ACQUISITIONS (NOTE A)	SUBTOTAL	BRESNAN ACQUISITION (NOTE B)	OFFERING ADJUSTMENTS (NOTE C)	TOTAL
	(DOLLARS IN THOUSANDS)					
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 133,706	\$(12,908)	\$ 120,798	\$ 6,490	\$ --	\$ 127,288
Accounts receivable, net.....	93,743	(151)	93,592	9,145	--	102,737
Prepaid expenses and other.....	35,142	53	35,195	--	--	35,195
	262,591	(13,006)	249,585	15,635	--	265,220
Property, plant and equipment.....	3,490,573	(19,070)	3,471,503	376,541	--	3,848,044
Franchises.....	14,985,793	(58,068)	14,927,725	2,753,699	--	17,681,424
Other assets.....	227,550	(72)	227,478	1,697	50,282	279,457
	227,550	(72)	227,478	1,697	50,282	279,457
Total assets.....	\$ 18,966,507	\$ (90,216)	\$18,876,291	\$3,147,572	\$ 50,282	\$22,074,145
	=====	=====	=====	=====	=====	=====
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>						
Accounts payable and accrued Expenses.....	\$ 706,775	\$(90,216)	\$ 616,559	\$ 66,529	\$(16,140)	\$ 666,948
Payables to manager of cable systems-- related party.....	13,183	--	13,183	--	--	13,183
	719,958	(90,216)	629,742	66,529	(16,140)	680,131
Total current liabilities.....	719,958	(90,216)	629,742	66,529	(16,140)	680,131
Long-term debt.....	8,936,455	--	8,936,455	2,056,913	66,422	11,059,790
Deferred management fees-- related party.	21,623	--	21,623	--	--	21,623
Other long-term liabilities.....	145,124	--	145,124	10,020	--	155,144
Minority interest.....	5,381,331	--	5,381,331	(138,772)	--	5,242,559
Redeemable securities (Note D).....	750,937	--	750,937	1,095,239	--	1,846,176
Stockholders' equity.....	3,011,079	--	3,011,079	57,643	--	3,068,722
	3,011,079	--	3,011,079	57,643	--	3,068,722
Total liabilities and stockholders' equity.....	\$ 18,966,507	\$ (90,216)	\$18,876,291	\$3,147,572	\$ 50,282	\$22,074,145
	=====	=====	=====	=====	=====	=====

## NOTES TO THE UNAUDITED PRO FORMA BALANCE SHEET

NOTE A: Pro forma balance sheets for the Recent Acquisitions and the Bresnan Acquisition consist of the following (dollars in thousands):

AS OF DECEMBER 31, 1999					
RECENT ACQUISITIONS					
PRO FORMA					
HISTORICAL	ACQUISITIONS(a)	DISPOSITIONS	ADJUSTMENTS	TOTAL	
Cash and cash equivalents....	\$ --	\$ 236	\$ (144)	\$ (13,000)(c)	\$ (12,908)
Accounts receivable, net.....	--	29	(180)	--	(151)
Receivable from related party.....	--	125	--	(125)(d)	--
Prepaid expenses and other...	--	119	(66)	--	53
Total current assets.....	--	509	(390)	(13,125)	(13,006)
Property, plant and equipment	--	3,137	(22,207)	--	(19,070)
Franchises.....	--	--	(67,832)	9,764 (e)	(58,068)
Other assets.....	--	819	(72)	(819)(f)	(72)
Total assets.....	\$ --	\$ 4,465	\$ (90,501)	\$ (4,180)	\$ (90,216)
Accounts payable and accrued expenses.....	--	285	(90,501)	--	(90,216)
Total current liabilities	--	285	(90,501)	--	(90,216)
Long-term debt.....	--	2,702	--	(2,702)(g)	--
Other long-term liabilities..	--	--	--	--	--
Minority interest.....	--	--	--	--	--
Redeemable securities.....	--	--	--	--	--
Equity (deficit).....	--	1,478	--	(1,478)(j)	--
Total liabilities and equity (deficit).....	\$ --	\$ 4,465	\$ (90,501)	\$ (4,180)	\$ (90,216)

AS OF DECEMBER 31, 1999				
BRESNAN ACQUISITION				
PRO FORMA				
HISTORICAL	ACQUISITIONS(a)	ADJUSTMENTS	TOTAL	
Cash and cash equivalents....	\$ 6,285	\$ 205	\$ --	\$ 6,490
Accounts receivable, net.....	9,006	139	--	9,145
Receivable from related party.....	--	--	--	--
Prepaid expenses and other...	--	--	--	--
Total current assets.....	15,291	344	--	15,635
Property, plant and equipment	375,106	1,435	--	376,541
Franchises.....	328,068	--	2,425,631	2,753,699
Other assets.....	19,038	--	(17,341)(f)	1,697
Total assets.....	\$737,503	\$ 1,779	\$2,408,290	\$3,147,572
Accounts payable and accrued expenses.....	66,261	268	--	66,529
Total current liabilities	66,261	268	--	66,529
Long-term debt.....	895,607	--	1,161,306	2,056,913
Other long-term liabilities..	10,020	--	--	10,020
Minority interest.....	--	--	(138,772)(h)	(138,772)
Redeemable securities.....	--	--	1,095,239	1,095,239
Equity (deficit).....	(234,385)	1,511	290,517 (j)	57,643
Total liabilities and equity (deficit).....	\$737,503	\$ 1,779	\$2,408,290	\$3,147,572

(a) Represents the historical balance sheets as of December 31, 1999 for acquisitions completed subsequent to December 31, 1999.

(b) Represents the historical assets and liabilities as of December 31, 1999 of an Indiana cable system transferred in March 2000 to InterMedia as part of a swap of cable systems. The cable system swapped was accounted for at fair value. No gain or loss was recorded in conjunction with the swap.

(c) Represents Charter Holdings' historical cash used to finance a portion of an acquisition that occurred after December 31, 1999.

(d) Reflects assets retained by the seller.

(e) Substantial amounts of the purchase price have been allocated to franchises based on estimated fair values. The allocation of these purchase prices are as follows (dollars in thousands):

	BRESNAN	OTHER
	-----	-----
Working capital.....	\$ (50,894)	\$ 99
Property, plant and equipment....	376,541	3,137
Franchises.....	2,753,699	9,764
Other.....	1,697	--
	-----	-----
	<u>\$3,081,043</u>	<u>\$ 13,000</u>
	=====	=====

The Bresnan Acquisition was financed through the issuance of \$1.0 billion of equity to the Bresnan sellers, \$964.4 million in debt assumed and additional borrowings under the CC VIII Operating, LLC -- Bresnan credit facilities.

(f) Represents the elimination of the unamortized historical cost of goodwill and deferred financing costs based on the allocation of the purchase price (see (e) above).

(g) Represents the following (dollars in millions):

Total historical debt.....	\$ (898.3)
Long-term debt:	
8.0% senior notes-- Bresnan.....	171.7
9.25% senior discount notes-- Bresnan.....	196.0
Credit facilities:	
Charter Operating.....	885.0
CC VII - Falcon.....	173.0
CC VIII Operating-- Bresnan.....	631.2
	-----
Total long-term debt.....	2,056.9
	-----
Adjustment.....	\$ 1,158.6
	=====

- (h) Represents equity interests in subsidiaries issued to the Bresnan sellers of \$1.0 billion, loss on issuance of equity by Charter Holdco of \$57.6 million, and the adjustment to record redeemable securities (see (i)).
- (i) The Bresnan sellers who acquired common membership units in Charter Holdco and preferred membership units in CC VIII may have rescission rights arising from possible violations of Section 5 of the Securities Act of 1933, as amended, in connection with the offers and sales of those equity interests. Accordingly, the maximum potential cash obligation related to the rescission rights, estimated at \$1.1 billion, has been excluded from minority interest, and is classified as redeemable securities. One year after the date of issuance of these equity interests (when these rescission rights will have expired), the amounts will be reclassified to minority interest.
- (j) Represents the elimination of the historical equity of recent acquisitions of \$1.5 million and historical deficits of \$234.4 million related to the Bresnan cable system as well as the gain on issuance of equity by Charter Holdco of \$57.6 million.

NOTE C: Offering adjustments represent additional long-term debt of \$1.3 billion from the issuance and sale of the January 2000 Charter Holdings Notes, the use of the proceeds from the January 2000 Charter Holdings Notes to repurchase the Avalon 9.375% senior subordinated notes, Falcon debentures and Bresnan notes including accrued and unpaid interest, pursuant to the Avalon, Falcon and Bresnan change of control offers, and the addition to other assets of the expenses paid in connection with the issuance and sale of the original notes which were capitalized and will be amortized over the term of the related debt.

NOTE D: The Rifkin, Falcon, Helicon and Bresnan sellers who own equity interests in Charter Communications, Inc. and certain direct and indirect subsidiaries may have rescission rights arising out of possible violations of Section 5 of the Securities Act of 1933, as amended, in connection with the offers and sales of those equity interests. Accordingly, the maximum potential cash obligation related to the rescission rights, estimated at \$1.8 billion, has been excluded from stockholders' equity and minority interest, and classified as redeemable securities. One year after the dates of issuance of these equity interests (when these rescission rights will have expired), we will reclassify the respective amounts to stockholders' equity and minority interest.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Charter Communications, Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHARTER COMMUNICATIONS, INC.,  
registrant

Dated April 28, 2000

By: /s/ KENT D. KALKWARF

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Name: Kent D. Kalkwarf  
Title: Senior Vice President and  
Chief Financial Officer  
(Principal Financial Officer and  
Principal Accounting Officer)

S-1