

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

	Three Months Ended March 31,	
	2023	2022
Net income attributable to Charter shareholders	\$ 1,021	\$ 1,203
Plus: Net income attributable to noncontrolling interest	162	186
Interest expense, net	1,265	1,060
Income tax expense	374	345
Depreciation and amortization	2,206	2,294
Stock compensation expense	208	147
Other, net	114	(22)
Adjusted EBITDA ^(b)	<u>\$ 5,350</u>	<u>\$ 5,213</u>
Net cash flows from operating activities	\$ 3,323	\$ 3,647
Less: Purchases of property, plant and equipment	(2,464)	(1,857)
Change in accrued expenses related to capital expenditures	(195)	10
Free cash flow ^(b)	<u>\$ 664</u>	<u>\$ 1,800</u>

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

UNAUDITED ALTERNATIVE PRESENTATION OF ADJUSTED EBITDA
(dollars in millions)

	Three Months Ended March 31,		
	2023	2022	% Change
REVENUES:			
Internet	\$ 5,718	\$ 5,452	4.9 %
Video	4,254	4,346	(2.1)%
Voice	373	391	(4.6)%
Mobile service ^(a)	497	387	28.3 %
Residential revenue	10,842	10,576	2.5 %
Small and medium business ^(a)	1,091	1,070	2.0 %
Enterprise	682	661	3.1 %
Commercial revenue	1,773	1,731	2.4 %
Advertising sales	355	383	(7.2)%
Other ^(a)	683	510	34.0 %
Total Revenues	<u>13,653</u>	<u>13,200</u>	3.4 %
COSTS AND EXPENSES:			
Programming	2,799	2,977	(6.0)%
Other costs of revenue ^(a)	1,328	1,108	19.9 %
Costs to service customers ^(a)	2,095	1,959	6.9 %
Sales and marketing ^(a)	946	880	7.6 %
Other expense ^{(a) (c)}	1,135	1,063	6.7 %
Total operating costs and expenses ^(c)	<u>8,303</u>	<u>7,987</u>	3.9 %
Adjusted EBITDA ^(b)	<u>\$ 5,350</u>	<u>\$ 5,213</u>	2.6 %

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

See footnotes on page 7.

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

	<u>Three Months Ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
REVENUES	\$ 13,653	\$ 13,200
COSTS AND EXPENSES:		
Operating costs and expenses (exclusive of items shown separately below)	8,511	8,134
Depreciation and amortization	2,206	2,294
Other operating expenses, net	10	1
	<u>10,727</u>	<u>10,429</u>
Income from operations	<u>2,926</u>	<u>2,771</u>
OTHER INCOME (EXPENSES):		
Interest expense, net	(1,265)	(1,060)
Other income (expense), net	(104)	23
	<u>(1,369)</u>	<u>(1,037)</u>
Income before income taxes	1,557	1,734
Income tax expense	(374)	(345)
Consolidated net income	1,183	1,389
Less: Net income attributable to noncontrolling interests	(162)	(186)
Net income attributable to Charter shareholders	<u>\$ 1,021</u>	<u>\$ 1,203</u>
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:		
Basic	<u>\$ 6.74</u>	<u>\$ 7.05</u>
Diluted	<u>\$ 6.65</u>	<u>\$ 6.90</u>
Weighted average common shares outstanding, basic	<u>151,438,371</u>	<u>170,688,127</u>
Weighted average common shares outstanding, diluted	<u>153,538,359</u>	<u>174,500,472</u>

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

	March 31,	December 31,
	2023	2022
	(unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 534	\$ 645
Accounts receivable, net	2,851	2,921
Prepaid expenses and other current assets	682	451
Total current assets	4,067	4,017
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	36,602	36,039
Customer relationships, net	2,479	2,772
Franchises	67,366	67,363
Goodwill	29,563	29,563
Total investment in cable properties, net	136,010	135,737
OTHER NONCURRENT ASSETS		
	4,793	4,769
Total assets	\$ 144,870	\$ 144,523
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 10,243	\$ 10,555
Current portion of long-term debt	1,999	1,510
Total current liabilities	12,242	12,065
LONG-TERM DEBT		
	95,973	96,093
DEFERRED INCOME TAXES		
	19,030	19,058
OTHER LONG-TERM LIABILITIES		
	4,723	4,758
SHAREHOLDERS' EQUITY:		
Controlling interest	9,418	9,119
Noncontrolling interests	3,484	3,430
Total shareholders' equity	12,902	12,549
Total liabilities and shareholders' equity	\$ 144,870	\$ 144,523

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

	Three Months Ended March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net income	\$ 1,183	\$ 1,389
Adjustments to reconcile consolidated net income to net cash flows from operating activities:		
Depreciation and amortization	2,206	2,294
Stock compensation expense	208	147
Noncash interest income, net	(3)	(3)
Deferred income taxes	(23)	38
Other, net	104	(21)
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:		
Accounts receivable	70	49
Prepaid expenses and other assets	(336)	(185)
Accounts payable, accrued liabilities and other	(86)	(61)
Net cash flows from operating activities	3,323	3,647
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(2,464)	(1,857)
Change in accrued expenses related to capital expenditures	(195)	10
Other, net	(80)	60
Net cash flows from investing activities	(2,739)	(1,787)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	7,104	6,713
Repayments of long-term debt	(6,740)	(2,954)
Payments for debt issuance costs	(18)	(37)
Purchase of treasury stock	(912)	(3,333)
Proceeds from exercise of stock options	2	1
Purchase of noncontrolling interest	(122)	(416)
Distributions to noncontrolling interest	(3)	(2)
Other, net	(6)	(2)
Net cash flows from financing activities	(695)	(30)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(111)	1,830
CASH AND CASH EQUIVALENTS, beginning of period	645	601
CASH AND CASH EQUIVALENTS, end of period	\$ 534	\$ 2,431
CASH PAID FOR INTEREST	\$ 1,189	\$ 982
CASH PAID FOR TAXES	\$ 61	\$ 29

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

	Approximate as of		
	March 31, 2023 ^(d)	December 31, 2022 ^(d)	March 31, 2022 ^(d)
Footprint ^(e)			
Estimated Passings	55,885	55,573	54,739
Customer Relationships ^(f)			
Residential	29,996	29,988	30,035
SMB	2,215	2,207	2,163
Total Customer Relationships	32,211	32,195	32,198
Residential	8	42	109
SMB	8	12	20
Total Customer Relationships Quarterly Net Additions	16	54	129
Total Customer Relationship Penetration of Estimated Passings ^(g)	57.6 %	57.9 %	58.8 %
Monthly Residential Revenue per Residential Customer ^{(a) (h)}	\$ 120.56	\$ 119.32	\$ 117.58
Monthly SMB Revenue per SMB Customer ^{(a) (i)}	\$ 164.58	\$ 165.50	\$ 165.58
Residential Customer Relationships Penetration			
One Product Penetration ^{(a) (j)}	46.0 %	45.9 %	45.0 %
Two Product Penetration ^{(a) (j)}	32.8 %	32.7 %	32.5 %
Three or More Product Penetration ^{(a) (j)}	21.1 %	21.3 %	22.5 %
% Residential Non-Video Customer Relationships	52.5 %	51.7 %	49.7 %
Internet			
Residential	28,479	28,412	28,301
SMB	2,030	2,021	1,973
Total Internet Customers	30,509	30,433	30,274
Residential	67	92	164
SMB	9	13	21
Total Internet Quarterly Net Additions	76	105	185
Video			
Residential	14,260	14,497	15,093
SMB	646	650	628
Total Video Customers	14,906	15,147	15,721
Residential	(237)	(145)	(123)
SMB	(4)	1	11
Total Video Quarterly Net Additions	(241)	(144)	(112)
Voice			
Residential	7,473	7,697	8,465
SMB	1,290	1,286	1,288
Total Voice Customers	8,763	8,983	9,753
Residential	(224)	(232)	(156)
SMB	4	(1)	6
Total Voice Quarterly Net Additions	(220)	(233)	(150)
Mobile Lines ^(k)			
Residential	5,782	5,116	3,805
SMB	196	176	132
Total Mobile Lines	5,978	5,292	3,937
Residential	666	600	357
SMB	20	15	16
Total Mobile Lines Quarterly Net Additions	686	615	373
Enterprise ^(l)			
Enterprise Primary Service Units ("PSUs")	288	284	274
Enterprise Quarterly Net Additions	4	2	2

See footnotes on page 7.

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

	Three Months Ended March 31,	
	2023	2022
Customer premise equipment ^{(a) (m)}	\$ 537	\$ 469
Scalable infrastructure ^{(a) (n)}	354	359
Upgrade/rebuild ^{(a) (o)}	289	159
Support capital ^{(a) (p)}	394	329
Capital expenditures, excluding line extensions	<u>1,574</u>	<u>1,316</u>
Subsidized rural construction line extensions ^(a)	371	192
Other line extensions ^(a)	519	349
Total line extensions ^{(a) (q)}	<u>890</u>	<u>541</u>
Total capital expenditures	<u>\$ 2,464</u>	<u>\$ 1,857</u>
Capital expenditures included in total related to:		
Commercial services	\$ 367	\$ 365
Subsidized rural construction initiative ^{(a) (r)}	\$ 391	\$ 201
Mobile	\$ 77	\$ 74

See footnotes on page 7.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
FOOTNOTES

- (a) Beginning in the first quarter of 2023, we removed separate mobile reporting, among several other changes, to better reflect the converged and integrated nature of our business and operations. We made the following changes to our reporting:
- Residential and small and medium business (“SMB”) monthly revenue per customer calculations now include mobile service revenue
 - Residential product penetrations now also include customers that subscribe to mobile and at least one additional product
 - Residential mobile service revenue previously included in mobile revenue is now separately reported in residential revenue
 - SMB mobile service revenue previously included in mobile revenue is now included in SMB revenue
 - Mobile equipment revenue previously included in mobile revenue is now included in other revenue
 - Mobile expenses are no longer reported separately and are included in applicable expense categories
 - Other costs of revenue includes regulatory, connectivity and produced content costs as well as mobile device costs and direct costs associated with mobile and selling advertising
 - Costs to service customers now also includes costs related to field operations, network operations and customer operations for mobile customers but no longer includes costs to service bulk properties
 - Sales and marketing expense, which previously included sales and marketing for Spectrum Enterprise, Spectrum Reach and Spectrum Networks as well as costs associated with selling to and servicing bulk properties, now only consists of residential and SMB sales and marketing expenses, including sales and marketing for mobile
 - Other expense now also includes sales and marketing for Spectrum Enterprise, Spectrum Reach and Spectrum Networks as well as costs associated with selling to and servicing bulk properties but no longer includes direct costs associated with selling advertising
 - Reclasses within capital expenditure categories were made to reclassify all costs associated with our network evolution initiative to upgrade/rebuild
 - Line extensions capital expenditures are now broken out between subsidized rural construction line extensions and other line extensions
 - Subsidized rural construction initiative capital expenditures subcategory only includes rural construction projects for which we are receiving subsidies from federal, state or local governments

There were no changes to total revenue, Adjusted EBITDA, capital expenditures or net income. Prior periods have been revised to conform with the presentation noted above.

- (b) Adjusted EBITDA is defined as net income attributable to Charter shareholders plus net income attributable to noncontrolling interest, net interest expense, income taxes, depreciation and amortization, stock compensation expense, other (income) expenses, net and other operating (income) expenses, net such as special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or special items, and is unaffected by our capital structure or investment activities. Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.
- (c) Other expense excludes stock compensation expense. Total operating costs and expenses excludes stock compensation expense, depreciation and amortization and other operating (income) expenses, net.
- (d) We calculate the aging of customer accounts based on the monthly billing cycle for each account. On that basis, at March 31, 2023, December 31, 2022 and March 31, 2022, customers included approximately 119,800, 144,100 and 132,500 customers, respectively, whose accounts were over 60 days past due, approximately 42,100, 52,800 and 29,000 customers, respectively, whose accounts were over 90 days past due and approximately 217,800, 214,100 and 74,500 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 accounts past due is predominately due to pre-existing and incremental unsubsidized services, including video services, for those customers participating in government assistance programs. These customers are downgraded to a fully subsidized Internet-only service.
- (e) 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.
- (f) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video, voice and mobile services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units (“MDUs”) and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (g) Penetration represents residential and SMB customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (h) Monthly residential revenue per residential customer is calculated as total residential quarterly revenue divided by three divided by average residential customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (i) Monthly SMB revenue per SMB customer is calculated as total SMB quarterly revenue divided by three divided by average SMB customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (j) One product, two product and three or more product penetration represents the number of residential customers that subscribe to one product, two products or three or more products, respectively, as a percentage of residential customer relationships, excluding mobile-only customers.
- (k) 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.
- (l) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.
- (m) Customer premise equipment includes equipment and devices located at the customer’s premise used to deliver our Internet, video and voice services (e.g., modems, routers and set-top boxes), as well as installation costs.
- (n) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers or provide service enhancements (e.g., headend equipment).
- (o) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including our network evolution initiative which started in 2022.
- (p) Support capital includes costs associated with the replacement or enhancement of non-network assets (e.g., back-office systems, non-network equipment, land and buildings, vehicles, tools and test equipment).
- (q) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (r) The subsidized rural construction initiative subcategory includes projects for which we are receiving subsidies from federal, state and local governments (for which separate reporting was initiated in 2022), excluding customer premise equipment and installation.