UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

[X] Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999

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:

RENAISSANCE MEDIA GROUP LLC*--333-56679
RENAISSANCE MEDIA (LOUISIANA) LLC*--333-56679-02
RENAISSANCE MEDIA (TENNESSEE) LLC*--333-56679-01
RENAISSANCE MEDIA CAPITAL CORPORATION*--333-56679-03
(Exact names of Registrants as specified in their charters)

(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Numbers)
Delaware	14-1803051
Delaware	14-1801165
Delaware	14-1801164
Delaware	14-1803049

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

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

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has 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 registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ].

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

State the aggregate market value of the voting equity securities held by non-affiliates of the Registrants:

All of the limited liability company membership interests of Renaissance Media (Louisiana) LLC and Renaissance Media (Tennessee) LLC are held by Renaissance Media Group LLC. All of the issued and outstanding shares of capital stock of Renaissance Media Capital Corporation are held by Renaissance Media Group LLC. All of the limited liability company membership interests of Renaissance Media Group LLC are held by Charter Communications, LLC (and indirectly by Charter Communications Holdings, LLC, a reporting company under the Exchange Act). There is no public trading market for any of the aforementioned limited liability company membership interests or shares of capital stock.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated into this Report by reference: None

* Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation meet the conditions set forth in General Instruction J(1)(a) and (b) to the Form 10-K and are therefore filing with the reduced disclosure format.

RENAISSANCE MEDIA GROUP LLC
RENAISSANCE MEDIA (LOUISIANA) LLC
RENAISSANCE MEDIA (TENNESSEE) LLC
RENAISSANCE MEDIA CAPITAL CORPORATION

1999 FORM 10-K ANNUAL REPORT

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PART I

ITEM 1--BUSINESS

Organization and Ownership Structure

Renaissance Media Group LLC ("Group") was formed by Renaissance Media Holdings LLC ("Holdings") to own and operate cable television systems that provide programming and related services to subscribers. Renaissance Media Capital Corporation ("Capital") was also formed by Holdings as a wholly owned subsidiary of Group. On March 20, 1998, Holdings contributed to Group its membership interests in two wholly owned subsidiaries: Renaissance Media (Louisiana) LLC ("Louisiana") and Renaissance Media (Tennessee) LLC ("Tennessee"). Louisiana and Tennessee had previously acquired a 76% interest and 24% interest, respectively, in Renaissance Media LLC ("Media") from Morgan Stanley Capital Partners III, Inc. ("MSCP III") on February 13, 1998, for a nominal amount. As a result, Media became a subsidiary of Holdings. The transfer was accounted for as a reorganization of entities under common control similar to a pooling of interests since an entity affiliated with MSCP III had a controlling interest in Holdings. Group and its subsidiaries are collectively referred to as the "Company" herein. On April 9, 1998, the Company acquired six cable television systems from TWI Cable, Inc., a subsidiary of Time Warner Inc. ("Time Warner").

On February 23, 1999, Holdings, Charter Communications, Inc., presently doing business as Charter Investment, Inc. ("Charter Investment"), and Charter Communications, LLC ("Buyer" or "CC LLC") executed a purchase agreement (the "Charter Purchase Agreement"). The Charter Purchase Agreement provided for Holdings to sell and Buyer to purchase all of the outstanding limited liability company membership interests in Group held by Holdings (the "Charter Transaction"), subject to certain covenants and restrictions pending satisfaction of certain conditions prior to closing. The purchase price was $459 million, consisting of $348 million in cash and $111 million in accreted value of debt assumed. On April 30, 1999, the Charter Transaction was consummated. The Company is now indirectly held by Charter Communications Holdings, LLC, which is a reporting company under the Exchange Act.

General

The Company was formed to acquire, operate and develop medium-sized cable television systems. The six cable television systems acquired from Time Warner in 1998 are clustered in southern Louisiana and western Mississippi (the "Louisiana Systems") and western Tennessee (the "Tennessee System"). As of December 31, 1999, they passed approximately 196,600 homes and served approximately 133,600 subscribers. Group and Capital have no material assets other than Group's investment in Louisiana and Tennessee and do not, and will not, conduct any operations.

The Company's objective is to increase operating cash flow by increasing the customer base and the amount of cash flow per customer. The Company intends to achieve this objective by improving its technical plant, resulting in increasing the bandwidth capacity of the systems, offering new products and services, and maximizing customer satisfaction. The Company also believes that by clustering systems it is able to realize economies of scale, such as reduced payroll, reduced billing and technical costs per subscriber, reduced advertising sales costs, increased local advertising sales, more efficient roll-out and utilization of new technologies, and consolidation of its customer service functions. The Company plans to offer new cable and broadband services including digital television and high-speed Internet access.

The Company's principal executive offices are located at 12444 Powerscourt Drive - - Suite 100, St. Louis, Missouri, 63131.

The Louisiana Systems

The Louisiana Systems consist of five cable television systems serving approximately 99,900 basic subscribers as of December 31, 1999, located in southern Louisiana and western Mississippi: the St. Tammany system, the St. Landry system, the Lafourche system, the Picayune system and the Pointe Coupee system.

The Tennessee System

As of December 31, 1999, the Tennessee System served approximately 33,700 basic subscribers located in Jackson, Tennessee and surrounding counties.

Forward-Looking Statements

This report contains forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended, and of the Securities Act of 1933, as amended, and is subject to the safe harbors created by those sections. The Company's actual results could differ materially from those discussed herein, and its current business plans could be altered in response to market conditions and other factors beyond the Company's control. The forward-looking statements within this Form 10-K are identified by words such as "believes", "anticipates", "accepts", "intends", "may", "will" and other similar expressions. However, these words are not the exclusive means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. The Company undertakes no obligation to release publicly the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances occurring subsequent to the filing of this Form 10-K with the SEC.

Important factors that could cause actual results to differ materially from the forward-looking statements contained herein include, but are not limited to:

- General economic and business conditions, both nationally and in the regions where the Company operates;

- Anticipated capital expenditures for planned upgrades and the ability to fund these expenditures;

- Technology changes;

- The Company's ability to effectively compete in a highly competitive environment;

- Changes in business strategy or development plans;

- Beliefs regarding the effects of governmental regulation on the Company's business;

- The ability to attract and retain qualified personnel;

- Liability and other claims asserted against the Company.

Readers are urged to review and consider carefully the various disclosures made by the Company in this report and in the Company's other reports filed with the SEC that attempt to advise interested parties of the risks and factors that may affect the Company's business.

ITEM 2--PROPERTIES

A cable television system consists of three principal operating components. The first component, known as the headend, receives television and information signals generally by means of special antennas and satellite earth stations. The second component, the distribution network, which originates at the headend and extends throughout the system's service area, consists of microwave relays, coaxial or fiber optic cables and associated electronic equipment placed on utility poles or buried underground. Coaxial cable is a type of cable used for broadband data and cable systems. This type of cable has excellent broadband frequency characteristics, noise, immunity and physical durability. Fiber optic cable is a communication medium that uses hair-thin glass fibers to transmit signals over long distances with minimum signal loss or distortion. The third component of the system is a "drop cable," which extends from the distribution network into each customer's home and connects the distribution system to the customer's television set. An additional component used in certain systems is the home terminal device, or converter/descrambler, that expands channel capacity to permit reception of multiple channels of programming on a non-cable ready television set and permits the operator to control the reception of program offerings by subscribers.

The Company's principal physical assets consist of cable television systems, including signal-receiving, encoding and decoding apparatus, headends, distribution systems and subscriber house drop equipment for each of the systems. The signal receiving apparatus typically includes a tower, antennas, ancillary electronic equipment and earth stations for reception of satellite signals. Headends, consisting of associated electronic equipment necessary for the reception, amplification and modulation of signals, typically are located near the receiving devices. The Company's distribution systems consist primarily of coaxial cable, fiber optic cable and related electronic equipment. As upgrades are completed, the Company will continue to incorporate fiber optic cable. At December 31, 1999, approximately 48% of the Company's customers were served by systems with at least 550 megahertz bandwidth capacity. Subscriber equipment consists of house drops, converters/descramblers and, in some cases, traps. The Company owns its distribution systems, various office fixtures, test equipment and certain service vehicles. The physical components of the systems require maintenance and periodic upgrading to keep pace with technological advances.

The Company's cables are generally attached to utility poles in accordance with pole rental agreements with local public utilities, although in some areas the distribution cable is buried in trenches or placed in underground ducts. The FCC regulates most pole attachment rates under the Federal Pole Attachment Act, although in certain cases attachment rates are regulated by state law.

The Company owns or leases parcels of real property for signal reception sites (antenna towers and headends), microwave complexes and business offices. The Company believes that its properties, both owned and leased, are in good condition and are suitable and adequate for the Company's business operations as presently conducted.

ITEM 3--LEGAL PROCEEDINGS

As of the date hereof, the Company is not a party to any material pending litigation proceedings. The Company is subject to certain litigation proceedings incidental to its business. The Company's management believes that the outcome of all pending legal proceedings will not, individually or in the aggregate, have a material adverse effect on the Company's business, results of operations or financial condition.

PART II

ITEM 5--MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

There is no established trading market for the equity interests in any of Louisiana, Tennessee, Capital and Group. CC LLC (and indirectly Charter Communications Holdings, LLC) owns all of the limited liability company membership interests of Group. Group owns all the limited liability company membership interests of Louisiana and Tennessee and all the outstanding capital stock of Capital.

Effective with the Charter Transaction, the Company records distributions when management fees charged to the Company exceed expenses incurred on its behalf. For the eight months ended December 31, 1999, net distributions totaled $18,800. The Company has not paid distributions to its members since its inception. The Company's ability to pay distributions is limited under the terms of covenants in the indenture governing Group's outstanding Senior Discount Notes.

ITEM 7--MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

The following table summarizes amounts and the percentage of total revenues for certain items for the periods indicated (dollars in thousands):

	EIGHT MONTHS ENDED DECEMBER 31, 1999		FOUR MONTHS ENDED APRIL 30, 1999		FOR THE PERIOD FROM APRIL 9, 1998 TO DECEMBER 31, 1998 (a)	
	Amount	%	Amount	%	Amount	%
Revenues (b)	$42,032	100.0	$21,110	100.0	$ 42,977	100.0
Costs and Expenses:						
Operating, General and Administrative (b)	20,566	48.9	10,096	47.8	22,490	52.3
Depreciation and Amortization	23,150	55.1	8,912	42.2	19,107	44.5
Corporate Expense Charges-Related Party	1,625	3.9	--	--	--	--
Operating Income (Loss)	(3,309)	(7.9)	2,102	10.0	1,380	3.2
Interest Income	61	0.1	122	0.6	158	0.4
Interest Expense	(5,527)	(13.1)	(6,321)	(30.0)	(14,358)	(33.4)
Loss Before Income Taxes	(8,775)	(20.9)	(4,097)	(19.4)	(12,820)	(29.8)
Provision (Benefit) for Income Taxes	--	--	(65)	(0.3)	135	0.3
Net Loss	$ (8,775)	(20.9)	$(4,032)	(19.1)	$(12,955)	(30.1)

Other financial data is as follows for the periods indicated (dollars in thousands, except Revenue per Basic Customer):

	EIGHT MONTHS ENDED DECEMBER 31, 1999	FOR THE PERIOD FROM APRIL 9, 1998 TO DECEMBER 31, 1998 (a)
EBITDA (c)	$ 19,841	$20,487
Adjusted EBITDA (d)	21,466	20,487
Homes Passed (at period end)	196,591	185,620
Basic Customers	133,617	129,164
Basic Penetration	68.0%	69.6%
Premium Units	72,534	58,712
Premium Penetration	54.3%	45.5%
Average Monthly Revenue per Basic Customer	$ 39.32	$36.97

(a) The results of operations for the period ended December 31, 1998, only include operating results for the period April 9, 1998 to December 31, 1998. Prior to April 9, 1998, the Company had no operations.

(b) Local governmental authorities impose franchise fees on the Company ranging up to a federally mandated maximum of 5.0% of gross revenues. On a monthly basis, such fees are collected from the Company's customers and are periodically remitted to local franchises. Revenues and operating, general and administrative expenses presented here have been restated for the periods prior to the Charter Transaction to include the franchise fees collected from customers and then remitted to local franchises as revenues.

(c) EBITDA represents earnings (loss) before interest, income taxes, depreciation and amortization. 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. 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) Adjusted EBITDA means EBITDA before 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.

Comparison of Results

As a result of the Charter Transaction, the application of push-down accounting, and the allocation of purchase price, the financial results for the periods presented above are not comparable. In addition, prior to the acquisition of the six cable television systems from Time Warner on April 9, 1998, the Company had no operations. Consequently, the results of operations for the period ended December 31, 1998, only include operating results for the period April 9, 1998 to December 31, 1998.

Year 2000 Issues

The Company has not experienced significant service disruptions or any other problems since the beginning of the year 2000. Management can not assure, however, that such problems will not arise in connection with customer billing or other periodic information gathering. The cost of the year 2000 remediation program was approximately $100,000. Management does not anticipate significant additional expenditures during 2000.

ITEM 7A--QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

A significant portion of the customer base is concentrated within the local geographical area of each of the individual cable television systems. The Company generally extends credit to customers, and the ultimate collection of accounts receivable could be affected by the local economy. Management performs continuous credit evaluations of its customers and may require cash in advance or other special arrangements from certain customers. Management does not believe that there is any significant credit risk that could have a material effect on the Company's financial condition.

The following summarizes the contract terms and fair value of the Company's debt at December 31, 1999 (dollars in thousands):

	Expected Maturity Date							
	2000	2001	2002	2003	2004	Thereafter	Total	Fair Value
DEBT								
Fixed Rate	--	--	--	--	--	$114,413	$114,413	$79,517
Interest Rate	--	--	--	10.0%	10.0%	10.0%	10.0%	

ITEM 8--FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Company's consolidated financial statements, predecessor combined financial statements, the related notes thereto, and the reports of the Company's and predecessor's independent auditors are included in this Form 10-K beginning on page F-1.

Separate financial statements for Capital have not been presented as Capital had substantially no assets or equity. Accordingly, management has determined that such financial statements would not be material to investors.

ITEM 9--CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company filed a Form 8-K dated February 10, 2000 (amended on February 22, 2000), which announced a change in the Company's principal independent accountants from Ernst & Young LLP to Arthur Andersen LLP.

PART IV

ITEM 14--EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of this report:

(1) A listing of the financial statements, notes and reports of independent

public accountants required by Item 8 begins on page F-1 of this Annual Report on Form 10-K.

(2) Financial Statement Schedules
All schedules are omitted because they are not required, not applicable, or the information is given in the financial statements or notes thereto.

(3) Exhibits (listed by numbers corresponding to the Exhibit Table of Item 601 in Regulation S-K):

Exhibit Number	Description
3.1	Certificate of Incorporation of Renaissance Media Capital Corporation and all amendments thereto. (1)
3.2	By-laws of Renaissance Media Capital Corporation. (1)
3.3	Certificate of Formation of Renaissance Media (Louisiana) LLC. (1)
3.4 *	Certificate of Formation of Renaissance Media, LLC.
3.5	Certificate of Formation of Renaissance Media (Tennessee) LLC. (1)
3.7	Certificate of Formation of Renaissance Media Group LLC. (1)

Exhibit Number	Description
3.9	Amended and Restated Limited Liability Agreement of Renaissance Media Group LLC, dated April 29, 1999. (3)
3.10	Amended and Restated Limited Liability Agreement of Renaissance Media (Louisiana) LLC, dated April 29, 1999. (3)
3.11	Amended and Restated Limited Liability Agreement of Renaissance Media (Tennessee) LLC, dated April 29, 1999. (3)
3.12	Amended and Restated Limited Liability Agreement of Renaissance Media LLC, dated April 29, 1999. (3)
4.1	Indenture dated as of April 9, 1998, by and among Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC, Renaissance Media Capital Corporation, Renaissance Media Group LLC and United States Trust Company of New York, as Trustee. (1)
10.5	Social Contract approved by the Federal Communications Commission (the "FCC") on November 30, 1995, and entered into between the FCC and Time Warner Entertainment Company, L.P., TWI Cable Inc. and Time Warner Entertainment-Advance/Newhouse Partnership, or any subsidiary, division or affiliate thereof. (2)
10.27	Purchase Agreement dated as of February 23, 1999, by and among Charter Communications, Inc., Charter Communications, LLC, Renaissance Media Holdings LLC and Renaissance Media Group LLC. [Confidential material omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.] (4)
10.28	Assumption Agreement, dated as of April 30, 1999, made by Renaissance Media Group LLC in favor of NationsBank, N.A. (3)
10.29	Assumption Agreement, dated as of April 30, 1999, made by Renaissance (Louisiana) Media LLC in favor of NationsBank, N.A. (3)
10.30	Assumption Agreement, dated as of April 30, 1999, made by Renaissance (Tennessee) Media LLC in favor of NationsBank, N.A. (3)
10.31	Assumption Agreement, dated as of April 30, 1999, made by Renaissance Media Capital Corporation in favor of NationsBank, N.A. (3)
10.33	Assumption Agreement, dated as of April 30, 1999, made by Renaissance Media LLC in favor of NationsBank, N.A. (3)
27.1 *	Financial Data Schedule.

(1) Incorporated by reference to the corresponding exhibit of the Registration Statement of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation on Form S-4 (Commission File No. 333-56679), filed on June 12, 1998.

(2) Incorporated by reference to the corresponding exhibit of Amendment 1 to the Registration Statement of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation on Form S-4 (Commission File No. 333-56679), filed on August 6, 1998.

(3) Incorporated by reference to the corresponding exhibit of the Quarterly Report on Form 10-Q of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation for the quarter ended March 31, 1999, filed on May 17, 1999 (Commission File No. 333-56679).

(4) Incorporated by reference to Exhibit 99.1 of the Current Report on Form 8-Kof Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation dated February 23, 1999 (Commission File No. 333-56679).

* Filed herewith.

(b) Reports on Form 8-K:

No reports on form 8-K were filed during the fourth quarter of 1999. However, the Company filed a form 8-K dated February 10, 2000 (amended on February 22, 2000), which announced a change in the Company's principal independent accountants.

SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO SECTION 15(D) OF THE ACT BY REGISTRANTS WHICH HAVE NOT REGISTERED SECURITIES PURSUANT TO SECTION 12 OF THE ACT.

No annual reports or proxy materials were sent to the Registrants' security holders during fiscal year 1999.

RENAISSANCE MEDIA GROUP LLC AND SUBSIDIARIES
INDEX TO FINANCIAL STATEMENTS

Report of Independent Public Accountants

To Renaissance Media Group LLC:

We have audited the accompanying consolidated balance sheet of Renaissance Media Group LLC and subsidiaries as of December 31, 1999, and the related consolidated statements of operations, changes in member's equity and cash flows for the eight months ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Renaissance Media Group LLC and subsidiaries as of December 31, 1999, and the results of their operations and their cash flows for the eight months ended December 31, 1999, in conformity with accounting principles generally accepted in the United States.

/s/ ARTHUR ANDERSEN LLP

St. Louis, Missouri
February 16, 2000

Renaissance Media Group LLC and Subsidiaries

Consolidated Balance Sheet

(Dollars in Thousands)

	DECEMBER 31, 1999
ASSETS	
Current assets:	
Cash and cash equivalents	$ 3,521
Accounts receivable - trade, less allowance for doubtful accounts of $80	1,084
Prepaid expenses and other assets	157
Receivable from related party	12,500
Total current assets	17,262
Investment in cable systems:	
Property, plant and equipment	67,396
Franchises, net of accumulated amortization of $18,445	396,416
Total investment in cable systems	463,812
TOTAL ASSETS	$ 481,074
LIABILITIES AND MEMBER'S EQUITY	
Current liabilities:	
Accounts payable and accrued expenses	$ 16,405
Payables to manager of cable systems - related party	2,289
TOTAL CURRENT LIABILITIES	18,694
Long-term debt	86,507
TOTAL LIABILITIES	105,201
Member's equity	375,873
TOTAL LIABILITIES AND MEMBER'S EQUITY	$ 481,074

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC and Subsidiaries

Consolidated Statement of Operations

(Dollars in Thousands)

	EIGHT MONTHS ENDED DECEMBER 31, 1999
Revenues	$ 42,032
Costs and expenses:	
Operating, general and administrative	20,566
Depreciation and amortization	23,150
Corporate expense charges - related party	1,625
Operating loss	(3,309)
Interest income	61
Interest expense	(5,527)
Net loss	$ (8,775)

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC and Subsidiaries

Consolidated Statement of Changes in Member's Equity

(Dollars in Thousands)

	MEMBER'S EQUITY
Balance at May 1, 1999	$350,444
Contributions	34,610
Distributions	(406)
Net loss	(8,775)
Balance at December 31, 1999	$375,873

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC and Subsidiaries

Consolidated Statement of Cash Flows

(Dollars in Thousands)

	EIGHT MONTHS ENDED DECEMBER 31, 1999
OPERATING ACTIVITIES:	
Net loss	$ (8,775)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation and amortization	23,150
Accretion on senior discount notes and non-cash interest expense	5,451
Changes in operating assets and liabilities:	
Accounts receivable	(13,107)
Prepaid expenses and other assets	245
Accounts payable and accrued expenses	10,928
Payables to manager of cable systems - related party	2,289
Net cash provided by operating activities	20,181
INVESTING ACTIVITIES:	
Capital expenditures	(21,419)
Other investing activities	(622)
Net cash used in investing activities	(22,041)
FINANCING ACTIVITIES:	
Capital contributions	387
Distributions to parent	(406)
Net cash used in financing activities	(19)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,879)
CASH AND CASH EQUIVALENTS, beginning of period	5,400
CASH AND CASH EQUIVALENTS, end of period	$ 3,521
NON-CASH TRANSACTION - Capital contribution (see Note 6)	$ 34,223

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

1. ORGANIZATION AND BASIS OF PRESENTATION

Renaissance Media Group LLC ("Group"), a Delaware limited liability company, was formed by Renaissance Media Holdings LLC ("Holdings") to own and operate cable television systems that provide programming and related services to subscribers. On March 20, 1998, Holdings contributed to Group its membership interests in two wholly owned subsidiaries: Renaissance Media (Louisiana) LLC ("Louisiana") and Renaissance Media (Tennessee) LLC ("Tennessee"). Louisiana and Tennessee had previously acquired a 76% interest and 24% interest, respectively, in Renaissance Media LLC ("Media") from Morgan Stanley Capital Partners III, Inc. ("MSCP III") on February 13, 1998, for a nominal amount. As a result, Media became a subsidiary of Holdings. The transfer was accounted for as a reorganization of entities under common control similar to a pooling of interests since an entity affiliated with MSCP III had a controlling interest in Holdings. Group and its subsidiaries are collectively referred to as the "Company" herein. On April 9, 1998, the Company acquired six cable television systems from TWI Cable, Inc., a subsidiary of Time Warner Inc. ("Time Warner").

On February 23, 1999, Holdings, Charter Communications, Inc., presently doing business as Charter Investment, Inc. ("Charter Investment"), and Charter Communications, LLC ("Buyer" or "CC LLC") executed a purchase agreement (the "Charter Purchase Agreement"). The Charter Purchase Agreement provided for Holdings to sell and Buyer to purchase all of the outstanding limited liability company membership interests in Group held by Holdings (the "Charter Transaction"), subject to certain covenants and restrictions pending satisfaction of certain conditions prior to closing. The purchase price was $459 million, consisting of $348 million in cash and $111 million in accreted value of debt assumed. On April 30, 1999, the Charter Transaction was consummated, and Group became a wholly owned subsidiary of CC LLC.

As a result of the Charter Transaction, the application of push-down accounting, and the allocation of purchase price, the financial information of the Company in the accompanying consolidated financial statements as of December 31, 1999, and for the period from May 1, 1999, through December 31, 1999, is presented on a different cost basis than the financial information of the Company for the period prior to and through April 30, 1999. Therefore, such information is not comparable.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiaries. All material intercompany transactions and balances have been eliminated.

CASH EQUIVALENTS

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. These investments are carried at cost that approximates market value.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at cost, including all direct and certain indirect costs associated with the construction of cable television transmission and distribution facilities, and the cost of new customer installations. Capitalized labor, materials and associated overhead amounted to approximately $1,295 for the eight months ended December 31, 1999. The costs of disconnecting a customer are charged to expense in the period incurred. Expenditures for repairs and maintenance are charged to expense as incurred, and equipment replacement and betterments are capitalized.

Depreciation is provided on the straight-line basis over the following estimated useful lives:

Cable distribution systems	3-15 years
Buildings and leasehold improvements	5-15 years
Vehicles and equipment	3-5 years

FRANCHISES

Costs incurred in obtaining and renewing cable franchises are deferred and amortized over the lives of the franchises. Costs relating to unsuccessful franchise applications are charged to expense when it is determined that the efforts to obtain the franchise will not be successful. Franchise rights acquired through the purchase of cable television systems represent management's estimate of fair value and are generally amortized using the straight-line method over a period of 15 years. The period of 15 years is management's best estimate of the useful lives of the franchises and assumes substantially all of those franchises that expire during the period will be renewed by the Company.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FRANCHISES (CONTINUED)

Amortization expense for franchises was $18,445 for the eight months ended December 31, 1999.

IMPAIRMENT OF ASSETS

If facts and circumstances suggest that a long-lived asset may be impaired, the carrying value is reviewed. If a review indicates that the carrying value of such asset is not recoverable based on projected undiscounted cash flows related to the asset over its remaining life, the carrying value of such asset is reduced to its estimated fair value.

REVENUES

Cable television revenues from basic and premium services are recognized when the related services are provided. Advertising revenues are recognized in the period the related advertisements are exhibited.

Installation revenues are recognized to the extent of direct selling costs incurred. The remainder, if any, is deferred and amortized to income over the estimated average period that customers are expected to remain connected to the cable television system. As of December 31, 1999, no installation revenue was deferred, as direct selling costs exceeded installation revenue.

Fees collected from programmers to guarantee carriage are deferred and amortized to income over the life of the contracts. Local government authorities impose franchise fees on the Company ranging up to a federally mandated maximum of 5.0% of gross revenues. On a monthly basis, such fees are collected from the Company's customers and are periodically remitted to local franchises. Franchise fees collected and paid are reported as revenues.

INCOME TAXES

Income taxes are the responsibility of the member and are not provided for in the accompanying consolidated financial statements. In addition, a certain subsidiary is a corporation subject to income taxes but has had no operations and, therefore, no taxable income since inception.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONCENTRATION OF CREDIT RISK

A significant portion of the customer base is concentrated within the local geographical area of each of the individual cable television systems. The Company generally extends credit to customers, and the ultimate collection of accounts receivable could be affected by the local economy. Management performs continuous credit evaluations of its customers and may require cash in advance or other special arrangements from certain customers. Management does not believe that there is any significant credit risk that could have a material effect on the Company's financial condition.

SEGMENTS

Segments have been identified based upon management responsibility. The Company operates in one segment, cable services.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. ACQUISITIONS

As a result of the change in ownership of Group discussed in Note 1, the Company has applied push-down accounting in the preparation of the accompanying financial statements. Accordingly, the Company increased its member's equity to $350.4 million to reflect the amounts paid by CC LLC. The purchase price was allocated to assets acquired and liabilities assumed based on their relative fair values, including amounts assigned to franchises of $414.9 million.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

3. ACQUISITIONS (CONTINUED)

Unaudited pro forma operating results as though the Charter Transaction had been consummated on January 1, 1999, with pro forma adjustments to give effect to amortization of franchises, interest expense and certain other adjustments, are as follows for the year ended December 31, 1999:

Revenues	$62,507
Operating loss	(3,947)
Net loss	(42,838)

The unaudited pro forma information has been presented for comparative purposes and does not purport to be indicative of the results of operations had this transaction been completed as of the assumed date or which may be obtained in the future.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the following at December 31, 1999:

Cable distribution systems	$ 67,176
Land, buildings and leasehold improvements	2,057
Vehicles and equipment	2,836
	72,069
Less: accumulated depreciation	(4,673)
Total	$ 67,396

Depreciation expense for assets owned by the Company was $4,673 for the eight months ended December 31, 1999.

5. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following at December 31, 1999:

Accounts payable	$ 5,929
Capital expenditures	5,118
Programming costs	1,525
Franchise fees	1,140
Other accrued liabilities	2,693
	$ 16,405

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

6. LONG-TERM DEBT

Long-term debt consists of the following at December 31, 1999:

10% Senior Discount Notes at accreted value	$ 83,027
Unamortized premium	3,480
	$ 86,507

On April 9, 1998, the Company issued $163,175 principal amount at maturity of 10% senior discount notes due 2008 (the "Notes") for proceeds of $100,012. The Notes pay no cash interest until April 15, 2003. From and after April 15, 2003, the Notes bear interest, payable semi-annually in cash, at a rate of 10% per annum on April 15 and October 15 of each year, commencing October 15, 2003. The Notes are due on April 15, 2008.

On May 28, 1999, as a result of the Charter Transaction (i.e., the change of control) and in accordance with the terms and conditions of the indenture governing the Notes, the Company made an offer (the "Tender Offer") to purchase any and all of the Notes at 101% of their accreted value, plus accrued and unpaid interest, if any, through June 28, 1999. The Tender Offer expired on June 23, 1999, at which time 48,762 Notes were validly tendered and accepted for purchase. On June 28, 1999, Charter Communications Operating, LLC ("CCO"), the indirect parent of the Company, paid a sum of $34,223 for all of the Notes validly tendered. Accordingly, the Company recorded this payment for the extinguishment of debt as a capital contribution. As of December 31, 1999, $114,413 principal amount at maturity of Notes remain outstanding.

The indenture governing the Notes limits cash payments by the Company to the sum of: (i) the amount by which consolidated EBITDA (as defined) exceeds 130% of consolidated interest expense (as defined) determined on a cumulative basis, (ii) capital contributions, and (iii) an amount equal to the net reduction in investments (as defined). Excess cash will be made available to CCO, parent entity of CC LLC, as permitted by the indenture, including the funding of CCO's credit facility (the "CCO Credit Agreement").

The Company and all subsidiaries of CCO have guaranteed payment and performance by CCO of its obligations inherent in the CCO Credit Agreement. In addition, Group and its wholly owned subsidiaries and all subsidiaries of CCO have pledged their ownership interests as collateral to the CCO Credit Agreement.

The fair market value of the Notes was $79,517 at December 31, 1999.

7. INCOME TAXES

Prior to June 20, 1999, Louisiana and Tennessee elected to be treated as corporations for federal income tax purposes. Through this date, the Company established a valuation allowance to offset the entire potential future tax benefit of the net operating loss (NOL) carryforward and, therefore, has recognized no deferred tax benefit with respect to the NOL. Effective June 20, 1999, Louisiana and Tennessee elected to be treated as disregarded entities for income tax purposes. As a result, the taxable income (loss) of these entities is the responsibility of the Company's ultimate owners.

8. RELATED PARTY TRANSACTIONS

Effective May 1, 1999, the Company was charged a management fee equal to 3.5% of revenues, as stipulated in the previous management agreement between Charter Communications, Inc. ("Charter Communications"), the ultimate parent of the Company, and CCO. To the extent that management fees charged to the Company are greater (less) than the proportionate share (based on basic subscribers) of corporate expenses incurred by Charter Communications on behalf of the Company, the Company will record distributions to (capital contributions from) Charter Communications.

On November 12, 1999, Charter Communications and CCO entered into a revised management agreement eliminating the 3.5% management fee and entitling Charter Communications to reimbursement from CCO of all of its costs incurred in connection with the performance of its services under the revised management agreement. For the eight months ended December 31, 1999, the management fee charged to the Company exceeded the corporate expenses incurred by Charter Communications on behalf of the Company by $19, which is reflected as a net capital distribution. Management fees currently payable of $554 are included in payables to manager of cable systems - related party as of December 31, 1999.

Charter Investment, manager of Charter Communications pursuant to a mutual services agreement, utilizes a combination of excess insurance coverage and self-insurance programs for its medical, dental and workers' compensation claims. Charges are made to the Company as determined by independent actuaries at the present value of the actuarially computed present and future liabilities for such benefits. Such costs totaled $245 for the eight months ended December 31, 1999.

Depreciation and amortization incurred by Charter Investment and Charter Communications have been allocated to the Company based on the number of basic customers. Such costs totaled $32 for the eight months ended December 31, 1999, and are reflected as a capital contribution.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

8. RELATED PARTY TRANSACTIONS (CONTINUED)

All other costs incurred by Charter Investment on behalf of the Company are recorded as expenses in the accompanying consolidated financial statements and are included in corporate expense charges - related party. Management believes that costs incurred by Charter Investment on the Company's behalf and included in the accompanying financial statements are not materially different than costs the Company would have incurred as a stand alone entity.

Paul G. Allen, Charter Communications, which is controlled by Mr. Allen, and certain affiliates of Mr. Allen own equity interests in various entities that provide services or programming to the Company, including High Speed Access Corp., ZDTV, USA Networks, Inc., and Oxygen Media, Inc. In addition, certain officers or directors of Charter Communications also serve as directors of High Speed Access Corp. and USA Networks, Inc. The Company and its affiliates do not hold controlling interests in any of these companies.

The Company receives or will receive programming for broadcast via its cable television systems from ZDTV, USA Networks, Inc. and Oxygen Media, Inc. The Company pays a fee for the programming service generally based on the number of subscribers receiving the service. Such fees for the eight months ended December 31, 1999, were less than 1% of total operating costs. In addition, the Company receives commissions from USA Networks, Inc. for home shopping sales generated by its customers. Such revenues for the eight months ended December 31, 1999, were less than 1% of total revenues.

Receivable from related party represents temporary non-interest bearing loans to CCO.

9. COMMITMENTS AND CONTINGENCIES

LEASES

The Company had rental expense under various lease and rental agreements, primarily for offices, tower sites and warehouses, of approximately $65 for the eight months ended December 31, 1999. Future minimum lease payments are not significant.

The Company also rents utility poles in its operations. Generally, pole rentals are cancelable on short notice, but the Company anticipates that such rentals will recur. Rent expense for pole rental attachments was approximately $564 for the eight months ended December 31, 1999.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

9. COMMITMENTS AND CONTINGENCIES (CONTINUED)

OTHER AGREEMENTS

In exchange for certain flexibility in establishing cable rate pricing structures for regulated services that went into effect on January 1, 1996, Time Warner agreed with the Federal Communications Commission ("FCC") to invest in certain upgrades to its cable infrastructure (consisting primarily of materials and labor in connection with the plant upgrades up to 750 MHz) by November 30, 2000. This agreement with the FCC has been assumed by the Company and did not terminate as a result of the Charter Transaction. The Company expects to spend approximately $30 million on the upgrades to its cable infrastructure in 2000.

LITIGATION

The Company is a party to lawsuits that arise in the ordinary course of conducting its business. In the opinion of management, after consulting with legal counsel, the outcome of these lawsuits will not have a material adverse effect on the Company's consolidated financial position or results of operations.

REGULATION IN THE CABLE TELEVISION INDUSTRY

The cable television industry is subject to extensive regulation at the federal, local and, in some instances, state levels. The Cable Communications Policy Act of 1984 (the "1984 Cable Act"), the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act" and together with the 1984 Cable Act, the "Cable Acts"), and the Telecommunications Act of 1996 (the "1996 Telecom Act"), establish a national policy to guide the development and regulation of cable television systems. The FCC has principal responsibility for implementing the policies of the Cable Acts. Many aspects of such regulation are currently the subject of judicial proceedings and administrative or legislative proposals. Legislation and regulations continue to change, and the Company cannot predict the impact of future developments on the cable television industry.

The 1992 Cable Act and the FCC's rules implementing that act generally have increased the administrative and operational expenses of cable television systems and have resulted in additional regulatory oversight by the FCC and local or state franchise authorities. The Cable Acts and the corresponding FCC regulations have established rate regulations.

9. COMMITMENTS AND CONTINGENCIES (CONTINUED)

REGULATION IN THE CABLE TELEVISION INDUSTRY (CONTINUED)

The 1992 Cable Act permits certified local franchising authorities to order refunds of basic service tier rates paid in the previous twelve-month period determined to be in excess of the maximum permitted rates. As of December 31, 1999, the amount refunded by the Company has been insignificant. The Company may be required to refund additional amounts in the future.

The Company believes that it has complied in all material respects with the provisions of the 1992 Cable Act, including the rate setting provisions promulgated by the FCC. However, in jurisdictions that have chosen not to certify, refunds covering the previous twelve-month period may be ordered upon certification if the Company is unable to justify its basic rates. As of December 31, 1999, approximately 6% of the Company's local franchising authorities are certified to regulate basic tier rates. The Company is unable to estimate at this time the amount of refunds, if any, that may be payable by the Company in the event certain of its rates are successfully challenged by franchising authorities or found to be unreasonable by the FCC. The Company does not believe that the amount of any such refunds would have a material adverse effect on the consolidated financial position or results of operations of the Company.

The 1996 Telecom Act, among other things, immediately deregulated the rates for certain small cable operators and in certain limited circumstances rates on the basic service tier, and as of March 31, 1999, deregulated rates on the cable programming service tier (CPST). The FCC has taken the position that it will still adjudicate pending CPST complaints but will strictly limit its review, and possible refund orders, to the time period predating the sunset date, March 31, 1999. The Company does not believe any adjudications regarding their pre-sunset complaints will have a material adverse effect on the Company's consolidated financial position or results of operations.

A number of states subject cable television systems to the jurisdiction of centralized state governmental agencies, some of which impose regulation of a character similar to that of a public utility. State governmental agencies are required to follow FCC rules when prescribing rate regulation, and thus, state regulation of cable television rates is not allowed to be more restrictive than the federal or local regulation.

Renaissance Media Group LLC and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except where indicated)

10. EMPLOYEE BENEFIT PLANS

The Company sponsored a defined contribution plan that covered substantially all employees (the "Plan"). In connection with the Charter Transaction, the Plan's assets were frozen as of April 30, 1999, and employees became fully vested. Effective July 1, 1999, the Company's employees with two months of service are eligible to participate in the Charter Communications, Inc. 401(k) Plan (the "Charter Plan"). Participants in the Charter Plan can contribute up to 15% of their salary, on a before tax basis, subject to a maximum contribution limit as determined by the Internal Revenue Service. The Company made contributions to the Charter Plan totaling $54 for the eight months ended December 31, 1999.

11. ACCOUNTING STANDARD NOT YET IMPLEMENTED

In June 1998, the Financial Accounting Standards Board adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value and that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company must formally document, designate and assess the effectiveness of transactions that receive hedge accounting. SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133 - An Amendment of FASB Statement No. 133" has delayed the effective date of SFAS No. 133 to fiscal years beginning after June 15, 2000. The adoption of SFAS No. 133 is not expected to have a material impact on the consolidated financial statements.

Report of Independent Auditors

To the Board of Directors of Renaissance Media Group LLC

We have audited the accompanying consolidated balance sheet of Renaissance Media Group LLC (the "Company") as of April 30, 1999 and the related consolidated statements of operations, changes in members' equity, and cash flows for the four months ended April 30, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company at April 30, 1999, and the consolidated results of its operations and its cash flows for the four months then ended in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

New York, New York
June 4, 1999
except for Note 11, as to which the date is
June 29, 1999

Renaissance Media Group LLC

Consolidated Balance Sheet

(In Thousands)

	APRIL 30, 1999
Assets	
Cash and cash equivalents	$ 5,400
Accounts receivable--trade (less allowance for doubtful accounts of $86)	520
Accounts receivable--other	492
Prepaid expenses and other assets	416
Investment in cable television systems:	
Property, plant and equipment	76,250
Less: accumulated depreciation	(10,706)
	65,544
Cable television franchises	238,429
Less: accumulated amortization	(16,754)
	221,675
Intangible assets	17,544
Less: accumulated amortization	(1,525)
	16,019
Net investment in cable television systems	303,238
Total assets	$ 310,066
LIABILITIES AND MEMBERS' EQUITY	
Accounts payable	$ 546
Accrued expenses	3,222
Subscriber advance payments and deposits	657
Deferred marketing credits	650
Debt	213,402
Total liabilities	218,477
Members' equity:	
Paid-in capital	108,600
Accumulated deficit	(17,011)
Total members' equity	91,589
Total liabilities and members' equity	$ 310,066

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC

Consolidated Statement of Operations

(In Thousands)

	FOUR MONTHS ENDED APRIL 30, 1999
Revenues	$ 20,396
Costs and expenses:	
Service costs	6,325
Selling, general and administrative	3,057
Depreciation and amortization	8,912
Operating income	2,102
Interest income	122
Interest (expense)	(6,321)
(Loss) before credit for taxes	(4,097)
Credit for taxes	65
Net (loss)	$ (4,032)

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC

Consolidated Statement of Changes in Members' Equity

(In Thousands)

	PAID-IN CAPITAL	ACCUMULATED DEFICIT	TOTAL MEMBERS' EQUITY
Balance December 31, 1998	$108,600	$(12,979)	$95,621
Net (loss)	-	(4,032)	(4,032)
Balance April 30, 1999	$108,600	$(17,011)	$91,589

See accompanying notes to consolidated financial statements.

Renaissance Media Group LLC

Consolidated Statement of Cash Flows

(In Thousands)

	FOUR MONTHS ENDED APRIL 30, 1999
OPERATING ACTIVITIES	
Net (loss)	$(4,032)
Adjustments to non-cash and non-operating items:	
Depreciation and amortization	8,912
Accretion on Senior Discount Notes	3,528
Other non-cash charges	322
Changes in operating assets and liabilities:	
Accounts receivable - trade, net	206
Accounts receivable - other	92
Prepaid expenses and other assets	(75)
Accounts payable	(1,496)
Accrued expenses	(3,449)
Subscriber advance payments and deposits	49
Deferred marketing support	(150)
Net cash provided by operating activities	3,907
INVESTING ACTIVITIES	
Purchased cable television systems:	
Property, plant and equipment	(830)
Cable television franchises	(1,940)
Escrow deposit	150
Capital expenditures	(4,250)
Other intangible assets	16
Net cash used in investing activities	(6,854)
FINANCING ACTIVITIES	
Repayment of advances from Holdings	(135)
Net cash used in financing activities	(135)
Net decrease in cash and cash equivalents	(3,082)
Cash and cash equivalents at December 31, 1998	8,482
Cash and cash equivalents at April 30, 1999	$ 5,400
SUPPLEMENTAL DISCLOSURES	
Interest paid	$ 4,210

See accompanying notes to consolidated financial statements

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

1. ORGANIZATION AND BASIS OF PRESENTATION

Renaissance Media Group LLC ("Group") a wholly owned subsidiary of Renaissance Media Holdings LLC ("Holdings"), was formed in March 1998 to own and operate cable television systems in small and medium sized markets, which provide programming, and other related services, to subscribers through its hybrid coaxial and fiber optic distribution plant for a monthly fee. Group and its wholly owned subsidiaries, Renaissance Media (Louisiana) LLC ("Louisiana"), Renaissance Media (Tennessee) LLC ("Tennessee"), and Renaissance Media LLC ("Media") are collectively referred to as the "Company". On April 9, 1998, the Company acquired six cable television systems (the "Acquisition") from TWI Cable, Inc., a subsidiary of Time Warner Inc. ("Time Warner"). Prior to the Acquisition, the Company had no operations other than start-up related activities.

On February 23, 1999, Holdings, Charter Communications, Inc. ("Charter"), now known as Charter Investment, Inc. and Charter Communications, LLC ("Buyer" or "CC LLC") executed a purchase agreement (the "Charter Purchase Agreement"), providing for Holdings to sell and Buyer to purchase, all of the outstanding limited liability company membership interests in Group held by Holdings (the "Charter Transaction") subject to certain covenants and restrictions pending satisfaction of certain conditions prior to closing. The purchase price was $459,000, consisting of $348,000 in cash and $111,000 in assumed debt. On April 30, 1999, the Charter Transaction was consummated.

These financial statements have been prepared as of and for the four months ended April 30, 1999 immediately prior to the consummation of the Charter Transaction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NEW ACCOUNTING STANDARDS

During 1998, the Financial Accounting Standards Board issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"). SFAS No. 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value and that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company must formally

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NEW ACCOUNTING STANDARDS (CONTINUED)

document, designate and assess the effectiveness of transactions that receive hedge accounting. SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133 - An Amendment of FASB Statement No. 133" has delayed the effective date of SFAS No. 133 to fiscal years beginning after June 15, 2000. The adoption of SFAS No. 133 is not expected to have a material impact on the consolidated financial statements.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiaries. Significant inter-company accounts and transactions have been eliminated.

CONCENTRATION OF CREDIT RISK

A significant portion of the customer base is concentrated within the local geographical area of each of the individual cable television systems. The Company generally extends credit to customers and the ultimate collection of accounts receivable could be affected by the local economy. Management performs continuous credit evaluations of its customers and may require cash in advance or other special arrangements from certain customers. Management does not believe that there is any significant credit risk which could have a material effect on the Company's financial condition.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and investments in short-term, highly liquid securities, which have maturities when purchased of three months or less.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at purchased and capitalized cost. Capitalized internal costs principally consist of employee costs and interest on funds borrowed during construction. Capitalized labor, materials and associated overhead amounted to approximately $721 for the four months ended April 30, 1999. Replacements, renewals and improvements to installed cable plant are capitalized. Maintenance and repairs are

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

charged to expense as incurred. Depreciation expense for the four months ended April 30, 1999 amounted to $3,434.

Property, plant and equipment is depreciated using the straight-line method over the following estimated service lives:

Buildings and leasehold improvements	5-30 years
Cable systems, equipment and subscriber devices	5-30 years
Transportation equipment	3-5 years
Furniture, fixtures and office equipment	5-10 years

Property, plant and equipment at April 30, 1999 consisted of:

Land	$ 436
Buildings and leasehold improvements	1,445
Cable systems, equipment and subscriber devices	64,658
Transportation equipment	2,301
Furniture, fixtures and office equipment	923
Construction in progress	6,487
	76,250
Less: accumulated depreciation	(10,706)
Total	$65,544

CABLE TELEVISION FRANCHISES AND INTANGIBLE ASSETS

Cable television franchise costs include the assigned fair value, at the date of acquisition, of the franchises from purchased cable television systems. Intangible assets include goodwill, deferred financing and other intangible assets. Cable television franchises and intangible assets are amortized using the straight-line method over the following estimated useful lives:

Cable television franchises	15 years
Goodwill	25 years
Deferred financing and other intangible assets	2-10 years

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CABLE TELEVISION FRANCHISES AND INTANGIBLE ASSETS (CONTINUED)

Intangible assets at April 30, 1999 consisted of:

Goodwill	$ 8,608
Deferred financing costs	8,307
Other intangible assets	629
	17,544
Less: accumulated amortization	(1,525)
Total	$ 16,019

The Company reviews the carrying value of its long-lived assets, including property, plant and equipment, cable television franchises and intangible assets, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. To the extent the estimated future cash inflows attributable to the asset, less estimated future cash outflows, is less than the carrying amount, an impairment loss is recognized to the extent that the carrying value of such asset is greater than its fair value.

REVENUES AND COSTS

Subscriber fees are recorded as revenue in the period the related services are provided and advertising revenues are recognized in the period the related advertisements are exhibited. Rights to exhibit programming are purchased from various cable networks. The costs of such rights are generally expensed as the related services are made available to subscribers.

ADVERTISING COSTS

Advertising costs are expensed upon the first exhibition of the related advertisements and are recorded net of marketing credits earned from launch incentive and cooperative advertising programs.

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ADVERTISING COSTS (CONTINUED)

During the four months ended April 30, 1999 the company earned marketing credits in excess of advertising expense incurred. Advertising expense and marketing credits amounted to $263 and $306, respectively, for the four months ended April 30, 1999.

ESTIMATES USED IN FINANCIAL STATEMENT PRESENTATION

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. ACQUISITIONS

BAYOU VISION, INC.

On February 3, 1999, Media acquired the cable television assets of Bayou Vision, Inc. and Gulf South Cable, Inc. serving approximately 1,950 subscribers in the Villages of Estherwood, Morse and Mermentau and Acadia and Livingston Parish, Louisiana. The cash purchase price was approximately $2,700 and was paid out of available Company funds.

4. DEBT

As of April 30, 1999, debt consisted of:

10% Senior Discount Notes at accreted value (a)	$110,902
Credit Agreement (b)	102,500
	$213,402

(a) On April 9, 1998, the Company issued $163,175 principal amount at maturity, $100,012 initial accreted value, of 10% senior discount notes due 2008 (the "Notes"). The Notes pay no cash interest until April 15, 2003. From and after April 15, 2003 the Notes will bear interest, payable semi-annually in cash, at a rate of 10% per annum on April 15 and October 15 of each year, commencing October 15, 2003. The Notes are due on April

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

4. DEBT (CONTINUED)

15, 2008. The fair market value of the Notes at April 30, 1999 was $116,262. See Note 11 regarding the offer to repurchase the Notes.

(b) On April 9, 1998, Media entered into a credit agreement among Morgan Stanley & Co. Incorporated as Placement Agent, Morgan Stanley Senior Funding Inc., as Syndication Agent, the Lenders, CIBC Inc., as Documentation Agent and Bankers Trust Company as Administrative Agent (the "Credit Agreement"). The aggregate commitments under the Credit Agreement total $150,000, consisting of a $40,000 revolver (the "Revolver"), $60,000 Tranche A Term Loans and $50,000 Tranche B Term Loans (collectively the "Term Loans"). The Revolver and Term Loans are collateralized by a first lien position on all present and future assets and the member's interest of Media, Louisiana and Tennessee. The Credit Agreement provides for interest at varying rates based upon various borrowing options and the attainment of certain financial ratios and for commitment fees of 1/2% on the unused portion of the revolver. Management believes the terms are comparable to those that could be obtained from third parties. The effective interest rate, including commitment fees and amortization of related deferred financing costs and the interest-rate cap, for the four months ended April 30, 1999 was 7.58%. See Note 11 regarding the repayment of amounts outstanding under the Credit Agreement upon consummation of the Charter Transaction. The Credit Agreement and the indenture pursuant to which the Notes were issued contain restrictive covenants on the Company regarding additional indebtedness, investment guarantees, loans, acquisitions, dividends and merger or sale of the subsidiaries and require the maintenance of certain financial ratios.

5. INTEREST RATE CAP AGREEMENT

The Company purchases interest rate cap agreements that are designed to limit its exposure to increasing interest rates and are designated to its floating rate debt. The strike price of these agreements exceeds the current market levels at the time they are entered into. The interest rate indices specified by the agreements have been and are expected to be highly correlated with the interest rates the Company incurs on its floating rate debt. Payments to be received as a result of the specified interest rate index exceeding the strike price are accrued in other assets and are recognized as a reduction of interest expense (the accrual accounting method). The cost of these agreements is included in other assets and amortized to interest expense ratably during the life of the agreement. Upon termination of interest rate cap agreements, any gain is deferred in other liabilities and amortized over the remaining term of the original contractual life of the agreement as a reduction of interest expense.

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

5. INTEREST RATE CAP AGREEMENT (CONTINUED)

The Company purchased an interest rate cap agreement from Morgan Stanley Capital Services Inc. The carrying value as of April 30, 1999 was $34. The fair value of the interest rate cap was $0 as of April 30, 1999.

The following table summarizes the interest rate cap agreement:

NOTIONAL PRINCIPAL AMOUNT	TERM	EFFECTIVE DATE	TERMINATION DATE	INITIAL CONTRACT COST	FIXED RATE (PAY RATE)
$100,000	2 Years	12/1/97	12/1/99	$ 100	7.25%

6. TAXES

For the four months ended April 30, 1999, the credit for taxes has been calculated on a separate company basis. The components of the credit for taxes are as follows:

	FOUR MONTHS ENDED APRIL 30, 1999
Federal:	
Current	$ -
Deferred	-
State:	-
Current	(65)
Deferred	-
(Credit) for taxes	$ (65)

The Company's current state tax credit results from overpayment in 1998 of franchise tax in Tennessee and Mississippi and tax on capital in New York.

The Company has a net operating loss ("NOL") carry-forward for income tax purposes which is available to offset future taxable income. This NOL totals approximately $22,324 and will expire in the year 2018 and 2019 at $14,900 and $7,424 respectively. The Company has established a valuation allowance to offset the entire potential future tax benefit of the NOL carry-forward and, therefore, has recognized no deferred tax asset with respect to the NOL.

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

6. TAXES (CONTINUED)

Louisiana and Tennessee have elected to be treated as corporations for federal income tax purposes and have not recorded any tax benefit for their losses as the realization of these losses by reducing future taxable income in the carry forward period is uncertain at this time.

7. RELATED PARTY TRANSACTIONS

(A) Transactions with Morgan Stanley entities

In connection with the Acquisition, Media entered into the Credit Agreement with Morgan Stanley Senior Funding Inc. and Morgan Stanley & Co. Incorporated (collectively the "Morgan Stanley Entities") acted as the Placement Agent for the Notes. In connection with these services the Morgan Stanley Entities received customary fees and expense reimbursement comparable to that of a third party exchange.

(B) Transactions with Time Warner and related parties

In connection with the Acquisition, Media entered into an agreement with Time Warner (the "Time Warner Agreement"), pursuant to which Time Warner managed the Company's programming in exchange for providing the Company access to certain Time Warner programming arrangements (the "Programming Arrangements"). Management believes that programming rates made available to the Company through its relationship with Time Warner are lower than rates that the Company could obtain separately. Such volume rates will not continue to be available after the Charter Transaction.

For the four months ended April 30, 1999, the Company incurred approximately $2,716 in costs under the Programming Arrangements. In addition, the Company has incurred programming costs of approximately $958 for programming services owned directly or indirectly by Time Warner entities for the four months ended April 30, 1999.

(C) Transactions with board member

The Company has utilized the law firm of one of its board members for legal services for the Acquisition, financing agreements and various ongoing legal matters. These fees totaled approximately $154 for the four months ended April 30, 1999.

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

8. ACCRUED EXPENSES

Accrued expenses as of April 30, 1999 consist of the following:

Accrued franchise fees	$ 830
Accrued programming costs	644
Accrued salaries, wages and benefits	516
Accrued interest	340
Accrued property and sales tax	231
Accrued legal and professional fees	43
Other accrued expenses	618
	$ 3,222

9. EMPLOYEE BENEFIT PLAN

The Company sponsors a defined contribution plan which covers substantially all employees (the "Plan"). The Plan provides for contributions from eligible employees up to 15% of their compensation subject to Internal Revenue Code limitations. The Company's contribution to the Plan is limited to 50% of each eligible employee's contribution up to 10% of his or her compensation. The Company has the right in any year to set the amount of the Company's contribution percentage. Company matching contributions to the Plan for the four months ended April 30, 1999 were approximately $54. All participant contributions and earnings are fully vested upon contribution and Company contributions and earnings vest 20% per year of employment with the Company, becoming fully vested after five years.

In connection with the Charter Transaction, the Plan's assets were frozen as of April 30, 1999, and employees became fully vested. Effective July 1, 1999, the Company's employees with two months of service are eligible to participate in the Charter Communications, Inc. 401(k) Plan.

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

10. COMMITMENTS AND CONTINGENCIES

(A) Leases

The Company had rental expense under various lease and rental agreements primarily for offices, tower sites and warehouses of approximately $59 for the four months ended April 30, 1999. In addition, the Company rents utility poles in its operations generally under short term arrangements, but the Company expects these arrangements to recur. Total rent expense for utility poles was approximately $272 for the four months ended April 30, 1999.

Future minimum annual rental payments under noncancellable leases are as follows:

1999	$ 29
2000	38
2001	24
2002	21
2003 and thereafter	70
Total	$ 182

(B) Employment Agreements

Media entered into employment agreements with six senior executives, who are also investors in Holdings, for the payment of salaries and bonuses. In connection with the Charter Transaction, the employment agreements with the six senior executives were terminated with no liability to the Company.

(C) Other Agreements

In exchange for certain flexibility in establishing cable rate pricing structures for regulated services that went into effect on January 1, 1996, Time Warner agreed with the Federal Communications Commission ("FCC") to invest in certain upgrades to its cable infrastructure (consisting primarily of materials and labor in connection with the plant upgrades up to 750 MHz) by November 30, 2000. This agreement with the FCC (the "FCC Agreement") has been assumed by the Company as part of the Acquisition and did not terminate as a result of the Charter Transaction. The Company has agreed to invest approximately $25,100 in upgrades to its cable infrastructure in accordance with the FCC Agreement.

Renaissance Media Group LLC

Notes to Consolidated Financial Statements (continued)

(All dollar amounts in thousands)

10. COMMITMENTS AND CONTINGENCIES (CONTINUED)

(C) Other Agreements

The Company has spent approximately $3,650 on such upgrades as of April 30, 1999.

11. SUBSEQUENT EVENTS

The Charter Transaction was consummated at the close of business on April 30, 1999. In connection with the closing of the Charter Transaction, all amounts outstanding under the Credit Agreement, including accrued interest and unpaid fees, were paid in full and the Credit Agreement was terminated. The effects of the debt repayment and the CC LLC capital contribution will be reflected in the consolidated financial statements of the Company for periods subsequent to April 30, 1999.

In connection with the closing of the Charter Transaction, the Time Warner Agreement was terminated on April 30, 1999 and Media paid Time Warner $650 for deferred marketing credits owed to program providers under the Programming Arrangements. See Note 7 (Transactions with Time Warner and related parties).

On May 28, 1999, as a result of the Charter Transaction (i.e., change of control) and in accordance with the terms and conditions of the indenture governing the Notes, the Company made an offer (the "Tender Offer") to purchase any and all of the Notes at 101% of their accreted value, plus accrued and unpaid interest, if any, through June 28, 1999. The Tender Offer expired on June 23, 1999, whereby 48,762 notes ($1,000 face amount at maturity) were validly tendered and accepted for purchase. On June 28, 1999, Charter Communications Operating, LLC, the indirect parent of Group, paid a sum of $34,223 for all of the Notes validly tendered. Accordingly, the Company recorded this payment for the extinguishment of debt as a capital contribution.

12. MANAGEMENT AGREEMENT (UNAUDITED)

Effective May 1, 1999, the Company is charged a management fee equal to 3.5% of revenues, as stipulated in the previous management agreement between Charter and Charter Communications Operating, LLC ("CCO"), the indirect parent of Group. To the extent that management fees charged to the Company are greater/(less) than the proportionate share (based on basic subscribers) of corporate expenses incurred by Charter on behalf of the Company, Group will record distributions to/(capital contributions from) Charter. On November 12, 1999, Charter and CCO entered into a revised management agreement eliminating the 3.5% management fee and entitling

12. MANAGEMENT AGREEMENT (UNAUDITED) (CONTINUED)

Charter to reimbursement from CCO of all of its costs incurred in connection with the performance of its services under the revised management agreement.

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
Renaissance Media Group LLC

We have audited the accompanying consolidated balance sheet of Renaissance Media Group LLC as of December 31, 1998 and the related consolidated statements of operations, changes in members' equity, and cash flows for the year ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Renaissance Media Group LLC at December 31, 1998, and the consolidated results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

New York, New York
February 22, 1999
except for Note 11, as to which
the date is February 24, 1999

RENAISSANCE MEDIA GROUP LLC
CONSOLIDATED BALANCE SHEET
AS OF DECEMBER 31, 1998
(IN THOUSANDS)

ASSETS	
Cash and cash equivalents	$ 8,482
Accounts receivable -- trade (less allowance for doubtful accounts of $92)	726
Accounts receivable -- other	584
Prepaid expenses and other assets	340
Escrow deposit	150
Investment in cable television systems:	
Property, plant and equipment	71,246
Less: Accumulated depreciation	(7,294)
	63,952
Cable television franchises	236,489
Less: Accumulated amortization	(11,473)
	225,016
Intangible assets	17,559
Less: Accumulated amortization	(1,059)
	16,500
Total investment in cable television systems	305,468
Total assets	$315,750
LIABILITIES AND MEMBERS' EQUITY	
Accounts payable	$ 2,042
Accrued expenses(a)	6,670
Subscriber advance payments and deposits	608
Deferred marketing support	800
Advances from Holdings	135
Debt	209,874
Total Liabilities	220,129
Members' Equity:	
Paid in capital	108,600
Accumulated deficit	(12,979)
Total members' equity	95,621
Total liabilities and members' equity	$315,750

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(a) includes accrued costs from transactions with affiliated companies of $921.

See accompanying notes to financial statements.

RENAISSANCE MEDIA GROUP LLC
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1998
(IN THOUSANDS)

REVENUES	$ 41,524
COSTS & EXPENSES	
Service Costs(a)	13,326
Selling, General & Administrative	7,711
Depreciation & Amortization	19,107
Operating Income	1,380
Interest Income	158
Interest (Expense) (b)	(14,358)
(Loss) Before Provision for Taxes	(12,820)
Provision for Taxes	135
Net (Loss)	$(12,955)

(a) includes costs from transactions with affiliated companies of $7,523.

(b) includes $676 of amortization of deferred financing costs.

See accompanying notes to financial statements.

RENAISSANCE MEDIA GROUP LLC
CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 1998
(IN THOUSANDS)

	PAID IN CAPITAL	ACCUMULATED (DEFICIT)	TOTAL MEMBER'S EQUITY
Contributed Members' Equity -- Renaissance Media Holdings LLC and Renaissance Media LLC	$ 15,000	$ (24)	$14,976
Additional capital contributions	93,600	--	93,600
Net (Loss)	--	(12,955)	(12,955)
Balance December 31, 1998	$108,600	$(12,979)	$95,621

See accompanying notes to financial statements.

RENAISSANCE MEDIA GROUP LLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1998
(IN THOUSANDS)

OPERATING ACTIVITIES:	
Net (loss)	$(12,955)
Adjustments to non-cash and non-operating items:	
Depreciation and amortization	19,107
Accretion on Senior Discount Notes	7,363
Other non-cash charges	730
Changes in operating assets and liabilities:	
Accounts receivable -- trade, net	(726)
Accounts receivable -- other	(584)
Prepaid expenses and other assets	(338)
Accounts payable	2,031
Accrued expenses	6,660
Subscriber advance payments and deposits	608
Deferred marketing support	800
Net cash provided by operating activities	22,696
INVESTING ACTIVITIES:	
Purchased cable television systems:	
Property, plant and equipment	(65,580)
Cable television franchises	(235,412)
Cash paid in excess of identifiable assets	(8,608)
Escrow deposit	(150)
Capital expenditures	(5,683)
Cable television franchises	(1,077)
Other intangible assets	(526)
Net cash (used in) investing activities	(317,036)
FINANCING ACTIVITIES:	
Debt acquisition costs	(8,323)
Principal repayments on bank debt	(7,500)
Advances from Holdings	33
Proceeds from bank debt	110,000
Proceeds from 10% Senior Discount Notes	100,012
Capital contributions	108,600
Net cash provided by financing activities	302,822
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,482
CASH AND CASH EQUIVALENTS AT DECEMBER 31, 1997	--
CASH AND CASH EQUIVALENTS AT DECEMBER 31, 1998	$ 8,482
SUPPLEMENTAL DISCLOSURES:	
INTEREST PAID	$ 4,639

See accompanying notes to financial statements.

RENAISSANCE MEDIA GROUP LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1998
(ALL DOLLAR AMOUNTS IN THOUSANDS)

1. ORGANIZATION AND BASIS OF PRESENTATION

Renaissance Media Group LLC ("Group") was formed on March 13, 1998 by Renaissance Media Holdings LLC ("Holdings"). Holdings is owned by Morgan Stanley Capital Partners III, L.P. ("MSCP III"), Morgan Stanley Capital Investors, L.P. ("MSCI"), MSCP III 892 Investors, L.P. ("MSCP Investors" and, collectively, with its affiliates, MSCP III and MSCI and their respective affiliates, the "Morgan Stanley Entities"), Time Warner and the Management Investors. On March 20, 1998, Holdings contributed to Group its membership interests in two wholly-owned subsidiaries; Renaissance Media (Louisiana) LLC ("Louisiana") and Renaissance Media (Tennessee) LLC ("Tennessee"), which were formed on January 7, 1998. Louisiana and Tennessee acquired a 76% interest and 24% interest, respectively, in Renaissance Media LLC ("Media") from Morgan Stanley Capital Partners III, Inc. ("MSCP"), on February 13, 1998 through an acquisition of entities under common control accounted for as if it were a pooling of interests. As a result, Media became a subsidiary of Group and Holdings. Group and its aforementioned subsidiaries are collectively referred to as the "Company". On April 9, 1998, the Company acquired (the "Acquisition") six cable television systems (the "Systems") from TWI Cable, Inc. ("TWI Cable"), a subsidiary of Time Warner Inc. ("Time Warner"). See Note 3. Prior to this Acquisition, the Company had no operations other than start-up related activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NEW ACCOUNTING STANDARDS

During fiscal 1998, the Financial Accounting Standards Board ("FASB") issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133").

FAS 133 provides a comprehensive and consistent standard for the recognition and measurement of derivatives and hedging activities. The Company will adopt FAS 133 as of January 1, 2000. The impact of the adoption on the Company's consolidated financial statements is not expected to be material.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiaries. Significant intercompany accounts and transactions have been eliminated.

CONCENTRATION OF CREDIT RISK

A significant portion of the customer base is concentrated within the local geographical area of each of the individual cable television systems. The Company generally extends credit to customers and the ultimate collection of accounts receivable could be affected by the local economy. Management performs continuous credit evaluations of its customers and may require cash in advance or other special arrangements from certain customers. Management does not believe that there is any significant credit risk which could have a material effect on the Company's financial condition.

REVENUE AND COSTS

Subscriber fees are recorded as revenue in the period the related services are provided and advertising revenues are recognized in the period the related advertisements are exhibited.

RENAISSANCE MEDIA GROUP LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
DECEMBER 31, 1998
(ALL DOLLAR AMOUNTS IN THOUSANDS)

Rights to exhibit programming are purchased from various cable networks. The costs of such rights are generally expensed as the related services are made available to subscribers.

ADVERTISING COSTS

Advertising costs are expensed upon the first exhibition of the related advertisements. Advertising expense amounted to $491 in 1998.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and investments in short-term, highly liquid securities, which have maturities when purchased of three months or less.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at purchased and capitalized cost. Capitalized internal costs principally, consist of employee costs and interest on funds borrowed during construction. Capitalized labor, materials and associated overhead amounted to approximately $1,429 in 1998. Replacements, renewals and improvements to installed cable plant are capitalized. Maintenance and repairs are charged to expense as incurred. Depreciation expense for the year ended December 31, 1998 amounted to $7,314. Property, plant and equipment is depreciated using the straight-line method over the following estimated service lives:

Buildings and leasehold improvements	5 - 30 years
Cable systems, equipment and subscriber devices	5 - 30 years
Transportation equipment	3 - 5 years
Furniture, fixtures and office equipment	5 - 10 years

Property, plant and equipment at December 31, 1998 consisted of:

Land	$ 432
Buildings and leasehold improvements	1,347
Cable systems, equipment and subscriber devices	62,740
Transportation equipment	2,181
Furniture, Fixtures and office equipment	904
Construction in progress	3,642
	71,246
Less: accumulated depreciation	(7,294)
Total	$63,952

RENAISSANCE MEDIA GROUP LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
DECEMBER 31, 1998
(ALL DOLLAR AMOUNTS IN THOUSANDS)

CABLE TELEVISION FRANCHISES AND INTANGIBLE ASSETS

Cable television franchise costs include the assigned fair value, at the date of acquisition, of the franchises from purchased cable television systems. Intangible assets include goodwill, deferred financing and other intangible assets. Cable television franchises and intangible assets are amortized using the straight-line method over the following estimated useful lives:

Cable television franchises	15 years
Goodwill	25 years
Deferred financing and other intangible assets	2 - 10 years

Intangible assets at December 31, 1998 consisted of:

Goodwill	$ 8,608
Deferred Financing Costs	8,323
Other intangible assets	628
	17,559
Less: accumulated amortization	(1,059)
Total	$16,500

The Company periodically reviews the carrying value of its long-lived assets, including property, plant and equipment, cable television franchises and intangible assets, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. To the extent the estimated future cash inflows attributable to the asset, less estimated future cash outflows, is less than the carrying amount, an impairment loss is recognized to the extent that the carrying value of such asset is greater than its fair value.

ESTIMATES USED IN FINANCIAL STATEMENT PRESENTATION

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. ACQUISITIONS

TWI CABLE

On April 9, 1998, the Company acquired six cable television systems from TWI Cable. The systems are clustered in southern Louisiana, western Mississippi and western Tennessee. This Acquisition represented the first acquisition by the Company. The purchase price for the systems was $309,500 which was paid as follows: TWI Cable received $300,000 in cash, inclusive of an escrow deposit of $15,000, and a $9,500 (9,500 units) equity interest in Renaissance Media Holdings LLC, the parent company of Group. In addition to the purchase price, the Company incurred approximately $1,385 in transaction costs, exclusive of financing costs.

The Acquisition was accounted for using the purchase method and, accordingly, results of operations are reported from the date of the Acquisition (April 9, 1998). The excess of the purchase price over the estimated fair value of the tangible assets acquired has been allocated to cable television franchises and goodwill in the amount of $235,387 and $8,608, respectively.

(ALL DOLLAR AMOUNTS IN THOUSANDS)

DEFFNER CABLE

On August 31, 1998, the Company acquired the assets of Deffner Cable, a cable television company located in Gadsden, Tennessee. The purchase price was $100 and was accounted for using the purchase method. The allocation of the purchase price is subject to change, although management does not believe that any material adjustment to such allocation is expected.

BAYOU VISION, INC.

On February 3, 1999, Media acquired the cable television assets of Bayou Vision, Inc. and Gulf South Cable, Inc. serving approximately 1,950 subscribers in the Villages of Estherwood, Morse and Mermentau and Acadia and Livingston Parish, Louisiana. The cash purchase price was approximately $2,700 and was paid out of available Company funds.

Unaudited Pro Forma summarized results of operations for the Company for the year ended December 31, 1998 and 1997, assuming the Acquisition, Notes (as hereinafter defined) offering and Credit Agreement (as hereinafter defined) had been consummated on January 1, 1998 and 1997, are as follows:

	YEAR ENDED DECEMBER 31	
	1997	1998
Revenues	$ 50,987	$ 56,745
Expenses	53,022	55,210
Operating (loss) income	(2,035)	1,535
Interest expense and other expenses	(19,740)	(19,699)
Net (Loss)	$(21,775)	$(18,164)

4. DEBT

As of December 31, 1998, debt consisted of:

10.00% Senior Discount Notes at Accreted Value(a)	$107,374
Credit Agreement(b)	102,500
	$209,874

(a) On April 9, 1998, in connection with the Acquisition described in Note 3, the Company issued $163,175 principal amount at maturity, $100,012 initial accreted value, of 10.00% senior discount notes due 2008 ("Notes"). The Notes pay no interest until April 15, 2003. From and after April 15, 2003 the Notes will bear interest, payable semi-annually in cash, at a rate of 10% per annum on April 15 and October 15 of each year, commencing October 15, 2003. The Notes are due on April 15, 2008.

(b) On April 9, 1998, Renaissance Media entered into a credit agreement among Morgan Stanley & Co. Incorporated as Placement Agent, Morgan Stanley Senior Funding Inc., as Syndication Agent, the Lenders, CIBC Inc., as Documentation Agent and Bankers Trust Company as Administrative Agent (the "Credit Agreement"). The aggregate commitments under the Credit

(ALL DOLLAR AMOUNTS IN THOUSANDS)

Agreement total $150,000, consisting of a $40,000 revolver, $60,000 Tranche A Term Loans and $50,000 Tranche B Term Loans (collectively the "Term Loans"). The revolving credit and term loans are collateralized by a first lien position on all present and future assets and the member's interest of Media, Louisiana and Tennessee. The Credit Agreement provides for interest at varying rates based upon various borrowing options and the attainment of certain financial ratios and for commitment fees of 1/2% on the unused portion of the revolver. The effective interest rate, including commitment fees and amortization of related deferred financing costs and the interest-rate cap, for the year ended December 31, 1998 was 8.82%.

On April 9, 1998, $110,000 was borrowed under the Credit Agreement's Tranche A and B Term Loans. On June 23, 1998, $7,500 was repaid resulting in $102,500 of outstanding Tranche A and B Term Loans as of December 31, 1998.

As of December 31, 1998, the Company had unrestricted use of the $40,000 revolver. No borrowings had been made by the Company under the revolver through that date.

Annual maturities of borrowings under the Credit Agreement for the years ending December 31 are as follows:

1999	$ 776
2000	1,035
2001	2,701
2002	9,506
2003	11,590
2004	11,590
Thereafter	65,302
	102,500
Less: Current portion	(776)
	$101,724

The Credit Agreement and the Indenture pursuant to which the Notes were issued contain restrictive covenants on the Company and subsidiaries regarding additional indebtedness, investment guarantees, loans, acquisitions, dividends and merger or sale of the subsidiaries and require the maintenance of certain financial ratios.

Total interest cost incurred for the year ended December 31, 1998, including commitment fees and amortization of deferred financing and interest-rate cap costs was $14,358, net of capitalized interest of $42.

5. INTEREST RATE-CAP AGREEMENT

The Company purchases interest-rate cap agreements that are designed to limit its exposure to increasing interest rates and are designated to its floating rate debt. The strike price of these agreements exceeds the current market levels at the time they are entered into. The interest rate indices specified by the agreements have been and are expected to be highly correlated with the interest rates the Company incurs on its floating rate debt. Payments to be received as a result of the specified interest rate index exceeding the strike price are accrued in other assets and are recognized as a reduction of interest expense (the accrual accounting method). The cost of these agreements is included in other assets and amortized to interest expense ratably during the life of the agreement. Upon termination of an interest-rate cap agreement, any gain is deferred in other liabilities and amortized over the remaining term of the original contractual life of the agreement as a reduction of interest expense.

(ALL DOLLAR AMOUNTS IN THOUSANDS)

On December 1, 1997, the Company purchased an interest-rate cap agreement from Morgan Stanley Capital Services Inc. The carrying value as of December 31, 1998 was $47. The fair value of the interest-rate cap, which is based upon the estimated amount that the Company would receive or pay to terminate the cap agreement as of December 31, 1998, taking into consideration current interest rates and the credit worthiness of the counterparties, approximates its carrying value.

The following table summarizes the interest-rate cap agreement:

NOTIONAL PRINCIPAL AMOUNT	TERM	EFFECTIVE DATE	TERMINATION DATE	INITIAL CONTRACT COST	FIXED RATE (PAY RATE)
$100,000	2 years	12/1/97	12/1/99	$100	7.25%

6. TAXES

For the year ended December 31, 1998, the provision for income taxes has been calculated on a separate company basis. The components of the provision for income taxes are as follows:

	YEAR ENDED DECEMBER 31, 1998
Federal:	
Current	$ --
Deferred	--
State:	
Current	135
Deferred	--
Provision for income taxes	$135

The Company's current state tax liability results from its obligation to pay franchise tax in Tennessee and Mississippi and tax on capital in New York.

The Company has a net operating loss ("NOL") carryforward for income tax purposes which is available to offset future taxable income. This NOL totals approximately $14,900 and expires in the year 2018. The Company has established a valuation allowance to offset the entire potential future tax benefit of the NOL carryforward and, therefore, has recognized no deferred tax asset with respect to the NOL.

Louisiana and Tennessee have elected to be treated as corporations for federal income tax purposes and have not recorded any tax benefit for their losses as the realization of theses losses by reducing future taxable income in the carry forward period is uncertain at this time.

7. RELATED PARTY TRANSACTIONS

(a) TRANSACTIONS WITH MORGAN STANLEY ENTITIES

In connection with the Acquisition, Media entered into the Credit Agreement with Morgan Stanley Senior Funding Inc. and Morgan Stanley & Co. Incorporated acted as the Placement

(ALL DOLLAR AMOUNTS IN THOUSANDS)

Agent for the Notes. In connection with these services the Morgan Stanley Entities received customary fees and expense reimbursement.

(b) TRANSACTIONS WITH TIME WARNER AND RELATED PARTIES

In connection with the Acquisition, Media entered into an agreement with Time Warner, pursuant to which Time Warner manages the Company's programming in exchange for providing the Company access to certain Time Warner programming arrangements.

(c) Transactions with Management

Prior to the consummation of the Acquisition described in Note 3, Media paid fees in 1998 to six senior executives of the Company who are investors in the Company (the "Management Investors") for services rendered prior to their employment by Media relating to the Acquisition and the Credit Agreement. These fees totaled $287 and were recorded as transaction and financing costs.

(d) DUE TO MANAGEMENT INVESTORS

Prior to the formation of the Company, the Management Investors advanced $1,000 to Holdings, which was used primarily for working capital purposes. Upon formation of the Company, Holdings contributed certain assets and liabilities to Group and the $1,000 advance from the Management Investors was recorded as paid in capital.

(e) TRANSACTIONS WITH BOARD MEMBER

The Company has utilized the law firm of one of its board members for legal services for the Acquisition, financing agreements and various ongoing legal matters. These fees totaled approximately $1,348 for the year ended December 31, 1998.

8. ACCRUED EXPENSES

Accrued expenses as of December 31, 1998 consist of the following:

Accrued programming costs	$1,986
Accrued interest	1,671
Accrued franchise fees	1,022
Accrued legal and professional fees,	254
Accrued salaries, wages and benefits	570
Accrued property and sales tax	637
Other accrued expenses	530
	$6,670

9. EMPLOYEE BENEFIT PLAN

Effective April 9, 1998, the Company began sponsoring a defined contribution plan which covers substantially all employees (the "Plan"). The Plan provides for contributions from eligible employees up to 15% of their compensation. The Company's contribution to the Plan is limited to 50% of each eligible employee's contribution up to 10% of his or her compensation. The Company has the right in any year to set the amount of the Company's contribution percentage.

(ALL DOLLAR AMOUNTS IN THOUSANDS)

Company matching contributions to the Plan for the year ended December 31, 1998 were approximately $97. All participant contributions and earnings are fully vested upon contribution and company contributions and earnings vest 20% per year of employment with the Company, becoming fully vested after five years.

10. COMMITMENTS AND CONTINGENCIES

(a) LEASES

The Company had rental expense under various lease and rental agreements primarily for offices, tower sites and warehouses of approximately $125 in 1998. In addition, the Company rents utility poles in its operations generally under short term arrangements, but the Company expects these arrangements to recur. Total rent expense for utility poles was approximately $620 in 1998. Future minimum annual rental payments under noncancellable leases are as follows:

1999	$162
2000	38
2001	24
2002	20
2003 and thereafter	66
Total	$310

(b) EMPLOYMENT AGREEMENTS

Media has entered into employment agreements with six senior executives who are also investors in Holdings. Under the conditions of five of the agreements the employment term is five years, expiring in April 2003 and requires Media to continue salary payments (including any bonus) through the term if the executive's employment is terminated by Media without cause, as defined in the employment agreement. Media's obligations under the employment agreements may be reduced in certain situations based on actual operating performance relative to the business plan, death or disability or by actions of the other senior executives.

The employment agreement for one senior executive has a term of one year and may be renewed annually. This agreement has been renewed through April 8, 2000.

(c) OTHER AGREEMENTS

In exchange for certain flexibility in establishing cable rate pricing structures for regulated services that went into effect on January 1, 1996, Time Warner agreed with the Federal Communications Commission ("FCC") to invest in certain upgrades to its cable infrastructure (consisting primarily of materials and labor in connection with the plant upgrades up to 750 megahertz) by 1999 (approximately $23 million). This agreement with the FCC has been assumed by the Company as part of the Acquisition.

11. SUBSEQUENT EVENT

On February 23, 1999, Holdings entered into an agreement with Charter Communications, LLC and Charter Communications, Inc., to sell 100% of its members' equity in the Company for approximately $459,000, subject to certain closing conditions. This transaction is expected to close during the third quarter of 1999.

12. YEAR 2000 ISSUES (UNAUDITED)

The Company relies on computer systems, related software applications and other control devices in operating and monitoring all major aspects of its business, including, but not limited to, its financial systems (such as general ledger, accounts payable, payroll and fixed asset modules), subscriber billing systems, internal networks and telecommunications equipment. The Company also relies, directly and indirectly, on the external systems of various independent business enterprises, such as its suppliers and financial organizations, for the accurate exchange of data.

The Company continues to assess the likely impact of Year 2000 issues on its business operations, including its material information technology ("IT") and non-IT applications. These material applications include all billing and subscriber information systems, general ledger software, payroll systems, accounting software, phone switches and certain headend applications, all of which are third party supported.

The Company believes it has identified all systems that may be affected by Year 2000 Issues. Concurrent with the identification phase, the Company is securing compliance determinations relative to all identified systems. For those systems that the Company believes are material, compliance programs have been received or such systems have been certified by independent parities as Year 2000 compliant. For those material systems that are subject to compliance programs, the Company expects to receive Year 2000 certifications from independent parties by the second quarter 1999. Determinations of Year 2000 compliance requirements for less mission critical systems are in progress and are expected to be completed in the second quarter of 1999.

With respect to third parties with which the Company has a material relationship, the Company believes its most significant relationships are with financial institutions, who receive subscriber monthly payments and maintain Company bank accounts, and subscriber billing and management systems providers. We have received compliance programs which if executed as planned should provide a high degree of assurance that all Year 2000 issues will be addressed by mid 1999.

The Company has not incurred any material Year 2000 costs to date, and excluding the need for contingency plans, does not expect to incur any material Year 2000 costs in the future because most of its applications are maintained by third parties who have borne Year 2000 compliance costs.

The Company cannot be certain that it or third parties supporting its systems have resolved or will resolve all Year 2000 issues in a timely manner. Failure by the Company or any such third party to successfully address the relevant Year 2000 issues could result in disruptions of the Company's business and the incurrence of significant expenses by the Company. Additionally, the Company could be affected by any disruption to third parties with which the Company does business if such third parties have not successfully addressed their Year 2000 issues.

Failure to resolve Year 2000 issues could result in improper billing to the Company's subscribers which could have a major impact on the recording of revenue and the collection of cash as well as create significant customer dissatisfaction. In addition, failure on the part of the financial institutions with which the Company relies on for its cash collection and management services could also have a significant impact on collections, results of operations and the liquidity of the Company.

The Company has not yet finalized contingency plans necessary to handle the most likely worst case scenarios. Before concluding as to possible contingency plans, the Company must determine whether the material service providers contemplate having such plans in place. In the event that contingency plans from material service providers are not in place or are deemed inadequate, management expects to have such plans in place by the third quarter of 1999.

REPORT OF INDEPENDENT AUDITORS

To the Members of
Renaissance Media Holdings LLC
Renaissance Media LLC

We have audited the accompanying combined balance sheet of Renaissance Media Holdings LLC and Renaissance Media LLC (as combined, the "Company") as of December 31, 1997 and the related combined income statement and statement of cash flows for the period from November 5, 1997 (date of inception) to December 31, 1997. These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Company at December 31, 1997 and the results of its operations and its cash flows for the period from November 5, 1997 (date of inception) to December 31, 1997 in conformity with generally accepted accounting principles.

/s/ Ernst & Young LLP

New York, New York
March 16, 1998

RENAISSANCE MEDIA HOLDINGS LLC AND RENAISSANCE MEDIA LLC

COMBINED BALANCE SHEET

December 31, 1997

ASSETS

Cash and cash equivalents	$ 903,034
Accrued interest income	59,434
Accounts receivable	2,500
Prepaid expenses and other assets	2,041
Escrow deposit	15,000,000
Deferred acquisition costs, net	347,500
Deferred financing costs	692,500
Less accumulated amortization	(4,271)
	688,229
Total assets	$17,002,738

LIABILITIES AND MEMBERS' EQUITY

Due to Management Investors	$ 1,000,000
Accounts payable	11,313
Accrued expenses:	
Legal	880,000
Audit fees	15,000
Other professional fees	60,000
	1,966,313
MEMBERS' EQUITY:	
Morgan Stanley Capital Partners III, Inc.	1
Morgan Stanley Capital Partners III, L.P.	13,269,701
MSCP III 892 Investors, L.P.	1,358,582
Morgan Stanley Capital Investors, L.P.	371,717
Retained earnings	36,424
Total members' equity	15,036,425
Total liabilities and members' equity	$17,002,738

See accompanying notes to financial statements.

RENAISSANCE MEDIA HOLDINGS LLC AND RENAISSANCE MEDIA LLC

COMBINED STATEMENTS OF INCOME AND RETAINED EARNINGS

November 5, 1997 (Date of Inception) to December 31, 1997

Revenues:	
Interest income	$64,968
Total revenue	64,968
Expenses:	
Employee	9,196
General	77
Professional	15,000
Interest expense	4,271
Total expenses	28,544
Net income	$36,424
Retained earnings, beginning of period	-0-
Retained earnings, end of period	$36,424

See accompanying notes to financial statements.

RENAISSANCE MEDIA HOLDINGS LLC AND RENAISSANCE MEDIA LLC

COMBINED STATEMENT OF CASH FLOW

November 5, 1997 (Date of Inception) to December 31, 1997

Operating Activities:		
Net income	$	36,424
Adjustments to non-cash and non-operating items:		
Non-cash interest expense/(income)		4,271
Changes in operating assets and liabilities:		
Accrued interest income		(59,434)
Accounts receivable		(2,500)
Prepaid expenses and other assets		(2,041)
Purchase of interest rate cap agreement		(102,500)
Accrued expenses:		
Other professional fees		2,500
Audit fees		15,000
Accounts payable		11,313
Net cash (used in) operating activities		(96,967)
Investing Activities:		
Escrow deposit		(15,000,000)
Net cash (used in) investing activities		(15,000,000)
Financing Activities:		
Due to Management Investors		1,000,000
Capital contributions:		
Morgan Stanley Capital Partners III, Inc		1
Morgan Stanley Capital Partners III, L.P		13,269,701
MSCP III 892 Investors, L.P		1,358,582
Morgan Stanley Capital Investors, L.P		371,717
Net cash provided by (used in) financing activities		16,000,001
Net Increase in Cash and Cash Equivalents		903,034
Cash and Cash Equivalents at the beginning of the period		--
Cash and Cash Equivalents at the end of the period	$	903,034

See accompanying notes to financial statements.

RENAISSANCE MEDIA HOLDINGS LLC AND RENAISSANCE MEDIA LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 1997

1. Organization and Basis of Presentation

Renaissance Media Holdings LLC ("Holdings") was formed on November 5, 1997 to acquire certain cable television systems in Louisiana, Tennessee and Mississippi. The initial investing stockholders of Holdings were Morgan Stanley Capital Partners III, L.P. ("MSCP III L.P."), MSCP III 892 Investors, L.P. ("MSCP III 892"), and Morgan Stanley Capital Investors, L.P. ("MSCI L.P."). Renaissance Media LLC ("Media") was formed on November 24, 1997. The initial investing stockholder of Media was Morgan Stanley Capital Partners III, Inc. ("MSCP III Inc.).

The financial statements of Holdings and Media (as combined, the "Company") have been combined as of December 31, 1997 and for the period from November 5, 1997 (date of inception) to December 31, 1997 as (i) it is management's belief that the combined financial statements present the financial position and results of operations of what will become the ultimate legal entity structure upon the closing of the Asset Purchase Transaction (as defined in Note 3 below) and the offering of the Notes (as defined in Note 9 below), (ii) Media and Holdings were the only legal operating entities in existence at December 31, 1997 with any assets, liabilities, revenue or expenses, (iii) Media was nominally capitalized at $1 and had minimal operations, (iv) Media and Holdings were under common control because (x) Holdings has been advised by MSCP III L.P., MSCP III 892 and MSCI L.P. that MSCP III Inc. is the general partner of the general partner of each of MSCP III L.P., MSCP III 892 and MSCI L.P., which were the sole equity owners of Holdings and as general partner controls all activities of MSCP III L.P., MSCP III 892 and MSCI L.P. (including, without limitation, their major operating and financial policies) and (y) MSCP III Inc. was the sole equity owner of Media, and (v) the financial statements of Media are not material to the combined financial statements. Subsequent to December 31, 1997, the following legal entity structure changes were enacted: (a) Holdings formed two wholly-owned subsidiaries, Renaissance Media (Louisiana) LLC ("Louisiana") and Renaissance Media (Tennessee) LLC ("Tennessee"), on January 7, 1998; (b) Louisiana and Tennessee acquired a 76% interest and 24% interest in Media, respectively, from MSCP III Inc. on February 13, 1998 at the same nominal amount through an acquisition of entities under common control accounted for as if it were a pooling of interests, as a result of which Media became a subsidiary of Holdings; (c) Holdings formed two wholly-owned subsidiaries, Renaissance Media Group LLC ("Group") and Renaissance Media Capital Corporation, on March 13, 1998 and March 12, 1998, respectively; and (d) Holdings contributed its membership interests in Louisiana and Tennessee to Group on March 20, 1998.

Significant intercompany transactions and accounts have been eliminated.

2. Summary of Significant Accounting Policies

Use of Estimates

The presentation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and footnotes thereto. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Deferred Acquisition and Financing Costs

Deferred acquisition and financing costs at December 31, 1997 consist primarily of legal fees associated with the acquisition of certain assets of TWI Cable Inc. ("TWI Cable") and financing costs relating to the

RENAISSANCE MEDIA HOLDINGS LLC AND RENAISSANCE MEDIA LLC

NOTES TO FINANCIAL STATEMENTS--(Continued)

December 31, 1997

contemplated financing (see note 4). Subsequent to the closing of the acquisition, these costs will be amortized over periods ranging from 8 to 15 years.

3. Time Warner Asset Purchase Agreement

On November 14, 1997, Holdings entered into an Asset Purchase Agreement (the "Time Warner Asset Purchase Agreement") with TWI Cable whereby Holdings agreed to purchase from TWI Cable the assets of certain cable television systems in Louisiana, Tennessee and Mississippi (the "Acquisition"). This transaction closed on April 9, 1998 and was accounted for using the purchase method. The purchase price for the assets acquired was $309.5 million, $300 million of which was paid in cash and $9.5 million of which was paid by the issuance of an equity interest (9,500 units) in Holdings to TWI Cable at the closing. The 9,500 units issued to TWI Cable as equity represent an 8.8% interest in Holdings, determined by dividing the TWI Cable interest of 9,500 units by the total units outstanding of Holdings of 108,500. TWI Cable's interest in Holdings is as a minority member with one Board representative, and TWI Cable has economic interests in Holdings equal to its ownership percentage on the same basis as all other members of Holdings. Holdings was formed to consummate the Acquisition and had no assets prior to this transaction. In accordance with the Limited Liability Company Agreement of Holdings, TWI Cable is not required to make any future equity contribution to Holdings and its ability to sell or otherwise dispose of its interests in Holdings is limited. In accordance with the Time Warner Asset Purchase Agreement, Holdings made a deposit payment of $15 million on December 5, 1997 which was held by an escrow agent until the closing date. (See Note 9.)

4. Capitalization and Debt Financing

In accordance with a commitment letter dated November 14, 1997, Morgan Stanley Senior Funding, Inc. has committed to provide up to $200 million of acquisition debt financing to Media ("Acquisition Debt"), including $25 million available to Media, if necessary, to fund capital expansion and upgrade programs as well as for general working capital requirements. (See Note 9.)

5. Interest Rate Cap Agreement

On December 5, 1997, Media purchased an interest rate cap agreement from Morgan Stanley Capital Services Inc. At December 31, 1997, the interest rate cap agreement effectively fixed or set a maximum interest rate of 7.25% on bank debt borrowings up to $100 million. The interest rate cap agreement expires on December 5, 1999. The cost of this agreement has been recorded as deferred financing costs and is being amortized to interest expense ratably over the life of the agreement.

6. Due to Management Investors

Subsequent to the formation of the Company and the execution of the Time Warner Asset Purchase Agreement, the Management Investors advanced $1 million to Holdings. At the closing of the Time Warner Asset Purchase Agreement, (see Note 9), this advance will be contributed by the Management Investors to Holdings as equity.

7. Commitments

Media entered into a lease agreement on January 5, 1998 for corporate office headquarters. The lease agreement expires on January 4, 1999. Annual rental expense for 1998 under the agreement will be $90,000.

RENAISSANCE MEDIA HOLDINGS LLC AND RENAISSANCE MEDIA LLC

NOTES TO FINANCIAL STATEMENTS--(Continued)

December 31, 1997

8. Income Taxes

Holdings and Media are limited liability companies and are not subject to Federal or State Income Tax. Any income earned by these entities will be taxed to their respective members.

9. Subsequent Events (Unaudited)

On April 9, 1998, the Acquisition described in Note 3 was completed. At that time Holdings assigned its rights and obligations under the Time Warner Asset Purchase Agreement to Media.

The capitalization of Holdings was modified with respect to the financing aspects of the transaction such that the Acquisition Debt described in Note 4 was reduced to $150 million of which $110 million was drawn and $40 million is available under a revolving credit facility. In addition, Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance (Tennessee) LLC and Renaissance Media Capital Corporation (collectively, the "Obligors") issued $163 million principal amount of senior discount notes due 2008 (the "Notes") and received net cash proceeds of approximately $100 million. The Notes will fully accrete to face value on April 15, 2003, and after such date will bear interest, payable semi-annually in cash, at a rate of 10% per annum on April 15 and October 15 of each year commencing October 15, 2003. The Notes are redeemable at the option of the Obligors at any time on or after April 15, 2003 at 105.0% of the principal amount thereof at maturity until April 15, 2004 and declining in accordance with a schedule to 100.0% of the principal amount thereof at maturity in 2006 and thereafter. The payment of the Notes will be guaranteed by Renaissance Media Group LLC and will be effectively subordinated to all liabilities of Renaissance Media Group LLC's subsidiaries. The indenture for the Notes contains certain restrictive covenants. Additional equity contributions of $93.5 million, were made by MSCP III, L.P., MSCP III 892, MSCI L.P., TWI Cable and the Management Investors on April 9, 1998 to the Company.

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
TWI Cable, Inc.

We have audited the accompanying combined balance sheet of the Picayune MS, Lafourche LA, St. Tammany LA, St. Landry LA, Pointe Coupee LA, and Jackson TN cable television systems, (collectively, the "Combined Systems") included in TWI Cable, Inc. ("TWI Cable"), as of April 8, 1998, and the related combined statements of operations, changes in net assets and cash flows for the period from January 1, 1998 through April 8, 1998. These combined financial statements are the responsibility of the Combined Systems' management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Combined Systems, included in TWI Cable, at April 8, 1998, and the combined results of their operations and their cash flows for the period from January 1, 1998 through April 8, 1998, in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

New York, New York
February 22, 1999

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA, POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

COMBINED BALANCE SHEET
(IN THOUSANDS)

	APRIL 8, 1998
ASSETS	
Cash and cash equivalents	$ 7
Receivables, less allowance of $116	576
Prepaid expenses and other assets	438
Property, plant and equipment, net	35,992
Cable television franchises, net	195,907
Goodwill and other intangibles, net	50,023
Total assets	$282,943
LIABILITIES AND NET ASSETS	
Accounts payable	$ 63
Accrued programming expenses	978
Accrued franchise fees	616
Subscriber advance payments and deposits	593
Deferred income taxes	61,792
Other liabilities	747
Total liabilities	64,789
Total net assets	218,154
Total liabilities and net assets	$282,943

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

COMBINED STATEMENT OF OPERATIONS
(IN THOUSANDS)

	FOR THE PERIOD FROM JANUARY 1, 1998 THROUGH APRIL 8, 1998
REVENUES	$15,221
COSTS AND EXPENSES:	
Operating and programming	3,603
Selling, general and administrative	4,134
Depreciation and amortization	5,031
(Gain) on disposal of fixed assets	(96)
Total costs and expenses	12,672
Operating income	2,549
Provision for income taxes	1,191
Net income	$ 1,358

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

COMBINED STATEMENT OF CHANGES IN NET ASSETS
(IN THOUSANDS)

Balance at December 31, 1997	$224,546
Repayment of advances from Parent	(17,408)
Advances from Parent	9,658
Net income	1,358
Balance at April 8, 1998	$218,154

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

COMBINED STATEMENT OF CASH FLOWS
(IN THOUSANDS)

	FOR THE PERIOD FROM JANUARY 1, 1998 THROUGH APRIL 8, 1998
OPERATING ACTIVITIES:	
Net income	$ 1,358
Adjustments for noncash and nonoperating items:	
Income tax expense	1,191
Depreciation and amortization	5,031
(Gain) on disposal of fixed assets	(96)
Changes in operating assets and liabilities:	
Receivables, prepaids and other assets	289
Accounts payable, accrued expenses and other liabilities	(770)
Other balance sheet changes	(4)
Net cash provided by operations	6,999
INVESTING ACTIVITIES:	
Capital expenditures	(613)
Net cash used in investing activities	(613)
FINANCING ACTIVITIES:	
Net repayment of advances from Parent	(7,750)
Net cash (used in) financing activities	(7,750)
INCREASE IN CASH AND CASH EQUIVALENTS	(1,364)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,371
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 7

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF BUSINESS

The cable television systems operating in the metropolitan areas of Picayune, Mississippi; Lafourche, Louisiana; St. Tammany, Louisiana; St. Landry, Louisiana; Pointe Coupee, Louisiana; and Jackson, Tennessee (the "Combined Systems") are principally engaged in the cable television business under non-exclusive franchise agreements, which expire at various times beginning in 1999. The Combined Systems' operations consist primarily of selling video programming which is distributed to subscribers for a monthly fee through a network of coaxial and fiber-optic cables.

Prior to January 4, 1996, the Combined Systems were included in certain subsidiaries of Cablevision Industries Corporation ("CVI"). On January 4, 1996, CVI merged into a wholly owned subsidiary of Time Warner Inc. (the "CVI Merger"). On October 1, 1996, Time Warner Inc. ("Time Warner") completed a reorganization amongst certain of its wholly owned cable television subsidiaries whereby CVI was renamed TWI Cable Inc. ("TWI Cable").

BASIS OF PRESENTATION

TWI Cable has sold the Combined Systems to Renaissance Media Holdings LLC ("Renaissance") pursuant to an Asset Purchase Agreement with Renaissance, dated November 14, 1997 (see Note 8). Accordingly, the accompanying combined financial statements of the Combined Systems reflect the "carved out" historical financial position, results of operations, cash flows and changes in net assets of the operations of the Combined Systems as if they had been operating as a separate company. Effective as of January 1, 1996, the Combined Systems' financial statements reflect the new basis of accounting arising from Time Warner's merger with CVI. Based on Time Warner's allocation of the purchase price, the assets and liabilities of the Combined Systems were revalued resulting in goodwill allocated to the Combined Systems of approximately $52,971,000, which is being amortized over its estimated life of 40 years. In addition, approximately $220,981,000 was allocated to cable television franchises and other intangible assets, which is being amortized over periods up to 20 years.

The combined statements have been adjusted to include the allocation of certain corporate expenses incurred by Time Warner Cable and/or TWI Cable on the Combined Systems' behalf, based upon the number of Combined System subscribers managed by Time Warner Cable and the ratio of Combined System subscribers to total TWI Cable subscribers, respectively. These allocations reflect all costs of doing business that the Combined Systems would have incurred on a stand alone basis as disclosed in Note 3. Management believes that these allocations are reasonable.

BASIS OF COMBINATION

The combined financial statements include the assets, liabilities, revenues, expenses, income, loss and cash flows of the Combined Systems, as if the Combined Systems were a single company. Significant intercompany accounts and transactions between the Combined Systems have been eliminated. Significant accounts and transactions with Time Warner and its affiliates are disclosed as related party transactions (see Note 3).

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA, POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS (INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

USE OF ESTIMATES

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the combined financial statements and footnotes thereto. Actual results could differ from those estimates.

CONCENTRATION OF CREDIT RISK

A significant portion of the customer base is concentrated within the local geographical area of each of the individual cable television systems. The Combined Systems generally extend credit to customers and the ultimate collection of accounts receivable could be affected by the local economy. Management performs continuous credit evaluations of its customers and may require cash in advance or other special arrangements from certain customers. Management does not believe that there is any significant credit risk which could have a material effect on the financial condition of the Combined Systems.

REVENUE AND COSTS

Subscriber fees are recorded as revenue in the period the related services are provided and advertising revenues are recognized in the period the related advertisements are exhibited. Rights to exhibit programming are purchased from various cable networks. The costs of such rights are generally expensed as the related services are made available to subscribers.

FRANCHISE FEES

Local governmental authorities impose franchise fees on the cable television systems owned by the Combined Systems ranging up to a federally mandated maximum of 5.0% of gross revenues. On a monthly basis, such fees are collected from the Combined Systems' customers and such fees are not included as revenue or as a franchise fee expense.

ADVERTISING COSTS

Advertising costs are expensed upon the first exhibition of the related advertisements. Advertising expense amounted to $105,000 for the period from January 1, 1998 through April 8, 1998.

STATEMENT OF CASH FLOWS

The Combined Systems participate in a cash management system with affiliates whereby cash receipts are transferred to a centralized bank account from which centralized payments to various suppliers and creditors are made on behalf of the Combined Systems. The excess of such cash receipts over payments is included in net assets. Amounts shown as cash represent the Combined Systems' net cash receipts not transferred to the centralized account as of December 31, 1996 and 1997. The average net intercompany payable balances was $166,522,000 for the period from January 1, 1998 through April 8, 1998.

For purposes of this statement, cash and cash equivalents includes all highly liquid investments purchased with original maturities of three months or less.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost. Additions to property, plant and equipment generally include material, labor, overhead and interest. Depreciation is provided on the straight-line method over estimated useful lives as follows:

Buildings and improvements	5-20 years
Cable television equipment	5-15 years
Furniture, fixtures and other equipment	3-10 years

Property, plant and equipment consist of:

	APRIL 8, 1998 (IN THOUSANDS)
Land and buildings	$ 2,255
Cable television equipment	40,276
Furniture, fixtures and other equipment	2,308
Construction in progress	1,183
	46,022
Less accumulated depreciation	(10,030)
Total	$ 35,992

INTANGIBLE ASSETS

The Combined Systems amortized goodwill over periods up to 40 years and cable television franchises over periods up to 20 years, both using the straight-line method. For the period from January 1, 1998 through April 8, 1998 amortization of goodwill amounted to $360,000 and amortization of cable television franchises amounted to $3,008,000. Accumulated amortization of intangible assets amounted to $28,114,000 at April 8, 1998.

IMPAIRMENT

Management separately reviews the carrying value of acquired long-lived assets for each acquired entity on a quarterly basis to determine whether an impairment may exist. Management considers relevant cash flow and profitability information, including estimated future operating results, trends and other available information, in assessing whether the carrying value of long-lived assets can be recovered. Upon a determination that the carrying value of long-lived assets will not be recovered from the undiscounted future cash flows of the acquired business, the carrying value of such long-lived assets would be considered impaired and would be reduced by a charge to operations in the amount of the impairment. An impairment charge is measured as a deficiency in estimated discounted future cash flows of the acquired business to recover the carrying value related to the long-lived assets.

INCOME TAXES

Income taxes have been provided using the liability method prescribed by FASB Statement No. 109, "Accounting for Income Taxes." Under the liability method, deferred income taxes reflect tax carryforwards and the net tax effects of temporary differences between the carrying

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
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(INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

amount of assets and liabilities for financial statements and income tax purposes, as determined under enacted tax laws and rates.

2. EMPLOYEE BENEFIT PLANS

Following the CVI Merger, the Combined Systems began participation in the Time Warner Cable Pension Plan (the "Pension Plan"), a non-contributory defined benefit pension plan, and the Time Warner Cable Employee Savings Plan (the "Savings Plan") which are administered by a committee appointed by the Board of Representatives of Time Warner Entertainment Company, L.P. ("TWE"), an affiliate of Time Warner, and which cover substantially all employees.

Benefits under the Pension Plan are determined based on formulas which reflect an employee's years of service and compensation levels during the employment period. Pension expense for the period from January 1, 1998 through April 8, 1998 totaled $61,000.

The Combined Systems' contributions to the Savings Plan are limited to 6.67% of an employee's eligible compensation during the plan year. The Board of Representatives of TWE has the right in any year to set the maximum amount of the Combined Systems' contribution. Defined contribution plan expense for the period from January 1, 1998 through April 8, 1998 totaled $38,000.

The Combined Systems have no material obligations for other post retirement benefits.

3. RELATED PARTIES

In the normal course of conducting business, the Combined Systems had various transactions with Time Warner and its affiliates, generally on terms resulting from a negotiation between the affected units that in management's view resulted in reasonable allocations.

PROGRAMMING

Included in the Combined Systems' operating expenses are charges for programming and promotional services provided by Home Box Office, Turner Broadcasting System, Inc. and other affiliates of Time Warner. These charges are based on customary rates and are in the ordinary course of business. These charges totaled $1,164,000 for the period from January 1, 1998 through April 8, 1998. Accrued related party expenses for these programming and promotional services included in accrued programming expenses approximated $409,000 for the period from January 1, 1998 through April 8, 1998.

MANAGEMENT FEES

TWI Cable entered into a management service arrangement with Time Warner Cable ("TWC"), pursuant to which TWC is responsible for the management and operation of TWI Cable, which includes the Combined Systems. The management fees paid to TWC by TWI Cable are based on an allocation of the corporate expenses of TWC's cable division in proportion to the respective number of subscribers of all cable systems managed by TWC's cable division. The allocation of the TWI Cable management fee to the Combined Systems approximated $486,000 for the period from January 1, 1998 through April 8, 1998.

Other divisional expenses allocated to the Combined Systems approximated $299,000 for the period from January 1, 1998 through April 8, 1998.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA, POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

4. INTEREST EXPENSE

Prior to the CVI Merger, the Jackson, Tennessee system was included in Cablevision Industries Limited Partnership and Combined Entities ("CILP"). The Jackson system was charged interest expense in connection with CILP's (a) senior and subordinated bank credit agreements; and (b) senior unsecured subordinated Series A and Series B notes payable to CVI. The remaining five systems comprising the Combined Systems were included in Cablevision Industries of the Southeast, Inc. and Combined Entities ("CIOS"). These systems were charged interest expense in connection with CIOS's (a) bank revolving credit agreement; and (b) junior and senior subordinated debt to CVI.

5. INCOME TAXES

Effective January 4, 1996, the Combined Systems are included in the consolidated federal income tax return of Time Warner. Prior to January 4, 1996, the Combined Systems were included in the consolidated federal income tax return of CVI. The provision for income taxes has been calculated on a separate company basis. The components of the provision for income taxes are as follows:

	FOR THE PERIOD FROM JANUARY 1, 1998 THROUGH APRIL 8, 1998 (IN THOUSANDS)
Federal:	
Current	$ --
Deferred	962
State:	
Current	--
Deferred	229
Net provision for income taxes	$1,191

The Combined Systems did not, and will not, have a tax sharing agreement with either Time Warner, TWI Cable or CVI. Therefore, the Combined Systems have not and will not be compensated for the utilization of the Combined Systems' tax losses, by Time Warner, TWI Cable or CVI. In addition, the Combined Systems have not and will not be required to make payments to either Time Warner or TWI Cable for the current tax provision of the Combined Systems.

The differences between the income tax provision expected at the U.S. federal statutory income tax rate and the total income tax provision are due to nondeductible goodwill amortization and state taxes.

Significant components of the Combined Systems' deferred tax assets and liabilities, as calculated on a separate company basis, are as follows:

	APRIL 8, 1998 (IN THOUSANDS)
Deferred tax liabilities:	
Amortization	$57,817
Depreciation	4,181
Total gross deferred tax liabilities	61,998
Deferred tax assets:	
Tax loss carryforwards	160
Allowance for doubtful accounts	46
Total deferred tax assets	206
Net deferred tax liability	$61,792

On a separate company basis, the Combined Systems have tax loss carryforwards of approximately $400,000 at April 8, 1998. However, if the Combined Systems are acquired in an asset purchase, the tax loss carryforwards, and net deferred tax liabilities relating to temporary differences will not carry over to Renaissance (see Note 8).

6. COMMITMENTS AND CONTINGENCIES

The Combined Systems had rental expense of approximately $244,000 for the period from January 1, 1998 through April 8, 1998 under various lease and rental agreements for offices, utility poles, warehouses and computer equipment. Future minimum annual rental payments under noncancellable leases will approximate $1,000,000 annually over the next five years.

In exchange for certain flexibility in establishing cable rate pricing structures for regulated services that went into effect on January 1, 1996, TWC has agreed with the Federal Communications Commission ("FCC") to invest in certain upgrades to its cable infrastructure (consisting primarily of materials and labor in connection with the plant upgrades up to 750 megahertz) over the next three years (approximately $25 million at December 31, 1997). This agreement with the FCC, which extends to the Combined Systems, will be assumed by Renaissance as it relates to the Combined Systems in accordance with the Asset Purchase Agreement.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA, POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS (INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

7. OTHER LIABILITIES

Other liabilities consist of:

	APRIL 8, 1998 (IN THOUSANDS)
Compensation	$279
Data Processing Costs	161
Sales and other taxes	146
Copyright Fees	35
Pole Rent	93
Other	33
Total	$747

8. SUBSEQUENT EVENT

The sale of the Combined Systems, in connection with the Asset Purchase Agreement with Renaissance, closed on April 9, 1998 at the purchase price of $309,500,000.

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
TWI Cable Inc.

We have audited the accompanying combined balance sheets of the Picayune MS, Lafourche LA, St. Tammany LA, St. Landry LA, Pointe Coupee LA, and Jackson TN cable television systems, (collectively, the "Combined Systems") included in TWI Cable, Inc. ("TWI Cable"), as of December 31, 1996 and 1997, the related combined statements of operations, changes in net assets and cash flows for the years then ended. In addition, we have audited the combined statement of operations and cash flows for the year ended December 31, 1995 of the Predecessor Combined Systems. These combined financial statements are the responsibility of the Combined Systems' or the Predecessor's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Combined Systems, included in TWI Cable or the Predecessor, at December 31, 1996 and 1997, and the combined results of their operations and their cash flows for the years ended December 31, 1995, 1996 and 1997, in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

New York, New York
March 16, 1998

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

COMBINED BALANCE SHEETS
(IN THOUSANDS)

	DECEMBER 31, 1996	DECEMBER 31, 1997
ASSETS		
Cash and cash equivalents	$ 570	$ 1,371
Receivables, less allowance of $71 and $116 for the years ended December 31, 1996 and 1997, respectively	794	1,120
Prepaid expenses and other assets	45	183
Property, plant and equipment, net	36,966	36,944
Cable television franchises, net	209,952	198,913
Goodwill and other intangibles, net	51,722	50,383
Total assets	$300,049	$288,914
LIABILITIES AND NET ASSETS		
Accounts payable	$ 1,640	$ 652
Accrued programming expenses	847	904
Accrued franchise fees	736	835
Subscriber advance payments and deposits	66	407
Deferred income taxes	58,340	60,601
Other liabilities	945	969
Total liabilities	62,574	64,368
Total net assets	237,475	224,546
Total liabilities and net assets	$300,049	$288,914

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA, POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS

COMBINED STATEMENTS OF OPERATIONS
(IN THOUSANDS)

	YEAR ENDED DECEMBER 31,		
	1995	1996	1997
	(PREDECESSOR)	(INCLUDED IN TWI CABLE INC.)	
REVENUES	$43,549	$47,327	$50,987
COSTS AND EXPENSES:			
Operating and programming	13,010	12,413	12,101
Selling, general and administrative	9,977	12,946	13,823
Depreciation and amortization	17,610	18,360	18,697
(Gain) loss on disposal of fixed assets	--	(244)	620
Total costs and expenses	40,597	43,475	45,241
Operating income	2,952	3,852	5,746
Interest expense	11,871	--	--
(Loss) income before income tax (benefit) expense	(8,919)	3,852	5,746
Income tax (benefit) expense	(3,567)	1,502	2,262
Net (loss) income	$(5,352)	$ 2,350	$ 3,484

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

COMBINED STATEMENTS OF CHANGES IN NET ASSETS
(IN THOUSANDS)

Contribution by Parent	$250,039
Repayment of advances from Parent	(47,895)
Advances from Parent	32,981
Net income	2,350
Balance at December 31, 1996	237,475
Repayment of advances from Parent	(50,661)
Advances from Parent	34,248
Net income	3,484
Balance at December 31, 1997	$224,546

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS

COMBINED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	YEAR ENDED DECEMBER 31,		
	1995	1996	1997
	(PREDECESSOR)	(INCLUDED IN TWI CABLE INC.)	
OPERATING ACTIVITIES:			
Net (loss) income	$(5,352)	$ 2,350	$ 3,484
Adjustments for noncash and nonoperating items:			
Income tax (benefit) expense	(3,567)	1,502	2,262
Depreciation and amortization	17,610	18,360	18,697
(Gain) loss on disposal of fixed assets	--	(244)	620
Changes in operating assets and liabilities:			
Receivables, prepaids and other assets	(196)	944	(464)
Accounts payable, accrued expenses and other liabilities	(972)	176	(466)
Other balance sheet changes	--	--	(529)
Net cash provided by operations	7,523	23,088	23,604
INVESTING ACTIVITIES:			
Purchase of Predecessor cable systems, net of cash acquired	--	(249,473)	--
Capital expenditures	(7,376)	(8,170)	(6,390)
Net cash used in investing activities	(7,376)	(257,643)	(6,390)
FINANCING ACTIVITIES:			
Advance from Parent for purchase of Predecessor	--	250,039	--
Net repayment of advances from Parent	--	(14,914)	(16,413)
Net cash provided by (used in) financing activities	--	235,125	(16,413)
INCREASE IN CASH AND CASH EQUIVALENTS	147	570	801
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	419	0	570
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 566	$ 570	$ 1,371

See accompanying notes to combined financial statements.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA, POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS (INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF BUSINESS

The cable television systems operating in the metropolitan areas of Picayune, Mississippi; Lafourche, Louisiana; St. Tammany, Louisiana; St. Landry, Louisiana; Pointe Coupee, Louisiana; and Jackson, Tennessee (the "Combined Systems") are principally engaged in the cable television business under non-exclusive franchise agreements, which expire at various times beginning in 1999. The Combined Systems' operations consist primarily of selling video programming which is distributed to subscribers for a monthly fee through a network of coaxial and fiber-optic cables.

Prior to January 4, 1996, the Combined Systems were included in certain subsidiaries of Cablevision Industries Corporation ("CVI"). On January 4, 1996, CVI merged into a wholly owned subsidiary of Time Warner Inc. (the "CVI Merger"). On October 1, 1996, Time Warner Inc. ("Time Warner") completed a reorganization amongst certain of its wholly owned cable television subsidiaries whereby CVI was renamed TWI Cable Inc. ("TWI Cable").

BASIS OF PRESENTATION

TWI Cable has committed to sell the Combined Systems to Renaissance Media Holdings LLC ("Renaissance") pursuant to an Asset Purchase Agreement with Renaissance, dated November 14, 1997. Accordingly, the accompanying combined financial statements of the Combined Systems reflect the "carved out" historical financial position, results of operations, cash flows and changes in net assets of the operations of the Combined Systems as if they had been operating as a separate company. Effective as of January 1, 1996, the Combined Systems' financial statements reflect the new basis of accounting arising from Time Warner's merger with CVI. Based on Time Warner's allocation of the purchase price, the assets and liabilities of the Combined Systems were revalued resulting in goodwill allocated to the Combined Systems of approximately $52,971,000, which is being amortized over its estimated life of 40 years. In addition, approximately $220,981,000 was allocated to cable television franchises and other intangible assets, which is being amortized over periods up to 20 years. The Combined Systems' financial statements through December 31, 1995 reflect the historical cost of their assets and liabilities and results of their operations.

The combined statements have been adjusted to include the allocation of certain corporate expenses incurred by Time Warner Cable and/or TWI Cable on the Combined Systems' behalf, based upon the number of Combined System subscribers managed by Time Warner Cable and the ratio of Combined System subscribers to total TWI Cable subscribers, respectively. These allocations reflect all costs of doing business that the Combined Systems would have incurred on a stand alone basis as disclosed in Note 3. Management believes that these allocations are reasonable.

BASIS OF COMBINATION

The combined financial statements include the assets, liabilities, revenues, expenses, income, loss and cash flows of the Combined Systems, as if the Combined Systems were a single company. Significant intercompany accounts and transactions between the Combined Systems have been eliminated. Significant accounts and transactions with Time Warner and its affiliates are disclosed as related party transactions (see Note 3).

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
(INCLUDED IN TWI CABLE INC.)

NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

USE OF ESTIMATES

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the combined financial statements and footnotes thereto. Actual results could differ from those estimates.

CONCENTRATION OF CREDIT RISK

A significant portion of the customer base is concentrated within the local geographical area of each of the individual cable television systems. The Combined Systems generally extend credit to customers and the ultimate collection of accounts receivable could be affected by the local economy. Management performs continuous credit evaluations of its customers and may require cash in advance or other special arrangements from certain customers. Management does not believe that there is any significant credit risk which could have a material effect on the financial condition of the Combined Systems.

REVENUE AND COSTS

Subscriber fees are recorded as revenue in the period the related services are provided and advertising revenues are recognized in the period the related advertisements are exhibited. Rights to exhibit programming are purchased from various cable networks. The costs of such rights are generally expensed as the related services are made available to subscribers.

FRANCHISE FEES

Local governmental authorities impose franchise fees on the cable television systems owned by the Combined Systems ranging up to a federally mandated maximum of 5.0% of gross revenues. On a monthly basis, such fees are collected from the Combined Systems' customers. Prior to January 1997, franchise fees were not separately itemized on customers' bills. Such fees were considered part of the monthly charge for basic services and equipment, and therefore were reported as revenue and expense in the Combined Systems' financial results. Management began the process of itemizing such fees on all customers' bills beginning in January 1997. In conjunction with itemizing these charges, the Combined Systems began separately collecting the franchise fee on all revenues subject to franchise fees. As a result, such fees are no longer included as revenue or as franchise fee expense. The net effect of this change is a reduction in 1997 revenue and franchise fee expense of approximately $1,500,000 versus the comparable period in 1996.

ADVERTISING COSTS

Advertising costs are expensed upon the first exhibition of the related advertisements. Advertising expense amounted to $308,000, $632,000 and $510,000 for the years ended 1995, 1996 and 1997, respectively.

STATEMENT OF CASH FLOWS

The Combined Systems participate in a cash management system with affiliates whereby cash receipts are transferred to a centralized bank account from which centralized payments to various suppliers and creditors are made on behalf of the Combined Systems. The excess of such cash receipts over payments is included in net assets. Amounts shown as cash represent the Combined Systems' net cash receipts not transferred to the centralized account as of December 31, 1996 and 1997. The average net intercompany payable balances were $173,348,000 and $170,438,000 for the years ended December 31, 1996 and 1997, respectively.

For purposes of this statement, cash and cash equivalents includes all highly liquid investments purchased with original maturities of three months or less.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost. Additions to property, plant and equipment generally include material, labor, overhead and interest. Depreciation is provided on the straight-line method over estimated useful lives as follows:

Buildings and improvements	5-20 years
Cable television equipment	5-15 years
Furniture, fixtures and other equipment	3-10 years

Property, plant and equipment consist of:

	DECEMBER 31,	
	1996	1997
Land and buildings	$ 2,003	$ 2,265
Cable television equipment	32,324	39,589
Furniture, fixtures and other equipment	1,455	2,341
Construction in progress	5,657	1,028
	41,439	45,223
Less accumulated depreciation	(4,473)	(8,279)
Total	$36,966	$36,944

INTANGIBLE ASSETS

During 1996 and 1997, the Combined Systems amortized goodwill over periods up to 40 years and cable television franchises over periods up to 20 years, both using the straight-line method. Prior to the CVI Merger, goodwill and cable television franchises were amortized over 15 years using the straight-line method. For the years ended 1995, 1996, and 1997, amortization of goodwill amounted to $8,199,000, $1,325,000, and $1,325,000, respectively, and amortization of cable television franchises amounted to $1,284,000, $11,048,000, and $11,048,000, respectively. Accumulated amortization of intangible assets at December 31, 1996 and 1997 amounted to $12,373,000 and $24,746,000, respectively.

IMPAIRMENT

Management separately reviews the carrying value of acquired long-lived assets for each acquired entity on a quarterly basis to determine whether an impairment may exist. Management considers relevant cash flow and profitability information, including estimated future operating results, trends and other available information, in assessing whether the carrying value of long-lived assets can be recovered. Upon a determination that the carrying value of long-lived assets will not be recovered from the undiscounted future cash flows of the acquired business, the carrying value of such long-lived assets would be considered impaired and would be reduced by a charge to operations in the amount of the impairment. An impairment charge is measured as a deficiency in estimated discounted future cash flows of the acquired business to recover the carrying value related to the long-lived assets.

INCOME TAXES

Income taxes have been provided using the liability method prescribed by FASB Statement No. 109, "Accounting for Income Taxes." Under the liability method, deferred income taxes reflect tax carryforwards and the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial statements and income tax purposes, as determined under enacted tax laws and rates.

2. EMPLOYEE BENEFIT PLANS

Following the CVI Merger, the Combined Systems began participation in the Time Warner Cable Pension Plan (the "Pension Plan"), a non-contributory defined benefit pension plan, and the Time Warner Cable Employee Savings Plan (the "Savings Plan") which are administered by a committee appointed by the Board of Representatives of Time Warner Entertainment Company, L.P. ("TWE"), an affiliate of Time Warner, and which cover substantially all employees.

Benefits under the Pension Plan are determined based on formulas which reflect an employee's years of service and compensation levels during the employment period. Pension expense for the years ended December 31, 1996 and 1997 totaled $184,000 and $192,000, respectively.

The Combined Systems' contributions to the Savings Plan are limited to 6.67% of an employee's eligible compensation during the plan year. The Board of Representatives of TWE has the right in any year to set the maximum amount of the Combined Systems' contribution. Defined contribution plan expense for the years ended December 31, 1996 and 1997 totaled $107,000 and $117,000, respectively.

Prior to the CVI Merger, substantially all employees were eligible to participate in a profit sharing plan or a defined contribution plan. The profit sharing plan provided that the Combined Systems may contribute, at the discretion of their board of directors, an amount up to 15% of compensation for all eligible participants out of its accumulated earnings and profits, as defined. Profit sharing expense amounted to approximately $31,000 for the year ended December 31, 1995.

The defined contribution plan contained a qualified cash or deferred arrangement pursuant to Internal Revenue Code Section 401(k). This plan provided that eligible employees may contribute from 2% to 10% of their compensation to the plan. The Combined Systems matched contributions of up to 4% of the employees' compensation. The expense for this plan amounted to approximately $96,000 for the year ended December 31, 1995.

The Combined Systems have no material obligations for other post retirement benefits.

PICAYUNE MS, LAFOURCHE LA, ST. TAMMANY LA, ST. LANDRY LA,
POINTE COUPEE LA, AND JACKSON TN CABLE TELEVISION SYSTEMS
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NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

3. RELATED PARTIES

In the normal course of conducting business, the Combined Systems had various transactions with Time Warner and its affiliates, generally on terms resulting from a negotiation between the affected units that in management's view resulted in reasonable allocations.

PROGRAMMING

Included in the Combined Systems' 1996 and 1997 operating expenses are charges for programming and promotional services provided by Home Box Office, Turner Broadcasting System, Inc. and other affiliates of Time Warner. These charges are based on customary rates and are in the ordinary course of business. For the year ended December 31, 1996 and 1997, these charges totaled $3,260,000 and $3,458,000, respectively. Accrued related party expenses for these programming and promotional services included in accrued programming expenses approximated $327,000 and $291,000 for the years ended December 31, 1996 and 1997, respectively. There were no such programming and promotional service related party transactions in 1995.

MANAGEMENT FEES

TWI Cable entered into a management service arrangement with Time Warner Cable ("TWC"), pursuant to which TWC is responsible for the management and operation of TWI Cable, which includes the Combined Systems. The management fees paid to TWC by TWI Cable are based on an allocation of the corporate expenses of TWC's cable division in proportion to the respective number of subscribers of all cable systems managed by TWC's cable division. The allocation of the TWI Cable management fee to the Combined Systems approximated $1,432,000 and $1,715,000 for the years ended December 31, 1996 and 1997, respectively.

Other divisional expenses allocated to the Combined Systems approximated $1,301,000 and $1,067,000 for the years ended December 31, 1996 and 1997, respectively.

4. INTEREST EXPENSE

Prior to the CVI Merger, the Jackson, Tennessee system was included in Cablevision Industries Limited Partnership and Combined Entities ("CILP"). The Jackson system was charged interest expense in connection with CILP's (a) senior and subordinated bank credit agreements; and (b) senior unsecured subordinated Series A and Series B notes payable to CVI. The remaining five systems comprising the Combined Systems were included in Cablevision Industries of the Southeast, Inc. and Combined Entities ("CIOS"). These systems were charged interest expense in connection with CIOS's (a) bank revolving credit agreement; and (b) junior and senior subordinated debt to CVI.

5. INCOME TAXES

Effective January 4, 1996, the Combined Systems are included in the consolidated federal income tax return of Time Warner. Prior to January 4, 1996, the Combined Systems were included in the consolidated federal income tax return of CVI. The provision (benefit) for income

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NOTES TO COMBINED FINANCIAL STATEMENTS -- (CONTINUED)

taxes has been calculated on a separate company basis. The components of the provision (benefit) for income taxes are as follows:

	YEAR ENDED DECEMBER 31,		
	1995	1996	1997
	(IN THOUSANDS)		
FEDERAL:			
Current	$ --	$ --	$ --
Deferred	(2,881)	1,213	1,826
STATE:			
Current	--	--	--
Deferred	(686)	289	436
Net provision (benefit) for income taxes	$(3,567)	$1,502	$2,262

The Combined Systems did not, and will not, have a tax sharing agreement with either Time Warner, TWI Cable or CVI. Therefore, the Combined Systems have not and will not be compensated for the utilization of the Combined Systems' tax losses, by Time Warner, TWI Cable or CVI. In addition, the Combined Systems have not and will not be required to make payments to either Time Warner or TWI Cable for the current tax provision of the Combined Systems.

The differences between the income tax provision (benefit) expected at the U.S. federal statutory income tax rate and the total income tax provision (benefit) are due to nondeductible goodwill amortization and state taxes.

Significant components of the Combined Systems' deferred tax assets and liabilities, as calculated on a separate company basis, are as follows:

	YEAR ENDED DECEMBER 31,	
	1996	1997
	(IN THOUSANDS)	
DEFERRED TAX LIABILITIES:		
Amortization	$61,266	$58,507
Depreciation	3,576	4,060
Total gross deferred tax liabilities	64,842	62,567
DEFERRED TAX ASSETS:		
Tax loss carryforwards	6,474	1,920
Allowance for doubtful accounts	28	46
Total deferred tax assets	6,502	1,966
Net deferred tax liability	$58,340	$60,601

On a separate company basis, the Combined Systems have tax loss carryforwards of approximately $4.8 million at December 31, 1997. However, if the Combined Systems are acquired in an asset purchase, the tax loss carryforwards, and net deferred tax liabilities relating to temporary differences will not carry over to Renaissance (see Note 8).

6. COMMITMENTS AND CONTINGENCIES

The Combined Systems had rental expense of approximately $642,000, $824,000, and $843,000 for the years ended December 31, 1995, 1996 and 1997, respectively, under various lease and rental agreements for offices, utility poles, warehouses and computer equipment. Future minimum annual rental payments under noncancellable leases will approximate $1,000,000 annually over the next five years.

In exchange for certain flexibility in establishing cable rate pricing structures for regulated services that went into effect on January 1, 1996, TWC has agreed with the Federal Communications Commission ("FCC") to invest in certain upgrades to its cable infrastructure (consisting primarily of materials and labor in connection with the plant upgrades up to 750 megahertz) over the next three years (approximately $22 million). This agreement with the FCC, which extends to the Combined Systems, will be assumed by Renaissance as it relates to the Combined Systems in accordance with the Asset Purchase Agreement.

7. OTHER LIABILITIES

Other liabilities consist of:

	DECEMBER 31, 1996	DECEMBER 31, 1997
	(IN THOUSANDS)	
Compensation	$217	$250
Data Processing Costs	100	90
Sales and other taxes	101	90
Copyright Fees	85	83
Pole Rent	66	63
Other	376	393
Total	$945	$969

8. SUBSEQUENT EVENT (UNAUDITED)

The sale of the Combined Systems, in connection with the Asset Purchase Agreement with Renaissance, closed on April 9, 1998 at the purchase price of $309,500,000.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunder duly authorized.

RENAISSANCE MEDIA GROUP LLC
RENAISSANCE MEDIA (LOUISIANA) LLC
RENAISSANCE MEDIA (TENNESSEE) LLC

Dated March 28, 2000 By: CHARTER COMMUNICATIONS, INC.
its Manager

By: /s/ JERALD L. KENT
Name: Jerald L. Kent
Title: President, Chief Executive Officer

RENAISSANCE MEDIA CAPITAL CORPORATION

Dated March 28, 2000 By: /s/ JERALD L. KENT
Name: Jerald L. Kent
Title: President, Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ JERALD L. KENT March 28, 2000
Name: Jerald L. Kent
Title: President and Chief Executive Officer of Charter Communications, Inc. (Manager); Renaissance Media Group LLC; Renaissance Media (Louisiana) LLC; Renaissance Media (Tennessee) LLC; and Renaissance Media Capital Corporation.

By: /s/ KENT D. KALKWARF March 28, 2000
Name: Kent D. Kalkwarf
Title: Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer) of Charter Communications, Inc. (Manager); Renaissance Media Group LLC; Renaissance Media (Louisiana) LLC; Renaissance Media (Tennessee) LLC; and Renaissance Media Capital Corporation.

EXHIBIT INDEX

Exhibit Number	Description	Page
3.1	Certificate of Incorporation of Renaissance Media Capital Corporation and all amendments thereto. (1)	
3.2	By-laws of Renaissance Media Capital Corporation. (1)	
3.3	Certificate of Formation of Renaissance Media (Louisiana) LLC. (1)	
3.4	Certificate of Formation of Renaissance Media, LLC.	E-3
3.5	Certificate of Formation of Renaissance Media (Tennessee) LLC. (1)	
3.7	Certificate of Formation of Renaissance Media Group LLC. (1)	
3.9	Amended and Restated Limited Liability Agreement of Renaissance Media Group LLC, dated April 29, 1999. (3)	
3.10	Amended and Restated Limited Liability Agreement of Renaissance Media (Louisiana) LLC, dated April 29, 1999. (3)	
3.11	Amended and Restated Limited Liability Agreement of Renaissance Media (Tennessee) LLC, dated April 29, 1999. (3)	
3.12	Amended and Restated Limited Liability Agreement of Renaissance Media LLC, dated April 29, 1999. (3)	
4.1	Indenture dated as of April 9, 1998, by and among Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC, Renaissance Media Capital Corporation, Renaissance Media Group LLC and United States Trust Company of New York, as Trustee. (1)	
10.5	Social Contract approved by the Federal Communications Commission (the "FCC") on November 30, 1995, and entered into between the FCC and Time Warner Entertainment Company, L.P., TWI Cable Inc. and Time Warner Entertainment-Advance/Newhouse Partnership, or any subsidiary, division or affiliate thereof. (2)	
10.27	Purchase Agreement dated as of February 23, 1999, by and among Charter Communications, Inc., Charter Communications, LLC, Renaissance Media Holdings LLC and Renaissance Media Group LLC. [Confidential material omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.] (4)	
10.28	Assumption Agreement, dated as of April 30, 1999, made by Renaissance Media Group LLC in favor of NationsBank, N.A. (3)	
10.29	Assumption Agreement, dated as of April 30, 1999, made by Renaissance (Louisiana) Media LLC in favor of NationsBank, N.A. (3)	

Exhibit Number	Description	Page
10.30	Assumption Agreement, dated as of April 30, 1999, made by Renaissance (Tennessee) Media LLC in favor of NationsBank, N.A. (3)	
10.31	Assumption Agreement, dated as of April 30, 1999, made by Renaissance Media Capital Corporation in favor of NationsBank, N.A. (3)	
10.33	Assumption Agreement, dated as of April 30, 1999, made by Renaissance Media LLC in favor of NationsBank, N.A. (3)	
27.1	Financial Data Schedule.	E-5

(1) Incorporated by reference to the corresponding exhibit of the Registration Statement of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation on Form S-4 (Commission File No. 333-56679), filed on June 12, 1998.

(3) Incorporated by reference to the corresponding exhibit of Amendment 1 to the Registration Statement of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation on Form S-4 (Commission File No. 333-56679), filed on August 6, 1998.

(3) Incorporated by reference to the corresponding exhibit of the Quarterly Report on Form 10-Q of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation for the quarter ended March 31, 1999, filed on May 17, 1999 (Commission File No. 333-56679).

(4) Incorporated by reference to Exhibit 99.1 of the Current Report on Form 8-K of Renaissance Media Group LLC, Renaissance Media (Louisiana) LLC, Renaissance Media (Tennessee) LLC and Renaissance Media Capital Corporation dated February 23, 1999 (Commission File No. 333-56679).

STATE OF DELAWARE
OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF LIMITED LIABILITY COMPANY OF "RENAISSANCE MEDIA LLC", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF NOVEMBER, A.D. 1997 AT 9 O'CLOCK A.M.

(Seal)

/s/ Edward J. Freel

(Seal)

EDWARD J. FREEL, SECRETARY OF STATE

CERTIFICATE OF FORMATION

OF

RENAISSANCE MEDIA LLC

This Certificate of Formation of Renaissance Media LLC (the "COMPANY"), dated, November 24, 1997 is being duly executed and filed by Morgan Stanley Capital Partners III, Inc., as an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del C, section 18-101, et seq.).

FIRST. The name of the limited liability company formed hereby is Renaissance Media LLC.

SECOND. The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 1013 Centre Road, City of Wilmington, County of New Castle, Delaware 19805.

THIRD. The name and address of the registered agent for service of process on the Company in the State of Delaware is Corporation Service Company, 1013 Centre Road, City of Wilmington, County of New Castle, Delaware 19805.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

MORGAN STANLEY CAPITAL PARTNERS III, INC.

By: /s/ Lawrence B. Sorrel

Name: Lawrence B. Sorrel
Title: Managing Director

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RENAISSANCE MEDIA GROUP LLC
1,000

YEAR
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JAN-01-1999
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