

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net income attributable to Charter shareholders	\$ 1,223	\$ 1,471	\$ 2,244	\$ 2,674
Plus: Net income attributable to noncontrolling interest	190	237	352	423
Interest expense, net	1,298	1,109	2,563	2,169
Income tax expense	444	489	818	834
Depreciation and amortization	2,172	2,240	4,378	4,534
Stock compensation expense	168	104	376	251
Other, net	27	(141)	141	(163)
Adjusted EBITDA ^(a)	\$ 5,522	\$ 5,509	\$ 10,872	\$ 10,722
Net cash flows from operating activities	\$ 3,311	\$ 3,734	\$ 6,634	\$ 7,381
Less: Purchases of property, plant and equipment	(2,834)	(2,193)	(5,298)	(4,050)
Change in accrued expenses related to capital expenditures	191	118	(4)	128
Free cash flow ^(a)	\$ 668	\$ 1,659	\$ 1,332	\$ 3,459

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

UNAUDITED ALTERNATIVE PRESENTATION OF ADJUSTED EBITDA
(dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
REVENUES:						
Internet	\$ 5,733	\$ 5,562	3.1 %	\$ 11,451	\$ 11,014	4.0 %
Video	4,188	4,484	(6.6)%	8,442	8,830	(4.4)%
Voice	365	398	(8.3)%	738	789	(6.4)%
Mobile service	539	415	29.8 %	1,036	802	29.1 %
Residential revenue	10,825	10,859	(0.3)%	21,667	21,435	1.1 %
Small and medium business	1,094	1,092	0.2 %	2,185	2,162	1.1 %
Enterprise	690	669	3.2 %	1,372	1,330	3.1 %
Commercial revenue	1,784	1,761	1.4 %	3,557	3,492	1.9 %
Advertising sales	384	460	(16.5)%	739	843	(12.3)%
Other	666	518	28.5 %	1,349	1,028	31.2 %
Total Revenues	13,659	13,598	0.5 %	27,312	26,798	1.9 %
COSTS AND EXPENSES:						
Programming	2,740	2,972	(7.8)%	5,539	5,949	(6.9)%
Other costs of revenue	1,367	1,185	15.4 %	2,695	2,293	17.5 %
Costs to service customers	2,069	1,997	3.6 %	4,164	3,956	5.3 %
Sales and marketing	895	864	3.6 %	1,841	1,744	5.6 %
Other expense ^(b)	1,066	1,071	(0.4)%	2,201	2,134	3.1 %
Total operating costs and expenses ^(b)	8,137	8,089	0.6 %	16,440	16,076	2.3 %
Adjusted EBITDA ^(a)	\$ 5,522	\$ 5,509	0.2 %	\$ 10,872	\$ 10,722	1.4 %

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

See footnotes on page 7.

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

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
REVENUES	\$ 13,659	\$ 13,598	\$ 27,312	\$ 26,798
COSTS AND EXPENSES:				
Operating costs and expenses (exclusive of items shown separately below)	8,305	8,193	16,816	16,327
Depreciation and amortization	2,172	2,240	4,378	4,534
Other operating income, net	(58)	(62)	(48)	(61)
	<u>10,419</u>	<u>10,371</u>	<u>21,146</u>	<u>20,800</u>
Income from operations	<u>3,240</u>	<u>3,227</u>	<u>6,166</u>	<u>5,998</u>
OTHER INCOME (EXPENSES):				
Interest expense, net	(1,298)	(1,109)	(2,563)	(2,169)
Other income (expense), net	(85)	79	(189)	102
	<u>(1,383)</u>	<u>(1,030)</u>	<u>(2,752)</u>	<u>(2,067)</u>
Income before income taxes	1,857	2,197	3,414	3,931
Income tax expense	(444)	(489)	(818)	(834)
Consolidated net income	<u>1,413</u>	<u>1,708</u>	<u>2,596</u>	<u>3,097</u>
Less: Net income attributable to noncontrolling interests	<u>(190)</u>	<u>(237)</u>	<u>(352)</u>	<u>(423)</u>
Net income attributable to Charter shareholders	<u>\$ 1,223</u>	<u>\$ 1,471</u>	<u>\$ 2,244</u>	<u>\$ 2,674</u>
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:				
Basic	<u>\$ 8.15</u>	<u>\$ 8.96</u>	<u>\$ 14.89</u>	<u>\$ 15.98</u>
Diluted	<u>\$ 8.05</u>	<u>\$ 8.80</u>	<u>\$ 14.69</u>	<u>\$ 15.66</u>
Weighted average common shares outstanding, basic	<u>150,091,880</u>	<u>164,049,619</u>	<u>150,761,406</u>	<u>167,350,535</u>
Weighted average common shares outstanding, diluted	<u>151,975,698</u>	<u>167,090,925</u>	<u>152,727,540</u>	<u>170,741,462</u>

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

	June 30,	December 31,
	2023	2022
	(unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 478	\$ 645
Accounts receivable, net	2,864	2,921
Prepaid expenses and other current assets	587	451
Total current assets	3,929	4,017
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	37,546	36,039
Customer relationships, net	2,222	2,772
Franchises	67,396	67,363
Goodwill	29,672	29,563
Total investment in cable properties, net	136,836	135,737
OTHER NONCURRENT ASSETS		
	4,850	4,769
Total assets	\$ 145,615	\$ 144,523
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 9,976	\$ 10,555
Current portion of long-term debt	1,999	1,510
Total current liabilities	11,975	12,065
LONG-TERM DEBT		
	95,971	96,093
DEFERRED INCOME TAXES		
	18,982	19,058
OTHER LONG-TERM LIABILITIES		
	4,660	4,758
SHAREHOLDERS' EQUITY:		
Controlling interest	10,460	9,119
Noncontrolling interests	3,567	3,430
Total shareholders' equity	14,027	12,549
Total liabilities and shareholders' equity	\$ 145,615	\$ 144,523

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

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income	\$ 1,413	\$ 1,708	\$ 2,596	\$ 3,097
Adjustments to reconcile consolidated net income to net cash flows from operating activities:				
Depreciation and amortization	2,172	2,240	4,378	4,534
Stock compensation expense	168	104	376	251
Noncash interest, net	7	(4)	4	(7)
Deferred income taxes	(40)	77	(63)	115
Other, net	83	(132)	187	(153)
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:				
Accounts receivable	(13)	(249)	57	(200)
Prepaid expenses and other assets	(25)	52	(361)	(133)
Accounts payable, accrued liabilities and other	(454)	(62)	(540)	(123)
Net cash flows from operating activities	<u>3,311</u>	<u>3,734</u>	<u>6,634</u>	<u>7,381</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property, plant and equipment	(2,834)	(2,193)	(5,298)	(4,050)
Change in accrued expenses related to capital expenditures	191	118	(4)	128
Other, net	(207)	(220)	(287)	(160)
Net cash flows from investing activities	<u>(2,850)</u>	<u>(2,295)</u>	<u>(5,589)</u>	<u>(4,082)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowings of long-term debt	3,944	9,918	11,048	16,631
Repayments of long-term debt	(3,995)	(8,993)	(10,735)	(11,947)
Payments for debt issuance costs	—	(20)	(18)	(57)
Purchase of treasury stock	(326)	(3,687)	(1,238)	(7,020)
Proceeds from exercise of stock options	3	4	5	5
Purchase of noncontrolling interest	(54)	(578)	(176)	(994)
Distributions to noncontrolling interest	(80)	(5)	(83)	(7)
Other, net	(9)	(26)	(15)	(28)
Net cash flows from financing activities	<u>(517)</u>	<u>(3,387)</u>	<u>(1,212)</u>	<u>(3,417)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(56)	(1,948)	(167)	(118)
CASH AND CASH EQUIVALENTS, beginning of period	534	2,431	645	601
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 478</u>	<u>\$ 483</u>	<u>\$ 478</u>	<u>\$ 483</u>
CASH PAID FOR INTEREST	<u>\$ 1,243</u>	<u>\$ 1,168</u>	<u>\$ 2,432</u>	<u>\$ 2,150</u>
CASH PAID FOR TAXES	<u>\$ 845</u>	<u>\$ 441</u>	<u>\$ 906</u>	<u>\$ 470</u>

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

	Approximate as of			
	June 30, 2023 ^(c)	March 31, 2023 ^(c)	December 31, 2022 ^(c)	June 30, 2022 ^(c)
Footprint ^(d)				
Estimated Passings	56,209	55,885	55,573	55,008
Customer Relationships ^(e)				
Residential	30,009	29,996	29,988	29,942
SMB	2,219	2,215	2,207	2,182
Total Customer Relationships	32,228	32,211	32,195	32,124
Residential	13	8	42	(93)
SMB	4	8	12	19
Total Customer Relationships Quarterly Net Additions	17	16	54	(74)
Total Customer Relationship Penetration of Estimated Passings ^(f)	57.3 %	57.6 %	57.9 %	58.4 %
Monthly Residential Revenue per Residential Customer ^(g)	\$ 120.25	\$ 120.56	\$ 119.32	\$ 120.61
Monthly SMB Revenue per SMB Customer ^(h)	\$ 164.56	\$ 164.58	\$ 165.50	\$ 167.47
Residential Customer Relationships Penetration				
One Product Penetration ⁽ⁱ⁾	46.0 %	46.0 %	45.9 %	45.4 %
Two Product Penetration ⁽ⁱ⁾	33.0 %	32.8 %	32.7 %	32.6 %
Three or More Product Penetration ⁽ⁱ⁾	20.9 %	21.1 %	21.3 %	22.0 %
% Residential Non-Video Customer Relationships	53.1 %	52.5 %	51.7 %	50.4 %
Internet				
Residential	28,549	28,479	28,412	28,259
SMB	2,037	2,030	2,021	1,994
Total Internet Customers	30,586	30,509	30,433	30,253
Residential	70	67	92	(42)
SMB	7	9	13	21
Total Internet Quarterly Net Additions	77	76	105	(21)
Video				
Residential	14,071	14,260	14,497	14,853
SMB	635	646	650	642
Total Video Customers	14,706	14,906	15,147	15,495
Residential	(189)	(237)	(145)	(240)
SMB	(11)	(4)	1	14
Total Video Quarterly Net Additions	(200)	(241)	(144)	(226)
Voice				
Residential	7,248	7,473	7,697	8,200
SMB	1,294	1,290	1,286	1,287
Total Voice Customers	8,542	8,763	8,983	9,487
Residential	(225)	(224)	(232)	(265)
SMB	4	4	(1)	(1)
Total Voice Quarterly Net Additions	(221)	(220)	(233)	(266)
Mobile Lines ^(j)				
Residential	6,410	5,782	5,116	4,134
SMB	216	196	176	147
Total Mobile Lines	6,626	5,978	5,292	4,281
Residential	628	666	600	329
SMB	20	20	15	15
Total Mobile Lines Quarterly Net Additions	648	686	615	344
Enterprise ^(k)				
Enterprise Primary Service Units ("PSUs")	294	288	284	277
Enterprise Quarterly Net Additions	6	4	2	3

See footnotes on page 7.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Customer premise equipment ^(l)	\$ 576	\$ 560	\$ 1,113	\$ 1,029
Scalable infrastructure ^(m)	353	384	707	743
Upgrade/rebuild ⁽ⁿ⁾	392	189	681	348
Support capital ^(o)	431	367	825	696
Capital expenditures, excluding line extensions	1,752	1,500	3,326	2,816
Subsidized rural construction line extensions	529	278	900	470
Other line extensions	553	415	1,072	764
Total line extensions ^(p)	1,082	693	1,972	1,234
Total capital expenditures	\$ 2,834	\$ 2,193	\$ 5,298	\$ 4,050
Capital expenditures included in total related to:				
Commercial services	\$ 409	\$ 376	\$ 776	\$ 741
Subsidized rural construction initiative ^(q)	\$ 541	\$ 296	\$ 932	\$ 497
Mobile	\$ 82	\$ 95	\$ 159	\$ 169

See footnotes on page 7.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
FOOTNOTES

- (a) Adjusted EBITDA is defined as net income attributable to Charter shareholders plus net income attributable to noncontrolling interest, net interest expense, income taxes, depreciation and amortization, stock compensation expense, other (income) expenses, net and other operating (income) expenses, net such as special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or special items, and is unaffected by our capital structure or investment activities. Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.
- (b) Other expense excludes stock compensation expense. Total operating costs and expenses excludes stock compensation expense, depreciation and amortization and other operating (income) expenses, net.
- (c) We calculate the aging of customer accounts based on the monthly billing cycle for each account. On that basis, at June 30, 2023, March 31, 2023, December 31, 2022 and June 30, 2022, customers included approximately 128,600, 119,800, 144,100 and 154,500 customers, respectively, whose accounts were over 60 days past due, approximately 47,000, 42,100, 52,800 and 45,800 customers, respectively, whose accounts were over 90 days past due and approximately 229,200, 217,800, 214,100 and 97,200 customers, respectively, whose accounts were over 120 days past due. Bad debt expense associated with these past due accounts has been reflected in our consolidated statements of operations. The increase in accounts past due more than 120 days is predominately due to pre-existing and incremental unsubsidized services, including video services, for those customers participating in government assistance programs. These customers are downgraded to a fully subsidized Internet-only service.
- (d) Passings represent our estimate of the number of units, such as single family homes, apartment and condominium units and SMB and enterprise sites passed by our cable distribution network in the areas where we offer the service indicated. These estimates are based upon the information available at this time and are updated for all periods presented when new information becomes available.
- (e) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video, voice and mobile services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units ("MDUs") and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (f) Penetration represents residential and SMB customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (g) Monthly residential revenue per residential customer is calculated as total residential quarterly revenue divided by three divided by average residential customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (h) Monthly SMB revenue per SMB customer is calculated as total SMB quarterly revenue divided by three divided by average SMB customer relationships during the respective quarter and excludes mobile-only customer relationships.
- (i) One product, two product and three or more product penetration represents the number of residential customers that subscribe to one product, two products or three or more products, respectively, as a percentage of residential customer relationships, excluding mobile-only customers.
- (j) Mobile lines include phones and tablets which require one of our standard rate plans (e.g., "Unlimited" or "By the Gig"). Mobile lines exclude wearables and other devices that do not require standard phone rate plans.
- (k) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.
- (l) Customer premise equipment includes equipment and devices located at the customer's premise used to deliver our Internet, video and voice services (e.g., modems, routers and set-top boxes), as well as installation costs.
- (m) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers or provide service enhancements (e.g., headend equipment).
- (n) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including our network evolution initiative which started in 2022.
- (o) Support capital includes costs associated with the replacement or enhancement of non-network assets (e.g., back-office systems, non-network equipment, land and buildings, vehicles, tools and test equipment).
- (p) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (q) The subsidized rural construction initiative subcategory includes projects for which we are receiving subsidies from federal, state and local governments (for which separate reporting was initiated in 2022), excluding customer premise equipment and installation.