

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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CURRENT REPORT

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

Date of report (Date of earliest event reported): July 30, 2001  
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CHARTER COMMUNICATIONS, INC.

-----  
(Exact name of registrant as specified in its charter)

Delaware

-----  
(State or Other Jurisdiction of Incorporation or Organization)

000-27927

43-1857213

-----  
Commission File Number

-----  
(Federal Employer  
Identification Number)

12444 Powerscourt Drive - Suite 400  
St. Louis, Missouri

63131

-----  
(Address of Principal Executive Offices)

-----  
(Zip Code)

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

ITEM 5. OTHER ITEMS.

On July 30, 2001 Charter Communications, Inc. announced 2001 second quarter financial results. A copy of the press release is being filed as Exhibit 99.1 with this report.

ITEM 7. EXHIBITS.

99.1 Press release dated July 30, 2001.\*

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\* filed herewith

SIGNATURES

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

CHARTER COMMUNICATIONS, INC.,  
Registrant

Dated: August 1, 2001

By: /s/ KENT D. KALKWARF

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

EXHIBIT INDEX

EXHIBIT NUMBER - - - - -	DESCRIPTION - - - - -
99.1	Press release dated July 30, 2001.

## PRESS RELEASE

EXHIBIT 99.1

[LOGO] Charter  
Communications  
A Wired World Company

[LOGO] NEWS

FOR RELEASE: 7:00 AM CT Monday, July 30, 2001

Charter Communications Exceeds  
Revenue, Operating Cash Flow Guidance

Strong Digital Video, High-Speed Data and Basic Customer Increases  
Continued During Second Quarter

ST. LOUIS - Charter Communications, Inc. (Nasdaq: CHTR) today reported second quarter 2001 revenue and operating cash flow growth exceeding Wall Street estimates. Increases in digital video, high-speed data, and basic video customers during the three-month period ended June 30, 2001 were in line with the company's previously stated guidance, according to Jerry Kent, President and CEO. "I'm proud once again to acknowledge this management team's demonstrated ability to post outstanding quarterly results in today's highly competitive marketplace. We're now in an excellent position to achieve all of our goals for this fiscal year," Mr. Kent said.

Second Quarter Financial Highlights

For the second quarter of 2001, revenue increased 16.1% to \$928.5 million, and operating cash flow increased 14.1% to \$428.1 million compared to pro forma results for the second quarter of 2000. This compares favorably to previous guidance of 13%-15% revenue growth and 11.5%-13.5% operating cash flow growth for the second quarter. Charter reported

internal customer growth of 2.1% compared to pro forma second quarter of 2000 for a total of 6,388,300 customers. "Our revenue and operating cash flow growth accelerated in the second quarter. Outstanding customer service initiatives and aggressive marketing efforts contributed greatly to our strong internal customer growth," Mr. Kent said.

Demand for Advanced Services Remains Strong

As of June 30, 2001, Charter Digital Cable™ customers totaled 1,585,000 with increases averaging more than 18,500 customers per week during the second quarter. Mr. Kent said

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Charter's goal is to end the year 2001 with over 2 million digital cable customers. "We're exceeding our originally expected average weekly install rate for the year, and we're on track to achieve over 30% digital penetration by the end of 2001," Mr. Kent said. "Our customers continued to see that our digital video product makes more sense in the price-value equation than satellite service."

Mr. Kent said he expects Charter to maintain its industry leadership in the deployment of video on demand (VOD) technology. "With VOD launches already underway in the suburbs of Atlanta; the Pasadena and Long Beach areas of Los Angeles; St. Louis; Fort Worth; the Greenville-Spartanburg, South Carolina area; Hickory, North Carolina; and Slidell, Louisiana, Charter will pass some 2.2 million homes by the end of 2001," Mr. Kent said. "Early customer tracking in digital households is showing that VOD increases Charter Digital Cable customer retention."

Two-way high-speed data (HSD) service was available to 59% of Charter's homes passed as of June 30, 2001. As of that date, Charter served 419,400 data customers, having added 76,100 Charter Pipeline™ customers during the second quarter. "We're capitalizing on our increased two-way footprint resulting from our \$3.5 billion rebuild and upgrade of infrastructure by aggressively marketing and deploying our high-speed data product everywhere that it's available," he said. Charter increased its HSD customer guidance after the first quarter, and is now confident of ending the year at the high end of their guidance of between 550,000 and 600,000 HSD customers, as Charter expects to accelerate its high speed data growth rate for the balance of the year, Mr. Kent said

Recent Developments

On June 30, 2001, Charter and AT&T Broadband (AT&T) closed cable system transactions announced in February. The transactions resulted in the net addition of approximately 554,000 customers for Charter in exchange for \$1.77

billion in cash and cable systems serving 9,000 customers for AT&T. Charter acquired cable systems from AT&T serving approximately 563,000 customers in the St. Louis area; areas of Auburn, Birmingham and Selma, Alabama; and the Reno area of Nevada and California.

In May 2001, Charter issued approximately 60.2 million shares of Class A common stock and \$632.5 million of Convertible Senior Notes due 2006, and its subsidiary issued \$1.5 billion

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of Senior and Senior Discount Notes for total proceeds of \$3.4 billion. Mr. Kent said that with the completion of these offerings, Charter's business plan, including the \$3.5 billion rebuild program, is fully funded through 2003, at which point the company expects to generate free cash flow.

#### Outlook

Mr. Kent reiterated Charter's previous 2001 annual guidance of 14% - 16% revenue growth and 12% - 14% operating cash flow growth, including the pro forma impact of the acquired systems from AT&T. He also reiterated that Charter expects to end the year with over 2 million digital cable customers, and reaffirmed the company's previously upgraded data customer estimate of 550,000 to 600,000 by year-end. Mr. Kent now believes that the company will end the year at the high end of this range. The systems acquired from AT&T are expected to add approximately 150,000 digital customers and 30,000 data customers to these estimates. Mr. Kent reaffirmed internal customer growth expectations of at least 2.0%. Charter has posted on its web site revised quarterly pro forma operating results to include the recently acquired systems from AT&T for 2000 and the first half of 2001. These results can be found in the "Financial Outlook" section of the "Investor Center" via "About Us" at [www.charter.com](http://www.charter.com).

#### About Charter Communications

Charter Communications, a Wired World(TM) company, is among the nation's largest broadband communications companies, currently serving some 7 million customers in 40 states. Charter provides a full range of advanced broadband services to the home, including cable television on an advanced digital video programming platform marketed under the Charter Digital Cable(TM) brand and high-speed Internet access via Charter Pipeline(TM). Commercial high-speed data, video and Internet solutions are provided under the Charter Business Networks(TM) brand. Advertising sales and production services are sold under the Charter Media(TM) brand.

A Fortune 500 company, Charter is the 2001 recipient of the Outstanding Corporate Growth Award from the Association for Corporate Growth, the 2001 R.E. "Ted" Turner Innovator of the Year Award from the Southern Cable Telecommunications Association, and the 2000 Innovator Award for Technology from Cablevision Magazine.

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More information about Charter can be found at [www.charter.com](http://www.charter.com).

Detailed financial information is included in the attached addendum.

Charter will conduct a conference call to discuss their operating results on Monday, July 30, 2001, at 11:00 AM Eastern Time. The call will be available live via webcast at [www.charter.com](http://www.charter.com). The call will be available on the "Investor Center" portion of the website, via "About Us." Participants should go to the call link at least 10 minutes prior to the start time to register. The call will be archived on the website.

Statements in this press release regarding Charter Communications' business that are not historical facts may be "forward-looking statements." Forward-looking statements are inherently subject to risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from any such forward-looking statements are identified in the reports and documents Charter files from time to time with the U.S. Securities and Exchange Commission.

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Charter Communications, Inc.  
Unaudited Consolidated Statements of Operations

(Dollars in thousands, except share data)

	Three Months Ended June 30,		
	Actual 2001 (a)	Actual 2000	Pro Forma 2000 (b)
<b>Revenues:</b>			
Analog video	\$ 666,725	\$ 636,187	\$ 640,615
Digital video	68,192	15,066	15,066
Cable modem	32,850	15,067	15,067
Advertising sales	64,514	41,794	41,794
Other	96,194	86,666	87,060
<b>Total revenues</b>	<b>928,475</b>	<b>794,780</b>	<b>799,602</b>
<b>Operating Expenses:</b>			
General, administrative and service	197,786	173,956	174,031
Analog video programming	211,839	181,635	182,931
Digital video	24,081	5,820	5,820
Cable modem	20,440	13,218	13,218
Advertising sales	13,665	14,771	15,604
Marketing	18,617	17,144	17,604
Corporate expenses	13,993	15,007	15,103
<b>Total operating expenses</b>	<b>500,421</b>	<b>421,551</b>	<b>424,311</b>
<b>Operating cash flow</b>	<b>428,054</b>	<b>373,229</b>	<b>375,291</b>
Depreciation	395,097	296,912	305,844
Amortization	325,855	306,775	306,775
Option compensation expense	4,850	10,589	10,589
Interest, net	314,910	250,453	306,599
Other, net	23,991	2,636	2,677
	(636,649)	(494,136)	(557,193)
<b>Minority interest</b>	<b>362,784</b>	<b>297,315</b>	<b>296,970</b>
<b>Net loss</b>	<b>\$ (273,865)</b>	<b>\$ (196,821)</b>	<b>\$ (260,223)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (1.07)</b>	<b>\$ (0.89)</b>	<b>\$ (0.89)</b>
<b>Weighted average common shares outstanding</b>	<b>255,027,543</b>	<b>222,089,746</b>	<b>293,510,455</b>

(a) The actual results exclude the operating results of the systems acquired in the AT&T transactions which closed on June 30, 2001.

(b) The pro forma results reflect all acquisitions and dispositions of cable systems closed during 2000 and borrowings under the Charter Holdings senior bridge loan facility, issuance of the October 2000 senior convertible notes, issuance of the January 2001 Charter Holdings notes, issuance of the May 2001 Charter Holdings notes, issuance of 60,247,350 shares of common stock, issuance of the May 2001 senior convertible notes and application of the proceeds from all such borrowings to repay portions of other notes and credit facilities.

Charter Communications, Inc.  
Unaudited Summary of Operating Statistics

Cable Television	Actual	Pro Forma	Pro Forma
	June 30, 2001 (a)	December 31, 2000 (b)	June 30, 2000 (b)
Homes Passed	10,311,500	10,219,300	10,062,000
Basic Customers	6,388,300	6,346,200	6,258,500
Basic Penetration	62.0%	62.1%	62.2%
Premium Units	5,234,600	4,936,800	3,326,500
Premium Penetration	81.9%	77.8%	53.2%
Average Monthly Revenue per Basic Customer (quarter)	\$ 48.45	\$ 46.95	\$ 42.59

Digital Video	Actual	Pro Forma	Pro Forma
	June 30, 2001 (a)	December 31, 2000 (b)	June 30, 2000 (b)
Digital Homes Passed	9,060,700	8,787,500	6,528,100
Customers	1,585,000	1,068,900	375,000
Penetration of Digital Homes Passed	17.5%	12.2%	5.7%
Penetration of Basic Customers	24.8%	16.8%	6.0%
Digital Converters Deployed	2,100,400	1,336,600	456,100

Data Services	Actual	Pro Forma	Pro Forma
	June 30, 2001 (a)	December 31, 2000 (b)	June 30, 2000 (b)
Data Homes Passed	6,110,179	5,550,800	5,201,700
Customers	419,400	252,400	149,300
Penetration	6.9%	4.5%	2.9%

Other Statistics	Actual
	June 30, 2001 (a)
For the quarter ended	
Capital Expenditures (in 000's)	\$ 837,737
As of	
Book Value per Share	\$ 11.97

(a) The actual statistics exclude the systems acquired in the AT&T transactions which closed on June 30, 2001.

(b) The pro forma statistics reflect all acquisitions and dispositions of cable systems closed during 2000 as of the periods indicated. The pro forma statistics exclude the systems acquired in the AT&T transactions which closed on June 30, 2001.

Charter Communications, Inc.  
 Unaudited Consolidated Statements of Operations  
 (Dollars in thousands, except share data)

	Periods Ended June 30, 2001	
	Three Months (a)	Six Months (a)
<b>Revenues:</b>		
Analog video	\$ 666,725	\$ 1,316,080
Digital video	68,192	123,239
Cable modem	32,850	58,016
Advertising sales	64,514	120,155
Other	96,194	184,783
Total revenues	928,475	1,802,273
<b>Operating Expenses:</b>		
General, administrative and service	197,786	389,416
Analog video programming	211,839	422,213
Digital video	24,081	44,690
Cable modem	20,440	38,086
Advertising sales	13,665	28,930
Marketing	18,617	35,241
Corporate expenses	13,993	27,715
Total operating expenses	500,421	986,291
Operating cash flow	428,054	815,982
Depreciation	395,097	762,038
Amortization	325,855	654,809
Option compensation expense	4,850	10,888
Interest, net	314,910	625,650
Other, net	23,991	83,908 (b)
	(636,649)	(1,321,311)
Minority interest	362,784	766,746
Net loss	\$ (273,865)	\$ (554,565)
Basic and diluted loss per share	\$ (1.07)	\$ (2.27)
Weighted average common shares outstanding	255,027,543	244,461,311

(a) Operating results exclude the operating results of the systems acquired in the AT&T transactions which closed on June 30, 2001.

(b) Includes a \$23.9 million cumulative effect of a change in accounting principle and current period expense of \$14.7 million, both as a result of the implementation of SFAS 133 "Accounting for Derivative Instruments and Hedging Activities".

Charter Communications, Inc.  
 Unaudited Consolidated Balance Sheet Data  
 (Dollars in thousands)

	Actual June 30, 2001 (a)	Actual December 31, 2000
	-----	-----
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 572,733	\$ 130,702
Accounts receivable, net of allowance for doubtful accounts	214,334	217,667
Receivable from related party	1,129	6,480
Prepaid expenses and other	84,201	77,719
Total current assets	----- 872,397	----- 432,568
Investment in Cable Properties:		
Property, plant and equipment, net	6,339,551	5,267,519
Franchises, net	17,794,981	17,068,702
Total investment in cable properties	----- 24,134,532	----- 22,336,221
Other assets	323,265	274,777
	----- \$ 25,330,194	----- \$ 23,043,566
	=====	=====
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,188,505	\$ 1,367,234
Total current liabilities	----- 1,188,505	----- 1,367,234
Long-term debt	15,570,699	13,060,455
Deferred management fees - related party	13,751	13,751
Other long-term liabilities	325,285	285,266
Minority interest	4,710,817	4,089,329
Redeemable securities	-	1,104,327
Shareholders' equity	3,521,137	3,123,204
	----- \$ 25,330,194	----- \$ 23,043,566
	=====	=====

(a) The balance sheet at June 30, 2001 includes the systems acquired in the AT&T transactions which closed on June 30, 2001.