

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

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net income attributable to Charter shareholders	\$ 1,196	\$ 1,610	\$ 5,055	\$ 4,654
Plus: Net income attributable to noncontrolling interest	189	224	794	666
Interest expense, net	1,227	1,034	4,556	4,037
Income tax expense	419	224	1,613	1,068
Depreciation and amortization	2,192	2,280	8,903	9,345
Stock compensation expense	110	98	470	430
Other (income) expenses, net	149	(91)	225	430
Adjusted EBITDA	<u>\$ 5,482</u>	<u>\$ 5,379</u>	<u>\$ 21,616</u>	<u>\$ 20,630</u>
Net cash flows from operating activities	\$ 3,787	\$ 4,226	\$ 14,925	\$ 16,239
Less: Purchases of property, plant and equipment	(2,920)	(2,072)	(9,376)	(7,635)
Change in accrued expenses related to capital expenditures	269	131	553	80
Free cash flow	<u>\$ 1,136</u>	<u>\$ 2,285</u>	<u>\$ 6,102</u>	<u>\$ 8,684</u>

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

UNAUDITED ALTERNATIVE PRESENTATION OF ADJUSTED EBITDA
(dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2022	2021	% Change	2022	2021	% Change
REVENUES:						
Internet	\$ 5,637	\$ 5,424	3.9 %	\$ 22,222	\$ 21,094	5.3 %
Video	4,251	4,406	(3.5)%	17,460	17,630	(1.0)%
Voice	379	396	(4.3)%	1,559	1,598	(2.5)%
Residential revenue	10,267	10,226	0.4 %	41,241	40,322	2.3 %
Small and medium business	1,080	1,054	2.4 %	4,301	4,170	3.1 %
Enterprise	674	643	4.9 %	2,677	2,573	4.0 %
Commercial revenue	1,754	1,697	3.3 %	6,978	6,743	3.5 %
Advertising sales	558	448	24.6 %	1,882	1,594	18.1 %
Mobile	876	632	38.7 %	3,042	2,178	39.7 %
Other	219	209	4.9 %	879	845	4.0 %
Total Revenues	<u>13,674</u>	<u>13,212</u>	3.5 %	<u>54,022</u>	<u>51,682</u>	4.5 %
COSTS AND EXPENSES:						
Programming	2,800	2,895	(3.3)%	11,620	11,844	(1.9)%
Regulatory, connectivity and produced content	561	592	(5.3)%	2,303	2,494	(7.7)%
Costs to service customers	1,971	1,863	5.8 %	7,772	7,393	5.1 %
Marketing	846	791	6.9 %	3,339	3,071	8.7 %
Mobile	982	724	35.7 %	3,385	2,489	36.0 %
Other expense (a)	1,032	968	6.6 %	3,987	3,761	6.0 %
Total operating costs and expenses (a)	<u>8,192</u>	<u>7,833</u>	4.6 %	<u>32,406</u>	<u>31,052</u>	4.4 %
Adjusted EBITDA	<u>\$ 5,482</u>	<u>\$ 5,379</u>	1.9 %	<u>\$ 21,616</u>	<u>\$ 20,630</u>	4.8 %

(a) Other expense excludes stock compensation expense. Total operating costs and expenses excludes stock compensation expense, depreciation and amortization and other operating (income) expenses, net.

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

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

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
REVENUES	\$ 13,674	\$ 13,212	\$ 54,022	\$ 51,682
COSTS AND EXPENSES:				
Operating costs and expenses (exclusive of items shown separately below)	8,302	7,931	32,876	31,482
Depreciation and amortization	2,192	2,280	8,903	9,345
Other operating expenses, net	140	45	281	329
	<u>10,634</u>	<u>10,256</u>	<u>42,060</u>	<u>41,156</u>
Income from operations	<u>3,040</u>	<u>2,956</u>	<u>11,962</u>	<u>10,526</u>
OTHER INCOME (EXPENSES):				
Interest expense, net	(1,227)	(1,034)	(4,556)	(4,037)
Other income (expense), net	(9)	136	56	(101)
	<u>(1,236)</u>	<u>(898)</u>	<u>(4,500)</u>	<u>(4,138)</u>
Income before income taxes	1,804	2,058	7,462	6,388
Income tax expense	(419)	(224)	(1,613)	(1,068)
Consolidated net income	1,385	1,834	5,849	5,320
Less: Net income attributable to noncontrolling interests	(189)	(224)	(794)	(666)
Net income attributable to Charter shareholders	<u>\$ 1,196</u>	<u>\$ 1,610</u>	<u>\$ 5,055</u>	<u>\$ 4,654</u>
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:				
Basic	<u>\$ 7.79</u>	<u>\$ 9.17</u>	<u>\$ 31.30</u>	<u>\$ 25.34</u>
Diluted	<u>\$ 7.69</u>	<u>\$ 8.93</u>	<u>\$ 30.74</u>	<u>\$ 24.47</u>
Weighted average common shares outstanding, basic	<u>153,523,976</u>	<u>175,623,846</u>	<u>161,501,355</u>	<u>183,669,369</u>
Weighted average common shares outstanding, diluted	<u>155,554,890</u>	<u>180,417,622</u>	<u>164,433,596</u>	<u>193,042,948</u>

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

		December 31,	
		2022	2021
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$	645	\$ 601
Accounts receivable, net		2,921	2,579
Prepaid expenses and other current assets		451	386
Total current assets		4,017	3,566
INVESTMENT IN CABLE PROPERTIES:			
Property, plant and equipment, net		36,039	34,310
Customer relationships, net		2,772	4,060
Franchises		67,363	67,346
Goodwill		29,563	29,562
Total investment in cable properties, net		135,737	135,278
OTHER NONCURRENT ASSETS			
		4,769	3,647
Total assets	\$	144,523	\$ 142,491
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued liabilities	\$	10,555	\$ 9,461
Current portion of long-term debt		1,510	2,997
Total current liabilities		12,065	12,458
LONG-TERM DEBT			
		96,093	88,564
DEFERRED INCOME TAXES			
		19,058	19,096
OTHER LONG-TERM LIABILITIES			
		4,758	4,217
SHAREHOLDERS' EQUITY:			
Controlling interest		9,119	14,050
Noncontrolling interests		3,430	4,106
Total shareholders' equity		12,549	18,156
Total liabilities and shareholders' equity	\$	144,523	\$ 142,491

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

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income	\$ 1,385	\$ 1,834	\$ 5,849	\$ 5,320
Adjustments to reconcile consolidated net income to net cash flows from operating activities:				
Depreciation and amortization	2,192	2,280	8,903	9,345
Stock compensation expense	110	98	470	430
Noncash interest income, net	(5)	(3)	(17)	(23)
Deferred income taxes	(78)	158	87	826
Other, net	142	(98)	29	181
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:				
Accounts receivable	(80)	71	(342)	(35)
Prepaid expenses and other assets	(106)	(40)	(202)	(167)
Accounts payable, accrued liabilities and other	227	(74)	148	362
Net cash flows from operating activities	<u>3,787</u>	<u>4,226</u>	<u>14,925</u>	<u>16,239</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property, plant and equipment	(2,920)	(2,072)	(9,376)	(7,635)
Change in accrued expenses related to capital expenditures	269	131	553	80
Other, net	(117)	(51)	(291)	(199)
Net cash flows from investing activities	<u>(2,768)</u>	<u>(1,992)</u>	<u>(9,114)</u>	<u>(7,754)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowings of long-term debt	4,115	5,713	25,643	20,976
Repayments of long-term debt	(3,652)	(2,495)	(19,311)	(12,146)
Payments for debt issuance costs	—	(26)	(71)	(102)
Purchase of treasury stock	(1,032)	(4,597)	(10,277)	(15,431)
Proceeds from exercise of stock options	—	1	5	44
Purchase of noncontrolling interest	(223)	(734)	(1,602)	(2,234)
Distributions to noncontrolling interest	(55)	(4)	(111)	(75)
Other, net	(7)	43	(43)	83
Net cash flows from financing activities	<u>(854)</u>	<u>(2,099)</u>	<u>(5,767)</u>	<u>(8,885)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	165	135	44	(400)
CASH AND CASH EQUIVALENTS, beginning of period	480	466	601	1,001
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 645</u>	<u>\$ 601</u>	<u>\$ 645</u>	<u>\$ 601</u>
CASH PAID FOR INTEREST	<u>\$ 1,258</u>	<u>\$ 1,005</u>	<u>\$ 4,509</u>	<u>\$ 4,043</u>
CASH PAID FOR TAXES	<u>\$ 439</u>	<u>\$ 58</u>	<u>\$ 1,321</u>	<u>\$ 157</u>

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

	Approximate as of		
	December 31, 2022 (a)	September 30, 2022 (a)	December 31, 2021 (a)
Footprint (b)			
Estimated Passings	55,573	55,288	54,521
Customer Relationships (c)			
Residential	29,988	29,946	29,926
SMB	2,207	2,195	2,143
Total Customer Relationships	32,195	32,141	32,069
Residential	42	4	103
SMB	12	13	17
Total Customer Relationships Quarterly Net Additions	54	17	120
Total Customer Relationship Penetration of Estimated Passings (d)	57.9 %	58.1 %	58.8 %
Monthly Residential Revenue per Residential Customer (e)	\$ 114.20	\$ 115.16	\$ 114.14
Monthly SMB Revenue per SMB Customer (f)	\$ 163.44	\$ 164.89	\$ 164.59
Residential Customer Relationships Penetration			
Single Play Penetration (g)	49.1 %	48.5 %	46.7 %
Double Play Penetration (g)	33.1 %	33.1 %	33.0 %
Triple Play Penetration (g)	17.8 %	18.4 %	20.4 %
% Residential Non-Video Customer Relationships	51.7 %	51.1 %	49.2 %
Internet			
Residential	28,412	28,320	28,137
SMB	2,021	2,008	1,952
Total Internet Customers	30,433	30,328	30,089
Residential	92	61	172
SMB	13	14	18
Total Internet Quarterly Net Additions	105	75	190
Video			
Residential	14,497	14,642	15,216
SMB	650	649	617
Total Video Customers	15,147	15,291	15,833
Residential	(145)	(211)	(71)
SMB	1	7	13
Total Video Quarterly Net Additions	(144)	(204)	(58)
Voice			
Residential	7,697	7,929	8,621
SMB	1,286	1,287	1,282
Total Voice Customers	8,983	9,216	9,903
Residential	(232)	(271)	(163)
SMB	(1)	—	9
Total Voice Quarterly Net Additions	(233)	(271)	(154)
Mobile Lines (h)			
Residential	5,116	4,516	3,448
SMB	176	161	116
Total Mobile Lines	5,292	4,677	3,564
Residential	600	382	363
SMB	15	14	17
Total Mobile Lines Quarterly Net Additions	615	396	380
Enterprise (i)			
Enterprise Primary Service Units ("PSUs")	284	282	272
Enterprise Quarterly Net Additions	2	5	3

- (a) We calculate the aging of customer accounts based on the monthly billing cycle for each account. On that basis, at December 31, 2022, September 30, 2022 and December 31, 2021, customers included approximately 144,100, 151,700 and 128,300 customers, respectively, whose accounts were over 60 days past due, approximately 52,800, 55,500 and 26,800 customers, respectively, whose accounts were over 90 days past due and approximately 214,100, 149,300 and 43,200 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 past due accounts 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.
- (b) 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.
- (c) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video and voice 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.
- (d) Penetration represents residential and SMB customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (e) 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 revenue and customers.
- (f) 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 revenue and customers.
- (g) Single play, double play and triple play penetration represents the number of residential single play, double play and triple play cable customers, respectively, as a percentage of residential customer relationships, excluding mobile.
- (h) 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.
- (i) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.

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

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Customer premise equipment (a)	\$ 603	\$ 471	\$ 2,209	\$ 1,967
Scalable infrastructure (b)	613	454	1,791	1,677
Line extensions (c)	928	451	2,990	1,642
Upgrade/rebuild (d)	310	222	845	706
Support capital (e)	466	474	1,541	1,643
Total capital expenditures	<u>\$ 2,920</u>	<u>\$ 2,072</u>	<u>\$ 9,376</u>	<u>\$ 7,635</u>
Of which: Commercial services	\$ 401	\$ 362	\$ 1,511	\$ 1,445
Capital expenditures included in total related to:				
Capital expenditures, excluding line extensions	\$ 1,992	\$ 1,621	\$ 6,386	\$ 5,993
Line extensions (c)	928	451	2,990	1,642
Total capital expenditures	<u>\$ 2,920</u>	<u>\$ 2,072</u>	<u>\$ 9,376</u>	<u>\$ 7,635</u>
Capital expenditures included in total related to:				
Core cable (f)	\$ 2,132	\$ 1,945	\$ 7,209	\$ 7,153
Mobile	111	127	376	482
Rural construction initiative (g)	677	—	1,791	—
Total capital expenditures	<u>\$ 2,920</u>	<u>\$ 2,072</u>	<u>\$ 9,376</u>	<u>\$ 7,635</u>

- (a) Customer premise equipment includes costs incurred at the customer residence to secure new customers and revenue generating units, including customer installation costs and customer premise equipment (e.g., digital receivers and cable modems).
- (b) Scalable infrastructure includes costs, not related to customer premise equipment, to secure growth of new customers and revenue generating units, or provide service enhancements (e.g., headend equipment).
- (c) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (d) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including betterments.
- (e) Support capital includes costs associated with the replacement or enhancement of non-network assets due to technological and physical obsolescence (e.g., non-network equipment, land, buildings and vehicles).
- (f) Core cable represents total capital expenditures excluding mobile and rural construction initiative capital expenditures.
- (g) The rural construction initiative subcategory includes expenditures associated with our Rural Construction Initiative (for which separate reporting was initiated in 2022), excluding customer premise equipment and installation.