

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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2021	2020	% Change	2021	2020	% Change
REVENUES:						
Internet	\$ 5,363	\$ 4,722	13.6 %	\$ 15,670	\$ 13,659	14.7 %
Video	4,502	4,221	6.7 %	13,224	13,014	1.6 %
Voice	409	449	(8.8)%	1,202	1,357	(11.4)%
Residential revenue	10,274	9,392	9.4 %	30,096	28,030	7.4 %
Small and medium business	1,062	988	7.5 %	3,116	2,967	5.0 %
Enterprise	656	617	6.4 %	1,930	1,845	4.7 %
Commercial revenue	1,718	1,605	7.1 %	5,046	4,812	4.9 %
Advertising sales	391	460	(15.1)%	1,146	1,074	6.6 %
Mobile	535	368	45.4 %	1,546	936	65.2 %
Other	228	214	6.5 %	636	621	2.4 %
Total Revenue	13,146	12,039	9.2 %	38,470	35,473	8.4 %
COSTS AND EXPENSES:						
Programming	2,983	2,727	9.4 %	8,949	8,492	5.4 %
Regulatory, connectivity and produced content	634	612	3.5 %	1,902	1,651	15.2 %
Costs to service customers	1,899	1,902	(0.2)%	5,530	5,598	(1.2)%
Marketing	788	788	— %	2,280	2,273	0.3 %
Mobile	607	456	33.2 %	1,765	1,243	42.0 %
Other expense	949	915	3.8 %	2,793	2,692	3.8 %
Total operating costs and expenses (exclusive of items shown separately below)	7,860	7,400	6.2 %	23,219	21,949	5.8 %
Adjusted EBITDA	5,286	4,639	13.9 %	15,251	13,524	12.8 %
Adjusted EBITDA margin	40.2 %	38.5 %		39.6 %	38.1 %	
Depreciation and amortization	2,270	2,370		7,065	7,295	
Stock compensation expense	98	83		332	263	
Other operating (income) expenses, net	(9)	14		284	23	
Income from operations	2,927	2,172		7,570	5,943	
OTHER INCOME (EXPENSES):						
Interest expense, net	(1,016)	(946)		(3,003)	(2,883)	
Other expenses, net	(157)	(117)		(237)	(413)	
	(1,173)	(1,063)		(3,240)	(3,296)	
Income before income taxes	1,754	1,109		4,330	2,647	
Income tax expense	(347)	(177)		(844)	(372)	
Consolidated net income	1,407	932		3,486	2,275	
Less: Net income attributable to noncontrolling interests	(190)	(118)		(442)	(299)	
Net income attributable to Charter shareholders	\$ 1,217	\$ 814		\$ 3,044	\$ 1,976	
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:						
Basic	\$ 6.69	\$ 4.01		\$ 16.33	\$ 9.62	
Diluted	\$ 6.50	\$ 3.90		\$ 15.78	\$ 9.35	
Weighted average common shares outstanding, basic	181,925,180	202,826,502		186,380,681	205,468,736	
Weighted average common shares outstanding, diluted	187,166,071	208,722,129		197,316,667	211,399,781	

Adjusted EBITDA is a non-GAAP term. See page 6 of this addendum for the reconciliation of Adjusted EBITDA to net income attributable to Charter shareholders as defined by GAAP.

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

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

	September 30,	December 31,
	2021	2020
	(unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 466	\$ 1,001
Accounts receivable, net	2,645	2,539
Prepaid expenses and other current assets	387	369
Total current assets	3,498	3,909
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	34,179	34,357
Customer relationships, net	4,419	5,615
Franchises	67,322	67,322
Goodwill	29,554	29,554
Total investment in cable properties, net	135,474	136,848
OTHER NONCURRENT ASSETS		
	3,523	3,449
Total assets	\$ 142,495	\$ 144,206
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 9,241	\$ 8,867
Current portion of long-term debt	2,996	1,008
Total current liabilities	12,237	9,875
LONG-TERM DEBT		
	85,376	81,744
DEFERRED INCOME TAXES		
	18,980	18,108
OTHER LONG-TERM LIABILITIES		
	4,376	4,198
SHAREHOLDERS' EQUITY:		
Controlling interest	17,030	23,805
Noncontrolling interests	4,496	6,476
Total shareholders' equity	21,526	30,281
Total liabilities and shareholders' equity	\$ 142,495	\$ 144,206

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income	\$ 1,407	\$ 932	\$ 3,486	\$ 2,275
Adjustments to reconcile consolidated net income to net cash flows from operating activities:				
Depreciation and amortization	2,270	2,370	7,065	7,295
Stock compensation expense	98	83	332	263
Noncash interest income, net	(5)	(10)	(20)	(31)
Deferred income taxes	297	151	668	252
Other, net	155	100	279	379
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:				
Accounts receivable	(62)	(95)	(106)	75
Prepaid expenses and other assets	(14)	(55)	(127)	(156)
Accounts payable, accrued liabilities and other	117	188	436	61
Net cash flows from operating activities	<u>4,263</u>	<u>3,664</u>	<u>12,013</u>	<u>10,413</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property, plant and equipment	(1,861)	(2,014)	(5,563)	(5,352)
Change in accrued expenses related to capital expenditures	74	104	(51)	(70)
Real estate investments through variable interest entities	(5)	(41)	(128)	(122)
Other, net	2	(35)	(20)	(43)
Net cash flows from investing activities	<u>(1,790)</u>	<u>(1,986)</u>	<u>(5,762)</u>	<u>(5,587)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Borrowings of long-term debt	4,305	3,030	15,263	10,352
Repayments of long-term debt	(3,892)	(1,819)	(9,651)	(9,711)
Payments for debt issuance costs	(18)	(29)	(76)	(91)
Issuance of equity	—	—	—	23
Purchase of treasury stock	(3,666)	(3,361)	(10,834)	(6,868)
Proceeds from exercise of stock options	17	50	43	171
Purchase of noncontrolling interest	(410)	(366)	(1,500)	(884)
Distributions to noncontrolling interest	—	(37)	(71)	(114)
Borrowings for real estate investments through variable interest entities	5	39	128	59
Other, net	(59)	(1)	(88)	(26)
Net cash flows from financing activities	<u>(3,718)</u>	<u>(2,494)</u>	<u>(6,786)</u>	<u>(7,089)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,245)	(816)	(535)	(2,263)
CASH AND CASH EQUIVALENTS, beginning of period	1,711	2,102	1,001	3,549
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 466</u>	<u>\$ 1,286</u>	<u>\$ 466</u>	<u>\$ 1,286</u>
CASH PAID FOR INTEREST	<u>\$ 1,042</u>	<u>\$ 1,038</u>	<u>\$ 3,038</u>	<u>\$ 3,023</u>
CASH PAID FOR TAXES	<u>\$ 30</u>	<u>\$ 34</u>	<u>\$ 99</u>	<u>\$ 84</u>

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

	Approximate as of		
	September 30, 2021 (a)	September 30, 2020 (a)	September 30, 2019 (a)
Footprint (b)			
Estimated Passings	54,152	53,022	51,940
Customer Relationships (c)			
Residential	29,823	28,912	27,037
SMB	2,126	2,021	1,930
Total Customer Relationships	31,949	30,933	28,967
Residential	163	416	282
SMB	22	41	28
Total Customer Relationships Quarterly Net Additions	185	457	310
Total Customer Relationship Penetration of Estimated Passings (d)	59.0 %	58.3 %	55.8 %
Monthly Residential Revenue per Residential Customer (e)	\$ 115.15	\$ 109.03	\$ 112.00
Monthly SMB Revenue per SMB Customer (f)	\$ 167.29	\$ 164.77	\$ 169.44
Residential Customer Relationships Penetration			
Single Play Penetration (g)	46.4 %	44.2 %	42.7 %
Double Play Penetration (g)	32.8 %	32.3 %	29.9 %
Triple Play Penetration (g)	20.9 %	23.5 %	27.3 %
% Residential Non-Video Customer Relationships	48.7 %	45.7 %	41.8 %
Internet			
Residential	27,965	26,807	24,595
SMB	1,934	1,826	1,730
Total Internet Customers	29,899	28,633	26,325
Residential	243	494	351
SMB	22	43	29
Total Internet Quarterly Net Additions	265	537	380
Video			
Residential	15,287	15,705	15,725
SMB	604	530	520
Total Video Customers	15,891	16,235	16,245
Residential	(133)	53	(77)
SMB	12	14	2
Total Video Quarterly Net Additions	(121)	67	(75)
Voice			
Residential	8,784	9,335	9,595
SMB	1,273	1,207	1,120
Total Voice Customers	10,057	10,542	10,715
Residential	(230)	(63)	(213)
SMB	14	38	23
Total Voice Quarterly Net Additions	(216)	(25)	(190)
Mobile Lines (h)			
Residential	3,085	2,020	793
SMB	99	40	1
Total Mobile Lines	3,184	2,060	794
Residential	230	348	275
SMB	14	15	1
Total Mobile Lines Quarterly Net Additions	244	363	276
Enterprise (i)			
Enterprise Primary Service Units ("PSUs")	284	272	264
Enterprise Quarterly Net Additions	4	2	6

- (a) We calculate the aging of customer accounts based on the monthly billing cycle for each account. On that basis, at September 30, 2021, September 30, 2020 and September 30, 2019, customers included approximately 160,700, 181,700 and 148,000 customers, respectively, whose accounts were over 60 days past due, approximately 42,000, 52,300 and 16,400 customers, respectively, whose accounts were over 90 days past due and approximately 32,600, 26,000 and 14,100 customers, respectively, whose accounts were over 120 days past due.
- (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 RECONCILIATION OF NON-GAAP MEASURES TO GAAP MEASURES
(dollars in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net income attributable to Charter shareholders	\$ 1,217	\$ 814	\$ 3,044	\$ 1,976
Plus: Net income attributable to noncontrolling interest	190	118	442	299
Interest expense, net	1,016	946	3,003	2,883
Income tax expense	347	177	844	372
Depreciation and amortization	2,270	2,370	7,065	7,295
Stock compensation expense	98	83	332	263
Other expenses, net	148	131	521	436
Adjusted EBITDA (a)	<u>\$ 5,286</u>	<u>\$ 4,639</u>	<u>\$ 15,251</u>	<u>\$ 13,524</u>
Net cash flows from operating activities	\$ 4,263	\$ 3,664	\$ 12,013	\$ 10,413
Less: Purchases of property, plant and equipment	(1,861)	(2,014)	(5,563)	(5,352)
Change in accrued expenses related to capital expenditures	74	104	(51)	(70)
Free cash flow	<u>\$ 2,476</u>	<u>\$ 1,754</u>	<u>\$ 6,399</u>	<u>\$ 4,991</u>

(a) See page 1 of this addendum for detail of the components included within Adjusted EBITDA.

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.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Customer premise equipment (a)	\$ 513	\$ 520	\$ 1,496	\$ 1,501
Scalable infrastructure (b)	375	424	1,223	979
Line extensions (c)	392	439	1,191	1,204
Upgrade/rebuild (d)	178	175	484	459
Support capital (e)	403	456	1,169	1,209
Total capital expenditures	<u>\$ 1,861</u>	<u>\$ 2,014</u>	<u>\$ 5,563</u>	<u>\$ 5,352</u>
Capital expenditures included in total related to:				
Commercial services	\$ 353	\$ 358	\$ 1,083	\$ 942
Mobile	\$ 119	\$ 139	\$ 355	\$ 351

- (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).