
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 31, 2009



Charter Communications, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

000-27927

(Commission File Number)

43-1857213

(I.R.S. Employer Identification Number)

12405 Powerscourt Drive

St. Louis, Missouri 63131

(Address of principal executive offices including zip code)

(314) 965-0555

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On May 7, 2009, Charter Communications, Inc. issued a press release announcing its results for the first quarter ended March 31, 2009. The following information, including the entirety of the press release appearing in Exhibit 99.1 hereto, is not filed but is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition."

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit Number	Description
99.1	Press Release dated May 7, 2009. *

* furnished herewith

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS:

This current report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our plans, strategies and prospects, both business and financial. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, without limitation, the factors described under "Risk Factors" from time to time in our filings with the Securities and Exchange Commission ("SEC"). Many of the forward-looking statements contained in this current report may be identified by the use of forward-looking words such as "believe," "expect," "anticipate," "should," "planned," "will," "may," "intend," "estimated," "aim," "on track," "target," "opportunity" and "potential," among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this current report are set forth in other reports or documents that we file from time to time with the SEC, including our quarterly reports on Form 10-Q filed in 2009 and our most recent annual report on Form 10-K and include, but are not limited to:

- the completion of the Company's restructuring including the outcome and impact on our business of the proceedings under Chapter 11 of the Bankruptcy Code;
- the ability of the Company to satisfy closing conditions under the agreements-in-principle with certain of our bondholders and pre-arranged Joint Plan of Reorganization ("the Plan") and related documents and to have the Plan confirmed by the bankruptcy court;
- the availability and access, in general, of funds to meet interest payment obligations under our debt and to fund our operations and necessary capital expenditures, either through cash on hand, cash flows from operating activities, further borrowings or other sources and, in particular, our ability to fund debt obligations (by dividend, investment or otherwise) to the applicable obligor of such debt;
- our ability to comply with all covenants in our indentures and credit facilities, any violation of which, if not cured in a timely manner, could trigger a default of our other obligations under cross-default provisions;
- our ability to repay debt prior to or when it becomes due and/or successfully access the capital or credit markets to refinance that debt through new issuances, exchange offers or otherwise, including restructuring our balance sheet and leverage position, especially given recent volatility and disruption in the capital and credit markets;
- the impact of competition from other distributors, including but not limited to incumbent telephone companies, direct broadcast satellite operators, wireless broadband providers, and digital subscriber line ("DSL") providers;
- difficulties in growing and operating our telephone services, while adequately meeting customer expectations for the reliability of voice services;
- our ability to adequately meet demand for installations and customer service;
- our ability to sustain and grow revenues and cash flows from operating activities by offering video, high-speed Internet, telephone and other services, and to maintain and grow our customer base, particularly in the face of increasingly aggressive competition;
- our ability to obtain programming at reasonable prices or to adequately raise prices to offset the effects of higher programming costs;
- general business conditions, economic uncertainty or downturn, including the recent volatility and disruption in the capital and credit markets and the significant downturn in the housing sector and overall economy; and
- the effects of governmental regulation on our business.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We are under no duty or obligation to update any of the forward-looking statements after the date of this current report.

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.

COMMUNICATIONS, INC.

& # 1 6 0 ;

CHARTER

& # 1 6 0 ;

Registrant

Dated May 7, 2009

By:/s/ Kevin D. Howard

Name: Kevin D. Howard

Title: Vice President, Controller and Chief Accounting Officer

EXHIBIT INDEX

Exhibit Number	Description
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99.1	Press Release dated May 7, 2009. *
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* furnished herewith



NEWS

Charter Reports First Quarter 2009 Financial and Operating Results

Charter operations remain solid; financial restructuring underway to reduce debt

St. Louis, Missouri – May 7, 2009 – Charter Communications, Inc. (Pink OTC: CHTRQ) (along with its subsidiaries, the “Company” or “Charter”) today reported financial and operating results for the three months ended March 31, 2009.

Key year-over-year highlights:

- First quarter *pro forma*¹ revenues of \$1.661 billion grew 6.5% on a *pro forma* basis and revenues grew 6.3% on an actual basis; primarily driven by increases in telephone and high-speed Internet (HSI) revenues.
- First quarter adjusted EBITDA² of \$616 million grew 13.2% on a *pro forma* basis and 13.0% on an actual basis.
- First quarter adjusted EBITDA margin of 37.1% increased more than 200 basis points on a *pro forma* and actual basis.
- Total average monthly revenue per basic video customer (ARPU) for the quarter increased 9.9% year-over-year to \$110.32, driven by increased sales of The Charter BundleTM and advanced services growth.
- Revenue generating units (RGUs) increased 149,600 during the first quarter, driven by increased telephone and HSI customers. RGUs increased 4.1% compared to March 31, 2008.
- Commercial revenues increased 16.3% year over year on a *pro forma* and actual basis, accounting for approximately 15% of total first quarter revenue growth, primarily driven by the Charter Business Bundle.

¹ *Pro forma* results are described below in the “Use of Non-GAAP Financial Metrics” section and are provided in the addendum of this news release.

² Adjusted EBITDA is defined in the “Use of Non-GAAP Financial Metrics” section and is reconciled to net cash flows from operating activities in the addendum of this news release.

“Our results for the first quarter confirm that Charter’s operations remain strong,” said Neil Smit, President and Chief Executive Officer. “We are pleased to report solid growth in both revenue and adjusted EBITDA. Our organization is nimble, and we’ve adjusted to market conditions, achieving efficiencies while remaining committed to investing in new products and improving service that deliver value to our customers.”

Mr. Smit continued, “I am also pleased with the progress we have made in our financial restructuring and commend our employees for continuing to provide our customers with superior service and value throughout this process. We have been working diligently to complete our financial restructuring expeditiously, and look forward to emerging as a stronger company.”

Key Operating Results

All of the following customer growth and ARPU statistics are presented on a *pro forma* basis. Charter added 149,600 RGUs during the first quarter of 2009. Approximately 54% of Charter’s customers subscribe to a bundle, up from 49% in the first quarter of 2008. Charter’s *pro forma* ARPU for the first quarter of 2009 was \$110.32, an increase of 9.9% compared to first quarter 2008, primarily as a result of higher bundled penetration and digital video recorder and high-definition customer growth, as well as an increase in video on demand usage.

First quarter 2009 RGU changes (on a *pro forma* basis) consisted of the following:

- Digital video customers increased by approximately 25,600 and basic video customers decreased by 22,200 during the first quarter. Video ARPU was \$60.61 for the first quarter of 2009, up 5.3% year-over-year. Customers leasing high-definition or digital video recorder set tops has increased more than 30% year over year, and on demand orders during the first quarter of 2009 increased nearly 40% compared to the year ago quarter, driving increased video ARPU and customer satisfaction.
- First quarter 2009 net gains of HSI customers were approximately 71,900. HSI ARPU of \$41.26 increased approximately 2.5% compared to both the year ago and prior quarter, driven by customer upgrades to higher levels of service.
- First quarter 2009 net gains of telephone customers were approximately 74,300. Telephone penetration is now 13.5% of approximately 10.6 million telephone homes passed as of March 31, 2009.

As of March 31, 2009, Charter served approximately 5,433,200 customers and the Company's 12,541,600 RGUs were comprised of 5,013,700 basic video; 3,157,700 digital video; 2,947,100 HSI, and 1,423,100 telephone customers.

First Quarter Results – Pro forma

First quarter *pro forma* revenues were \$1.661 billion, an increase of 6.5%, or \$101 million, over *pro forma* 2008 results.

Pro forma adjusted EBITDA totaled \$616 million for the first quarter of 2009, an increase of 13.2% compared to the *pro forma* results for the year-ago quarter. The *pro forma* adjusted EBITDA margin increased 220 basis points in the first quarter to 37.1%, up from 34.9% in the year-ago quarter on a *pro forma* basis.

Pro forma net cash flows from operating activities for the first quarter of 2009 were \$187 million, compared to \$203 million for the first quarter of 2008 on a *pro forma* basis.

First Quarter Results – Actual

First quarter revenues of \$1.662 billion increased 6.3% compared to the year ago quarter. The increase resulted primarily from telephone and HSI revenue growth.

Telephone revenues for the 2009 first quarter were \$169 million, a 39.7% increase over first quarter 2008, driven by a larger telephone customer base and an increase in telephone ARPU. HSI revenues were \$360 million, up 9.8% year-over-year, due to an increased number of customers and ARPU growth. Video revenues were \$872 million, up 1.6% year-over-year, primarily as a result of digital and advanced services revenue growth, partially offset by a decline in basic video customers. Commercial revenues rose to \$107 million, a 16.3% increase year over year, resulting from increased sales of the Charter Business Bundle® primarily to small and medium-size businesses, as well as growth in our fiber-based data services. Advertising sales revenues declined 19.4% year over year to \$54 million for the first quarter of 2009 primarily as a result of significant decreases in revenues from the political and automotive sectors.

Operating costs and expenses totaled \$1.046 billion for the first quarter of 2009, a 2.6% increase compared to the year-ago period. Operating expenses for the 2009 first quarter, which include programming, service and advertising sales costs, were \$713 million, a 4.7% increase year-over-year, reflecting annual programming rate increases and increased costs to support improved service levels and growth of the Company's telephone business and advanced services. Selling, general, and administrative expenses were \$333 million, a decrease of 1.5% compared to the year-ago quarter, reflecting efficiencies gained in our operations. Operating costs and expenses also reflect certain modified payment terms made during the first quarter which reduced costs and expenses by approximately \$6 million.

Adjusted EBITDA for the first quarter of 2009 rose to \$616 million, up 13.0% compared to the year-ago period.

Charter reported \$334 million income from operations in the first quarter of 2009, compared to \$205 million in the first quarter of 2008. Net loss for the first quarter of 2009 was \$205 million, or 54 cents per common share. For the first quarter of 2008, Charter reported a net loss of \$359 million and a net loss per common share of 97 cents. The increase in income from operations resulted primarily from the increase in sales of our bundled services, improved cost efficiencies and favorable litigation settlements in 2009. The decrease in net loss resulted from the same factors along with the allocation of losses of \$129 million to noncontrolling interest beginning January 1, 2009 based on the adoption of Statement of Financial Accounting Standards No. 160, partially offset by expenses related to the financial restructuring underway at Charter.

Expenditures for property, plant, and equipment for the first quarter of 2009 were \$269 million, compared to first quarter 2008 expenditures of \$334 million. The decrease in capital expenditures is primarily the result of higher spending on scalable infrastructure during the first quarter of 2008 related to HSI and headend upgrades.

Net cash flows from operating activities for the first quarter of 2009 were \$187 million, compared to \$204 million in the first quarter of 2008.

Restructuring

As of March 31, 2009, Charter had \$21.623 billion in debt, \$9.849 billion of which was classified as liabilities subject to compromise due to Charter's restructuring efforts. As previously announced, on March 27, 2009, Charter filed its pre-arranged Joint Plan of Reorganization (the "Pre-Arranged Plan") and Chapter 11 petitions in the United States Bankruptcy Court for the Southern District of New York (the "Court") in order to implement a financial restructuring that, upon approval, would reduce the Company's debt by approximately \$8 billion. The Pre-Arranged Plan also includes the investment by certain of the Company's debt holders of more than \$3 billion, including up to \$2 billion in equity proceeds, \$1.2 billion in roll-over debt and \$267 million in new debt to support the overall refinancing. Charter expects the proposed restructuring to position the Company to generate positive free cash flow through significant interest expense reductions.

As a debtor in possession, the Company is authorized to transact business in the ordinary course of business and, as such, has been paying its trade creditors in full in the normal course. Charter expects that cash on hand and cash flows from operating activities will be adequate to fund its projected cash needs as it proceeds with its financial restructuring.

The Company's principal Chapter 11 petition has been assigned the lead case number 09-11435. Additional information about Charter's restructuring, including the disclosure statement describing the Pre-Arranged Plan and the terms of the committed and optional investments by members of the Bondholder Committee, is available at the Company's website www.charter.com. You may also receive information from the Company's restructuring information line, 800-419-3922. For access to Court documents and other general information about the Chapter 11 cases, please visit www.kccllc.net/charter.

Use of Non-GAAP Financial Metrics

The Company uses certain measures that are not defined by Generally Accepted Accounting Principles ("GAAP") to evaluate various aspects of its business. Adjusted EBITDA, *pro forma* adjusted EBITDA, and free cash flow are non-GAAP financial

measures and should be considered in addition to, not as a substitute for, net cash flows from operating activities reported in accordance with GAAP. These terms, as defined by Charter, may not be comparable to similarly titled measures used by other companies.

Adjusted EBITDA is defined as income from operations before depreciation and amortization, stock compensation expense, and other operating expenses, such as special charges and 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 the Company's businesses as well as other non-cash or non-recurring items, and is unaffected by the Company's capital structure or investment activities. Adjusted EBITDA and *pro forma* adjusted EBITDA are liquidity measures used by Company management and its board of directors to measure the Company's ability to fund operations and its financing obligations. For this reason, it is a significant component of Charter's annual incentive compensation program. However, this measure is limited in that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues and the cash cost of financing for the Company. Company management evaluates these costs through other financial measures.

Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.

The Company believes that adjusted EBITDA, *pro forma* adjusted EBITDA, and free cash flow provide information useful to investors in assessing Charter's ability to service its debt, fund operations, and make additional investments with internally generated funds. In addition, adjusted EBITDA generally correlates to the leverage ratio calculation under the Company's credit facilities or outstanding notes to determine compliance with the covenants contained in the facilities and notes (all such documents have been previously filed with the United States Securities and Exchange Commission). Adjusted EBITDA and *pro forma* adjusted EBITDA, as presented, include management fee expenses in the amount of \$32 million and \$34 million for the three months ended March 31, 2009 and 2008, respectively, which expense amounts are excluded for the purposes of calculating compliance with leverage covenants.

In addition to the actual results for the three months ended March 31, 2009 and 2008, we have provided *pro forma* results in this release for the three months ended March 31, 2009 and 2008. We believe these *pro forma* results facilitate meaningful analysis of the results of operations. *Pro forma* results in this release reflect certain sales and acquisitions of cable systems in 2008 and 2009 as if they had occurred as of January 1, 2008. *Pro forma* statements of operations for the three months ended March 31, 2009 and 2008; and *pro forma* customer statistics as of December 31, 2008 and March 31, 2008; are provided in the addendum of this news release.

About Charter Communications®

Charter Communications, Inc. is a leading broadband communications company and the fourth-largest cable operator in the United States. Charter provides a full range of advanced broadband services, including advanced Charter Digital Cable® video entertainment programming, Charter High-Speed® Internet access, and Charter Telephone®. Charter Business™ similarly provides scalable, tailored, and cost-effective broadband communications solutions to business organizations, such as business-to-business Internet access, data networking, video and music entertainment services, and business telephone. Charter's advertising sales and production services are sold under the Charter Media® brand. On March 27, 2009, Charter filed a pre-arranged plan and Chapter 11 petitions in the United States Bankruptcy Court for the Southern District of New York. Charter believes its operations are strong and expects to continue operating as usual during the financial restructuring. More information about Charter can be found at www.charter.com.

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Contact:

Media:

Anita Lamont
314-543-2215

Analysts:

Mary Jo Moehle
314-543-2397

Cautionary Statement Regarding Forward-Looking Statements:

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our plans, strategies and prospects, both business and financial. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, without limitation, the factors described under "Risk Factors" from time to time in our filings with the Securities and Exchange Commission ("SEC"). Many of the forward-looking statements contained in this release may be identified by the use of forward-looking words such as "believe," "expect," "anticipate," "should," "planned," "will," "may," "intend," "estimated," "aim," "on track," "target," "opportunity" and "potential," among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this release are set forth in other reports or documents that we file from time to time with the SEC, including our quarterly reports on Form 10-Q filed in 2009 and our most recent annual report on Form 10-K and include, but are not limited to:

- the completion of the Company's restructuring including the outcome and impact on our business of the proceedings under Chapter 11 of the Bankruptcy Code;
- the ability of the Company to satisfy closing conditions under the agreements-in-principle with certain of our bondholders and pre-arranged Joint Plan of Reorganization ("the Plan") and related documents and to have the Plan confirmed by the bankruptcy court;
- the availability and access, in general, of funds to meet interest payment obligations under our debt and to fund our operations and necessary capital expenditures, either through cash on hand, cash flows from operating activities, further borrowings or other sources and, in particular, our ability to fund debt obligations (by dividend, investment or otherwise) to the applicable obligor of such debt;
- our ability to comply with all covenants in our indentures and credit facilities, any violation of which, if not cured in a timely manner, could trigger a default of our other obligations under cross-default provisions;
- our ability to repay debt prior to or when it becomes due and/or successfully access the capital or credit markets to refinance that debt through new issuances, exchange offers or otherwise, including restructuring our balance sheet and leverage position, especially given recent volatility and disruption in the capital and credit markets;
- the impact of competition from other distributors, including but not limited to incumbent telephone companies, direct broadcast satellite operators, wireless broadband providers, and digital subscriber line ("DSL") providers;
- difficulties in growing and operating our telephone services, while adequately meeting customer expectations for the reliability of voice services;
- our ability to adequately meet demand for installations and customer service;
- our ability to sustain and grow revenues and cash flows from operating activities by offering video, high-speed Internet, telephone and other services, and to maintain and grow our customer base, particularly in the face of increasingly aggressive competition;
- our ability to obtain programming at reasonable prices or to adequately raise prices to offset the effects of higher programming costs;
- general business conditions, economic uncertainty or downturn, including the recent volatility and disruption in the capital and credit markets and the significant downturn in the housing sector and overall economy; and
- the effects of governmental regulation on our business.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We are under no duty or obligation to update any of the forward-looking statements after the date of this release.

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CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND OPERATING DATA
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AND SHARE DATA)

	Three Months Ended March 31,		
	2009	2008	% Change
	Actual	Actual	
REVENUES:			
Video	\$ 872	\$ 858	1.6%
High-speed Internet	360	328	9.8%
Telephone	169	121	39.7%
Commercial	107	92	16.3%
Advertising sales	54	67	(19.4%)
Other	100	98	2.0%
Total revenues	<u>1,662</u>	<u>1,564</u>	6.3%
COSTS AND EXPENSES:			
Operating (excluding depreciation and amortization) (a)	713	681	4.7%
Selling, general and administrative (excluding stock compensation expense) (b)	333	338	(1.5%)
Operating costs and expenses	<u>1,046</u>	<u>1,019</u>	2.6%
Adjusted EBITDA	<u>616</u>	<u>545</u>	13.0%
Adjusted EBITDA margin	<u>37.1%</u>	<u>34.8%</u>	
Depreciation and amortization	321	321	
Stock compensation expense	11	8	
Other operating (income) expenses, net	<u>(50)</u>	<u>11</u>	
Income from operations	<u>334</u>	<u>205</u>	
OTHER INCOME (EXPENSES):			
Interest expense, net (excluding unrecorded contractual interest expense of \$9 in 2009)	(463)	(466)	
Change in value of derivatives	(4)	(37)	
Reorganization items, net	(141)	-	
Other income (expense), net	<u>1</u>	<u>(1)</u>	
	<u>(607)</u>	<u>(504)</u>	
Loss before income taxes	(273)	(299)	
Income tax expense	<u>(61)</u>	<u>(58)</u>	
Consolidated net loss	(334)	(357)	
Less: Net (income) loss - noncontrolling interest	<u>129</u>	<u>(2)</u>	
Net loss - Charter shareholders	<u>\$ (205)</u>	<u>\$ (359)</u>	
Loss per common share, basic and diluted:			
Net loss - Charter shareholders	<u>\$ (0.54)</u>	<u>\$ (0.97)</u>	
Weighted average common shares outstanding, basic and diluted	<u>378,095,547</u>	<u>370,085,187</u>	

(a) Operating expenses include programming, service, and advertising sales expenses.

(b) Selling, general and administrative expenses include general and administrative and marketing expenses.

Adjusted EBITDA is a non-GAAP term. See page 7 of this addendum for the reconciliation of adjusted EBITDA to net cash flows from operating activities as defined by GAAP.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND OPERATING DATA
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AND SHARE DATA)

	Three Months Ended March 31,		
	2009	2008	% Change
	Pro Forma (a)	Pro Forma (a)	
REVENUES:			
Video	\$ 871	\$ 855	1.9%
High-speed Internet	360	327	10.1%
Telephone	169	121	39.7%
Commercial	107	92	16.3%
Advertising sales	54	67	(19.4%)
Other	100	98	2.0%
Total revenues	<u>1,661</u>	<u>1,560</u>	6.5%
COSTS AND EXPENSES:			
Operating (excluding depreciation and amortization) (b)	712	679	4.9%
Selling, general and administrative (excluding stock compensation expense) (c)	333	337	(1.2%)
Operating costs and expenses	<u>1,045</u>	<u>1,016</u>	2.9%
Adjusted EBITDA	<u>616</u>	<u>544</u>	13.2%
Adjusted EBITDA margin	<u>37.1%</u>	<u>34.9%</u>	
Depreciation and amortization	321	320	
Stock compensation expense	11	8	
Other operating (income) expenses, net	<u>(52)</u>	<u>11</u>	
Income from operations	<u>336</u>	<u>205</u>	
OTHER INCOME (EXPENSES):			
Interest expense, net (excluding unrecorded contractual interest expense of \$9 in 2009)	(463)	(466)	
Change in value of derivatives	(4)	(37)	
Reorganization items, net	(141)	-	
Other income (expense), net	<u>1</u>	<u>(1)</u>	
	<u>(607)</u>	<u>(504)</u>	
Loss before income taxes	(271)	(299)	
Income tax expense	<u>(61)</u>	<u>(58)</u>	
Consolidated net loss	(332)	(357)	
Less: Net (income) loss - noncontrolling interest	<u>129</u>	<u>(2)</u>	
Net loss - Charter shareholders	<u>\$ (203)</u>	<u>\$ (359)</u>	
Loss per common share, basic and diluted:			
Net loss - Charter shareholders	<u>\$ (0.54)</u>	<u>\$ (0.97)</u>	
Weighted average common shares outstanding, basic and diluted	<u>378,095,547</u>	<u>370,085,187</u>	

(a) Pro forma results reflect certain sales of cable systems in 2008 and 2009 as if they occurred as of January 1, 2008. The pro forma statements of operations do not include adjustments for financing transactions completed by Charter during the periods presented or certain other dispositions of assets because those transactions did not significantly impact Charter's adjusted EBITDA. However, all transactions completed in 2008 and 2009 have been reflected in the operating statistics. The pro forma data is based on information available to Charter as of the date of this document and certain assumptions that we believe are reasonable under the circumstances. The financial data required allocation of certain revenues and expenses and such information has been presented for comparative purposes and is not intended to provide any indication of what our actual financial position, or results of operations would have been had the transactions described above been completed on the dates indicated or to project our results of operations for any future date.

(b) Operating expenses include programming, service, and advertising sales expenses.

(c) Selling, general and administrative expenses include general and administrative and marketing expenses.

March 31, 2009. Pro forma revenues, operating costs and expenses and net loss were reduced by \$1 million, \$1 million and \$2 million, respectively, for the three months ended March 31, 2009.

March 31, 2008. Pro forma revenues, operating costs and expenses and net loss were reduced by \$4 million, \$3 million and \$0, respectively, for the three months ended March 31, 2008.

Adjusted EBITDA is a non-GAAP term. See page 7 of this addendum for the reconciliation of adjusted EBITDA to net cash flows from operating activities as defined by GAAP.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
UNAUDITED CONSOLIDATED BALANCE SHEETS
(DOLLARS IN MILLIONS)

	<u>March 31,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 836	\$ 960
Accounts receivable, net of allowance for doubtful accounts	188	222
Prepaid expenses and other current assets	114	36
Total current assets	<u>1,138</u>	<u>1,218</u>
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net	4,927	4,987
Franchises, net	7,377	7,384
Total investment in cable properties, net	<u>12,304</u>	<u>12,371</u>
OTHER NONCURRENT ASSETS		
Total assets	<u>\$ 13,650</u>	<u>\$ 13,882</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
LIABILITIES NOT SUBJECT TO COMPROMISE		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 1,322	\$ 1,310
Current portion of long-term debt	11,774	155
Total current liabilities	<u>13,096</u>	<u>1,465</u>
LONG-TERM DEBT	-	21,511
NOTE PAYABLE - RELATED PARTY	-	75
DEFERRED MANAGEMENT FEES - RELATED PARTY	-	14
OTHER LONG-TERM LIABILITIES	683	1,082
LIABILITIES SUBJECT TO COMPROMISE (INCLUDING AMOUNTS DUE TO RELATED PARTY OF \$102 AND \$0, RESPECTIVELY)	10,470	-
TEMPORARY EQUITY	252	241
SHAREHOLDERS' DEFICIT		
Charter shareholders' deficit	(10,714)	(10,506)
Noncontrolling interest	(137)	-
Total shareholders' deficit	<u>(10,851)</u>	<u>(10,506)</u>
Total liabilities and shareholders' deficit	<u>\$ 13,650</u>	<u>\$ 13,882</u>

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN MILLIONS)

	Three Months Ended March 31,	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss - Charter shareholders	\$ (205)	\$ (359)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation and amortization	321	321
Noncash interest expense	15	14
Change in value of derivatives	4	37
Reorganization items, net	108	-
Deferred income taxes	59	57
Noncontrolling interest	(129)	2
Other, net	12	11
Changes in operating assets and liabilities, net of effects from dispositions		
Accounts receivable	34	18
Prepaid expenses and other assets	(78)	(2)
Accounts payable, accrued expenses and other	46	105
Net cash flows from operating activities	<u>187</u>	<u>204</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(269)	(334)
Change in accrued expenses related to capital expenditures	(27)	(31)
Purchases of short-term investments	-	(74)
Other, net	4	3
Net cash flows from investing activities	<u>(292)</u>	<u>(436)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	-	1,765
Repayments of long-term debt	(17)	(1,102)
Payments for debt issuance costs	-	(39)
Other, net	(2)	-
Net cash flows from financing activities	<u>(19)</u>	<u>624</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(124)	392
CASH AND CASH EQUIVALENTS, beginning of period	960	75
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 836</u>	<u>\$ 467</u>
CASH PAID FOR INTEREST	<u>\$ 221</u>	<u>323</u>

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
UNAUDITED SUMMARY OF OPERATING STATISTICS

	Approximate as of		
	Actual	Pro Forma	
	March 31, 2009 (a)	December 31, 2008 (a)	March 31, 2008 (a)
Customer Summary:			
Customer Relationships:			
Residential (non-bulk) basic video customers (b)	4,746,000	4,769,900	4,924,400
Multi-dwelling (bulk) and commercial unit customers (c)	267,700	266,000	257,000
Total basic video customers	<u>5,013,700</u>	<u>5,035,900</u>	<u>5,181,400</u>
Non-video customers (b)	419,500	408,900	390,100
Total customer relationships (d)	<u>5,433,200</u>	<u>5,444,800</u>	<u>5,571,500</u>
Pro forma average monthly revenue per basic video customer (e)	\$ 110.32	\$ 108.47	\$ 100.37
Pro forma average monthly video revenue per basic video customer (f)	\$ 60.61	\$ 59.19	\$ 57.55
Residential bundled customers (g)	2,814,700	2,749,000	2,597,300
Revenue Generating Units:			
Basic video customers (b) (c)	5,013,700	5,035,900	5,181,400
Digital video customers (h)	3,157,700	3,132,100	3,014,200
Residential high-speed Internet customers (i)	2,947,100	2,875,200	2,762,400
Telephone customers (j)	1,423,100	1,348,800	1,085,000
Total revenue generating units (k)	<u>12,541,600</u>	<u>12,392,000</u>	<u>12,043,000</u>
Video Cable Services:			
Basic Video:			
Estimated homes passed (l)	11,896,600	11,852,000	11,723,000
Basic video customers (b)(c)	5,013,700	5,035,900	5,181,400
Estimated penetration of basic homes passed (b) (c) (l) (m)	42.1%	42.5%	44.2%
Pro forma basic video customers quarterly net loss (b) (c) (n)	(22,200)	(74,900)	(11,800)
Digital Video:			
Digital video customers (h)	3,157,700	3,132,100	3,014,200
Digital penetration of basic video customers (b) (c) (h) (o)	63.0%	62.2%	58.2%
Digital set-top terminals deployed	4,604,000	4,548,100	4,328,600
Pro forma digital video customers quarterly net gain (h) (n)	25,600	22,400	102,600
Non-Video Cable Services:			
High-Speed Internet Services:			
Estimated high-speed Internet homes passed (l)	11,287,800	11,229,400	11,044,600
Residential high-speed Internet customers (i)	2,947,100	2,875,200	2,762,400
Estimated penetration of high-speed Internet homes passed (i) (l) (m)	26.1%	25.6%	25.0%
Pro forma average monthly high-speed Internet revenue per high-speed Internet customer (f)	\$ 41.26	\$ 40.26	\$ 40.09
Pro forma high-speed Internet customers quarterly net gain (i) (n)	71,900	22,900	85,500
Telephone Services:			
Estimated telephone homes passed (l)	10,577,400	10,434,400	9,520,400
Telephone customers (j)	1,423,100	1,348,800	1,085,000
Estimated penetration of telephone homes passed (i) (l) (m)	13.5%	12.9%	11.4%
Pro forma average monthly telephone revenue per telephone customer (f)	\$ 42.56	\$ 41.06	\$ 40.42
Pro forma telephone customers quarterly net gain (j) (n)	74,300	75,200	125,700

Pro forma operating statistics reflect the sales of cable systems in 2008 and 2009 as if such transactions had occurred as of the last day of the respective period for all periods presented. The pro forma statements of operations do not include adjustments for financing transactions completed by Charter during the periods presented or certain other dispositions of assets because those transactions did not significantly impact Charter's adjusted EBITDA. However, all transactions completed in 2008 and 2009 have been reflected in the operating statistics.

At December 31, 2008 actual basic video customers, digital video customers, high-speed Internet customers and telephone customers were 5,045,700, 3,133,400, 2,875,200, and 1,348,800, respectively.

At March 31, 2008 actual basic video customers, digital video customers, high-speed Internet customers and telephone customers were 5,208,000, 3,023,200, 2,768,200, and 1,085,000, respectively.

See footnotes to unaudited summary of operating statistics on page 6 of this addendum.

- (a) "Customers" include all persons our corporate billing records show as receiving service (regardless of their payment status), except for complimentary accounts. In addition, at March 31, 2009, December 31, 2008, and March 31, 2008, "customers" include approximately 30,600, 36,000, and 30,600 persons, respectively, whose accounts were over 60 days past due in payment, approximately 4,400, 5,300, and 4,700 persons, respectively, whose accounts were over 90 days past due in payment and approximately 2,700, 2,700, and 3,200 persons, respectively, whose accounts were over 120 days past due in payment.
- (b) "Basic video customers" include all residential customers who receive video services (including those who also purchase high-speed Internet and telephone services) but excludes approximately 419,500, 408,900, and 390,100 customer relationships at March 31, 2009, December 31, 2008, and March 31, 2008, respectively, who receive high-speed Internet service only, telephone service only, or both high-speed Internet service and telephone service and who are only counted as high-speed Internet customers or telephone customers.
- (c) Included within "basic video customers" are those in commercial and multi-dwelling structures, which are calculated on an equivalent bulk unit ("EBU") basis. EBU is calculated for a system by dividing the bulk price charged to accounts in an area by the most prevalent price charged to non-bulk residential customers in that market for the comparable tier of service. The EBU method of estimating basic video customers is consistent with the methodology used in determining costs paid to programmers and has been used consistently each reporting year. As we increase our effective video prices to residential customers without a corresponding increase in the prices charged to commercial service or multi-dwelling customers, our EBU count will decline even if there is no real loss in commercial service or multi-dwelling customers.
- (d) "Customer relationships" include the number of customers that receive one or more levels of service, encompassing video, Internet and telephone services, without regard to which service(s) such customers receive. This statistic is computed in accordance with the guidelines of the National Cable & Telecommunications Association (NCTA) that have been adopted by eleven then publicly traded cable operators, including Charter.
- (e) "Pro forma average monthly revenue per basic video customer" is calculated as total quarterly pro forma revenue divided by three divided by average pro forma basic video customers during the respective quarter.
- (f) "Pro forma average monthly revenue per customer" represents quarterly pro forma revenue for the service indicated divided by three divided by the number of pro forma customers for the service indicated during the respective quarter.
- (g) "Residential bundled customers" include residential customers receiving a combination of at least two different types of service, including Charter's video service, high-speed Internet service or telephone. "Residential bundled customers" do not include residential customers who only subscribe to video service.
- (h) "Digital video customers" include all basic video customers that have one or more digital set-top boxes or cable cards deployed.
- (i) "Residential high-speed Internet customers" represent those residential customers who subscribe to our high-speed Internet service. At March 31, 2009, December 31, 2008, and March 31, 2008, approximately 2,639,400, 2,576,600, and 2,465,400 of these high-speed Internet customers, respectively, receive video and/or telephone services from us and are included within the respective statistics above.
- (j) "Telephone customers" include all customers receiving telephone service. As of March 31, 2009, December 31, 2008, and March 31, 2008, approximately 1,390,100, 1,311,200, and 1,048,800 of these telephone customers, respectively, receive video and/or high-speed Internet services from us and are included within the respective statistics above.
- (k) "Revenue generating units" represent the sum total of all basic video, digital video, high-speed Internet and telephone customers, not counting additional outlets within one household. For example, a customer who receives two types of service (such as basic video and digital video) would be treated as two revenue generating units, and if that customer added on high-speed Internet service, the customer would be treated as three revenue generating units. This statistic is computed in accordance with the guidelines of the NCTA.
- (l) "Homes passed" represent our estimate of the number of living units, such as single family homes, apartment units and condominium units passed by our cable distribution network in the areas where we offer the service indicated. "Homes passed" exclude commercial units passed by our cable distribution network. These estimates are updated for all periods presented when estimates change.
- (m) "Penetration" represents customers as a percentage of homes passed for the service indicated.
- (n) "Pro forma quarterly net gain (loss)" represents the pro forma net gain or loss in the respective quarter for the service indicated.
- (o) "Digital penetration of basic video customers" represents the number of digital video customers as a percentage of basic video customers.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
UNAUDITED RECONCILIATION OF NON-GAAP MEASURES TO GAAP MEASURES
(DOLLARS IN MILLIONS)

	Three Months Ended March 31,	
	2009	2008
	Actual	Actual
Net cash flows from operating activities	\$ 187	\$ 204
Less: Purchases of property, plant and equipment	(269)	(334)
Less: Change in accrued expenses related to capital expenditures	(27)	(31)
Free cash flow	(109)	(161)
Interest on cash pay obligations (b)	448	452
Purchases of property, plant and equipment	269	334
Change in accrued expenses related to capital expenditures	27	31
Reorganization items, net	33	-
Other, net	(50)	10
Change in operating assets and liabilities	(2)	(121)
Adjusted EBITDA (c)	\$ 616	\$ 545

	Three Months Ended March 31,	
	2009	2008
	Pro Forma (a)	Pro Forma (a)
Net cash flows from operating activities	\$ 187	\$ 203
Less: Purchases of property, plant and equipment	(269)	(334)
Less: Change in accrued expenses related to capital expenditures	(27)	(31)
Free cash flow	(109)	(162)
Interest on cash pay obligations (b)	448	452
Purchases of property, plant and equipment	269	334
Change in accrued expenses related to capital expenditures	27	31
Reorganization items, net	33	-
Other, net	(50)	10
Change in operating assets and liabilities	(2)	(121)
Adjusted EBITDA (c)	\$ 616	\$ 544

(a) Pro forma results reflect certain sales of cable systems in 2008 and 2009 as if they occurred as of January 1, 2008.

(b) Interest on cash pay obligations excludes accretion of original issue discounts on certain debt securities and amortization of deferred financing costs that are reflected as interest expense in our consolidated statements of operations.

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

The above schedules are presented in order to reconcile adjusted EBITDA and free cash flows, both 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
(DEBTOR-IN-POSSESSION)
CAPITAL EXPENDITURES
(DOLLARS IN MILLIONS)

	Three Months Ended March 31,	
	2009	2008
Customer premise equipment (a)	\$ 167	\$ 165
Scalable infrastructure (b)	45	81
Line extensions (c)	14	21
Upgrade/Rebuild (d)	5	17
Support capital (e)	38	50
Total capital expenditures	\$ 269	\$ 334

(a) Customer premise equipment includes costs incurred at the customer residence to secure new customers, revenue units and additional bandwidth revenues. It also includes customer installation costs in accordance with SFAS No. 51 and customer premise equipment (e.g., set-top boxes and cable modems, etc.).

(b) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers, revenue units and additional bandwidth revenues 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).

