

Second Quarter 2018 Results

July 31, 2018

Cautionary Statement Regarding Forward-Looking Statements

This quarterly presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Exchange Act, regarding, among other things, our plans, strategies and prospects, both business and financial. Although we believe that our plans, intentions and expectations as 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 (“the SEC”). Many of the forward-looking statements contained in this quarterly presentation 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,” “tentative,” “positioning,” “designed,” “create,” “predict,” “project,” “initiatives,” “seek,” “would,” “could,” “continue,” “ongoing,” “upside,” “increases” and “potential,” among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this quarterly presentation are set forth in this quarterly presentation, in our annual report on Form 10-K, and in other reports or documents that we file from time to time with the SEC, and include, but are not limited to:

- our ability to efficiently and effectively integrate acquired operations;
- our ability to sustain and grow revenues and cash flow from operations by offering video, Internet, voice, mobile, advertising and other services to residential and commercial customers, to adequately meet the customer experience demands in our markets and to maintain and grow our customer base, particularly in the face of increasingly aggressive competition, the need for innovation and the related expenditures;
- the impact of competition from other market participants, including but not limited to incumbent telephone companies, direct broadcast satellite operators, wireless broadband and telephone providers, digital subscriber line (“DSL”) providers, fiber to the home providers, video provided over the Internet by (i) market participants that have not historically competed in the multichannel video business, (ii) traditional multichannel video distributors, and (iii) content providers that have historically licensed cable networks to multichannel video distributors, and providers of advertising over the Internet;
- general business conditions, economic uncertainty or downturn, unemployment levels and the level of activity in the housing sector;
- our ability to obtain programming at reasonable prices or to raise prices to offset, in whole or in part, the effects of higher programming costs (including retransmission consents);
- our ability to develop and deploy new products and technologies including mobile products, our cloud-based user interface, Spectrum Guide®, and downloadable security for set-top boxes, and any other cloud-based consumer services and service platforms;
- the effects of governmental regulation on our business including costs, disruptions and possible limitations on operating flexibility related to, and our ability to comply with, regulatory conditions applicable to us as a result of the Time Warner Cable Inc. and Bright House Networks, LLC transactions;
- any events that disrupt our networks, information systems or properties and impair our operating activities or our reputation;
- the ability to retain and hire key personnel;
- the availability and access, in general, of funds to meet our debt obligations prior to or when they become due and to fund our operations and necessary capital expenditures, either through (i) cash on hand, (ii) free cash flow, or (iii) access to the capital or credit markets; and
- 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.

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 presentation.

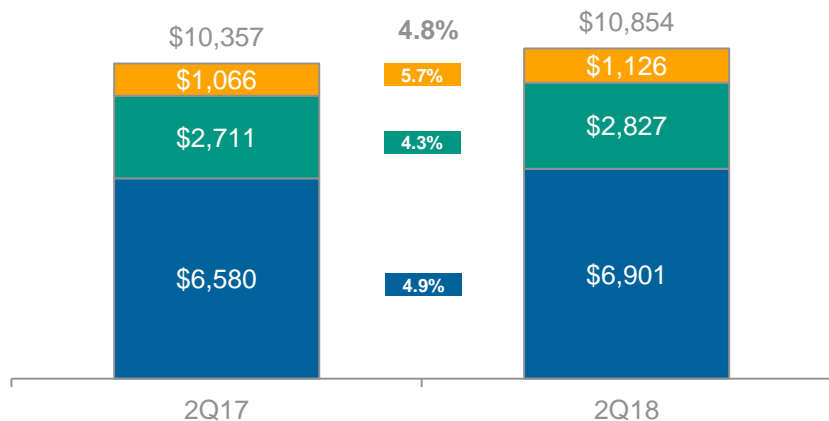
Thomas M. Rutledge

Chairman and CEO, Charter Communications

Second Quarter Overview

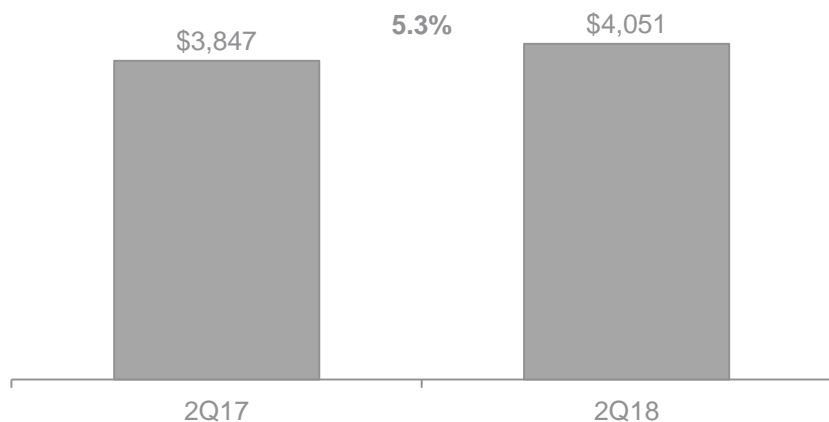
Revenue

(In Millions) ■ Legacy TWC ■ Legacy Charter ■ Legacy Bright House



Adjusted EBITDA¹⁾

(In Millions) ■ Charter



Operating and Financial Overview

- Total residential and SMB customer relationship growth of 3.3% Y/Y, with net adds of 196k in 2Q18 vs. 213k in 2Q17¹⁾
- Total residential and SMB PSUs up 1.1M over last twelve months
- Revenue growth of 4.8% Y/Y, and 4.5% Y/Y excluding advertising
 - Residential revenue growth of 4.6% Y/Y
 - Commercial revenue growth of 4.4% Y/Y
 - Advertising revenue growth of 12.0% Y/Y,
- Adjusted EBITDA¹⁾ growth of 5.3% Y/Y, and 6.2% when excluding mobile costs
- Net income attributable to Charter shareholders of \$273M in 2Q18 vs. \$139M in 2Q17

1) See notes on slide 18.

Managing the Video Ecosystem Transition

Industrial Context

- The traditional multichannel video market is structurally challenged given (1) rising programming costs and affordability challenges, (2) packaging constraints and new consumption behaviors, (3) growing competition from new entrants and distribution models with different economic motivations, and (4) a lack of content security
- Overall video households and consumption are actually growing across traditional MVPD service + alternative platforms (vMVPD, SVOD, DTC, OTA)¹, even without including piracy and social media
- Traditional definitions of a video service, a video customer and the video market will be challenged due to expanding supply and disaggregation of content, platform overlap, and piracy

Why Video Matters and Cable's Opportunity

- Cable's genesis was to aggregate and carry existing programming as part of a connectivity service. Video product gross margin has declined over the past 10 years, yet overall cable customer relationship and financial growth has remained healthy
- The cash flow contribution of video grows smaller by the year and the transition remains manageable for cable even if video units decline
- A competitive video offering remains a powerful acquisition and retention tool for Internet, mobile and advertising, and remains central to Charter's long-term connectivity strategy
- As the video industry transitions and new products develop, cable is well-positioned to offer consumers the best content aggregation and user experience securely across all devices, and can leverage its unique assets -- content relationships, wireline and wireless network, authentication, local content and service

1) vMVPD = virtual multichannel video programming distributor; SVOD = subscription video on demand; DTV = direct-to-consumer; OTA= over the air.

Integrated Operating, Balance Sheet and Capital Allocation Strategy

Unique asset with superior network and long runway for growth

- National, high-capacity two-way network delivering superior connectivity and data-rich wireline and wireless products, with large opportunity for residential and commercial market growth
- Only scaled, publicly-traded pure-play cable operator in US
- Not reliant on M&A for success

Applying Charter's customer-focused operating & long term cash flow growth strategy to TWC & BHN

- Extend industry-leading customer and revenue growth to larger set of underpenetrated assets
- Realize operational cost efficiencies by improving products and service, and reducing transactions
- Additional operating and capital efficiency from larger base of customers on fixed network

Cable offers best connectivity on growing set of services

- Internet penetration low relative to current and future wireline/wireless capabilities of fully deployed network
- Traditional video market in transition but Charter growing expanded video relationships -- transition manageable even if video units decline
- Competitive bundled video offering remains central to long-term connectivity strategy, and cable best positioned in the ecosystem
- Large opportunity to use existing wireless infrastructure with attractive MVNO and capital-light entry into mobile to drive growth of core cable business and future option value

Operating, balance sheet & capital allocation strategy generates significant FCF per share potential

- Fastest growing cable company with declining cable capital intensity beginning in 2019
- Tax assets shield cash taxes until 2021 and beyond, driving EBITDA to free cash flow conversion
- Together with prudent leverage, innovative capital structure, and ROI-based capital allocation, drives levered equity returns

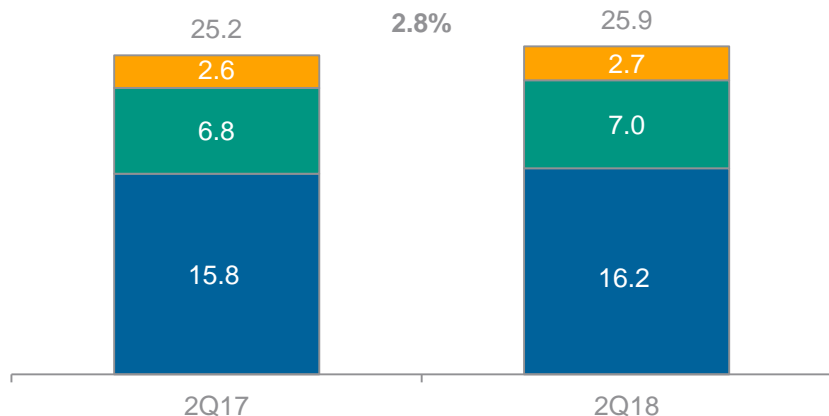
Christopher L. Winfrey

Chief Financial Officer, Charter Communications

Residential Customers¹⁾

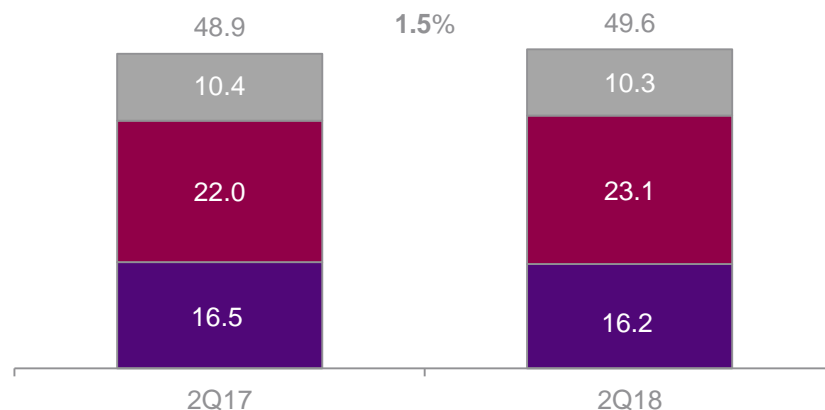
Total Residential Customer Relationships

(In Millions) ■ Legacy TWC ■ Legacy Charter ■ Legacy Bright House



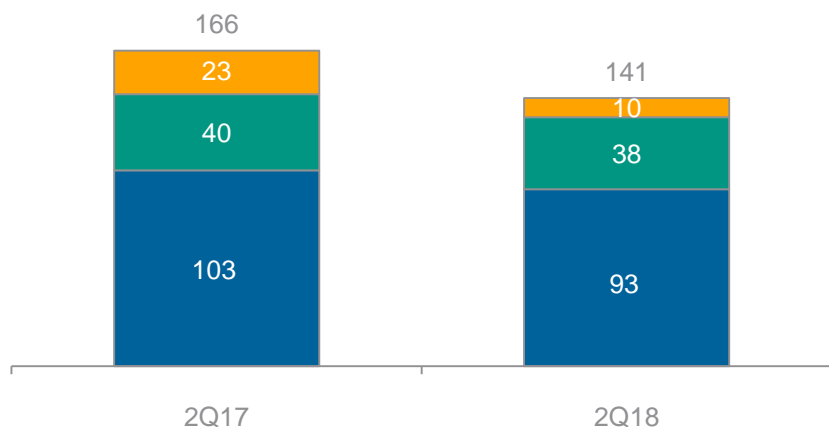
Total Residential Primary Service Units (PSUs)

(In Millions) ■ Video ■ Internet ■ Voice



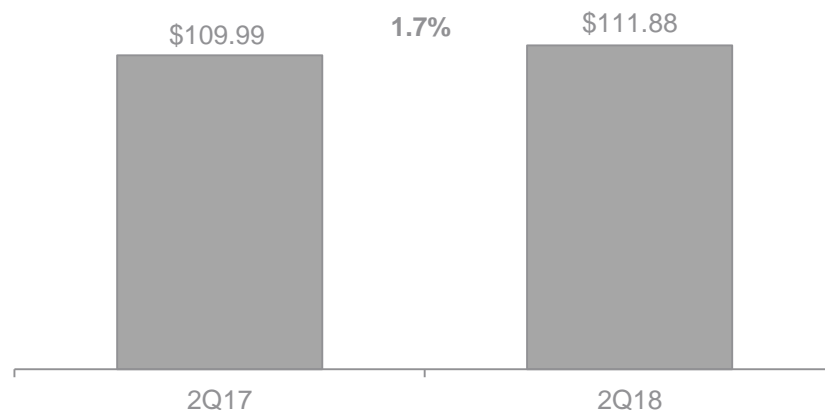
Residential Customer Net Additions

(In '000s) ■ Legacy TWC ■ Legacy Charter ■ Legacy Bright House



Residential Revenue per Residential Customer

■ Charter



1) See notes on slide 18.

Residential Customers¹⁾

Residential Video Net Additions / (Losses)

(In '000s)

	2Q17	2Q18	Y/Y Change
Legacy TWC	(68)	(54)	14
Legacy Charter	(10)	(13)	(3)
Legacy Bright House	(13)	(6)	7
Charter	(91)	(73)	18

Residential Internet Net Additions

(In '000s)

	2Q17	2Q18	Y/Y Change
Legacy TWC	147	146	(1)
Legacy Charter	61	59	(2)
Legacy Bright House	22	13	(9)
Charter	230	218	(12)

Residential Voice Net Additions / (Losses)

(In '000s)

	2Q17	2Q18	Y/Y Change
Legacy TWC	(31)	(45)	(14)
Legacy Charter	14	2	(12)
Legacy Bright House	31	(2)	(33)
Charter	14	(45)	(59)

Residential PSU Net Additions

(In '000s)

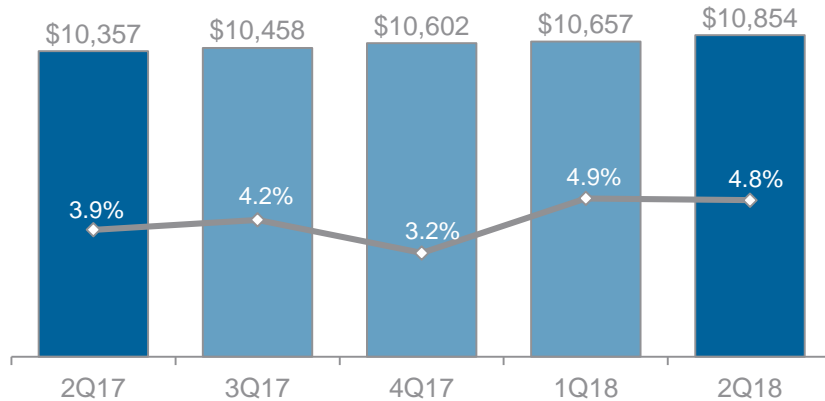
	2Q17	2Q18	Y/Y Change
Legacy TWC	48	47	(1)
Legacy Charter	65	48	(17)
Legacy Bright House	40	5	(35)
Charter	153	100	(53)

1) See notes on slide 18.

Revenue¹⁾

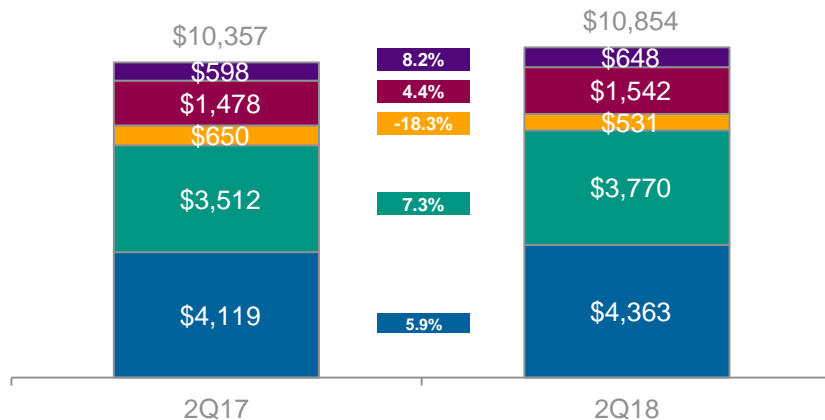
Revenue and Y/Y % Growth²⁾

(In Millions)



Revenue Contribution

(In Millions) ■ Video ■ Internet ■ Voice ■ Commercial ■ Advertising & Other



Revenue Split by Type

(In Millions)

	2Q17	2Q18	Y/Y Change
Residential	\$8,281	\$8,664	4.6%
Commercial	1,478	1,542	4.4%
Other	217	221	1.5%
Revenue Excl. Advert.	\$9,976	\$10,427	4.5%
Advertising	381	427	12.0%
Total Revenue	\$10,357	\$10,854	4.8%

Revenue by Legacy Entity

(In Millions)

	2Q17	2Q18	Y/Y Change
Legacy TWC	\$6,580	\$6,901	4.9%
Legacy Charter	2,711	2,827	4.3%
Legacy Bright House	1,066	1,126	5.7%
Charter	\$10,357	\$10,854	4.8%

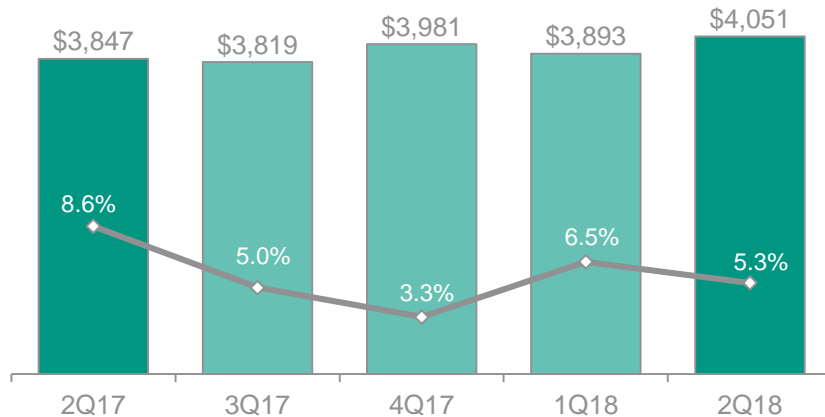
1) See notes on slide 18.

2) Growth rate comparisons to periods prior to 3Q16 are *pro forma* for certain acquisitions as if they had occurred on January 1, 2015.

Adjusted EBITDA¹⁾

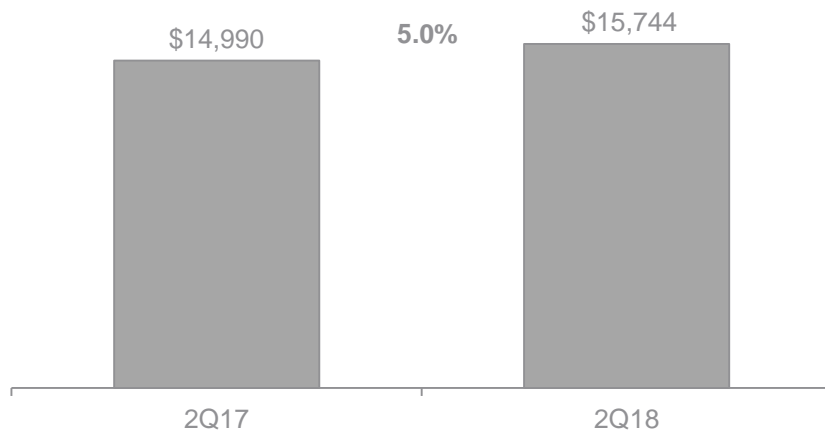
Adjusted EBITDA¹⁾ and Y/Y % Growth²⁾

(In Millions)



LTM Adjusted EBITDA¹⁾

(In Millions)



Quarterly Highlights

- Adjusted EBITDA¹⁾ grew 5.3% Y/Y and 6.2% when excluding mobile costs
 - Total operating costs rose 4.5% Y/Y
 - Programming expense increased 5.8% Y/Y, reflecting contractual rate increases and a larger base of expanded video customers
 - Regulatory, connectivity and produced content increased 5.1% Y/Y, driven in part by the adoption of FASB's ASU 2014-09
 - Costs to service customers increased 1.2% Y/Y, driven by higher bad debt expense
 - Marketing expenses increased 1.2% Y/Y, driven by higher sales, partly offset by lower transition costs
 - Other expenses increased 5.8% Y/Y, driven by higher IT, advertising sales, insurance, and enterprise costs
- Second quarter total operating costs include \$33M of mobile expenses

1) See notes on slide 18.

2) Growth rate comparisons to periods prior to 3Q16 are *pro forma* for certain acquisitions as if they had occurred on January 1, 2015.

Net Income

Net Income

(In Millions, except per share data)

	2Q18A	2Q17A	Y/Y Var.
Adjusted EBITDA ¹⁾	\$ 4,051	\$ 3,847	204
Depreciation and Amortization	2,592	2,595	(3)
Stock compensation expense	70	65	5
Stock-awards flash vesting	-	20	(20)
Cash-based merger and restructuring	28	111	(83)
Special charge, net	7	4	3
Gain on sale of assets, net	(6)	-	(6)
Other operating expenses, net	29	135	(106)
Income from operations	1,360	1,052	308
Interest expense, net	(878)	(749)	(129)
Loss on extinguishment of debt	-	(1)	1
Loss on financial instruments, net	(75)	(70)	(5)
Other income (expense), net	(27)	11	(38)
	(980)	(809)	(171)
Income before income taxes	380	243	137
Income tax expense	(41)	(48)	7
Consolidated net income	339	195	144
Less: Noncontrolling Interest	(66)	(56)	(10)
Net income attributable to Charter shareholders	\$ 273	\$ 139	\$ 134
Earnings per common share attributable to Charter shareholders			
Basic	\$ 1.17	\$ 0.53	\$ 0.64
Diluted	\$ 1.15	\$ 0.52	\$ 0.63

Highlights

- Other operating expenses \$106M lower Y/Y driven by a decrease in cash-based merger and restructuring and stock-awards flash vesting
- Interest expense \$129M higher Y/Y due to debt issuances in 2017 and 2018
- Other expense \$38M higher Y/Y primarily due to losses on L-TWC minority equity investments

1) See notes on slide 18.

Capital Investment

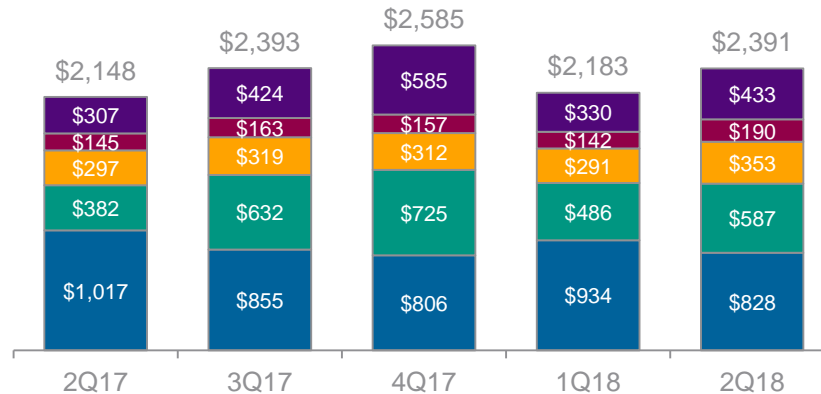
Highlights

- 2Q18 capex increased \$243M Y/Y
 - \$205M Y/Y increase in scalable infrastructure driven by the timing of spend, and planned product improvements for video and Internet, and spending related to DOCSIS 3.1 launches
 - \$126M Y/Y increase in support capital driven by vehicles, software development and facilities spending, with \$46M related to mobile
 - \$189M Y/Y decrease in CPE driven by timing of set-top box purchases related to the 2017 launch of *Spectrum* pricing and packaging in Legacy TWC and Legacy Bright House, partly offset by CPE related to the 2018 all-digital initiative

Capital Expenditures by NCTA Category

(In Millions)

■ CPE/Install ■ Scalable Infrastructure ■ Line Ext. ■ Upgrade/Rebuild ■ Support



Mobile Related	n/a	n/a	n/a	\$17	\$53
All-Digital Transition	\$5	\$47	\$69	\$186	\$88
Commercial	\$335	\$342	\$360	\$283	\$309

Free Cash Flow¹⁾

Free Cash Flow¹⁾

(In Millions)	2Q18A	2Q17A	Y/Y Var.
Adjusted EBITDA ¹⁾ (Cable)	\$ 4,084	\$ 3,847	\$ 237
Adjusted EBITDA ¹⁾ (Mobile)	(33)	-	(33)
Capex (Cable)	(2,338)	(2,148)	(190)
Capex (Mobile)	(53)	-	(53)
Cash Paid for Interest, Net	(879)	(758)	(121)
Cash Taxes, Net	(11)	(28)	17
Working Capital (Mobile)	(30)	-	(30)
Working Capital (All Other)	99	346	(247)
Merger and Restructuring Costs	(28)	(111)	83
Other	(7)	(4)	(3)
Consolidated Free Cash Flow¹⁾	804	1,144	(340)
<i>Memo: Free Cash Flow (Cable)</i>	920	1,144	(224)
<i>Memo: Free Cash Flow (Mobile)</i>	(116)	-	(116)
Financing Activities	(530)	(3,328)	2,798
Other	(77)	(42)	(35)
Change in Cash	\$ 197	\$ (2,226)	\$ 2,423
Total Liquidity²⁾	\$ 4,641	\$ 3,458	\$ 1,183
Leverage (LTM Adj. EBITDA)^{1,3)}	4.47x	4.07x	0.40x

1) See notes on slide 18.

2) Includes cash on hand and revolver availability.

3) Leverage is total principal amount of debt less cash and cash equivalents divided by LTM Adjusted EBITDA¹⁾ of \$15,744M and \$14,990M as of 6/30/18 and 6/30/17, respectively. The leverage calculations do not reflect the leverage calculations pursuant to Charter's indentures or credit agreements.

4) Excludes 25,397 shares withheld from employees for the payment of taxes and exercise costs upon the exercise of stock options or vesting of other equity awards during the second quarter of 2018.

5) Represents % of fully diluted shares outstanding (FDSO), as-exchanged, as-converted, as of 6/30/16.

Quarterly Highlights

Free Cash Flow¹⁾

- Consolidated Free Cash Flow ("FCF") of \$804M
- Cable FCF lower Y/Y driven by a smaller working capital benefit, higher capex and higher cash interest, partly offset by higher Adjusted EBITDA and lower severance

Financing Activities and Leverage

- Borrowings of long-term debt exceeding repayments by \$1.4B
- Payment of \$37.5M preferred dividend to A/N
- Remain within target leverage 4-4.5 times

Buyback Summary

	2Q18	FY 2017	Since Sep 2016
Common Shares Repurchased (M)	5.7	33.4	45.7
x Avg. Price	\$290.11	\$346.65	\$330.68
= Total Common Shares Repurchased (\$B)	\$1.7	\$11.6	\$15.1
A/N Common Units Repurchased (M)	0.7	4.8	6.6
x Avg. Price	\$295.31	\$347.03	\$334.99
= A/N Common Units Repurchased (\$B)	\$0.2	\$1.7	\$2.2
Total Common Shares & Units Repurchased (M) ⁴⁾	6.4	38.2	52.4
% of FDSO Repurchased ⁵⁾	2.0%	12.1%	16.7%
Total Common Share & Units Repurchased (\$B)	\$1.9	\$13.2	\$17.3

Capital Structure Summary

As of June 30, 2018
(\$ In Millions, unless
otherwise noted)

Issue	Type	Rates ¹⁾ / Shares	Issuer Amount ²⁾	Aggregate Debt ³⁾	Leverage Ratio ⁴⁾
Charter Communications, Inc. (CCI)	Equity	• 232M • 262M ⁵⁾	Equity (Mkt Cap)		
			• \$68B • \$77B		
Charter Communications Holdings, LLC (CCH) Partnership	A/N Preferred CCH Units	Convertible Preferred	6.0%	\$2,500	
CCO Holdings, LLC (CCOH)	Sr. Notes due 2021-2028	High Yield	4.000 - 5.875%	\$18,900	\$71,105 4.47x
Charter Communications Operating, LLC (CCO)	Sr. Sec. Notes due 2018-2055	Investment Grade	3.579 - 8.750%	\$43,084	
	<u>1st Lien Bank due 2023-2025</u>	Loans / Revolver	L + 1.50 - 2.00%	<u>\$9,121</u>	
	Total CCO			\$52,205	\$52,205 3.27x
Operating Subsidiaries					

1) Interest rates are stated bank interest rates or bond coupon rates.

2) Issuer amount includes principal value of debt and current equity market capitalization of shares outstanding based on a closing share price of \$293.21 as of 6/29/18. Equity market capitalization, on an as-converted as-exchanged basis, includes the estimated market value of A/N common CCH units and the market value of A/N convertible preferred CCH units with a face value of \$2,500M.

3) Aggregate debt is total principal amount of debt, excluding intercompany loans and \$397M of letters of credit and capital leases.

4) Leverage equals aggregate debt less cash and cash equivalents divided by LTM Adjusted EBITDA⁶⁾ of \$15,744M. The leverage calculations do not reflect the leverage calculations pursuant to Charter's indentures or credit agreements.

5) Assumes exchange and conversion of Advance/Newhouse (A/N) common and preferred CCH units into Charter stock.

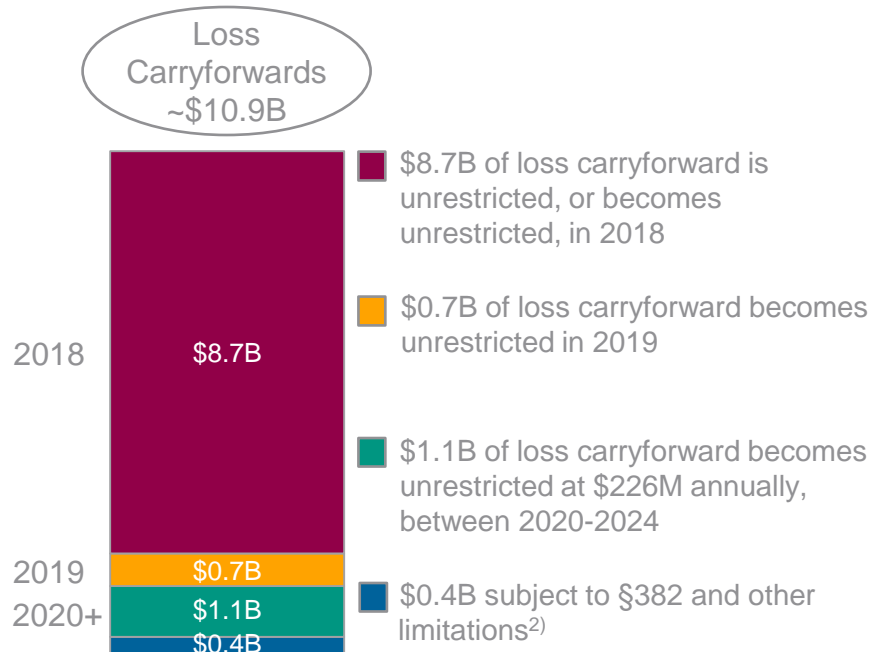
6) See notes on slide 18.

Significant Tax Assets Support Cash Flow Growth

Tax Assets as of December 31, 2017

- \$10.9B of loss carryforwards shield cash taxes
- Charter is not expected to be a significant cash taxpayer until 2021, at the earliest, with remaining NOL carryforward benefits becoming available through 2024
- Tax receivable agreement with A/N drives meaningful value for Charter shareholders via basis step-up at point of conversion and/or exchange of partnership units

Estimated Loss Carryforward Availability¹⁾



1) Current availability estimates subject to change.

2) \$415 million of the \$10.9 billion NOL is subject to a valuation allowance and may not be usable in the future.

Valuable Tax Receivables Agreement With A/N

- Charter will receive additional tax basis step-up upon any future A/N conversion and/or exchange of its partnership units into Charter stock
- Charter retains 50% of the cash tax savings value associated with the tax basis step-up received, if and when A/N converts and/or exchanges partnership units for shares in Charter
- A/N receives 50% of the net cash tax savings value associated with the tax basis step-up received by Charter, on a with and without FIFO basis, when the step-up benefits are used by Charter
- The December 2017 share exchange resulted in an estimated tax basis step-up of \$487M

Investor Inquiries:

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Appendix

Use of Non-GAAP Financial Metrics & Additional Information

We use certain measures that are not defined by U.S. generally accepted accounting principles ("GAAP") to evaluate various aspects of our business. Adjusted EBITDA and free cash flow are non-GAAP financial measures and should be considered in addition to, not as a substitute for, consolidated net income and net cash flows from operating activities reported in accordance with GAAP. These terms, as defined by us, may not be comparable to similarly titled measures used by other companies. Adjusted EBITDA and free cash flow are reconciled to consolidated net income and net cash flows from operating activities, respectively, in the appendix of this presentation.

Adjusted EBITDA is defined as consolidated net income plus net interest expense, income taxes, depreciation and amortization, stock compensation expense, loss on extinguishment of debt, (gain) loss on financial instruments, net, other pension benefits, other (income) expense, net and other operating (income) expenses, such as merger and restructuring costs, special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or special items, and is unaffected by our capital structure or investment activities. 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 our cash cost of financing. These costs are evaluated 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.

Management and Charter's board of directors use Adjusted EBITDA and free cash flow to assess Charter's performance and its 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 our 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 Securities and Exchange Commission (the "SEC")). For the purpose of calculating compliance with leverage covenants, we use Adjusted EBITDA, as presented, excluding certain expenses paid by our operating subsidiaries to other Charter entities. Our debt covenants refer to these expenses as management fees, which were \$265 million and \$538 million for the three and six months ended June 30, 2018, respectively, and \$256 million and \$529 million for the three and six months ended June 30, 2017, respectively.

The Transactions closed on May 18th, 2016. We provide *pro forma* results that give effect to the Transactions as if they had occurred on January 1, 2015 and include the operations of Legacy Charter, Legacy TWC and Legacy Bright House for the full twelve months ended December 31, 2016 and 2015. Due to the transformative nature of the Transactions, the Company believes that providing a discussion of its results of operations on this *pro forma* basis provides management and investors a more meaningful perspective on the Company's financial and operational performance and trends. The results of operations data on a *pro forma* basis are provided for illustrative purposes only and are based on available information and assumptions that Charter believes are reasonable and do not purport to represent what the actual consolidated results of operations of Charter would have been had the Transactions occurred on January 1, 2015, nor are they necessarily indicative of future consolidated results of operations or consolidated financial position. Exhibit 99.1 in the Company's Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2016 provides *pro forma* financial information for each quarter of 2015 and the first and second quarters of 2016 and a reconciliation of the *pro forma* financial information to the actual results of operations of the Company.

For a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure, see slides 19, 20 and 21.

Since the closing of the TWC and Bright House transactions in May 2016, Charter has reported its customer data and results using legacy company reporting methodologies. During the second quarter of 2018, Charter implemented certain reporting changes on a retrospective basis which allowed for the recasting of historical customer data and results using consistent definitions and reporting methodologies across all three legacy companies.

The changes to previously reported customer data and results occurred primarily within legacy TWC and legacy Bright House and include:

- (i) the reclassification of certain customer types, particularly universities, from residential where they were previously reported based on the number of billed units in a bulk contract to small and medium business accounts where they are reported based on the number of physical sites;
- (ii) the recasting of small and medium business and enterprise PSUs which were previously reported based on billing relationships to now being reported based on the number of physical sites; and
- (iii) the reclassification of fiber video service from small and medium business to enterprise.

TWC Hawaii customer statistics are expected to move to Charter's standard methodology in early 2019 and variances, if any, will be disclosed at that time.

GAAP Reconciliations

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

	Three Months Ended	
	June 30, 2018	June 30, 2017
Consolidated net income	\$ 339	\$ 195
Plus: Interest expense, net	878	749
Income tax (benefit) expense	41	48
Depreciation and amortization	2,592	2,595
Stock compensation expense	70	65
Loss on extinguishment of debt	—	1
(Gain) loss on financial instruments, net	75	70
Other pension (benefits) costs	(20)	(13)
Other, net	76	137
Adjusted EBITDA ¹⁾	<u>\$ 4,051</u>	<u>\$ 3,847</u>
Net cash flows from operating activities	\$ 3,096	\$ 2,945
Less: Purchases of property, plant and equipment	(2,391)	(2,148)
Change in accrued expenses related to capital expenditures	99	347
Free cash flow ¹⁾	804	1,144
Less: Net cash flows from operating activities - Mobile	63	—
Plus: Purchases of property, plant and equipment - Mobile	53	—
Free cash flow - Cable ¹⁾	<u>\$ 920</u>	<u>\$ 1,144</u>

The above schedule is 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.

1) See notes on slide 18.

GAAP Reconciliations

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

	Three Months Ended				
	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Consolidated net income	\$ 339	\$ 223	\$ 9,617	\$ 92	\$ 195
Plus: Interest expense, net	878	851	840	788	749
Income tax (benefit) expense	41	28	(9,186)	26	48
Depreciation and amortization	2,592	2,710	2,742	2,701	2,595
Stock compensation expense	70	72	63	64	65
Loss on extinguishment of debt	—	—	5	—	1
(Gain) loss on financial instruments, net	75	(63)	(84)	(17)	70
Other pension (benefits) costs	(20)	(20)	8	17	(13)
Other, net	76	92	(24)	148	137
Adjusted EBITDA ¹⁾	4,051	3,893	3,981	3,819	3,847
Plus: Costs and Expenses - Mobile	33	8	—	—	—
Adjusted EBITDA - Cable ¹⁾	<u>\$ 4,084</u>	<u>\$ 3,901</u>	<u>\$ 3,981</u>	<u>\$ 3,819</u>	<u>\$ 3,847</u>

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

1) See notes on slide 18.

GAAP Reconciliations

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

	Last Twelve Months Ended June 30,	
	2018	2017
Consolidated net income	\$ 10,271	\$ 1,225
Plus: Interest expense, net	3,357	2,914
Income tax (benefit) expense	(9,091)	299
Depreciation and amortization	10,745	10,077
Stock compensation expense	269	291
Loss on extinguishment of debt	5	36
(Gain) loss on financial instruments, net	(89)	(112)
Other pension (benefits) costs	(15)	(405)
Other, net	292	665
Adjusted EBITDA ¹⁾	15,744	14,990
Plus: Costs and Expenses - Mobile	41	—
Adjusted EBITDA - Cable ¹⁾	<u>\$ 15,785</u>	<u>\$ 14,990</u>

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

1) See notes on slide 18.

Shares

Shares Outstanding as of June 30, 2018

Class A Common Shares	231,854,183
Class B Common Shares ¹⁾	1
Restricted Stock ²⁾	<u>9,748</u>
Total Outstanding Common Shares	231,863,932
As-converted, as-exchanged Charter Holdings Partnership Units ³⁾	<u>30,610,843</u>
Total Shares (as-converted/as-exchanged)	262,474,775
Fully Diluted Shares (as-converted/as-exchanged)^{4,5)}	265,299,933

Note: Charter's financial statements only include partnership units, restricted stock units and options, in diluted weighted average common shares outstanding when such inclusion is dilutive to earnings per common share attributable to Charter shareholders.

1) Class B Common is a special class of stock solely owned by Advance/Newhouse and provides it with governance rights at Charter, reflecting Advance/Newhouse's ownership in the Charter Holdings Partnership.

2) Unvested restricted stock has voting rights and is therefore included in total issued and outstanding shares. Vesting occurs depending upon the terms of each award agreement.

3) Includes 21,277,343 of Advance/Newhouse as-exchanged common partnership units in Charter Holdings, and 9,333,500 of Advance/Newhouse as-converted, as-exchanged preferred partnership units in Charter Holdings.

4) Includes 937,870 restricted stock units based on the treasury stock method, and which vest over various periods of time depending upon the terms of each award agreement. As of June 30, 2018, there were 494,296 performance-based restricted stock units which contain price vesting hurdles, in addition to time vesting requirements, which are excluded for dilution purposes as they had not met their respective price vesting thresholds as of June 30, 2018.

5) Includes 1,763,513 outstanding options based on the treasury stock method, with various time vesting requirements. As of June 30, 2018, there were an additional 123,775 performance-based options which contain price vesting hurdles, in addition to time vesting requirements, included in fully diluted shares based on the treasury stock method, as their price vesting thresholds would have been met at the time vesting date. An additional 3,558,932 performance-based options are excluded for dilution purposes as they had not met their respective price vesting thresholds as June 30, 2018.

Debt Maturity Profile

As of June 30, 2018¹⁾

(In Millions)

Weighted Average Cost of Debt = 5.5%

Weighted Average Life of Debt = 11.6 Years

87% of debt matures beyond 2020



1. Maturity towers as of 6/30/18 and include scheduled amortization for term loans. Does not include the July 3, 2018 issuance of \$1.5B of CCO notes due 2024 consisting of \$1.1B fixed rate notes at 4.50% and \$400M floating rate notes priced at L+165, as well as the repayment of \$2.0B TWC Notes on July 2, 2018.