CURRENT REPORT

of

CEQUEL COMMUNICATIONS HOLDINGS I, LLC

August 1, 2012

Pursuant to Section 4.14(a) of the indenture, dated as of November 4, 2009, as supplemented by the First Supplemental Indenture dated May 4, 2010, and the Second Supplemental Indenture dated January 19, 2011 (the "Indenture"), by and among Cequel Communications Holdings I, LLC, a Delaware limited liability company ("Cequel"), Cequel Capital Corporation ("Capital"), a Delaware corporation, and U.S. Bank National Association, as trustee ("Trustee"), relating to the 8.625% Senior Notes due 2017 (the "Notes"), Cequel is furnishing the information contained herein to holders of the Notes.

Earnings Release for the Three and Six Months Ended June 30, 2012

On August 1, 2012, Cequel issued a press release reporting its financial results for the three and six months ended June 30, 2012 (the "Earnings Announcement"). A copy of the Earnings Announcement is attached to this Current Report as Exhibit 99.1.

Earnings Call and Replay of Call

On August 7, 2012, Cequel will hold a conference call to discuss its financial results for the three and six months ended June 30, 2012. A replay of the call will be available on Cequel's website (www.suddenlink.com) after the call.

SIGNATURES

Pursuant to the requirements of Section 4.14(a) of the Indenture, Cequel has duly caused this Current Report to be signed on its behalf by the undersigned thereunto duly authorized.

CEQUEL COMMUNICATIONS HOLDINGS I, LLC

Name: James B. Fox
Title: Senior Vice President and Chief Accounting Officer

August 1, 2012

Exhibit 99.1

Press Release Attached Starting on the Next Page

FOR IMMEDIATE RELEASE

ST. LOUIS (August 1, 2012) – Cequel Communications Holdings I, LLC ("Cequel," and together with its subsidiaries, the "Company" or "Suddenlink") today reported financial and operating results for the three and six months ended June 30, 2012.

On July 18, 2012, Cequel Communications Holdings, LLC ("Cequel Holdings"), the direct parent of Cequel, announced that it and its existing equity holders reached an agreement under which BC Partners and CPP Investment Board ("CPPIB") will partner with Suddenlink's executive management team, led by Chairman and CEO Jerry Kent, to purchase Cequel Holdings and its subsidiaries in a transaction valued at $6.6 billion.

"With our customer-focused strategy, we achieved solid results in the quarter, including pro forma revenue growth of 6.5 percent; EBITDA growth of 10.5 percent; and ARPU growth of 10.6 percent," said Suddenlink Chairman and Chief Executive Officer Jerry Kent. "We're in a great position to continue growing this company and are excited about the opportunity to do so with new equity partners."

Second Quarter Highlights

Operating results and metrics and year-over-year changes described below are presented on a pro forma basis to include the acquisition of all of the issued and outstanding capital stock of NPG Cable, Inc., Mercury Voice and Data Company and NPG Digital Phone, Inc. (collectively, "NPG Cable") on April 1, 2011 and exclude the sale of News-Press3Now ("NP3Now") on June 1, 2012, as if the transactions had been consummated on January 1, 2011.

- Second quarter revenues of $513.3 million grew 6.5% compared to the second quarter of the prior year. Revenues for the first six months of 2012 of $1,018.2 million grew 6.4% compared to the first six months of the prior year.

- Adjusted EBITDA (as defined herein) for the second quarter of 2012 of $198.2 million grew 10.5% compared to the second quarter of the prior year. Adjusted EBITDA margin for the second quarter 2012 was 38.6%, an increase of 140 basis points from the second quarter 2011. Adjusted EBITDA for the first six months of 2012 was $380.1 million, an increase of 8.6% compared to the first six months of 2011.

- Free Cash Flow (as defined herein) of $33.5 million for the second quarter 2012 grew $21.7 million compared to the second quarter 2011 of $11.8 million, an increase of 184.1%.

- Total customer relationships were 1,372,000 at June 30, 2012, an increase of 2,000 year-over-year. RGUs were 3,479,900, an increase of 149,500, or 4.5% year-over-year.

- Total average monthly revenue per basic video customer ("ARPU") for the second quarter was $137.98, an increase of 10.6% compared to the second quarter of the prior year.

- Bundled customers represented 63.4% of total customer relationships at June 30, 2012, an increase from 60.0% at June 30, 2011, primarily from growth in triple play customer relationships, which represented 24.5% of total customer relationships at June 30, 2012, versus 22.1% at June 30, 2011.

- Non-video customers represented 17.2% of total customer relationships at June 30, 2012, an increase of 18.7% compared to the prior year.

- Advertising revenues increased 11.4% versus the second quarter of 2011, due largely to higher national and local advertising sales revenue, primarily from increased political advertising, as well as increased automotive advertising.

- Commercial revenue grew 16.4% versus the second quarter of 2011, including 22.9% year-over-year growth in our commercial data and telephone revenues on a combined basis.

- Project Imagine, the Company's bandwidth expansion plan, continues on plan. From the inception of Project Imagine in late 2009 through June 30, 2012, we have completed approximately 96% of our anticipated capital expenditures for Project Imagine, including success based capital. Project Imagine is expected to conclude by September 30, 2012.

Second Quarter 2012 Compared to Second Quarter 2011

Second quarter 2012 revenues rose 6.5%, largely attributable to the increase in residential high-speed Internet, telephone and advanced digital video revenues, growth in revenues from our commercial business, including carrier services and growth in advertising revenue during the trailing twelve months. Residential revenue growth resulted from increases in the number of new telephone, high-speed Internet and digital video customers, an increase in the penetration of existing customers for these services, the impact of video and high-speed Internet rate increases, and incremental service revenues from high definition television ("HDTV") and digital video recorded ("DVR") services as more customers purchased advanced video services from us. Offsetting this residential growth in part was a decrease in revenue due to basic video customer losses, the impact of bundling and promotional discounts and digital customers purchasing fewer digital tiers of service during the trailing twelve months. Revenues from our commercial business grew due to increases in commercial high-speed data and telephone customers and from increases in cell tower and backhaul revenues from carrier customers. Advertising revenue increased primarily due to increased political advertising.

In the first quarter of 2012, we reclassified certain revenue items from the other revenue category to the Video service, High-speed Internet service and Telephone service categories, as applicable, to better align certain revenues historically categorized as other revenue with their related products. Video revenue now includes reclassified revenue related to converter and equipment rentals, retransmission pass through, franchise fee, copyright fee and other miscellaneous video revenues. High-speed Internet revenue now includes reclassified revenue related to home networking, modem and other data equipment rental. Telephone revenue now includes reclassified revenue related to telephone regulatory fees. Prior periods were reclassified to conform to the current presentation.

Video service revenues increased 2.6% due primarily to video rate increases, higher broadcast retransmission fee revenue and customer growth in our digital and advanced video services, including converter rental revenue for high-definition and DVR capable digital converters. Offsetting this growth, in part, were the loss of basic video customers and digital customers purchasing fewer digital tiers of service on average.

High-speed Internet service revenues rose 11.8% due primarily to an increase in residential high-speed Internet customers, growth in home networking revenues, the impact of residential rate increases, growth in our commercial high-speed Internet services to small and medium sized businesses and growth in carrier services, including fiber to the tower, and optical Internet and transport revenues.

Telephone service revenues grew 15.1% due primarily to an increase in residential telephone customers and growth in our commercial telephone services to small and medium sized businesses, offset in part due to the impact of bundling and promotional discounts.

Advertising revenues increased 11.4% due largely to higher national and local advertising sales revenue, primarily from increased political advertising, as well as increased automotive advertising.

Other revenues increased 4.8% due primarily to increased administrative fee revenues, wire maintenance revenue, security service revenue and commercial installation revenue, offset in part by lower basic video and telephone installation revenue.

Our commercial lines of business, embedded in the video, high-speed Internet, telephone service revenues and other revenue described above, are comprised of commercial and bulk video, commercial high-speed Internet, fiber based on- and off-net carrier services and commercial telephone. Commercial revenue totaled $63.0 million, or 12.3% of total revenue, in the second quarter of 2012, representing growth of 16.4% versus the second quarter of 2011. Our commercial data and telephone revenue grew 22.9% year-over-year on a combined basis.

Operating costs and expenses rose 4.1% due primarily to higher programming costs, broadcast retransmission consent expenses, increased net compensation and employee related costs and increased marketing expenses, offset in part by $4.7 million of 2011 non-recurring expenses associated with the purchase of NPG Cable in the second quarter 2011, for which there was not a comparable expense for the three months ended June 30, 2012.

Adjusted EBITDA for the second quarter of 2012 of $198.2 million grew 10.5% compared to the second quarter of the prior year. Adjusted EBITDA margin for the second quarter 2012 was 38.6%, an increase of 140 basis points from the second quarter 2011. Adjusted EBITDA for the first six months of 2012 was $380.1 million, an increase of 8.6% compared to the first six months of 2011. Excluding the impact of certain non-recurring expenses in 2012 and 2011 primarily associated with compensation expense related to our May 2012 distribution to Cequel Holdings and the 2011 acquisition and integration of NPG Cable, Adjusted EBITDA for the second quarter of 2012 would have increased 7.6% compared to the second quarter of 2011, with Adjusted EBITDA margin of 38.6%, a 40 basis point improvement from the prior year. Additionally, Adjusted EBITDA for the six months ended 2012 would have increased 9.2% compared to the six months ended 2011, with Adjusted EBITDA margin of 38.2%, a 100 basis point improvement from the prior year.

Income from operations for the second quarter 2012 was $98.2 million, an increase of 34.5%, compared to $73.0 million for the second quarter 2011 due to revenue increases year-over-year outpacing operating, selling and administrative and depreciation and amortization expense increases.

Net income was $28.7 million for the second quarter 2012, compared to net loss of $5.6 million for the second quarter 2011.

Key Operating Metrics

At June 30, 2012, Suddenlink served approximately 1.4 million customers, and Suddenlink's RGUs were comprised of 1,230,100 basic video, 807,700 digital video, 979,400 residential high-speed Internet and 462,700 residential telephone customers. Suddenlink's 3.5 million RGUs as of June 30, 2012 increased 149,500, or 4.5%, over the prior year. In addition, as of June 30, 2012, we served approximately 49,900 commercial Internet and 21,200 commercial telephone customers, not included in our RGU totals.

Approximately 63.4% of Suddenlink's residential customers subscribe to bundled services, compared to 60.0% a year ago. Approximately 336,200 of Suddenlink's residential customers receive video, high-speed Internet and telephone services as part of a triple play bundle, representing 24.5% of Suddenlink's total residential customer relationships. Growth of 33,300 triple play customers from the second quarter of 2011 represented an increase of 11.0%. Non-video customers of approximately 235,800 at June 30, 2012 represent 17.2% of total customer relationships, and grew 18.7% in the trailing twelve months.

Suddenlink's ARPU for the second quarter of 2012 was $137.98, an increase of 10.6% compared to the second quarter of 2011.

Basic video customers decreased by approximately 20,100 customers, an improvement of 17.6% from the net change in the second quarter of 2011, while digital video customers increased by approximately 11,300 customers, an improvement of 82.3% from the net change in the second quarter of 2011. During the trailing twelve months, basic video customers decreased by approximately 44,100, or 3.5%, while digital video customers increased by approximately 75,600, or 10.3%. Estimated basic penetration at

June 30, 2012, was 40.6% of estimated homes passed. Digital penetration to basic customers was 65.7%.

Residential high-speed Internet customers decreased by approximately 3,200, an improvement of 30.4% from the net change in the second quarter of 2011, and increased 65,200, or 7.1%, during the trailing twelve months. At June 30, 2012, estimated residential high-speed Internet penetration was 33.3% of high-speed Internet capable homes passed. During the second quarter of 2012, commercial Internet customers increased by approximately 1,100. During the trailing twelve months, commercial Internet customers increased by approximately 4,700, or 10.4%. These commercial customers are not included in total RGU counts.

Residential telephone customers grew by approximately 9,500 during the second quarter of 2012, and 52,800, or 12.9%, during the trailing twelve months. At June 30, 2012, estimated residential telephone penetration was 18.9% of telephone capable homes passed. During the second quarter of 2012, commercial telephone customers increased by approximately 1,600. During the trailing twelve months, commercial telephone customer increased by approximately 6,000, or 39.5%. These commercial customers purchase 2.9 lines on average and are not included in total RGU counts.

Liquidity and Capital Resources

The following discussion of liquidity and capital resources is presented on an actual basis and does not include historical pro forma adjustments reflecting the acquisition of NPG Cable in April 2011 and sale of NP3Now in June 2012.

At June 30, 2012, we had approximately $76.6 million of cash on hand, with $160.0 million of borrowings under our revolving credit facility used to partially fund the March 2012 distribution to Cequel Holdings and approximately $16.0 million of outstanding letters of credit, which reduced the availability under our $500.0 million revolving credit facility to approximately $324.0 million.

During 2012, we expect capital expenditures, including capital spending associated with Project Imagine and related success based capital, to be on the high end of the previously established range of $325.0 million to $345.0 million, due in large part to success in our commercial lines of business. Capital expenditures inclusive of Project Imagine and related success based capital for the three months ended June 30, 2012 were $95.4 million, compared to $94.5 million for the three months ended June 30, 2011, and $192.9 million for the six months ended June 30, 2012 compared to $199.6 million for the six months ended 2011.

Project Imagine has provided additional capacity to launch video on demand services into new areas, additional capacity for high definition channels and increased Internet speeds for the Company's customers and capacity to launch telephone service in a few additional communities. Capital expenditures for Project Imagine, which is expected to end by September 30, 2012, including success based capital, were approximately $22.8 million during the second quarter 2012 and $52.4 million for the six months ended June 30, 2012. Since the inception of Project Imagine in late 2009 through June 30, 2012, capital expenditures for Project Imagine, including success based capital, have been $335.2 million, or approximately 96% of the total anticipated capital expenditures for Project Imagine.

Net cash provided by operating activities increased to $72.0 million for the three months ended June 30, 2012, compared to $64.2 million for the three months ended June 30, 2011. This increase is due primarily to improved operating results, as well as net changes in current assets and liabilities due to the timing of payments for prepaid expenses and other payables. Net cash flows used in investing activities decreased to $95.4 million for the three months ended June 30, 2012, compared to $442.4 million for the three months ended June 30, 2011, due primarily to the acquisition of NPG Cable on April 1, 2011. The net cash used in financing activities decreased to $76.5 million for the three months ended June 30, 2012, compared to $5.2 million for the three months ended June 30, 2011, due primarily to the $70.0 million distribution to Cequel Holdings in May 2012.

Free Cash Flow for the three and six months ended June 30, 2012 was $33.5 million and $44.6 million, respectively, compared to $11.8 million and negative free cash flow of $5.2 million for the three and six months ended June 30, 2011, respectively. The increase in Free Cash Flow for the three months ended June 30, 2012 as compared to 2011 is primarily due to improved operating results and a decline in cash interest expense, offset in part by a slight increase in capital expenditures. The increase in Free Cash Flow for the six months ended June 30, 2012 as compared to 2011 is primarily due to improved operating results, as well as decreases in capital expenditures and cash interest expense.

The Total Leverage Ratio (Consolidated Total Debt to Adjusted Pro Forma EBITDA) for Cequel, as defined in and calculated in accordance with the indenture governing Cequel's 8.625% Senior Notes due 2017 (the "Notes") was 5.50x at June 30, 2012.

The Senior Secured Leverage Ratio (Consolidated Secured Debt to Adjusted Pro Forma EBITDA) for Suddenlink as defined in and calculated in accordance with the Credit Agreement (defined herein) was 2.98x at June 30, 2012.

Sale of NP3Now

On June 1, 2012, the Company sold NP3Now for immaterial proceeds. NP3Now, a local cable news and weather station in St. Joseph, Missouri, which was initially acquired as part of NPG Cable, was sold back to NPG, who operate a newspaper and Fox affiliate broadcast TV station in St Joseph, Missouri.

Equity Distribution

On May 11, 2012, the Company used cash on hand to make a distribution to Cequel Holdings of $70.0 million. Cequel Holdings used such distribution to repay a portion of the capital contributions made by holders of common units of Cequel Holdings and to make certain payments to holders of options and restricted units of Cequel Holdings.

Equity Transaction

On July 18, 2012, Cequel Holdings, the parent of Cequel announced that it, BC Partners, CPPIB Equity Investments, Inc., and certain members of executive management (collectively "the Purchasers"), the existing equity owners of Cequel Holdings (collectively "the Sellers"), and Cequel III, LLC, as manager of Cequel Holdings and its subsidiaries, entered into a purchase agreement with respect to the equity interests of Cequel Holdings. The total purchase price consideration is $6.579 billion, $2.485 billion of which will be paid in cash to the Sellers (comprised of $1.985 billion of cash equity contributions from the Purchasers and a $500 million debt commitment), and the remainder comprised of net liabilities of subsidiaries of Cequel Holdings that will remain. The acquisition is expected to close in the fourth quarter of 2012, subject to certain closing conditions, including receipt of required regulatory approvals. Cequel Holdings and the Company will continue to be managed by Cequel III, LLC pursuant to the existing management agreement.

In connection with the transaction, a newly formed subsidiary of Cequel Holdings has entered into a commitment letter for $500 million of senior unsecured bridge loans. Cequel Holdings expects to use the proceeds from such bridge loans or an equivalent amount of high-yield debt securities to fund a portion of the purchase price. On July 25, 2012, the Company launched a consent solicitation to increase the restricted payment capacity under the Indenture governing the Notes. If successful, this consent would allow for all or part of the new $500 million of high-yield securities or the bridge loans, as the case may be, to be issued by the Company, instead of a subsidiary of Cequel Holdings that would become the direct parent of the Company. In addition, on July 31, 2012, Suddenlink received an acknowledgment from a majority of the lenders under the Credit Facility that a change to the Cequel III Management Agreement which allows either Cequel Holdings or Cequel III the discretion to terminate the agreement upon certain changes in ownership is not materially adverse to the Company or the lenders.

Conference Call

As previously announced, the Company will host a conference call to discuss its second quarter results at 10:00 p.m. (Eastern Time) on Tuesday, August 7, 2012. The dial-in information for the earnings call is as follows:

Within the United States	866-394-9561
International	281-312-0031
Password	Cequel Communications
Conference ID	11342414

A replay of this earnings call will be available at the Investor Relations link on the Company's website (suddenlink.com) shortly after the conclusion of the call.

During the conference call, representatives of the Company may discuss and answer one or more questions concerning the Company's business and financial matters. The responses to these questions, as well as other matters discussed during the call, may contain information that has not been previously disclosed.

Quarterly Report

The information in this press release should be read in conjunction with the financial statements and footnotes contained in the Company's quarterly report for the quarter ended June 30, 2012 which will be posted on the Company's website (suddenlink.com) on August 1, 2012.

Current Report

A current report containing this earnings release will be posted on the Company's website (suddenlink.com) shortly after the conference call on August 7, 2012.

Use of Non-GAAP Financial Measures

The Company uses certain measures that are not defined by Generally Accepted Accounting Principles ("GAAP") to evaluate various aspects of its business. Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures. Adjusted EBITDA is a non-GAAP financial measure defined as net income/(loss), plus interest expense, provision for income taxes, depreciation, amortization, non-cash share based compensation expense, (gain)/loss on sale of cable assets, loss on termination of derivative instruments, changes in fair value of derivative instruments and loss on extinguishment of debt. Free Cash Flow is a non-GAAP financial measure defined as Adjusted EBITDA, less capital expenditures and cash interest expense. Adjusted EBITDA and Free Cash Flow may not be necessarily comparable to similarly titled measures of other companies. Furthermore, Adjusted EBITDA and Free Cash Flow have limitations as analytical tools and should not be considered in isolation from, or as an alternative to, net income or loss, operating income, cash flow from operations or other combined income or cash flow data prepared in accordance with GAAP. A reconciliation of Net Loss to Adjusted EBITDA is provided in Table 9. A reconciliation of Net Cash from Operating Activities to Free Cash Flow is provided in Table 10.

The Company believes that Adjusted EBITDA and Free Cash Flow provide information useful to investors in assessing the Company's ability to fund operations, service its debt and make additional investments from internally generated funds. In addition, Adjusted EBITDA generally correlates to the covenant calculations under the Credit Agreement.

Company Description

The Company, which does business as Suddenlink Communications, is the seventh largest cable broadband company in the United States, supporting the information, communication and entertainment demands of approximately 1.4 million residential customers and thousands of commercial customers in Arkansas, Louisiana, North Carolina, Oklahoma, Texas, West Virginia, and elsewhere. Suddenlink simplifies its customers' lives through one call for support, one connection, and one bill for TV, Internet, telephone, and other services.

Cautionary Note Regarding Forward-Looking Statements

Some statements in this Press Release are known as "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.

- Forward-looking statements may relate to, among other things:
- competition for video, high-speed Internet and telephone customers;
- the Company's ability to achieve anticipated customer and revenue growth and to successfully introduce new products and services;
- the Company's ability to complete the bandwidth expansion and other capital investment plans on time and on budget;
- greater than anticipated effects of the current, or any future, economic downturn or other factors which may negatively affect its customers' demand for the Company's products and services;
- increasing programming costs and delivery expenses related to the Company's products and services;
- changes in consumer preferences, laws and regulations or technology that may cause the Company to change its operational strategies;
- the Company's ability to effectively integrate acquisitions and to maximize expected operating efficiencies from its acquisitions;
- the Company's substantial indebtedness;
- the restrictions contained in the Company's financing agreements;
- the Company's ability to generate sufficient cash flow to meet its debt service obligations;
- fluctuations in interest rates which may cause the Company's interest expense to vary from quarter to quarter; and
- other risks and uncertainties, including those listed under the caption "Risk Factors" in the Annual Report for the year ended December 31, 2011.

These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions and other statements contained in this Press Release that are not historical facts. When used in this Press Release, the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions are generally intended to identify forward-looking statements. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements, including our plans, objectives, expectations and intentions and other factors. You should not place undue reliance on such forward-looking statements, which are based on the information currently available to the Company and speak only as of the date on which this Press Release is posted on the Company's website (www.suddenlink.com). The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. However, your attention is directed to any further disclosures made on related subjects in the Company's subsequent reports furnished to holders of the Notes.

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TABLE 1
Cequel Communications Holdings I, LLC
Consolidated Statements of Operations (unaudited)
(in thousands)

	Three Months Ended June 30, 2012 Actual	Three Months Ended June 30, 2011 Actual	Percent Change	Six Months Ended June 30, 2012 Actual	Six Months Ended June 30, 2011 Actual	Percent Change
Revenues:						
Video	$ 283,290	$ 276,132	2.6%	$ 567,053	$ 536,040	5.8%
High Speed Internet	139,140	124,485	11.8%	274,772	237,423	15.7%
Telephone	47,092	40,930	15.1%	92,905	77,415	20.0%
Advertising Sales	22,176	19,921	11.3%	40,162	36,629	9.6%
Other	21,554	20,576	4.8%	43,354	40,782	6.3%
Total Revenues	513,252	482,044	6.5%	1,018,246	928,289	9.7%
Costs and Expenses:						
Operating (excluding depreciation and amortization)	209,486	202,142	-3.6%	418,374	387,823	-7.9%
Selling, general and administrative (excluding non-cash share based compensation expense)	105,671	100,499	-5.1%	219,961	200,937	-9.5%
Operating costs and expenses	315,157	302,641	-4.1%	638,335	588,760	-8.4%
Adjusted EBITDA	198,095	179,403	10.4%	379,911	339,529	11.9%
Adjusted EBITDA Margin (a)	*38.6%*	*37.2%*		*37.3%*	*36.6%*	
Depreciation and amortization	99,437	106,093	6.3%	203,831	202,953	-0.4%
Non-cash share based compensation expense	395	534	26.0%	821	1,095	25.0%
Loss/(gain) on sale of cable assets	191	(211)	-190.5%	(98)	(423)	-76.8%
Income from operations	98,072	72,987	34.4%	175,357	135,904	29.0%
Interest expense, net	(71,692)	(75,836)	5.5%	(147,412)	(150,382)	2.0%
Loss on termination of derivative instruments	-	-	NM	(6,565)	-	100.0%
Change in fair value of derivative instruments	5,722	-	100.0%	(5,211)	-	100.0%
Loss on extinguishment of debt	-	-	NM	(14,202)	-	100.0%
Income/(loss) before provision for income taxes	32,102	(2,849)	NM	1,967	(14,478)	113.6%
(Provision)/benefit for income taxes	(3,468)	(2,807)	-23.5%	116	(2,518)	104.6%
Net income/(loss)	$ 28,634	$ (42)	NM	$ 2,083	$ (16,996)	112.3%

(a) Represents Adjusted EBITDA as a percentage of total revenue.

TABLE 2
Cequel Communications Holdings I, LLC
Pro Forma Consolidated Statements of Operations (unaudited)
(in thousands)

	Three Months Ended June 30, 2012 Pro-Forma (b)	Three Months Ended June 30, 2011 Pro-Forma (b)	Percent Change	Six Months Ended June 30, 2012 Pro-Forma (b)	Six Months Ended June 30, 2011 Pro-Forma (b)	Percent Change
Revenues:						
Video	$ 282,390	$ 276,132	2.6%	$ 567,053	$ 551,516	2.8%
High Speed Internet	139,140	124,485	11.8%	274,772	246,082	11.7%
Telephone	47,092	40,930	15.1%	92,905	79,884	16.3%
Advertising Sales	22,158	19,882	11.4%	40,097	38,574	3.9%
Other	21,554	20,576	4.8%	43,354	41,325	4.9%
Total Revenues	513,234	482,005	6.5%	1,018,181	957,381	6.4%
Costs and Expenses:						
Operating (excluding depreciation and amortization)	209,486	202,142	-3.6%	418,374	401,255	-4.3%
Selling, general and administrative (excluding non-cash share based compensation expense)	105,564	100,442	-5.1%	219,700	205,966	-6.7%
Operating costs and expenses	315,050	302,584	-4.1%	638,074	607,221	-5.1%
Adjusted EBITDA	198,184	179,421	10.5%	380,107	350,160	8.6%
Adjusted EBITDA Margin (a)	*38.6%*	*37.2%*		*37.3%*	*36.6%*	
Depreciation and amortization	99,437	106,089	6.3%	203,830	211,797	3.8%
Non-cash share based compensation expense	395	534	26.0%	821	1,095	25.0%
Loss/(gain) on sale of cable assets	191	(211)	-190.5%	(98)	(423)	-76.8%
Income from operations	98,161	73,009	34.5%	175,554	137,691	27.5%
Interest expense, net	(71,692)	(75,836)	5.5%	(147,412)	(150,382)	2.0%
Loss on termination of derivative instruments	-	-	NM	(6,565)	-	100.0%
Change in fair value of derivative instruments	5,722	-	100.0%	(5,211)	-	100.0%
Loss on extinguishment of debt	-	-	NM	(14,202)	-	100.0%
Income/(loss) before provision for income taxes	32,191	(2,827)	NM	2,164	(12,691)	117.1%
(Provision)/benefit for income taxes	(3,468)	(2,807)	-23.5%	116	(2,518)	104.6%
Net income/(loss)	$ 28,723	$ (5,634)	NM	$ 2,280	$ (15,209)	115.0%

(a) Represents Adjusted EBITDA as a percentage of total revenue.

(b) Pro forma to include the impact of the acquisition of NPG Cable on April 1, 2011 and exclude the sale of NP3Now on June 1, 2012, as if the transactions had been consummated on January 1, 2011.

TABLE 3
Cequel Communications Holdings I, LLC
Condensed Consolidated Balance Sheets (unaudited)
(in thousands)

	June 30, 2012	December 31, 2011
ASSETS		
Cash and cash equivalents	$ 76,608	$ 128,663
Accounts receivable, net	171,610	167,539
Prepaid expenses and other assets	18,028	18,580
Total current assets	266,246	314,782
Property, plant and equipment, net	1,391,098	1,396,367
Intangible assets, net	2,315,885	2,321,902
Other long-term assets, net	58,808	49,203
Total assets	$ 4,032,037	$ 4,082,254
LIABILITIES AND MEMBER'S EQUITY		
Accounts payable and accrued expenses	$ 208,758	$ 223,075
Deferred revenue	131,175	130,072
Current portion of long-term debt	22,000	20,382
Other current liabilities	11,521	33,547
Total current liabilities	373,454	407,076
Long-term debt, less current portion	4,155,878	3,766,347
Deferred tax liabilities	27,035	26,980
Other long-term liabilities	7,467	9,310
Total liabilities	4,563,834	4,209,713
Total member's equity	(531,797)	(127,459)
Total liabilities and member's equity	$ 4,032,037	$ 4,082,254

TABLE 4
Cequel Communications Holdings I, LLC
Condensed Consolidated Statements of Cash Flows (unaudited)
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Net cash provided by operating activities	$ 71,957	$ 64,194	$ 226,277	$ 247,584
Net cash used in investing activities	(95,381)	(442,405)	(196,915)	(551,533)
Net cash (used in)/provided by financing activities	(76,527)	(5,189)	(81,417)	112,958
Decrease in cash and cash equivalents	(99,951)	(383,400)	(52,055)	(190,991)
Cash and cash equivalents, beginning of period	176,559	482,094	128,663	289,685
Cash and cash equivalents, end of period	$ 76,608	$ 98,694	$ 76,608	$ 98,694

TABLE 5
Cequel Communications Holdings I, LLC
Capital Expenditures (unaudited)
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	**2011**	**2012**	**2011**
Customer premise equipment	$ 26,484	$ 25,749	$ 65,824	$ 71,687
Scalable infrastructure	9,121	12,301	19,523	26,100
Line extensions	2,407	2,538	4,257	3,739
Upgrade/rebuild	2,922	5,587	3,933	11,563
Commercial	8,771	8,370	14,936	14,925
Support capital	45,672	39,909	84,439	71,635
	$ 95,377	$ 94,454	$ 192,912	$ 199,649

TABLE 6
Cequel Communications Holdings I, LLC
Summary Operating Statistics (unaudited)
Approximate as of:

	Jun. 30, 2012	Mar. 31, 2012	Dec. 31, 2011	Jun. 30, 2011
	Actual	**Actual**	**Actual**	**Actual**
Revenue Generating Units (RGU):				
Basic video customers (a)	1,230,100	1,250,200	1,252,200	1,274,200
Digital video customers (b)	807,700	796,400	767,300	732,100
Residential high-speed Internet customers (c)	979,400	982,600	951,400	914,200
Residential telephone customers (d)	462,700	453,200	438,600	409,900
Total RGUs (e)	**3,479,900**	**3,482,400**	**3,409,500**	**3,330,400**
Quarterly net customer additions (losses):	**Actual**	**Actual**	**Actual**	**Actual**
Basic video customers	(20,100)	(2,000)	(16,100)	57,200
Digital video customers	11,300	29,100	13,700	52,500
Residential high-speed Internet customers	(3,200)	31,200	14,200	57,100
Residential telephone customers	9,500	14,600	12,500	31,300
Total RGUs (e)	**(2,500)**	**72,900**	**24,300**	**198,100**
Average Revenue per Unit (ARPU):	**Actual**	**Actual**	**Actual**	**Actual**
Average monthly revenue per basic video customer (f)	$ 137.99	$ 134.80	$ 129.31	124.74
Customer Relationships:	**Actual**	**Actual**	**Actual**	**Actual**
Total customer relationships (g)	1,372,000	1,391,200	1,373,900	1,370,000
Double play relationships (h)	534,000	539,200	527,800	519,700
Double play penetration (i)	38.9%	38.8%	38.4%	37.9%
Triple play relationships (j)	336,200	330,900	321,900	302,900
Triple play penetration (k)	24.5%	23.8%	23.4%	22.1%
Total bundled customers (l)	870,200	870,100	849,700	822,600
Bundled penetration (m)	63.4%	62.5%	61.8%	60.0%
Non-video customer relationships (n)	235,800	234,900	218,300	198,700

Non-video as a % of total customer relationships (o)	17.2%	16.9%	15.9%	14.5%
Estimated Customer Penetration:	**Actual**	**Actual**	**Actual**	**Actual**
Estimated basic penetration (p)	40.6%	41.5%	41.6%	42.8%
Estimated digital penetration (q)	65.7%	63.7%	61.3%	57.5%
Estimated residential high-speed Internet penetration (r)	33.3%	33.6%	32.6%	31.7%
Estimated residential telephone penetration (s)	18.9%	18.5%	18.1%	17.1%
Commercial Customers:	**Actual**	**Actual**	**Actual**	**Actual**
Commercial Internet (t)	49,900	48,800	47,400	45,200
Commercial telephone (u)	21,200	19,600	18,100	15,200

TABLE 7
Cequel Communications Holdings I, LLC
Pro Forma Summary Operating Statistics (unaudited)
Approximate as of:

	Jun. 30, 2012	Mar. 31, 2012	Dec. 31, 2011	Jun. 30, 2011
	Actual	**Actual**	**Actual**	**Actual**
Revenue Generating Units (RGU):				
Basic video customers (a)	1,230,100	1,250,200	1,252,200	1,274,200
Digital video customers (b)	807,700	796,400	767,300	732,100
Residential high-speed Internet customers (c)	979,400	982,600	951,400	914,200
Residential telephone customers (d)	462,700	453,200	438,600	409,900
Total RGUs (e)	**3,479,900**	**3,482,400**	**3,409,500**	**3,330,400**
Quarterly net customer additions (losses):	**Actual**	**Actual**	**Actual**	**Pro Forma (v)**
Basic video customers	(20,100)	(2,000)	(16,100)	(24,400)
Digital video customers	11,300	29,100	13,700	6,200
Residential high-speed Internet customers	(3,200)	31,200	14,200	(4,600)
Residential telephone customers	9,500	14,600	12,500	12,200
Total RGUs (e)	**(2,500)**	**72,900**	**24,300**	**(10,600)**
Average Revenue per Unit (ARPU):	**Pro Forma (w)**	**Pro Forma (w)**	**Pro Forma (w)**	**Pro Forma (w)**
Pro forma average monthly revenue per basic video customer (f)	$ 137.98	$ 134.78	$ 129.30	124.73
Customer Relationships:	**Actual**	**Actual**	**Actual**	**Actual**
Total customer relationships (g)	1,372,000	1,391,200	1,373,900	1,370,000
Double play relationships (h)	534,000	539,200	527,800	519,700
Double play penetration (i)	38.9%	38.8%	38.4%	37.9%
Triple play relationships (j)	336,200	330,900	321,900	302,900
Triple play penetration (k)	24.5%	23.8%	23.4%	22.1%
Total bundled customers (l)	870,200	870,100	849,700	822,600
Bundled penetration (m)	63.4%	62.5%	61.8%	60.0%
Non-video customer relationships (n)	235,800	234,900	218,300	198,700
Non-video as a % of total customer relationships (o)	17.2%	16.9%	15.9%	14.5%
Estimated Customer Penetration:	**Actual**	**Actual**	**Actual**	**Actual**
Estimated basic penetration (p)	40.6%	41.5%	41.6%	42.8%

Estimated digital penetration (q)	65.7%	63.7%	61.3%	57.5%
Estimated residential high-speed Internet penetration (r)	33.3%	33.6%	32.6%	31.7%
Estimated residential telephone penetration (s)	18.9%	18.5%	18.1%	17.1%
Commercial Customers:	**Actual**	**Actual**	**Actual**	**Actual**
Commercial Internet (t)	49,900	48,800	47,400	45,200
Commercial telephone (u)	21,200	19,600	18,100	15,200

(a) Basic video customers include all residential customers who receive video cable services. Also included are commercial or multi-dwelling accounts that are converted to equivalent basic units ("EBUs") by dividing the total bulk billed basic revenues of a particular system by the most prevalent retail rate paid by non-bulk basic customers in that market for a comparable level of service. This conversion method is consistent with methodology used in determining costs paid to programmers. Our methodology of calculating the number of basic video customers may not be identical to those used by other companies offering similar services.

(b) Digital video customers include all basic video customers that have one or more digital set-top boxes or cable cards in use.

(c) Residential high-speed Internet customers include all residential customers who subscribe to our high-speed Internet service. Excluded from these totals are all commercial high-speed Internet customers, including small and medium sized commercial cable modem accounts and customers who take our scalable, fiber-based enterprise network services.

(d) Residential telephone customers include all residential customers who subscribe to our telephone service. Residential customers who take multiple telephone lines are only counted once in the total. Excluded from these totals are all commercial telephone customers.

(e) Total RGUs represents the sum of basic video, digital video, residential high-speed Internet and residential telephone customers.

(f) Average revenue per basic video customer represents the total revenue for a quarter, divided by three, divided by the average basic video customers for the quarter.

(g) Customer relationships represent the number of residential customers who receive at least one level of service, encompassing video, high-speed Internet or telephone services, without regard to the number of services purchased. For example, a residential customer who purchases only high-speed Internet service and no video service will count as one customer relationship, and a residential customer who purchases both video and high-speed Internet services will also count as only one customer relationship. Customer relationships exclude EBUs.

(h) Double play customer numbers reflect residential customers who subscribe to two of our core services (video, high-speed Internet and telephone).

(i) Double play penetration represents double play customers as a percentage of customer relationships.

(j) Triple play customer numbers reflect residential customers who subscribe to all three of our core services (video, high-speed Internet and telephone).

(k) Triple play penetration represents triple play customers as a percentage of customer relationships.

(l) Total bundled customers represents the sum of double play and triple play customers.

(m) Bundled penetration represents total bundled customers as a percentage of customer relationships.

(n) Non-video customer relationships represents the number of residential customers who receive at least one level of service, encompassing high-speed Internet or telephone services, but do not receive video services

(o) Non-video as a % of total customer relationships represents non-video customer relationships divided by total customer relationships.

(p) Estimated basic penetration is calculated as basic video customers divided by the estimated total homes passed of the Company.

(q) Estimated digital penetration is calculated as digital video customers divided by basic video customers.

(r) Estimated residential high-speed Internet penetration is calculated as residential high-speed Internet customers divided by the estimated homes passed of the Company where residential high-speed Internet service is currently available.

(s) Estimated residential telephone penetration is calculated as residential telephone customers divided by the estimated homes passed of the Company where residential telephone service is currently available.

(t) Commercial Internet customers consist of commercial accounts that receive high-speed Internet service via a cable modem and commercial accounts that receive broadband service optically, via fiber connections. Commercial Internet customers are not included in Total RGUs.

(u) Commercial telephone customers are commercial accounts that subscribe to our telephone service. Commercial telephone customers are not included in Total RGUs.

(v) Pro forma to include the impact of the acquisition of NPG Cable on April 1, 2011, as if the transaction had been consummated on January 1, 2011.

(w) Pro forma to exclude the impact of the sale of NP3Now on June 1, 2012, as if the transaction had been consummated on January 1, 2011.

TABLE 8
Cequel Communications Holdings I, LLC
Calculation of Free Cash Flow (unaudited)
(in thousands)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Adjusted EBITDA	$ 198,095	$ 179,403	$ 379,911	$ 339,529
Capital expenditures	(95,377)	(94,454)	(192,912)	(199,649)
Cash interest expense	(69,202)	(73,150)	(142,378)	(145,128)
Free Cash Flow	$ 33,516	$ 11,799	$ 44,621	$ (5,248)

TABLE 9
Cequel Communications Holdings I, LLC
Reconciliation of Net Loss to Adjusted EBITDA
(in thousands)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Net income/(loss)	$ 28,634	$ (42)	$ 2,083	$ (16,996)
Add back:				
Interest expense, net	71,692	75,836	147,412	150,382
Provision/(benefit) for income taxes	3,468	(2,807)	(116)	2,518
Depreciation and amortization	99,437	106,093	203,831	202,953
Non-cash share based compensation	395	534	821	1,095
Loss/(gain) on sale of cable assets	191	(211)	(98)	(423)
Loss on termination of derivative instruments	-	-	6,565	-
Change in fair value of derivative instruments	(5,722)	-	5,211	-
Loss on extinguishment of debt	-	-	14,202	-
Adjusted EBITDA	$ 198,095	$ 179,403	$ 379,911	$ 339,529

TABLE 10
Cequel Communications Holdings I, LLC
Reconciliation of Net Cash from Operating Activities to Free Cash Flow
(in thousands)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Net cash provided by operating activities	$ 71,957	64,194	$ 226,277	$ 247,584
Add back:				
Capital expenditures	(95,377)	(94,454)	(192,912)	(199,649)
Cash income tax expense	2,462	(1,691)	(172)	1,487

Interest income	(32)	(38)	(87)	(187)
Bond premium	-	-	-	(17,969)
Changes in assets and liabilities, net	54,506	43,788	11,515	(36,514)
Free Cash Flow	$ 33,516	$ 11,799	$ 44,621	$ (5,248)

TABLE 11
Cequel Communications Holdings I, LLC
Reconciliation of Cash Interest Expense
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	**2011**	**2012**	**2011**
Interest expense, net	$ 71,692	$ 75,836	$ 147,412	$ 150,382
Add: interest income	32	38	87	187
Add: bond premium amortization	887	818	1,757	1,578
Less: deferred financing amortization	(2,311)	(3,217)	(5,075)	(6,361)
Less: bond discount amortization	(296)	(325)	(600)	(658)
Less: term loan discount amortization	(802)	-	(1,203)	-
Cash interest expense	$ 69,202	$ 73,150	$ 142,378	$ 145,128

Source: Cequel Communications Holdings I, LLC

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