CHARTER COMMUNICATIONS INC /MO/
Form 424B3
May 17, 2001

1

Filing Pursuant to Rule 424(b)(3)
Registration Statement No. 333-54394

THE INFORMATION IN THIS PRELIMINARY PROSPECTUS SUPPLEMENT IS NOT COMPLETE AND MAY BE CHANGED. A REGISTRATION STATEMENT RELATING TO THE CLASS A COMMON STOCK AND THE NOTES IN THE OFFERINGS DESCRIBED HEREIN HAS BEEN FILED AND IS EFFECTIVE. THIS PRELIMINARY PROSPECTUS SUPPLEMENT IS NOT AN OFFER TO SELL EITHER THE SHARES OF CLASS A COMMON STOCK OR THE NOTES AND WE ARE NOT SOLICITING OFFERS TO BUY THESE SECURITIES IN ANY STATE WHERE SUCH OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION. DATED MAY 16, 2001.

PROSPECTUS SUPPLEMENT
(TO PROSPECTUS DATED MAY 16, 2001)

52,389,000 SHARES OF CLASS A COMMON STOCK
$500,000,000 % CONVERTIBLE SENIOR NOTES DUE 2006

[CHARTER COMMUNICATIONS LOGO]

CHARTER COMMUNICATIONS, INC.

We are offering 52,389,000 shares of our Class A common stock. Concurrently with the Class A common stock offering, we are offering $500,000,000 aggregate principal amount of % convertible senior notes due 2006. The offering of the Class A common stock and the offering of the notes are independent offerings and are not conditioned on each other.

The notes will mature on , 2006. We will pay interest on the notes on and of each year, beginning on , 2001. You may convert the notes into shares of our Class A common stock at any time before , 2006 or their prior redemption or repurchase by us. The conversion rate is shares per each $1,000 principal amount of notes, subject to adjustment in specified circumstances. This is equivalent to a conversion price of approximately $ per share. The notes will rank equally with all of Charter Communications, Inc.'s existing and future unsubordinated and unsecured indebtedness, but will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.

Our Class A common stock is traded on the Nasdaq National Market under the symbol "CHTR." On May 15, 2001, the last reported sale price of the Class A common stock on the Nasdaq National Market was $23.86 per share.

INVESTING IN THE CLASS A COMMON STOCK OR THE NOTES INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE S-17.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THE CLASS A COMMON STOCK OR THE NOTES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS SUPPLEMENT OR THE

ACCOMPANYING PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

OFFERING OF CLASS A COMMON STOCK

	PER SHARE	T
Public offering price	$	
Underwriting discount	$	
Proceeds, before expenses, to us	$	

We have granted to the underwriters for the Class A common stock offering the right to purchase up to an additional 7,858,350 shares to cover over-allotments. The underwriters expect to deliver the shares of Class A common stock to purchasers on , 2001.

OFFERING OF CONVERTIBLE SENIOR NOTES DUE 2006

	PER NOTE	T
Public offering price	%	
Underwriting discount	%	
Proceeds, before expenses, to us	%	

We have granted to the underwriters for the notes offering the right to purchase up to an additional $75,000,000 principal amount of notes to cover over-allotments. The underwriters expect to deliver the notes to purchasers on , 2001.

JOINT BOOK-RUNNERS AND JOINT LEAD UNDERWRITERS

MORGAN STANLEY DEAN WITTER

GOLDMAN, SACHS & CO.

BANC OF AMERICA SECURITIES LLC

BEAR, STEARNS & CO. INC.

MERRILL LYNCH & CO.

SALOMON SMITH BARNEY

JPMORGAN

CREDIT LYONNAIS SECURITIES (USA) INC.

FLEET SECURITIES, INC.

BMO NESBITT BURNS

DRESDNER KLEINWORT WASSERSTEIN

May , 2001

2

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT

PROSPECTUS

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference include 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 Securities Exchange Act of 1934, as amended (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 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. Many of the forward-looking statements contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference may be identified by the use of forward-looking words such as "believe," "expect," "anticipate," "should," "planned," "will," "may," "intend," "estimated" and "potential," among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference are set forth in this prospectus supplement, the accompanying prospectus and in reports or documents that we file from time to time with the United States Securities and Exchange Commission, or the SEC, and include, but are not limited to:

- our plans to offer advanced products and services;
- our anticipated capital expenditures for our upgrades and new equipment and facilities;
- our ability to fund capital expenditures and any future acquisitions;

-- our beliefs regarding the effects of governmental regulation on our business;

-- our ability to effectively compete in a highly competitive and changing environment; and

-- our ability to obtain equipment, inventory and programming as needed and at a reasonable price.

All forward-looking statements attributable to us or a person acting on our behalf are expressly qualified in their entirety by this cautionary statement.

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement contains the terms of the Class A common stock offering and the terms of the notes offering. Certain additional information about Charter Communications, Inc. is contained in the accompanying prospectus. This prospectus supplement, or the information incorporated by reference in the accompanying prospectus, may add, update or change information in the accompanying prospectus. If the information in this prospectus supplement or the information incorporated by reference in the accompanying prospectus is inconsistent with the accompanying prospectus, this prospectus supplement or the information incorporated by reference in the accompanying prospectus, as applicable, will apply and will supersede the information in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to in "Additional Information" on page 4 of the accompanying prospectus.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different from that contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. The information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate only as of the date of such information, regardless of the time of delivery of this prospectus supplement or of any sale of the Class A common stock or the notes.

This prospectus supplement and the accompanying prospectus do not constitute an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make an offer or solicitation.

PROSPECTUS SUPPLEMENT SUMMARY

The following summary contains a general discussion of our business, the offering of the Class A common stock, the offering of the notes and summary financial information. It likely does not contain all the information that is important to you in making a decision to invest in the Class A common stock or the notes. For a more complete understanding of the offerings, you should read this entire prospectus supplement and the accompanying prospectus.

Unless stated otherwise, the discussion of our business in this prospectus supplement includes Charter Communications, Inc. and its direct and indirect subsidiaries. Unless otherwise stated in this prospectus supplement, the operating and financial data included in this prospectus supplement and the accompanying prospectus do not include the effect of the pending AT&T transactions and assume no exercise of the underwriters' over-allotment options.

OUR BUSINESS

We are the fourth largest operator of cable systems in the United States, serving approximately 6.4 million customers.

We offer a full range of traditional analog cable television services in all of our systems. In an increasing number of our systems, we are offering digital cable television services, along with an array of advanced products and services, such as interactive video programming, which allows information to flow in both directions, high-speed Internet access and video-on-demand. We continue to explore opportunities to offer telephony through our broadband network. The introduction and roll-out of these new products and services represents an important step toward the realization of our Wired World(TM) vision, where cable's ability to transmit voice, video and data at high speeds enables it to serve as the primary platform for the delivery of new services to the home and workplace.

We have grown rapidly over the past several years. In the 16 acquisitions completed in 1999 and 2000, we added approximately 3.9 million customers. In addition, we have expanded our customer base through significant internal growth. For the year ended December 31, 2000, our internal customer growth, without giving effect to the cable systems we acquired in 2000, was 2.5%, almost twice the industry average of 1.3%.

Our principal executive offices are located at 12444 Powerscourt Drive, Suite 100, St. Louis, Missouri 63131. Our telephone number is (314) 965-0555 and our Web site is located at www.charter.com. The information on our Web site is not part of this prospectus supplement, the accompanying prospectus or the documents incorporated by reference.

BUSINESS STRATEGY

Our objective is to increase our operating cash flow by increasing our customer base and the amount of cash flow per customer. To achieve this objective, we are pursuing the following strategies:

- upgrade the bandwidth capacity of our systems to 550 megahertz or greater to enable greater channel capacity and add two-way capability to facilitate interactive communication;
- expand the array of services we offer to our customers through the implementation of our Wired World vision;
- maximize customer satisfaction by providing reliable, high-quality service offerings, superior customer service and attractive programming choices at reasonable rates; and
- employ innovative marketing programs tailored to local customer preferences to generate additional revenues.

6

CHARTER ORGANIZATIONAL STRUCTURE

The chart below sets forth our organizational structure and that of our direct and indirect subsidiaries. Our cable systems are owned by certain of our wholly owned subsidiaries. Equity ownership and voting percentages are calculated as of May 10, 2001.

[CHARTER ORGANIZATIONAL FLOW CHART]

* Includes 32,524,651 shares of our Class A common stock issued in connection with certain acquisitions. These shares are unregistered and are subject to certain restrictions on transfer.

** These membership units are exchangeable at any time for shares of our Class B common stock which are in turn convertible into shares of our Class A common stock.

*** Certain former owners of Bresnan own a minority equity interest in Charter Communications Holding Company and other former owners of Bresnan own 100% of the preferred equity interests in CC VIII, LLC, a subsidiary of the Avalon notes issuers. These equity interests are exchangeable at any time for shares of our Class A common stock on a one-for-one basis. See "Business--Organizational Structure--Sellers of Bresnan Cable Systems."

For a more detailed description of each entity and how it relates to us, see "Business--Organizational Structure."

S-6

7

RECENT EVENTS

ACQUISITIONS

In 2000, we completed five acquisitions of cable systems for an aggregate purchase price of $3.3 billion. Our most significant acquisition in 2000 was of Bresnan Communications Company for a purchase price of $3.1 billion. The systems we acquired in 2000 had a total of 781,400 customers at year end 2000 and total annual revenues of $370.2 million for the year ended December 31, 2000. See "Business -- Acquisitions Completed in 2000."

PENDING AT&T TRANSACTIONS

In February 2001, we entered into several agreements with AT&T Broadband, LLC involving several strategic cable system transactions that will result in a net addition of approximately 509,400 customers for the Charter cable systems. In the pending AT&T transactions, we expect to acquire cable systems from AT&T Broadband serving approximately 571,900 customers in Missouri, Alabama, Nevada and California for a total of $1.79 billion. We expect to use a portion of the net proceeds from the offering of Class A common stock described in this prospectus supplement to pay a portion of the purchase price ($501.5 million) of the pending AT&T transactions in lieu of issuing Class A common stock to AT&T. The AT&T transactions are expected to close in the second and/or third quarters of 2001, subject to certain closing conditions and regulatory review. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Pending AT&T Transactions."

CHARTER HOLDINGS 2001 SENIOR BRIDGE LOAN COMMITMENT

Charter Communications Holdings, LLC and Charter Communications Holdings Capital Corporation entered into a commitment letter with affiliates of the underwriters to provide senior increasing rate bridge loans of up to $2 billion for capital expenditures, general corporate purposes, and, if necessary, to fund the cash portion of the pending AT&T transactions. If any of the pending AT&T transactions are not completed, the commitment will be reduced by the amount of the commitment allocated to such portion of the transaction, up to $1 billion. On May 10, 2001, Charter Holdings, Charter Capital and the prospective lenders under the committed facility amended the commitment letter. After giving effect to this amendment, the current availability under the committed facility is approximately $1 billion. The aggregate commitments of the prospective lenders will be reduced by the net proceeds received by Charter Communications, Inc. from the offering of the Class A common stock described in this prospectus supplement (except for $501.5 million of the net proceeds that we expect to use to pay a portion of the purchase price of the pending AT&T transactions) and the net proceeds received by Charter Communications, Inc. from the offering of the notes described in this prospectus supplement. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Charter Holdings 2001 Senior Bridge Loan Facility."

CHARTER HOLDINGS MAY 2001 SENIOR NOTES

On May 15, 2001, Charter Holdings and Charter Capital issued 9.625% senior notes due 2009 in the aggregate principal amount of $350 million, 10.000% senior notes due 2011 in the aggregate principal amount of $575 million and 11.750% senior discount notes due 2011 in the aggregate

principal amount at maturity of $1.018 billion in Rule 144A and Regulation S private placements. A portion of the net proceeds were used to repay amounts outstanding under the revolving credit facilities of our subsidiaries. The remainder of the net proceeds are intended to be used to pay approximately $1.1 billion of the purchase price of the pending AT&T transactions and for general corporate purposes, including capital expenditures. See "Description of Indebtedness -- Existing Public Debt."

CHARTER HOLDINGS JANUARY 2001 SENIOR NOTES

In January 2001, Charter Holdings and Charter Capital issued 10.750% senior notes due 2009 in the aggregate principal amount of $900 million, 11.125% senior notes due 2011 in the aggregate principal amount of $500 million and 13.500% senior discount notes due 2011 in the aggregate principal amount at maturity of $675 million in Rule 144A and Regulation S private placements. The net proceeds were used to repay all remaining amounts outstanding under the Charter Holdings 2000 senior bridge loan facility and the CC VI (Fanch) revolving credit facility and a portion of the amounts outstanding under Charter Operating and CC VII (Falcon) revolving credit facilities. In March 2001, Charter Holdings and Charter Capital exchanged the notes for new notes with substantially similar terms, except that the new notes are registered under the Securities Act of 1933. See "Description of Certain Indebtedness -- Existing Public Debt."

CHARTER COMMUNICATIONS, INC. SALE OF CONVERTIBLE SENIOR NOTES

In October and November 2000, we issued 5.75% convertible senior notes due 2005 in the total principal amount of $750.0 million in a Rule 144A private placement. All of the proceeds from the sale of the convertible senior notes were contributed to Charter Communications Holding Company, LLC in exchange for two mirror convertible notes in an equal total amount and subsequently the net proceeds were used to repay an intercompany amount due to Charter Holdings and to make a contribution for additional equity to Charter Holdings. Charter

Holdings used the proceeds it received to repay a portion of the amounts outstanding under the Charter Holdings 2000 senior bridge loan facility. The convertible senior notes were registered for resale with the SEC in February 2001.

BRESNAN/AVALON COMBINATION

In December 2000, Charter Holdings contributed all of its equity interests in CC VIII, LLC to CC V Holdings, LLC, combining the cable systems acquired in the Avalon and Bresnan acquisitions below CC V Holdings. In connection with this combination, in January 2001 all amounts due under the CC V (Avalon) credit facilities were repaid and such credit facilities were terminated. At the same time, the CC VIII (Bresnan) credit facilities were amended and restated to, among other things, increase borrowing availability by $550 million. See "Description of Certain Indebtedness--Existing Credit Facilities."

THE OFFERING OF CLASS A COMMON STOCK

Shares of Class A common stock offered........	52,389,000
Shares of common stock to be outstanding after the offering:	
Class A common stock........	286,162,798
Class B common stock........	50,000
Use of proceeds...............	We expect to use the net proceeds of the Class A common stock offering to fund a portion of the purchase price for the pending AT&T transactions (which we otherwise would have paid by issuing to AT&T shares of our Class A common stock valued at $501.5 million) and the remainder for working capital purposes and capital expenditures. See "Use of Proceeds."
Voting rights.................	Each holder of Class A common stock is entitled to one vote per share. Each holder of Class B common stock is entitled to a number of votes determined by a formula based on the number of outstanding shares of Class B common stock and outstanding membership units exchangeable for Class B common stock. The result of this formula is that Mr. Allen is entitled to ten votes for each share of Class B common stock and each membership unit held by him or his affiliates. Mr. Allen currently controls approximately 93.5% of the voting power of all of our capital stock.
Control by Paul G. Allen......	Mr. Allen will continue to own all of the outstanding shares of our Class B common stock following the offering of Class A common stock. By virtue of Mr. Allen's ownership of all of

Charter Communications, Inc.'s Class B common stock and the ownership by Mr. Allen's affiliates of Charter Communications Holding Company membership units, Mr. Allen will continue to control the corporate actions of Charter Communications, Inc., such as electing its board of directors, amending its certificate of incorporation and controlling all fundamental corporate decisions.

Nasdaq National Market symbol.......................	"CHTR"

If the underwriters exercise their over-allotment option in full, the total number of shares of Class A common stock outstanding after the offering will be 294,021,148.

In this prospectus supplement, in calculating the number of shares of each class of Charter Communications, Inc. common stock and the membership units in Charter Communications Holding Company and the ownership and voting percentages, we have assumed no exercise of outstanding options and no exchange of membership units in our subsidiaries for shares of common stock. The number of shares of Class A common stock listed above does not include outstanding Charter Communications Holding Company membership units. These membership units are exchangeable for shares of Class A common stock on a one-for-one basis, except that Mr. Allen and his affiliates may exchange membership

units for shares of Class B common stock on a one-for-one basis. Shares of Class B common stock are convertible into shares of Class A common stock at any time on a one-for-one basis.

CONCURRENT NOTES OFFERING

Concurrently with the offering of the Class A common stock, we are also offering $500 million aggregate principal amount of % convertible senior notes due 2006. The offering of Class A common stock and the offering of the notes, however, are independent offerings and are not conditioned on each other. No requirement exists that we sell the notes in order to sell the Class A common stock.

RISK FACTORS

You should carefully consider all of the information in this prospectus supplement and the accompanying prospectus. In particular, you should evaluate the specific risk factors under "Risk Factors" for a discussion of risks associated with an investment in the shares of Class A common stock.

THE OFFERING OF CONVERTIBLE SENIOR NOTES

Securities offered...........	$500,000,000 aggregate principal amount of % convertible senior notes due 2006.
Offering price................	% of the principal amount of the notes.
Interest.....................	% per year on the principal amount, payable semi-annually on and

of each year, commencing , 2001.

Conversion....................	The holders of the notes may convert notes into shares of our Class A common stock at any time before , 2006 or their prior redemption or repurchase by us at a conversion rate of shares of Class A common stock per $1,000 principal amount of notes, which is equivalent to a conversion price of approximately $ per share. See "Description of Notes -- Conversion Rights."
Ranking.......................	The notes will rank equally with all existing and future unsubordinated and unsecured indebtedness of Charter Communications, Inc., but will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.
Optional redemption by Charter Communications, Inc.........	We may redeem the notes, at our option, in whole or in part, after , 2004, at the redemption prices set forth in this prospectus supplement plus accrued and unpaid interest to the redemption date. See "Description of Notes -- Optional Redemption."
Repurchase at option of holders upon a change of control.....................	Upon a "change of control," as that term is defined in "Description of Notes -- Repurchase at Option of Holders Upon a Change of Control," you will have the right, subject to certain conditions and restrictions, to require us to repurchase your notes, in whole or in part, at 100% of their principal amount plus accrued interest to the repurchase date. The repurchase price is payable in cash or, at our option, and subject to certain conditions, in shares of Class A common stock. If we pay the repurchase price in Class A common stock, the Class A common stock will be valued at 95% of the average closing sale price of the Class A common stock for the five trading days preceding and including the fifth trading day prior to the repurchase date. See "Description of Notes -- Repurchase at Option of Holders Upon a Change of Control."
Use of proceeds...............	We expect to use the net proceeds of the notes offering for working capital purposes and capital expenditures. See "Use of Proceeds."
Nasdaq National Market symbol for Class A common stock......	The Class A common stock is listed on the Nasdaq National Market under the symbol "CHTR."

We have granted to the underwriters for the notes offering the right to purchase up to an additional $75,000,000 principal amount of notes to cover over-allotments.

CONCURRENT CLASS A COMMON STOCK OFFERING

Concurrently with the offering of the notes, we are offering 52,389,000 shares of our Class A common stock. The offering of the notes and the offering of Class A common stock, however, are independent offerings and are not conditioned on each other. No requirement exists that we sell the Class A common stock in order to sell the notes.

RISK FACTORS

You should carefully consider all of the information in this prospectus supplement and the accompanying prospectus. In particular, you should evaluate the specific risk factors under "Risk Factors" for a discussion of risks associated with an investment in the notes.

UNAUDITED SUMMARY PRO FORMA DATA

You should read the following unaudited summary pro forma financial data of Charter Communications, Inc. in conjunction with the historical financial statements and other financial information appearing elsewhere in this prospectus supplement and the accompanying prospectus, including "Capitalization," "Unaudited Pro Forma Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	UNAUDITED PRO FORMA DATA AS OF AND FOR THE THREE MONTHS ENDED MARC			
	CHARTER COMMUNICATIONS, INC.	PENDING ACQUISITIONS	SUBTOTAL	EQUITY OFFERING ADJUSTMENT
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AND S			
STATEMENT OF OPERATIONS:				
Revenues..........................	$ 873,797	$ 71,410	$ 945,207	$ --
Operating expenses:				
Operating, general and administrative................	472,147	48,156	520,303	--
Depreciation and amortization...	695,895	34,515	730,410	--
Option compensation expense.....	6,038	--	6,038	--
Corporate expense charges.......	13,721	4,850	18,571	--
Total operating expenses......	1,187,801	87,521	1,275,322	--
Loss from operations.............	(314,004)	(16,111)	(330,115)	--
Interest expense.................	(340,501)	(3,648)	(344,149)	3,640
Interest income..................	92	--	92	--
Other expense....................	(59,917)	(36)	(59,953)	--
Loss before minority interest in loss of subsidiary.............	(714,330)	(19,795)	(734,125)	3,640
Minority interest in loss of subsidiary(a)..................	381,550	10,614	392,164	(1,952)

Net loss..........................	$ (332,780)	$ (9,181)	$ (341,961)	$ 1,688
Loss per common share, basic and diluted(b)......................				
Weighted-average common shares outstanding, basic and diluted (c)............................				
OTHER FINANCIAL DATA:				
EBITDA(d).........................	$ 321,974	$ 18,368	$ 340,342	
EBITDA margin(e)..................	36.8%	25.7%	36.0%	
Adjusted EBITDA(f)................	$ 401,650	$ 23,254	$ 424,904	
Cash flows from operating activities......................	(154,087)	137,907	(16,180)	
Cash flows used in investing activities......................	(530,527)	3,383	(527,144)	
Cash flows from (used in) financing activities............	573,333	(144,192)	429,141	
Capital expenditures..............	524,523	2,165	526,688	
Cash interest expense.............				
Deficiency of earnings to cover fixed charges(g)................				
BALANCE SHEET DATA (AT END OF PERIOD):				
Total assets......................	23,727,914	715,518	24,443,432	488,190
Total debt........................	14,576,537	205,716	14,782,253	(205,310)
Minority interest(h)..............	4,783,692	119,307	4,902,999	132,151
Shareholders' equity..............	2,852,311	382,193	3,234,504	561,349
OPERATING DATA (AT END OF PERIOD, EXCEPT FOR AVERAGE):				
Homes passed(i)...................	10,258,300	955,787	11,214,087	
Basic customers(j)................	6,349,823	509,368	6,859,191	
Basic penetration(k)..............	61.9%	53.3%	61.2%	
Premium units(l)..................	5,199,721	686,849	5,886,570	
Premium penetration(m)............	81.9%	134.8%	85.8%	
Average monthly revenue per basic customer(n).....................				

S-13

14

UNAUDITED PRO FORMA DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2000

	CHARTER COMMUNICATIONS, INC.	2000 ACQUISITIONS	SUBTOTAL	PENDIN ACQUISIT
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AND SUBSCRIBER DAT			
STATEMENT OF OPERATIONS:				
Revenues..........................	$ 3,249,222	$ 49,752	$ 3,298,974	$ 279,
Operating expenses:				
Operating, general and administrative.................	1,651,353	29,312	1,680,665	188,
Depreciation and amortization.....	2,473,082	46,845	2,519,927	141,
Option compensation expense.......	40,978	--	40,978	

Corporate expense charges.........	55,243	707	55,950	12,
Total operating expenses........	4,220,656	76,864	4,297,520	341,
Loss from operations................	(971,434)	(27,112)	(998,546)	(62,
Interest expense....................	(1,249,040)	(24,381)	(1,273,421)	
Interest income.....................	7,348	(49)	7,299	
Other expense.......................	(31,729)	(77)	(31,806)	(
Loss before minority interest in loss of subsidiary................	(2,244,855)	(51,619)	(2,296,474)	(62,
Minority interest in loss of subsidiary(a)....................	1,198,826	26,705	1,225,531	33,
Net loss...........................	$(1,046,029)	$(24,914)	$(1,070,943)	$ (29,
Loss per common share, basic and diluted(b).......................				
Weighted-average common shares outstanding, basic and diluted(c).......................				
OTHER FINANCIAL DATA:				
EBITDA (d)..........................	$ 1,469,919	$ 19,656	$ 1,489,575	$ 78,
EBITDA margin (e)...................	45.2%	39.5%	45.2%	2
Adjusted EBITDA (f).................	$ 1,597,869	$ 20,440	$ 1,618,309	$ 91,
Cash flows from operating activities.......................	1,131,210	84,112	1,215,322	48,
Cash flows used in investing activities.......................	(4,053,968)	(38,924)	(4,092,892)	(154,
Cash flows from (used in) financing activities.......................	2,919,754	(79,321)	2,840,433	107,
Capital expenditures................	2,825,126	93,951	2,919,077	156,
Cash interest expense...............				
Deficiency of earnings to cover fixed charges (g)................				
BALANCE SHEET DATA (AT END OF PERIOD):				
Total assets........................	24,401,524	--	24,401,524	500,
Total debt..........................	14,424,986	--	14,424,986	
Minority interest(h)................	5,185,404	--	5,185,404	(162,
Shareholders' equity................	3,131,456	--	3,131,456	664,
OPERATING DATA (AT END OF PERIOD, EXCEPT FOR AVERAGE):				
Homes passed (i)....................			10,219,300	955,
Basic customers (j).................			6,346,200	511,
Basic penetration (k)...............			62.1%	5
Premium units (l)...................			4,936,800	718,
Premium penetration (m).............			77.8%	14
Average monthly revenue per basic customer (n).....................				

	UNAUDITED PRO FORMA DATA AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2000		
	EQUITY OFFERING ADJUSTMENT	NOTES OFFERING ADJUSTMENT	TOTAL
	(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AND SUBSCRIBER DATA		
STATEMENT OF OPERATIONS:			

Revenues	$ --	$ --	$ 3,578,679
Operating expenses:			
Operating, general and administrative	--	--	1,869,323
Depreciation and amortization	--	--	2,661,075
Option compensation expense	--	--	40,978
Corporate expense charges	--	--	68,038
Total operating expenses	--	--	4,639,414
Loss from operations	--		(1,060,735)
Interest expense	--	(31,750)	(1,305,234)
Interest income	--	--	7,298
Other expense	--	--	(32,283)
Loss before minority interest in loss of subsidiary	--	(31,750)	(2,390,954)
Minority interest in loss of subsidiary(a)	--	17,024	1,276,191
Net loss	$ --	$ (14,726)	$ (1,114,763)
Loss per common share, basic and diluted(b)			$ (3.81)
Weighted-average common shares outstanding, basic and diluted(c)			292,927,130
OTHER FINANCIAL DATA:			
EBITDA (d)			$ 1,568,057
EBITDA margin (e)			43.8%
Adjusted EBITDA (f)			$ 1,709,356
Cash flows from operating activities			1,263,685
Cash flows used in investing activities			(4,247,625)
Cash flows from (used in) financing activities			2,948,160
Capital expenditures			3,075,205
Cash interest expense			994,343
Deficiency of earnings to cover fixed charges (g)			2,390,954
BALANCE SHEET DATA (AT END OF PERIOD):			
Total assets	718,500	500,000	26,120,742
Total debt	--	500,000	14,925,403
Minority interest(h)	385,260	--	5,407,767
Shareholders' equity	333,240	--	4,129,093
OPERATING DATA (AT END OF PERIOD, EXCEPT FOR AVERAGE):			
Homes passed (i)			11,175,224
Basic customers (j)			6,857,479
Basic penetration (k)			61.4%
Premium units (l)			5,655,088
Premium penetration (m)			82.5%
Average monthly revenue per basic customer (n)			$43.49

(a) Represents the allocation of losses to the minority interest in loss of subsidiary based on ownership of Charter Communications Holding Company and the 2% accretion of the preferred membership units of an indirect subsidiary of Charter Communications, Inc. issued to certain Bresnan sellers. These membership units are exchangeable on a one-for-one basis for shares of our Class A common stock.

(b) Basic and diluted loss per common share equals net loss divided by weighted average common shares outstanding. Basic and diluted loss per common share assumes none of the membership units of Charter Communications

Holding Company or preferred membership units in an indirect subsidiary of Charter Communications, Inc. held by certain Bresnan sellers as of March 31, 2001, are exchanged for shares of our Class A common stock, none of the October and November 2000 convertible senior notes and notes offered hereby are converted into shares of our Class A common stock and none of the outstanding options to purchase membership units of Charter Communications Holding Company that are automatically exchanged for shares of our Class A common stock are exercised. If the membership units were exchanged, notes converted or options exercised, the effects would be antidilutive.

	FOR THE THREE MONTHS ENDED MARCH 31, 2001	FOR THE YEAR ENDE DECEMBER 31, 2000
Converted loss per Class A common share....................	$ (1.12)	$ (3.64)
Weighted average Class A common shares outstanding -- converted................................	656,613,708	656,239,353

Converted loss per Class A common share assumes all common membership units of Charter Communications Holding Company and preferred membership units in an indirect subsidiary of Charter Communications, Inc. held by certain Bresnan sellers as of March 31, 2001, are exchanged for shares of our Class A common stock. If all these shares are exchanged, minority interest would equal zero. Converted loss per Class A common share is calculated by dividing loss before minority interest by the weighted average Class A common shares outstanding -- converted. Weighted average Class A common shares outstanding -- converted assumes the total common membership units in Charter Communications Holding Company totaling 339,096,474 and 24,215,749 preferred membership units in an indirect subsidiary of Charter Communications, Inc. held by certain Bresnan sellers are exchanged for shares of our Class A common stock. Converted loss per Class A common share assumes no conversion of our 2000 convertible senior notes or the notes offered hereby and no exercise of any options.

(c) Represents historical weighted average shares outstanding for the period, plus Class A common stock as described in this prospectus supplement (assuming an offering price of $21.00 per share), assuming such shares were outstanding for the entire period.

(d) EBITDA represents earnings (loss) before interest, income taxes, depreciation and amortization, and minority interest. EBITDA is presented because it is a widely accepted financial indicator of a cable company's ability to service indebtedness. However, EBITDA should not be considered as an alternative to income from operations or to cash flows from operating, investing or financing activities, as determined in accordance with generally accepted accounting principles. EBITDA should also not be construed as an indication of a company's operating performance or as a measure of liquidity. Management's discretionary use of funds depicted by EBITDA may be limited by working capital, debt service and capital expenditure requirements and by restrictions related to legal requirements, commitments and uncertainties.

(e) EBITDA margin represents EBITDA as a percentage of revenues.

(f) Adjusted EBITDA means EBITDA before option compensation expense, corporate expense charges, management fees and other expenses. Adjusted EBITDA is presented because it is a widely accepted financial indicator of a cable company's ability to service its indebtedness. However, adjusted EBITDA should not be considered as an alternative to income from operations or to cash flows from operating, investing or financing activities, as determined in accordance with generally accepted accounting principles. Adjusted EBITDA should also not be construed as an indication of a company's operating performance or as a measure of liquidity. In addition, because adjusted EBITDA is not calculated identically by all companies, the presentation here may not be comparable to other similarly titled measures of other companies. Management's discretionary use of funds depicted by adjusted EBITDA may be limited by working capital, debt service and capital expenditure requirements and by restrictions related to legal requirements, commitments and uncertainties.

(g) Earnings include net income (loss) plus fixed charges. Fixed charges consist of interest expense and an estimated interest component of rent expense.

(h) Minority interest consists primarily of (1) total members' equity of Charter Communications Holding Company multiplied by 53.6% on a pro forma basis at March 31, 2001, the ownership percentage of Charter Communications Holding Company not owned by us and (2) preferred equity in a subsidiary of Charter Communications, Inc. held by certain Bresnan sellers. Gains (losses) arising from the issuance by Charter Communications Holding Company of its membership units are recorded as capital transactions, thereby increasing/(decreasing) shareholders' equity and (decreasing)/increasing minority interest.

S-15

16

(i) Homes passed are the number of living units, such as single residence homes, apartments and condominium units, passed by the cable television distribution network in a given cable system service area.

(j) Basic customers are customers who receive basic cable service.

(k) Basic penetration represents basic customers as a percentage of homes passed.

(l) Premium units represent the total number of subscriptions to premium channels.

(m) Premium penetration represents premium units as a percentage of basic customers.

(n) Average monthly revenue per basic customer represents revenues divided by the number of months in the period divided by the number of basic customers at the end of the period.

RISK FACTORS

An investment in shares of Class A common stock or the notes entails the following risks. You should carefully consider these risk factors, as well as the other information contained in this prospectus supplement and the accompanying prospectus.

THE OFFERING OF THE CLASS A COMMON STOCK AND THE OFFERING OF THE NOTES ARE INDEPENDENT OFFERINGS AND ARE NOT CONDITIONED ON EACH OTHER. IF YOU ARE A PROSPECTIVE PURCHASER OF CLASS A COMMON STOCK, WE CANNOT ASSURE YOU THAT THE NOTES OFFERING WILL OCCUR. IF YOU ARE A PROSPECTIVE PURCHASER OF THE NOTES, WE CANNOT ASSURE YOU THAT THE CLASS A COMMON STOCK OFFERING WILL OCCUR.

OUR STRUCTURE

MR. ALLEN HAS THE ABILITY TO CONTROL MATTERS ON WHICH ALL OF CHARTER COMMUNICATIONS, INC.'S SHAREHOLDERS MAY VOTE AND HAS THE EXCLUSIVE RIGHT TO VOTE ON SPECIFIC MATTERS.

Mr. Allen controls approximately 93.5% of the voting power of Charter Communications, Inc.'s capital stock. Accordingly, Mr. Allen controls Charter Communications, Inc. Although Class A common shareholders, other than Mr. Allen, have an equity interest in Charter Communications, Inc. of more than 96.2%, Class A common shareholders have a very limited voting interest in Charter Communications, Inc. and a limited indirect equity interest in Charter Communications Holding Company. The purposes of our structure are, among other things, to enable Mr. Allen to take advantage for tax purposes of the losses expected to be generated by Charter Communications Holding Company and to enable him to maintain control of our business.

Mr. Allen has the ability to control fundamental corporate transactions requiring equity holder approval, including, but not limited to, the election of all of our directors, approval of merger transactions involving us and the sale of all or substantially all of our assets. Mr. Allen's control may continue in the future through the high vote Class B common stock even if Mr. Allen owns a minority economic interest in our business.

As the owner of all of our Class B common stock, Mr. Allen is entitled to elect all but one member of Charter Communications, Inc.'s board of directors. As an owner of 3.8% of our Class A common stock and owner of all of our Class B common stock, Mr. Allen presently has voting control in the election by holders of Class A and Class B common stock, voting together as a single class, of the remaining member of our board of directors. In addition, because of the exclusive voting rights granted to holders of Class B common stock for specific matters, he has the sole power to amend a number of important provisions of Charter Communications, Inc.'s certificate of incorporation, including provisions restricting the scope of our business activities. See "Description of Capital Stock and Membership Units."

MR. ALLEN MAY HAVE INTERESTS THAT CONFLICT WITH YOUR INTERESTS.

Mr. Allen's control over our management and affairs could create conflicts of interest if he is faced with decisions that could have implications for both him and for us and the holders of Class A common stock and the notes. Further, through his effective control, Mr. Allen could cause us to enter into contracts with another entity in which he owns an interest or cause us to decline a transaction that he (or another entity in which he owns an interest) ultimately enters into.

Mr. Allen may engage in other businesses involving the operation of cable television systems, video programming, high-speed Internet access, telephony or electronic commerce, which is business and financial transactions conducted through broadband interactivity and Internet services. Mr. Allen may also engage in other businesses that compete or may in the future compete with us. In addition, Mr. Allen currently engages and may engage in the future in businesses that are complementary to our cable business.

S-17

18

Accordingly, conflicts could arise with respect to the allocation of corporate opportunities between us and Mr. Allen. Current or future agreements between us and Mr. Allen or his affiliates may not be the result of arm's-length negotiations. Consequently, such agreements may be less favorable to us than agreements that we could otherwise have entered into with unaffiliated third parties. Further, many past and future transactions with Mr. Allen or his affiliates are informal in nature. As a result, there will be some discretion left to the parties, who are subject to the potentially conflicting interests described above. We cannot assure you that the interests of either Mr. Allen or his affiliates will not conflict with interests of the holders of our Class A common stock or the notes. We have not instituted any formal plans to address conflicts of interest that may arise.

WE ARE NOT PERMITTED TO ENGAGE IN ANY BUSINESS ACTIVITY OTHER THAN THE CABLE TRANSMISSION OF VIDEO, AUDIO AND DATA UNLESS MR. ALLEN AUTHORIZES US TO PURSUE THAT PARTICULAR BUSINESS ACTIVITY. THIS COULD ADVERSELY AFFECT OUR ABILITY TO OFFER NEW PRODUCTS AND SERVICES OUTSIDE OF THE CABLE TRANSMISSION BUSINESS AND ENTER INTO NEW BUSINESSES, WHICH COULD ADVERSELY AFFECT OUR GROWTH, FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Charter Communications, Inc.'s certificate of incorporation and Charter Communications Holding Company's limited liability company agreement provide that Charter Communications, Inc. and Charter Communications Holding Company and their subsidiaries cannot engage in any business activity outside the cable transmission business except for specified businesses. This will be the case unless the opportunity to pursue the particular business activity is first offered to Mr. Allen, he decides not to pursue it and he consents to our engaging in the business activity. The cable transmission business means the business of transmitting video, audio, including telephone services, and data over cable television systems owned, operated or managed by us from time to time. These provisions may limit our ability to take advantage of attractive business opportunities. Consequently, our ability to offer new products and services outside of the cable transmission business and enter into new businesses could be adversely affected, resulting in an adverse effect on our growth, financial condition and results of operations. See "Certain Relationships and Related Transactions -- Allocation of Business Opportunities with Mr. Allen."

MR. ALLEN'S CONTROL AND CHARTER COMMUNICATIONS, INC.'S ORGANIZATIONAL DOCUMENTS MAY INHIBIT OR PREVENT A TAKEOVER OR A CHANGE IN MANAGEMENT THAT COULD RESULT IN A CHANGE OF CONTROL PREMIUM OR FAVORABLY IMPACT THE MARKET PRICE OF THE CLASS A COMMON STOCK AND THE NOTES.

As a result of his controlling voting interest, Mr. Allen will have the ability to delay or prevent a change of control or changes in our management that our other shareholders, including the holders of our Class A common stock, may consider favorable or beneficial. Provisions in our organizational documents may also have the effect of delaying or preventing these changes, including provisions:

- authorizing the issuance of "blank check" preferred stock;

- restricting the calling of special meetings of shareholders; and

- requiring advanced notice for proposals for shareholder meetings.

If a change of control or change in management is delayed or prevented, the market price of our Class A common stock and the notes could suffer or holders of such securities may not receive a change of control premium over the then-current market price of the Class A common stock or the notes.

WE COULD BE DEEMED AN "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT OF 1940. THIS WOULD IMPOSE SIGNIFICANT RESTRICTIONS ON US AND WOULD BE LIKELY TO HAVE A MATERIAL ADVERSE IMPACT ON OUR GROWTH, FINANCIAL CONDITION AND RESULTS OF OPERATION.

If anything were to happen which would cause us to be deemed an investment company, the Investment Company Act would impose significant restrictions on us, including severe limitations on our ability to borrow money, to issue additional capital stock and to transact business with affiliates. In addition, because our operations are very different from those of the typical registered investment company, regulation under the Investment Company Act could affect us in other ways that are extremely difficult to predict. In sum, if we were deemed to be an investment company it could become impractical for us to continue our business as

currently conducted and our growth, our financial condition and our results of operations could suffer materially.

Our principal asset is our equity interest in Charter Communications Holding Company. If our membership interest in Charter Communications Holding Company were to constitute less than 50% of the voting securities issued by Charter Communications Holding Company, then our interest in Charter Communications Holding Company could be deemed an "investment security" for purposes of the Investment Company Act. This may occur, for example, if a court determines that the Class B common stock is no longer entitled to special voting rights and, in accordance with the terms of the Charter Communications Holding Company limited liability company agreement, our membership units in this company were to lose their special voting privileges. A determination that such investment was an investment security could cause us to be deemed to be an investment company under the Investment Company Act, unless an exclusion from registration were available or we were to obtain an order of the SEC excluding or exempting us from registration under this Act.

IF A COURT DETERMINES THAT THE CLASS B COMMON STOCK IS NO LONGER ENTITLED TO SPECIAL VOTING RIGHTS, WE WOULD LOSE OUR RIGHTS TO MANAGE CHARTER COMMUNICATIONS HOLDING COMPANY. IN ADDITION TO THE INVESTMENT COMPANY RISKS DISCUSSED ABOVE, THIS COULD MATERIALLY IMPACT THE VALUE OF THE CLASS A COMMON STOCK AND THE NOTES.

If a court determines that the Class B common stock is no longer entitled to special voting rights, Charter Communications, Inc. would no longer have a controlling voting interest in, and would lose its right to manage, Charter Communications Holding Company. If this were to occur:

- we would retain our proportional equity interest in Charter Communications Holding Company but would lose all of our powers to direct the management and affairs of Charter Communications Holding Company and its subsidiaries;

- Class A common shareholders would lose any right they had at that time or might have had in the future to direct, through equity ownership in us, the management and affairs of Charter Communications Holding Company; and

- we would become strictly a passive investment vehicle.

This result, as well as the impact of being treated by investors as an investment company, could materially adversely impact:

- the liquidity of the Class A common stock and the notes;

- how the Class A common stock and the notes trade in the marketplace;

- the price that purchasers would be willing to pay for the Class A common stock in a change of control transaction or otherwise; and

- the market price of the Class A common stock and the notes.

Uncertainties that may arise with respect to the nature of our management role and voting power and organizational documents, including legal actions or proceedings relating thereto, may also materially adversely impact the value of the Class A common stock and the notes.

THE SPECIAL TAX ALLOCATION PROVISIONS OF THE CHARTER COMMUNICATIONS HOLDING COMPANY LIMITED LIABILITY COMPANY AGREEMENT MAY CAUSE US IN SOME CIRCUMSTANCES TO PAY MORE TAXES THAN IF THE SPECIAL TAX ALLOCATION PROVISIONS WERE NOT IN EFFECT.

Charter Communications Holding Company's limited liability company agreement provides that through the end of 2003, tax losses of Charter Communications Holding Company that would otherwise have been allocated to us based generally on our percentage of outstanding membership units of Charter Communications Holding Company will instead be allocated to the membership units held by Vulcan Cable III Inc. and Charter Investment. The purpose of these special tax allocation provisions is to allow Mr. Allen to take

advantage for tax purposes of the losses expected to be generated by Charter Communications Holding Company. The limited liability company agreement further provides that beginning at the time that Charter Communications Holding Company first becomes profitable (as determined under the applicable federal income tax rules for determining book profits), tax profits that would otherwise have been allocated to us based generally on our percentage of outstanding membership units of Charter Communications Holding Company will instead be allocated to membership units held by Vulcan Cable III Inc. and Charter Investment. In some situations, the special tax allocation provisions could result in our having to pay taxes in an amount that is more than if Charter Communications Holding Company had allocated losses and profits to us based generally on our percentage of outstanding membership units from the time of the completion of our initial public offering. See "Description of Capital Stock and Membership Units -- Special Tax Allocation Provisions."

OUR MANAGEMENT MAY BE RESPONSIBLE FOR MANAGING OTHER CABLE OPERATIONS AND MAY NOT DEVOTE THEIR FULL TIME TO OUR OPERATIONS. THIS COULD GIVE RISE TO CONFLICTS OF INTEREST AND IMPAIR OUR OPERATING RESULTS.

Mr. Allen and certain other of our affiliates may from time to time in the future acquire cable systems in addition to those owned by us. We, as well as some of our officers who currently manage our cable systems, may have a substantial role in managing outside cable systems that may be acquired in the future. As a result, the time we devote to managing Charter Communications Holding Company's systems may be correspondingly reduced. This could adversely affect our growth, financial condition and results of operations. Moreover, allocating our managers' time and other resources and those of Charter Communications Holding Company between our systems and outside systems that may be held by our affiliates could give rise to conflicts of interest. Neither we nor Charter Communications Holding Company have or plan to create formal procedures for determining whether and to what extent cable systems acquired in the future will receive priority with respect to personnel requirements.

OUR BUSINESS

WE AND OUR SUBSIDIARIES HAVE SUBSTANTIAL EXISTING DEBT AND WILL INCUR SUBSTANTIAL ADDITIONAL DEBT, WHICH COULD ADVERSELY AFFECT OUR FINANCIAL HEALTH AND OUR ABILITY TO OBTAIN FINANCING IN THE FUTURE AND REACT TO CHANGES IN OUR BUSINESS.

We and our subsidiaries have a significant amount of debt. As of March 31, 2001, on a pro forma basis giving effect to the sale of the May 2001 Charter Holdings notes and the application of the net proceeds therefrom and the closing of the pending AT&T transactions, our total debt was $14.8 billion, our total shareholders' equity was approximately $3.2 billion and the deficiency of our earnings available to cover fixed charges was approximately $0.7 billion. As of March 31, 2001, on a pro forma basis giving effect to the sale of the May 2001 Charter Holdings notes and the application of the net proceeds therefrom and the closing of the pending AT&T transactions, and as further adjusted for the offering of Class A common stock and the offering of the notes and the application of the net proceeds therefrom, our total debt would have been approximately $15.1 billion, our total shareholders' equity would have been approximately $3.8 billion and the deficiency of our earnings available to cover fixed charges would have been approximately $0.7 billion.

Our significant amount of debt could have important consequences to you. For example, it could:

- make it more difficult for us to satisfy our obligations under the notes, to the lenders under our subsidiaries' credit facilities and to the holders of our existing public notes and the public notes of our subsidiaries;

- increase our vulnerability to general adverse economic and cable industry conditions, including interest rate increases, because a significant portion of our borrowings are and will continue to be at variable rates of interest;

- require us to dedicate a substantial portion of our cash flow from operations to payments on our debt, which will reduce our funds available for working capital, capital expenditures and other general corporate expenses;

- limit our flexibility in planning for, or reacting to, changes in our business and the cable industry;

- place us at a disadvantage compared to our competitors that have proportionately less debt; and

- limit our ability to borrow additional funds in the future, if we need them, due to applicable financial and restrictive covenants in our debt.

The indenture governing the notes will not prohibit us from incurring additional debt. Further, the agreements and instruments governing our subsidiaries' debt allow for the incurrence of substantial additional debt by our subsidiaries, all of which would be structurally senior to the notes. We anticipate that we may incur significant additional debt, including through our subsidiaries, in the future to fund the expansion, maintenance and upgrade of our cable systems. If current debt levels increase, the related risks that we and you now face will intensify.

CHARTER COMMUNICATIONS, INC. IS A HOLDING COMPANY WHICH HAS NO OPERATIONS AND WILL DEPEND ON ITS OPERATING SUBSIDIARIES FOR CASH TO MAKE PAYMENTS ON THE NOTES. OUR SUBSIDIARIES ARE LIMITED IN THEIR ABILITY TO MAKE FUNDS AVAILABLE FOR THE PAYMENT OF THE NOTES, OUR OTHER OBLIGATIONS AND DIVIDENDS OR OTHER DISTRIBUTIONS TO HOLDERS OF CLASS A COMMON STOCK.

As a holding company, we will depend entirely on cash from our operating subsidiaries to satisfy our obligations under the notes. These operating subsidiaries may not be able to make funds available to us.

Our principal asset is an approximate 41% equity interest and a 100% voting interest in Charter Communications Holding Company. We do not hold any significant assets other than our direct and indirect interests in our subsidiaries. Our cash flow depends upon the cash flow of our operating subsidiaries and the payment of funds by these operating subsidiaries to Charter Communications Holding Company and Charter Communications, Inc. This could adversely affect our ability to meet our obligations to any holder of the notes or to our other creditors or to make dividends and other distributions to holders of Class A common stock. We have never paid and do not expect to pay any cash dividends on our Class A common stock in the foreseeable future.

Our operating subsidiaries are separate and distinct legal entities and are not obligated to make funds available for payment of the notes in the form of loans, distributions or otherwise. In addition, our operating subsidiaries' ability to make any such loans, distributions or other payments to us will depend on their earnings, business and tax considerations and legal restrictions. Furthermore, covenants in the indentures and credit agreements governing the debt of our subsidiaries restrict their ability to make loans, distributions or other payments to us. This could adversely impact our ability to pay interest and principal due on the notes. See the risk factors below and "Description of Certain Indebtedness."

THE AGREEMENTS AND INSTRUMENTS GOVERNING OUR SUBSIDIARIES' DEBT CONTAIN RESTRICTIONS AND LIMITATIONS THAT COULD SIGNIFICANTLY IMPACT OUR ABILITY TO OPERATE OUR BUSINESS AND ADVERSELY AFFECT THE HOLDERS OF THE NOTES.

The credit facilities of our subsidiaries and the indentures governing the publicly held notes of our subsidiaries contain a number of significant covenants that could adversely impact our business and adversely affect the holders of the notes. In particular, the credit facilities and indentures of our subsidiaries restrict our subsidiaries' ability to:

- pay dividends or make other distributions;

- make certain investments or acquisitions;

- dispose of assets or merge;

- incur additional debt;

- issue equity;

- repurchase or redeem equity interests and debt;

- create liens; and

- pledge assets.

Furthermore, in accordance with our subsidiaries' credit facilities, a number of our subsidiaries are required to maintain specified financial ratios and meet financial tests. The ability to comply with these

provisions may be affected by events beyond our control. The breach of any of these covenants will result in a default under the applicable debt agreement or instrument, which could prohibit distributions to us to pay amounts due on the notes.

OUR SUBSIDIARIES ARE LIMITED IN THEIR ABILITY TO MAKE DISTRIBUTIONS TO US TO FUND INTEREST AND PRINCIPAL PAYMENTS ON THE NOTES.

Because of the restrictions in our subsidiaries' credit facilities on their ability to pay dividends or make other distributions to Charter Communications, Inc. or Charter Communications Holding Company, giving effect to our application of the net proceeds from the notes offering described in this prospectus supplement, our subsidiaries will be permitted to make distributions sufficient to fund interest payments on the notes only for the first 36 months of their term. These limitations would also restrict our subsidiaries' ability to make distributions to us to fund change of control offers or principal payments upon the occurrence of a default. To fully fund interest payments on the notes for their entire term and the repayment of the notes, we or our subsidiaries will need to raise additional funds through the issuance of additional debt or equity securities or our subsidiaries will have to obtain amendments to their credit facilities to permit them to make the necessary distributions to Charter Communications Holding Company and/or to us. We cannot assure you that we will be able to raise such additional funds or obtain such amendments on a timely basis. If we are unable to raise such additional funds or obtain such amendments on a timely basis, we might not be able to repay or make any remaining payments on the notes.

BECAUSE OF OUR HOLDING COMPANY STRUCTURE, THE NOTES WILL BE STRUCTURALLY SUBORDINATED TO ALL LIABILITIES OF OUR SUBSIDIARIES.

The borrowers and guarantors under the Charter Operating credit facilities, the CC VI (Fanch) credit facilities, the CC VII (Falcon) credit facilities and the CC VIII (Bresnan) credit facilities are our indirect subsidiaries. A number of our subsidiaries are also obligors under other debt instruments, including Charter Holdings, which is a co-issuer of senior notes and senior discount notes issued in March 1999, January 2000, January 2001 and May 2001. As of March 31, 2001, on a pro forma basis giving effect to the sale of the May 2001 Charter Holdings notes and the application of the net proceeds therefrom and the closing of the pending AT&T transactions, our total debt would have been approximately $14.8 billion. As of March 31, 2001, on a pro forma basis giving effect to the sale of the May 2001 Charter Holdings notes and the application of the net proceeds therefrom and the closing of the pending AT&T transactions, and as adjusted further for the offering of the notes, our total debt would have been approximately $15.1 billion, $13.8 billion of which would have been structurally senior to the notes. The lenders under all of these credit facilities and the holders of the other debt instruments and all other creditors of our subsidiaries will have the right to be paid before us from any of our subsidiaries' assets. In addition, if we caused a subsidiary to pay a dividend to enable us to make payments in respect of notes, and such transfer were deemed a fraudulent transfer or an unlawful distribution, the holders of the notes could be required to return the payment to (or for the benefit of) the creditors of our subsidiaries. In the event of the bankruptcy, liquidation or dissolution of a subsidiary, following payment by such subsidiary of its liabilities, such subsidiary may not have sufficient assets remaining to make any payments to us as an equity holder or otherwise. This will adversely affect our ability to make payments to the holder of the notes. In addition, the notes are unsecured and therefore will be effectively subordinated in right of payment to any future secured debt we may incur to the extent of the value of the assets securing such debt.

IF OUR SUBSIDIARIES DEFAULT UNDER THEIR CREDIT FACILITIES OR PUBLIC NOTES, WE MAY NOT HAVE THE ABILITY TO MAKE PAYMENTS ON THE NOTES.

In the event of a default under our subsidiaries' credit facilities or public notes, our subsidiaries' creditors could elect to declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be due and payable. In such event, our subsidiaries' credit facilities and indentures will not permit our subsidiaries to distribute funds to Charter Communications Holding Company or Charter Communications, Inc. to pay interest or principal on the notes. If the amounts outstanding under such credit facilities and public notes are accelerated, all of our subsidiaries' debt and liabilities would be payable from our subsidiaries' assets,

prior to any distribution of our subsidiaries' assets to pay the interest and principal amounts on the notes and we might not be able to repay or make any payments on the notes. Any default under any of our subsidiaries' credit facilities or public notes might adversely affect the holders of the notes and our growth, financial condition and results of operations.

OUR ABILITY TO GENERATE THE SIGNIFICANT AMOUNT OF CASH NEEDED TO PAY INTEREST AND PRINCIPAL AMOUNTS ON THE NOTES, SERVICE OUR OTHER DEBT AND THE DEBT OF OUR SUBSIDIARIES, AND GROW OUR BUSINESS DEPENDS ON MANY FACTORS BEYOND OUR CONTROL.

Our ability to make payments on the notes, our other debt and the debt of our subsidiaries, and to fund our planned capital expenditures for upgrading our cable systems and our ongoing operations will depend on our ability to generate cash and to secure financing in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors beyond our control. If our business does not generate sufficient cash flow from operations, and sufficient future distributions are not available to us from borrowings under the credit facilities of our subsidiaries or from other sources of financing, we may not be able to make interest payments on the notes or repay the notes, to service our other debt or the debt of our subsidiaries, to grow our business or to fund our other liquidity needs.

WE HAVE A HISTORY OF NET LOSSES AND EXPECT TO CONTINUE TO EXPERIENCE NET LOSSES. CONSEQUENTLY, WE MAY NOT HAVE THE ABILITY TO FINANCE FUTURE OPERATIONS.

We have had a history of net losses and expect to continue to report net losses for the foreseeable future. We expect our net losses to increase as a result of our closed acquisitions and our planned upgrades and other capital expenditures. We reported losses before minority interest in loss of subsidiary of $22.5 million for 1998, $638.8 million for 1999 and $2.1 billion for 2000. On a pro forma basis giving effect to (1) the sale of the January 2001 and May 2001 Charter Holdings notes and the application of the net proceeds therefrom, (2) the sale of our convertible senior notes in October and November 2000 and the application of the net proceeds therefrom, and (3) acquisitions in 2000, we had a net loss before minority interest in loss of subsidiary of $2.3 billion for 2000 and $0.7 billion for the three months ended March 31, 2001. We cannot predict what impact, if any, continued losses will have on our ability to finance our operations in the future.

WE HAVE GROWN RAPIDLY AND HAVE A LIMITED HISTORY OF OPERATING OUR CURRENT SYSTEMS. THIS MAKES IT DIFFICULT FOR YOU TO COMPLETELY EVALUATE OUR PERFORMANCE.

We commenced active operations in 1994 and have grown rapidly since then through acquisitions of cable systems. As of December 31, 2000, our systems served approximately 400% of the number of customers served as of December 31, 1998. As a result, historical financial information about us may not be indicative of the future or of results that we can achieve with the cable systems which will be under our control. Our recent growth in revenues over our short operating history is not necessarily indicative of future performance.

THE FAILURE TO OBTAIN NECESSARY REGULATORY APPROVALS, OR TO SATISFY OTHER CLOSING CONDITIONS, COULD IMPEDE THE CONSUMMATION OF THE PENDING AT&T TRANSACTIONS. THIS WOULD PREVENT OR DELAY OUR STRATEGY TO EXPAND OUR BUSINESS AND INCREASE REVENUES.

Our pending AT&T transactions are subject to federal, state and local regulatory approvals. We cannot assure you that we will be able to obtain any necessary approvals. These pending transactions are also subject to a number of other closing conditions. We cannot assure you as to when, or if, each such transaction will be consummated. Any delay, prohibition or modification could adversely affect the terms of a pending transaction or could require us to abandon an otherwise attractive opportunity.

WE MAY NOT HAVE THE ABILITY TO INTEGRATE THE NEW CABLE SYSTEMS THAT WE ACQUIRE AND THE CUSTOMERS THEY SERVE WITH OUR EXISTING CABLE SYSTEMS. THIS COULD ADVERSELY AFFECT OUR OPERATING RESULTS AND GROWTH STRATEGY.

We have grown through acquisitions of cable systems, and now own and operate cable systems serving approximately 6.4 million customers. We may acquire more cable systems in the future, through acquisitions,

system swaps or otherwise. The integration of the cable systems we have recently acquired or anticipate acquiring, including in the pending AT&T transactions, poses a number of significant risks, including:

- our acquisitions may not have a positive impact on our cash flows from operations;

- the integration of these new systems and customers will place significant demands on our management and our operations, information services, and financial, legal and marketing resources. Our current operating and financial systems and controls and information services may not be adequate, and any steps taken to improve these systems and controls may not be sufficient;

- acquired businesses sometimes result in unexpected liabilities and contingencies which could be significant; and

- our continued growth will also increase our need for qualified personnel. We may not be able to hire such additional qualified personnel.

We cannot assure you that we will successfully integrate any acquired systems into our operations.

IF WE ARE UNSUCCESSFUL IN IMPLEMENTING OUR GROWTH STRATEGY, OUR FINANCIAL

CONDITION AND RESULTS OF OPERATIONS COULD BE ADVERSELY AFFECTED.

If we are unable to grow our cash flow sufficiently, we may be unable to make interest payments on the notes or repay the notes or our other debt, including the debt of our subsidiaries, to grow our business or to fund our other liquidity needs. We expect that a substantial portion of our future growth will be achieved through revenues from new products and services. We may not be able to offer these new products and services successfully to our customers and these new products and services may not generate adequate revenues.

OUR PROGRAMMING COSTS ARE INCREASING. WE MAY NOT HAVE THE ABILITY TO PASS THESE INCREASES ON TO OUR CUSTOMERS, WHICH WOULD ADVERSELY AFFECT OUR CASH FLOW AND OPERATING MARGINS.

Programming has been, and is expected to continue to be, our largest single expense item. In recent years, the cable industry has experienced a rapid escalation in the cost of programming, particularly sports programming. This escalation may continue, and we may not be able to pass programming cost increases on to our customers. The inability to pass these programming cost increases on to our customers would have an adverse impact on our cash flow and operating margins. In addition, as we upgrade the channel capacity of our systems and add programming to our basic, expanded basic and premium programming tiers, we may face additional market constraints on our ability to pass programming costs on to our customers. Basic programming includes a variety of entertainment and local programming. Expanded basic programming offers more services than basic programming. Premium service includes unedited, commercial-free movies, sports and other special event entertainment programming.

THE PROSPECTIVE LENDERS' COMMITMENTS TO LEND TO US UNDER THE CHARTER HOLDINGS 2001 SENIOR BRIDGE LOAN FACILITY ARE SUBJECT TO A NUMBER OF CONDITIONS.

The Charter Holdings 2001 senior bridge loan facility for which we have received commitments will not close unless specified closing conditions are satisfied. Some of these closing conditions are not under our control, and we cannot assure you that all closing conditions will be satisfied. For example, the closing conditions for these facilities include:

- the absence of various types of material adverse changes, including material adverse changes in the financial and capital markets; and

- receipt of required approvals from third parties.

If funding is not available under the Charter Holdings 2001 senior bridge loan facility, we would need to arrange other sources of financing to fund our anticipated capital expenditures and meet our other obligations, and we cannot assure you that alternate financing sources will be available to us.

WE MAY NOT BE ABLE TO OBTAIN CAPITAL SUFFICIENT TO FUND OUR PLANNED UPGRADES AND OTHER CAPITAL EXPENDITURES. THIS COULD ADVERSELY AFFECT OUR ABILITY TO OFFER NEW PRODUCTS AND SERVICES, WHICH COULD ADVERSELY AFFECT OUR GROWTH, FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Without giving effect to the pending AT&T transactions, in 2001, 2002 and 2003, we expect to spend approximately $2.9 billion, $1.75 billion and $950 million respectively, to upgrade and rebuild our systems in order to offer advanced services to our customers. In addition, we anticipate rebuild costs associated with the AT&T systems we expect to acquire to total approximately $350 million. The amount that we spend on these types of capital expenditures will depend on the level of growth in digital cable customers and in the delivery of other advanced services.

We cannot assure you that our anticipated levels of capital expenditures will be sufficient to accomplish our planned system upgrades, maintenance and expansion, or to roll out advanced services. If we borrow the full amount available under the amended Charter Holdings 2001 senior bridge loan facility or if we receive approximately $1 billion of net proceeds from the offerings described in this prospectus supplement (exclusive of $501.5 million of net proceeds from the Class A common stock offering that we expect to use for payment to AT&T), we will have sufficient capital to satisfy our previously projected funding shortfall of $300 million to $500 million. If there is accelerated growth in digital cable customers or in the delivery of other advanced services however, we may need additional capital. If we cannot obtain such capital from increases in our operating cash flow, additional borrowings or other sources, we may not be able to fund any accelerated growth or offer advanced services on a timely basis. Consequently, our growth, financial condition and results of operations could suffer materially. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Capital Expenditures."

WE MAY NOT BE ABLE TO FUND THE CAPITAL EXPENDITURES NECESSARY TO KEEP PACE WITH TECHNOLOGICAL DEVELOPMENTS OR OUR CUSTOMERS' DEMAND FOR NEW PRODUCTS AND SERVICES. THIS COULD LIMIT OUR ABILITY TO COMPETE EFFECTIVELY. CONSEQUENTLY, OUR GROWTH, RESULTS OF OPERATIONS AND FINANCIAL CONDITION COULD SUFFER MATERIALLY.

The cable business is characterized by rapid technological change and the introduction of new products and services. We cannot assure you that we will be able to fund the capital expenditures necessary to keep pace with technological developments, or that we will successfully anticipate the demand of our customers for products and services requiring new technology. This type of rapid technological change could adversely affect our plans to upgrade or expand our systems and respond to competitive pressures. Our inability to upgrade, maintain and expand our systems and provide enhanced services in a timely manner, or to anticipate the demands of the market place, could adversely affect our ability to compete. Consequently, our growth, financial condition and results of operations could suffer materially.

WE MAY BE UNABLE TO NEGOTIATE CONSTRUCTION CONTRACTS ON FAVORABLE TERMS AND OUR CONSTRUCTION COSTS MAY INCREASE SIGNIFICANTLY. THIS COULD ADVERSELY AFFECT OUR GROWTH, FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The expansion and upgrade of our existing systems and the systems we plan to acquire will require us to hire contractors and enter into a number of construction agreements. We may have difficulty hiring civil contractors, and the contractors we hire may encounter cost overruns or delays in construction. Our construction costs may increase significantly over the next few years as existing contracts expire and as demand for telecommunications construction services continues to grow. We cannot assure you that we will be able to construct new systems or expand or upgrade existing or acquired systems in a timely manner or at a reasonable cost. This may adversely affect our growth, financial condition and results of operations.

WE DEPEND ON THIRD-PARTY EQUIPMENT AND SOFTWARE SUPPLIERS. IF WE ARE UNABLE TO PROCURE THE NECESSARY EQUIPMENT, OUR ABILITY TO OFFER OUR SERVICES COULD BE IMPAIRED. THIS COULD ADVERSELY AFFECT OUR GROWTH, FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

We depend on vendors to supply the set-top terminals for analog and digital cable services. This equipment is available from a limited number of suppliers. We typically purchase set-top terminals under purchase orders placed from time to time and do not carry significant inventories of set-top terminals. If demand for set-top terminals exceeds our inventories and we are unable to obtain required set-top terminals on a timely basis and at an acceptable cost, our ability to recognize additional revenue from digital services could be delayed or impaired. In addition, if there are no suppliers who are able to provide set-top terminals devices that comply with evolving Internet and telecommunications standards or that are compatible with other products or components we use, our business would be impaired.

THERE SHOULD BE NO EXPECTATION THAT MR. ALLEN WILL FUND OUR OPERATIONS OR OBLIGATIONS IN THE FUTURE.

In the past, Mr. Allen and his affiliates have contributed funds to us and our subsidiaries. There is no expectation that Mr. Allen or his affiliates will contribute funds to us or to our subsidiaries in the future.

A SALE BY MR. ALLEN OF HIS DIRECT OR INDIRECT EQUITY INTERESTS COULD ADVERSELY AFFECT OUR ABILITY TO MANAGE OUR BUSINESS.

Mr. Allen is not prohibited by any agreement from selling the shares of Class A or Class B common stock he holds in Charter Communications, Inc. or causing Charter Investment, Inc. or Vulcan Cable III Inc. to sell their membership units in Charter Communications Holding Company. We cannot assure you that Mr. Allen or any of his affiliates will maintain all or any portion of his direct or indirect ownership interests in Charter Communications, Inc. and Charter Communications Holding Company. In the event he sells all or any portion of his direct or indirect ownership interest in Charter Communications, Inc. or Charter Communications Holding Company, we cannot assure you that he would continue as Chairman of Charter Communications, Inc.'s board of directors or otherwise participate in our management. The disposition by Mr. Allen or any of his affiliates of these equity interests or the loss of his services by Charter Communications, Inc. and/or Charter Communications Holding Company could adversely affect our growth, financial condition and results of operations, or adversely impact the market price of our Class A common stock and the notes.

WE OPERATE IN A VERY COMPETITIVE BUSINESS ENVIRONMENT WHICH CAN ADVERSELY AFFECT OUR BUSINESS AND OPERATIONS.

The industry in which we operate is highly competitive. In some instances, we compete against companies with fewer regulatory burdens, easier access to financing, greater personnel resources, greater brand name recognition and long-standing relationships with regulatory authorities. Mergers, joint ventures and alliances among any of the following businesses could result in providers capable of offering cable television, Internet and other telecommunications services in direct competition with us:

- cable television operators;

- local and regional telephone companies;

- long distance telephone service providers;

- direct broadcast satellite (DBS) companies;

- electric utilities;

- providers of cellular and other wireless communications services; and

- Internet service providers.

We face competition within the subscription television industry, which includes providers of paid television service employing technologies other than cable, such as direct broadcast satellite or DBS. We also face competition from broadcast companies distributing television broadcast signals without assessing a subscription fee and from other communications and entertainment media, including conventional radio broadcasting services, newspapers, movie theaters, the Internet, live sports events and home video products.

We cannot assure you that upgrading our cable systems will allow us to compete effectively. Additionally, as we expand and introduce new and enhanced services, including Internet and telecommunications services, we will be subject to competition from telecommunications providers and Internet service providers. We

cannot predict the extent to which competition may affect our business and operations in the future. See "Business -- Competition."

THE LOSS OF MR. ALLEN OR MR. KENT COULD ADVERSELY AFFECT OUR ABILITY TO MANAGE OUR BUSINESS.

Our success is substantially dependent upon the retention and the continued performance of Mr. Allen, Chairman of our board of directors, and Jerald L. Kent, our President and Chief Executive Officer. The loss of the services of Mr. Allen or Mr. Kent could adversely affect our growth, financial condition and results of operations.

REGULATORY AND LEGISLATIVE MATTERS

OUR BUSINESS IS SUBJECT TO EXTENSIVE GOVERNMENTAL LEGISLATION AND REGULATION. THE APPLICABLE LEGISLATION AND REGULATIONS, AND CHANGES TO THEM, COULD ADVERSELY AFFECT OUR BUSINESS BY INCREASING OUR EXPENSES.

Regulation of the cable industry has increased the administrative and operational expenses and limited the revenues of cable systems. Cable operators are subject to, among other things:

- limited rate regulation;

- requirements that, under specified circumstances, a cable system carry a local broadcast station or obtain consent to carry a local or distant broadcast station;

- rules for franchise renewals and transfers; and

- other requirements covering a variety of operational areas such as equal employment opportunity, technical standards and customer service requirements.

Additionally, many aspects of these regulations are currently the subject of judicial proceedings and administrative or legislative proposals. There are also ongoing efforts to amend or expand the state and local regulation of some of our cable systems, which may compound the regulatory risks we already face. Certain states and localities are considering new telecommunications taxes that could increase operating expenses. We cannot predict whether in response to these efforts any of the states or localities in which we now operate will expand regulation of our cable systems in the future or how they will do so.

WE MAY BE REQUIRED TO PROVIDE ACCESS TO OUR NETWORKS TO OTHER INTERNET SERVICE

PROVIDERS. THIS COULD SIGNIFICANTLY INCREASE OUR COMPETITION AND ADVERSELY AFFECT THE UPGRADE OF OUR SYSTEMS OR OUR ABILITY TO PROVIDE NEW PRODUCTS AND SERVICES.

A number of companies, including telephone companies and Internet service providers (ISPs), have requested local authorities and the Federal Communications Commission to require cable operators to provide access to cable's broadband infrastructure, which allows cable to deliver a multitude of channels and/or services, so that these companies may deliver Internet services directly to customers over cable facilities. A federal district court in Virginia, a federal district court in Florida and a federal circuit court in California recently struck down as unlawful "open access" requirements imposed by a variety of franchising authorities. Each of these decisions struck down the "open access" requirements on different legal grounds. In response to the federal circuit decision, the Federal Communications Commission recently initiated an inquiry to determine the appropriate classification and regulatory treatment of the provision of Internet service by cable operators. The Federal Trade Commission recently imposed certain "open-access" requirements on Time Warner and AOL in connection with their merger, but those requirements are not applicable to other cable operators.

We believe that allocating a portion of our bandwidth capacity to other Internet service providers:

- would impair our ability to use our bandwidth in ways that would generate maximum revenues;

- would strengthen our Internet service provider competitors; and

- may cause us to decide not to upgrade our systems which would prevent us from introducing our planned new products and services.

In addition, we cannot assure you that if we were required to provide access in this manner, it would not have a significant adverse impact on our profitability. This could impact us in many ways, including by:

- increasing competition;

- increasing the expenses we incur to maintain our systems; and/or

- increasing the expense of upgrading and/or expanding our systems.

OUR CABLE SYSTEMS ARE OPERATED UNDER FRANCHISES WHICH ARE SUBJECT TO NON-RENEWAL OR TERMINATION. THE FAILURE TO RENEW A FRANCHISE COULD ADVERSELY AFFECT OUR BUSINESS IN A KEY MARKET.

Our cable systems generally operate pursuant to franchises, permits or licenses granted by a municipality or other state or local government controlling the public rights-of-way. Many franchises establish comprehensive facilities and service requirements, as well as specific customer service standards and monetary penalties for non-compliance. In many cases, franchises are terminable if the franchisee fails to comply with material provisions set forth in the franchise agreement governing system operations. Franchises are generally granted for fixed terms and must be periodically renewed. Local franchising authorities may resist granting a renewal if either past performance or the prospective operating proposal is considered inadequate. Franchise authorities often demand concessions or other commitments as a condition to renewal, which have been and may continue to be costly to us. In some instances, franchises have not been renewed at expiration, and we have operated under either temporary operating agreements or without a license while negotiating renewal terms with the local franchising authorities.

We cannot assure you that we will be able to comply with all material provisions of our franchise agreements or that we will be able to renew our franchises in the future. A termination of and/or a sustained failure to renew a franchise could adversely affect our business in the affected geographic area.

WE OPERATE OUR CABLE SYSTEMS UNDER FRANCHISES WHICH ARE NON-EXCLUSIVE. LOCAL FRANCHISING AUTHORITIES CAN GRANT ADDITIONAL FRANCHISES AND CREATE COMPETITION IN MARKET AREAS WHERE NONE EXISTED PREVIOUSLY.

Our cable systems are operated under franchises granted by local franchising authorities. These franchises are non-exclusive. Consequently, such local franchising authorities can grant additional franchises to competitors in the same geographic area. As a result, competing operators may build systems in areas in which we hold franchises. In some cases municipal utilities may legally compete with us without obtaining a franchise from the local franchising authority. The existence of more than one cable system operating in the same territory is referred to as an overbuild. These overbuilds could adversely affect our growth, financial condition and results of operations by increasing competition or creating competition where none existed previously. As of December 31, 2000, we are aware of overbuild situations impacting approximately 139,000 of our basic customers, or 2% of our total basic customers, and potential overbuild situations in areas servicing approximately 253,000 additional basic customers, or 4% of our total basic customers, together representing a total of approximately 392,000 customers. Additional overbuild situations may occur in other systems.

LOCAL FRANCHISE AUTHORITIES HAVE THE ABILITY TO IMPOSE ADDITIONAL REGULATORY CONSTRAINTS ON OUR BUSINESS. THIS COULD FURTHER INCREASE OUR EXPENSES.

In addition to the franchise document, cable authorities in some jurisdictions have adopted cable regulatory ordinances that further regulate the operation of cable systems. This additional regulation increases our expenses in operating our business. We cannot assure you that the local franchising authorities will not impose new and more restrictive requirements.

Local franchising authorities also have the power to reduce rates and order refunds of basic service tier rates paid in the previous twelve-month period determined to be in excess of the maximum permitted rates. Basic service tier rates are the prices charged for basic programming services. As of December 31, 2000, we

had refunded a total of approximately $1.2 million since our inception. We may be required to refund additional amounts in the future.

DESPITE RECENT DEREGULATION OF EXPANDED BASIC CABLE PROGRAMMING PACKAGES, WE ARE CONCERNED THAT CABLE RATE INCREASES COULD GIVE RISE TO FURTHER REGULATION. THIS COULD CAUSE US TO DELAY OR CANCEL SERVICE OR PROGRAMMING ENHANCEMENTS OR IMPAIR OUR ABILITY TO RAISE RATES TO COVER OUR INCREASING COSTS.

On March 31, 1999, the pricing of expanded basic cable programming packages was deregulated, permitting cable operators to set their own rates. This deregulation was not applicable to basic services. However, the Federal Communications Commission and the United States Congress continue to be concerned that cable rate increases are exceeding inflation. It is possible that either the Federal Communications Commission or the United States Congress will again restrict the ability of cable system operators to implement rate increases. Should this occur, it would impede our ability to raise our rates. If we are unable to raise our rates in response to increasing costs, our financial condition and results of operations could be materially adversely affected.

IF WE OFFER TELECOMMUNICATIONS SERVICES, WE MAY BE SUBJECT TO ADDITIONAL REGULATORY BURDENS CAUSING US TO INCUR ADDITIONAL COSTS.

If we enter the business of offering telecommunications services, we may be required to obtain federal, state and local licenses or other authorizations to offer these services. We may not be able to obtain such authorizations in a timely manner, or at all, and conditions could be imposed upon such licenses or authorizations that may not be favorable to us. Furthermore, telecommunications companies, including Internet protocol telephony companies, generally are subject to significant regulation as well as higher fees for pole attachments. Internet protocol telephony companies are companies that have the ability to offer telephone services over the Internet. Pole attachments are cable wires that are attached to poles.

In particular, cable operators who provide telecommunications services and cannot reach agreement with local utilities over pole attachment rates in states that do not regulate pole attachment rates will be subject to a methodology prescribed by the Federal Communications Commission for determining the rates. These rates may be higher than those paid by cable operators that do not provide telecommunications services. The rate increases are to be phased in over a five-year period beginning on February 8, 2001. If we become subject to telecommunications regulation or higher pole attachment rates, we may incur additional costs which may be material to our business. A recent court decision, currently under appeal to the United States Supreme Court, suggests that the provision of Internet service may subject cable systems to higher pole attachment rates. Certain utilities have already proposed vastly higher pole attachment rates, based in part on the existing court decision.

THE MARKET PRICE OF OUR CLASS A COMMON STOCK AND THE PRICE OF THE NOTES MAY FLUCTUATE SIGNIFICANTLY, WHICH MAY RESULT IN LOSSES FOR INVESTORS.

The market price of our Class A common stock has been and may continue to be extremely volatile. We expect the price of the Class A common stock to be subject to fluctuations as a result of a variety of factors, including factors beyond our control. These factors include:

- actual or anticipated variations in our revenues and operating results;

- announcements of the development of improved or competitive technologies;

- the use of new products or promotions by us or our competitors;

- the offer and sale by us in the future of additional shares of Class A common stock or other equity securities;

- changes in financial forecasts by securities analysts;

- new conditions or trends in the cable industry; and

- market conditions.

THE MARKET PRICE FOR OUR CLASS A COMMON STOCK AND THE NOTES COULD BE ADVERSELY AFFECTED BY THE LARGE NUMBER OF ADDITIONAL SHARES ELIGIBLE FOR ISSUANCE IN THE FUTURE.

As of May 10, 2001, 233,773,798 shares of Class A common stock were issued and outstanding. If we complete the Class A common stock offering described in this prospectus supplement, an additional 52,389,000 shares of Class A common stock will be outstanding. Additional shares of Class A common stock will be issuable under the circumstances described in the section "Shares Eligible for Future Sale." Substantially all of the shares of Class A common stock issuable upon exchange of Charter Communications Holding Company membership units and CC VIII membership units and all shares of Class A common stock issuable upon conversion of shares of our Class B common stock will have "demand" and/or "piggyback" registration rights attached to them, including those issuable to Mr. Allen through Charter Investment, Inc. and Vulcan Cable III Inc. The sale of a substantial number of shares of Class A common stock or the perception that such sales could occur could adversely affect the market price for shares of our Class A common stock and the notes because these sales could cause the amount of our stock available for sale in the market to exceed the amount of demand for our stock and could also make it more difficult for us to sell equity securities or equity-related securities in the future at a time and price that we deem appropriate. This could adversely affect our ability to fund our current and future obligations, including under the notes. See "Shares Eligible For Future Sale."

A sale of convertible debt, convertible preferred stock or other equity securities by us or the perception that any such sale could occur could adversely affect the market price of the Class A common stock and the notes because these sales could cause the amount of our Class A common stock available for sale in the market to exceed the amount of demand for such stock.

PURCHASERS OF THE CLASS A COMMON STOCK WILL EXPERIENCE IMMEDIATE AND SUBSTANTIAL DILUTION RESULTING IN THEIR SHARES BEING WORTH LESS ON A PRO FORMA NET TANGIBLE BOOK VALUE BASIS THAN THE AMOUNT THEY INVESTED.

Purchasers of the Class A common stock offered in this prospectus supplement will experience an immediate dilution in pro forma net tangible book value of $49.33 per share of Class A common stock purchased. Accordingly, in the event we are liquidated, investors may not receive the full amount of their investment. See "Dilution."

THE OFFERING OF THE NOTES

THERE CURRENTLY EXISTS NO MARKET FOR THE NOTES. WE CANNOT ASSURE YOU THAT AN ACTIVE TRADING MARKET WILL DEVELOP FOR THE NOTES.

Prior to the offering, there was no market for the notes. We have been informed by the underwriters of the notes offering that they intend to make a market in the notes after the offering is completed. However, the underwriters of the notes offering may cease their market-making at any time without notice. We do not intend to apply for listing of the notes on any securities exchange or for quotation through any automated quotation system. The liquidity of the trading market in the notes, and the market price quoted for the notes, may be adversely affected by changes in the overall market for convertible debt securities generally or the interest of securities dealers in making a market in the notes and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. As a result, we cannot assure you that an active trading market will develop for the notes.

WE MAY NOT HAVE THE ABILITY TO RAISE THE FUNDS NECESSARY TO FULFILL OUR OBLIGATIONS UNDER THE NOTES FOLLOWING A CHANGE OF CONTROL. THIS WOULD PLACE US IN DEFAULT UNDER THE INDENTURE GOVERNING THE NOTES.

Under the indenture governing the notes, upon the occurrence of specified change of control events, we will be required to offer to repurchase all outstanding notes. However, we may not have sufficient funds at the time of the change of control event to make the required repurchase of the notes and our subsidiaries are limited in their ability to make distributions or other payments to us to fund any required repurchase. In

addition, a change of control under our subsidiaries' credit facilities and indentures governing their public notes would require the repayment of borrowings under those credit facilities and indentures. Because such credit facilities and public notes are obligations of our subsidiaries, the credit facilities and the public notes would have to be repaid by our subsidiaries before their assets could be available to us to repurchase the notes. Our failure to make or complete an offer to repurchase the notes would place us in default under the indenture governing the notes. You should also be aware that a number of important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a change of control under the indenture governing the notes.

IF WE DO NOT FULFILL OUR OBLIGATIONS TO HOLDERS OF THE NOTES, THEY WILL NOT HAVE ANY RECOURSE AGAINST MR. ALLEN OR HIS AFFILIATES.

The notes will be issued solely by Charter Communications, Inc. None of our equity holders, directors, officers, employees or affiliates, including Mr. Allen, will be an obligor or guarantor under the notes. Furthermore, the indenture governing the notes expressly provides that these parties will not have any liability for our obligations under the notes or the indenture governing the notes. By accepting the notes, the purchasers of the notes waive and release all such liability as consideration for issuance of the notes. Consequently, if we do not fulfill our obligations to holders of the notes, they will have no recourse against any of these parties.

Additionally, our equity holders, including Mr. Allen, will be free to manage other entities, including other cable companies. If we do not fulfill our obligations to holders of the notes, they will have no recourse against those other entities or their assets.

USE OF PROCEEDS

OFFERING OF CLASS A COMMON STOCK

The net proceeds we will receive from the sale of the 52,389,000 shares of Class A common stock being offered hereby, after deducting the underwriting discount and offering expenses, are estimated to be approximately $1.195 billion. If the underwriters exercise their over-allotment option in full, the net proceeds from the sale of shares of Class A common stock will be approximately $1.375 billion.

Concurrently with the closing of the offering of the Class A common stock, Charter Communications, Inc. will contribute to Charter Communications Holding Company the net proceeds of the offering, except for a portion of the proceeds ($501.5 million) which we expect to use to pay a portion of the purchase price of the pending AT&T transactions. Charter Communications, Inc. has committed to contribute the interests that it acquires to Charter Communications Holding Company upon completion of the pending AT&T transactions. In exchange for the contribution of the net proceeds of the offering by Charter Communications, Inc. and Charter Communications, Inc.'s obligation to contribute to Charter Communications Holding Company the interests acquired upon completion of the pending AT&T transactions, Charter Communications Holding Company will issue to

Charter Communications, Inc. 52,389,000 Class B membership units concurrently with the closing of the offering of the Class A common stock.

Charter Communications Holding Company will use the net proceeds from the sale of the membership units to Charter Communications, Inc. to purchase common equity from Charter Holdings, which intends to use the net proceeds for working capital purposes and capital expenditures. Pending such use of proceeds, we may invest a portion of the net proceeds of this offering temporarily in short-term marketable securities.

OFFERING OF CONVERTIBLE SENIOR NOTES

The net proceeds we will receive from the sale of $500,000,000 aggregate principal amount of notes being offered hereby, after deducting the underwriting discount and offering expenses, are estimated to be approximately $480,000,000. The underwriting discount and expenses will be paid by Charter Communications Holding Company. If the underwriters exercise their over-allotment option in full, the net proceeds from the sale of the notes will be approximately $552,750,000.

Upon the closing of the offering of the notes, Charter Communications, Inc. will use the proceeds of the offering of the notes to purchase from Charter Communications Holding Company a mirror convertible senior note with terms substantially similar to the terms of the notes. Under the mirror convertible senior note, when a holder of notes converts all or any portion of its notes into shares of Class A common stock of Charter Communications, Inc., a portion of the mirror convertible senior note (in principal amount equal to the principal amount of the notes so converted) will convert automatically into Class B common membership units of Charter Communications Holding Company to be issued to Charter Communications, Inc.

Charter Communications Holding Company will use the net proceeds of the sale of the mirror convertible notes to purchase common equity from Charter Holdings, which intends to use the net proceeds for working capital purposes and capital expenditures. Pending such use of proceeds, we may invest a portion of the net proceeds of this offering temporarily in short-term marketable securities.

PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

Our Class A common stock is quoted on the Nasdaq National Market under the symbol "CHTR." The following table sets forth, for the periods indicated, the range of high ask and low bid price per share of Class A common stock on the Nasdaq National Market. On May 15, 2001, the last reported sale price per share of our Class A common stock on the Nasdaq National Market was $23.86.

2001	HIGH	LOW
First Quarter	$24.1875	$19.0000
Second Quarter (through May 15, 2001)	24.0625	18.8750
2000		
First Quarter	22.6250	14.0000
Second Quarter	16.5625	10.0000
Third Quarter	17.0625	12.3750

Fourth Quarter..................................	24.1875	16.1875
1999		
Period Ended December 31, 1999*..................	22.5000	21.6250

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* Our Class A common stock began trading on November 9, 1999. The initial public offering price per share was $19.00.

As of May 10, 2001, there were approximately 2,700 holders of our Class A common stock of record and one holder of our Class B common stock. No preferred stock is outstanding.

We have never paid and do not expect to pay any cash dividends on our Class A common stock in the foreseeable future. Charter Communications Holding Company is required under certain circumstances to pay distributions pro rata to all its common members to the extent necessary for any common member to pay taxes incurred with respect to its share of taxable income attributed to Charter Communications Holding Company. Covenants in the indentures and credit agreements governing the debt of our subsidiaries restrict their ability to make distributions to us and, accordingly, limit our ability to declare or pay cash dividends. We intend to cause Charter Communications Holding Company and its subsidiaries to retain future earnings, if any, to finance the expansion of the business of Charter Communications Holding Company and its subsidiaries.

RATIO OF EARNINGS TO FIXED CHARGES

Earnings for the years ended December 31, 1996 and 1997, for the periods from January 1, 1998 through December 23, 1998 and from December 24, 1998 through December 31, 1998 and for the years ended December 31, 1999 and 2000 and for the period from January 1, 2001 through March 31, 2001 were insufficient to cover fixed charges by $2.7 million, $4.6 million, $17.2 million, $5.3 million, $0.6 billion, $2.4 billion and $0.7 billion, respectively. As a result of such deficiencies, the ratios of earnings to fixed charges are not presented.

DILUTION

The following table illustrates the dilution in pro forma net tangible book value on a per share basis. In calculating dilution, we have made the same assumptions that we made with respect to our unaudited pro forma financial statements in the Class A common stock offering (assuming an offering price of $21.00 per share and a conversion price on the notes of $25.20). We have given effect to the issuance of 59.5 million shares of Class A common stock (assuming an offering price of $21.00 per share) and the issuance of the notes described in this prospectus supplement. The pro forma net tangible book value deficit of common stock as of March 31, 2001 was approximately $9.7 billion or $37.71 per common share. Pro forma net tangible book value deficit per share of common share represents the pro forma amount of our shareholders' equity and minority interest, less intangible assets of $17.9 billion, divided by 257,730,999 pro forma shares of common stock outstanding on March 31, 2001.

For purposes of the following table, pro forma dilution per share to new investors represents the difference between $22.05, which is the weighted average of the offering price of the Class A common stock and the conversion price of the notes, and the pro forma net tangible book value deficit per share of common stock after the offerings described in this prospectus supplement. Assuming conversion of the notes and the issuance of Class A common stock, the pro forma net tangible book value deficit per share of common stock would have been $27.28. The following table illustrates this pro forma dilution per share of common stock:

Weighted average price per share............................	$22.05
Pro forma net tangible book value deficit per share of common stock before the offering	