
Cox Communications (COX, \$35, Overweight, Industry View: Attractive, Target \$45)

Our forecast has been adjusted to reflect the change in the way Cox now books high-speed data revenues. Historically, Cox booked the data revenues net of the affiliate fee paid to @Home. Now that the transition to its own backbone has been completed, Cox will book gross revenues, which is consistent with the way the other multiple systems operators (MSOs) book data service revenues.

Our pro forma 2000 and 2001 annual results (not quarters) also reflect this change. This change will affect data revenue, data gross profit margin, and EBITDA margin. Total EBITDA will remain unchanged, but margins will be lower due to the higher revenue base from booking gross, not net, revenues.

We rate the shares of Cox Overweight with a 12-month price target of \$45. At current levels, Cox trades at 11.2 times 2003E EBITDA.

We expect total revenue and EBITDA growth in 2002 of 14.0-15.0% and 13.5-14.0%, respectively. We believe Cox will lead the industry by 100-200 basis points with regard to revenue and EBITDA growth, largely due to improving margins on the residential telephony product.

Cox has the ability to demonstrate the value of its competitive advantage in telephony in 2002, in our view. We estimate that 22-25% of the total incremental revenue growth in 2002 and 2003 is from residential and commercial telephony (equal to 3.2-3.4% of the 14-15% average revenue growth). Furthermore, we see Cox as the company best positioned to demonstrate that product bundles can reduce churn and win back customers lost to DBS.

EBITDA margins should begin to stabilize by 4Q02. In 2001, the reported EBITDA margin was 38.6%; we expect a margin of 37.4% in 2002. The majority of the anticipated decrease in margins should be due to the company's change in accounting for cable modem revenues. Also, its decision to launch one more telephony market also creates some start-up losses, which we expect will lower margins by about 40 basis points. In 2001, the company reported cable modem revenues net of the affiliate fee. Now that the transition to its own backbone has been completed, Cox will begin reporting these revenues gross of the affiliate fee (which is the way that the other MSOs book revenue).

Digital Subscribers

Cox was the only MSO to announce on its 4Q01 earnings call that digital additions in 2002 should not decline relative to 2001. We believe the company will average 11,750 per week during 1Q02, versus 12,156 in 4Q01. For 2002, we expect additions to average just fewer than 12,000. By the end of 1Q02, we expect penetration of basic subscribers will be almost 25%.

Cox currently has three announced trials of VOD — in San Diego, Hampton Roads, VA and Phoenix. The company indicated on its 4Q01 earnings call that it would launch VOD service to 43% of its homes passed by the end of 3Q02.

Cable Modem Subscribers

We expect Cox to end 1Q02 with 990,000-995,000 cable modem subscribers, representing average weekly additions of 8,500. This compares to weekly additions of just over 8,000 in 4Q01.

We expect margins on the high-speed data business to improve in 2002, largely due to the savings from Cox using its own backbone. We estimate that the cost for Cox to provide its own backbone, tier 2 customer service and provisioning will be about 20% of gross data revenue. The potential risk in our forecast is that the company does not get this margin enhancement due to higher customer service costs. @Home previously dealt with all tier 2 customer service issues, which Cox will now handle.

Residential Telephony

We expect residential telephony additions to continue strong during 2002. We estimate that Cox will end 1Q02 with 500,000-510,000 residential telephony subscribers, representing average weekly additions of 4,000. The residential telephony product has not exhibited the large seasonal swings that the digital video and cable modem products have. We project average weekly additions to average just over 4,000 during 2002.

Residential telephony margins in 2001 were 20%, and we believe the margins in existing markets could rise to 30% in 2002. The New Orleans market and any other markets launched in 2002 should create start-up losses of about \$20

million, which would reduce total telephony margins to an estimated 26%.

Capital Expenditures and Plant Upgrades

The company should incur \$2.0 billion in capital expenditures. Cox ended 2001 with 81% of its plant upgraded for

750 MHz or higher and 90% ready for digital and data service. The company expects to end 2002 with 89% of its plant upgraded for 750 MHz or higher and 96% digital and data-ready.

Exhibit 132

Cox Communications
Broadband Cable Drivers

	Pro Forma				1Q01	2Q01	3Q01	4Q01	1Q02E	2Q02E	3Q02E	4Q02E
	2000	2001E	2002E	2003E								
Broadband Subscribers												
Basic	6,193,317	6,237,888	6,281,553	6,325,524	6,213,994	6,166,614	6,206,737	6,237,888	6,257,492	6,209,780	6,250,184	6,281,553
Pro Forma Basic Growth %	1.9%	0.7%	0.7%	0.7%	1.3%	0.5%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Basic ARPU	\$31.22	\$32.42	\$33.64	\$35.32	\$32.32	\$32.44	\$32.40	\$32.53	\$33.29	\$33.74	\$33.69	\$33.83
Program. Costs as % of Analog Rev.	27.4%	29.0%	30.5%	30.8%	29.5%	28.8%	28.8%	28.9%	31.6%	30.3%	30.1%	29.8%
Programming Costs per sub % Change	1.2%	8.7%	10.3%	7.0%	8.2%	8.8%	9.7%	8.3%	10.9%	10.3%	10.4%	9.6%
Digital Video Subscribers	841,824	1,386,039	2,008,815	2,534,873	960,507	1,071,322	1,228,015	1,386,839	1,538,789	1,667,489	1,833,239	2,008,815
Digital Weekly Additions	11,090	10,470	11,980	10,120	9,130	8,520	12,050	12,160	11,750	9,900	12,750	13,510
Digital ARPU	\$11.00	\$12.25	\$12.50	\$13.13	\$12.00	\$12.00	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
Digital Penetration	13.6%	22.2%	32.0%	40.1%	15.5%	17.4%	19.8%	22.2%	24.6%	26.9%	29.3%	32.0%
Digital Prog. Costs as % of Dig. Rev.	15.0%	15.0%	24.1%	25.8%	15.0%	15.0%	15.0%	15.0%	20.0%	22.0%	25.0%	28.0%
Cable Modem Subscribers	481,947	883,562	1,364,562	1,945,440	587,170	668,038	779,499	883,562	994,062	1,098,062	1,228,062	1,364,562
Cable Modem Weekly Additions	5,670	7,720	9,250	11,170	8,090	6,220	8,570	8,000	8,500	8,000	10,000	10,500
Cable Modem ARPU	\$40.10	\$41.11	\$39.00	\$40.71	\$42.25	\$39.35	\$36.74	\$45.52	\$39.00	\$39.00	\$39.00	\$39.00
Cable Modem Penetration	7.8%	14.2%	21.7%	30.8%	9.4%	10.8%	12.6%	14.2%	15.9%	17.7%	19.6%	21.7%
Affiliate Fee as % of HSD service rev	35.0%	35.0%	23.5%	22.0%	35.0%	30.0%	27.5%	30.0%	27.0%	24.5%	23.5%	20.0%
Telephony Subscribers	244,653	453,572	663,198	894,416	292,230	344,524	398,813	453,572	505,572	558,222	610,872	663,198
Telephony Weekly Additions	2,750	4,020	4,030	4,450	3,660	4,020	4,180	4,210	4,000	4,050	4,050	4,030
Telephony ARPU	\$52.03	\$50.06	\$47.81	\$46.40	\$49.85	\$50.06	\$50.18	\$50.05	\$47.81	\$47.81	\$47.81	\$47.81
Telephony Penetration	4.0%	7.3%	10.6%	14.1%	4.7%	5.6%	6.4%	7.3%	8.1%	9.0%	9.8%	10.6%
Direct Costs as % of Telephony rev	60.9%	48.2%	46.5%	46.2%	54.0%	50.0%	45.0%	46.0%	47.0%	47.0%	47.0%	45.3%
Fixed Costs (1)	\$1,171.8	\$1,325.7	\$1,473.5	\$1,707.4	\$309.5	\$329.9	\$342.1	\$344.1	\$340.5	\$372.0	\$381.4	\$379.6
Fixed Costs (% Change)	16.5%	13.1%	11.2%	15.9%	NM	11.7%	14.5%	16.3%	10.0%	12.8%	11.5%	10.3%
Total Capital Expenditures	\$2,188.1	\$2,205.5	\$2,020.3	\$1,474.3	NA							
Broadband (Incl. Telephony)												
Revenue Growth %	13.4%	14.9%	14.3%	16.3%	21.6%	14.0%	14.4%	14.7%	16.5%	17.3%	17.6%	17.1%
EBITDA Growth %	10.3%	1.3%	25.2%	16.9%	19.5%	13.4%	11.9%	-26.4%	10.2%	13.4%	14.0%	75.5%
EBITDA Margin %	38.7%	34.1%	37.3%	37.5%	37.8%	38.1%	38.4%	26.2%	35.7%	36.9%	37.2%	39.3%

(1) G&A, marketing and plant operations for both cable and residential telephony operations.

E= Morgan Stanley Research Estimates.

Note: Pro forma results assume that data revenues are booked gross of the affiliate fee. In 2001 and prior years, Cox booked data revenues net of the affiliate fee, but the company began booking gross data revenues beginning in 2002. 2001 quarters are not pro forma for this adjustment.

Exhibit 133

**Cox Communications
Estimated 2002 Fair Market Value**
(\$ Millions Except Per Share Data)

Asset Description	Cable Operations	Programming Investments	Telecom. Investments	Technology Investments	Other	Total Cox Communications
Core Cable Television Operations	\$26,294.4					\$26,294.4
Telephony	2,564.5					2,564.5
Commercial Telephony - Fibernet	1,255.6					1,255.6
Other Assets						
Discovery Communications (24.6%)		4,022.1				4,022.1
Sprint PCS - 10.3 mm comm. stock equiv.			116.9			116.9
Motorola - 0.85 mm shs				12.1		12.1
Paxson Comm. - 0.71 mm shs				7.5		7.5
Liberate - 1.0 mm shs				6.8		6.8
Tivo, Inc. - 0.24 mm shares				1.6		1.6
Worldgate - 0.5 mm shares				0.8		0.8
Other Programming/Telecomm. Assets				15.0		15.0
Total Estimated Asset Value	\$30,114.5	\$4,022.1	\$116.9	\$43.9	\$0.0	\$34,297.3
Less:						
Debt (1)	8,533.1					8,533.1
Net Indexed Debt	(2,332.4)					(2,332.4)
Net Debt	6,200.8					6,200.8
Plus:						
Cash					86.9	86.9
Cash from Stock Options					149.8	149.8
Total Fair Market Value	\$23,913.7	\$4,022.1	\$116.9	\$43.9	\$236.6	\$28,333.2
Class A Shares Outstanding	573,568	573,568	573,568	573,568	573,568	573,568
Class C Shares Outstanding	27,598	27,598	27,598	27,598	27,598	27,598
Feline Prides	18,740	18,740	18,740	18,740	18,740	18,740
Convertible Preferred	5,000	5,000	5,000	5,000	5,000	5,000
Stock Options	7,541	7,541	7,541	7,541	7,541	7,541
Total Cox Comm. Shares Outstanding	632,447	632,447	632,447	632,447	632,447	632,447
Total Fair Market Value Per Share	\$37.81	\$6.36	\$0.18	\$0.07	\$0.37	\$44.80
Supplemental Valuation Data						
	Incl. Teleph.	Excl. Teleph.				Total
Estimated Asset Value	\$30,114.5	\$26,294.4				\$30,114.5
2002E EBITDA	1,788.7	1,638.7				1,778.8
Asset Value /EBITDA	16.8x	16.0x				16.9x
2003E EBITDA	2,079.0	1,864.8				2,079.0
Asset Value /EBITDA	14.5x	14.1x				14.5x
2002E Basic Subscribers	6,281,553	6,281,553				
Est. Asset Value per Basic Subscriber	\$4,794	\$4,186				

*(1) Assumes full dilution of Feline PRIDES.**E= Morgan Stanley Research Estimates**Broadband Cable Television - April 5, 2002***Please see the important disclosures at the end of this report.**

Exhibit 134

**Cox Communications
Consolidated Annual Income Statement**
(In Millions Except Per Share)

	Actual		Pro Forma						
	2000	2001	2000	2001E	2002E	2003E	2004E	2005E	2006E
Revenues	\$3,506.9	\$4,067.0	\$3,628.6	\$4,168.9	\$4,764.3	\$5,540.6	\$6,341.5	\$7,184.9	\$8,039.9
Operating Expenses	2,129.6	2,646.0	2,225.5	2,748.0	2,985.5	3,461.6	3,893.3	4,347.0	4,796.0
EBITDA	\$1,377.3	\$1,421.0	\$1,403.1	\$1,421.0	\$1,778.8	\$2,079.0	\$2,448.2	\$2,837.9	\$3,243.9
Operating Cash Flow Margin	39.3%	34.9%	38.7%	34.1%	37.3%	37.5%	38.6%	39.5%	40.3%
Depreciation	873.4	1,185.8	944.6	1,185.8	1,370.0	1,470.3	1,509.1	1,545.6	1,589.4
EBITA	503.9	235.2	458.5	235.2	408.7	608.7	939.1	1,292.3	1,654.5
Amortization	363.1	353.4	398.7	353.4	35.3	35.3	35.3	35.3	35.3
EBIT	\$140.8	(\$118.2)	\$59.8	(\$118.2)	\$373.4	\$573.4	\$903.7	\$1,256.9	\$1,619.2
Cash Interest Expense	540.2	533.8	533.9	533.8	539.8	479.6	445.7	384.4	308.7
Non-cash Interest Expense	21.3	32.1	21.3	32.1	33.8	35.5	37.3	39.2	41.1
Operating Profit after Interest	(420.6)	(684.2)	(495.5)	(684.2)	(200.1)	58.3	420.8	833.4	1,269.4
Interest Income and Other	3,219.6	856.2	(57.1)	856.2	1,248.2	(45.7)	(45.7)	(45.7)	(45.7)
Pretax Profit Before Equity Interest	\$2,798.9	\$172.0	(\$552.5)	\$172.0	\$1,048.0	\$12.6	\$375.0	\$787.6	\$1,223.6
Income (Loss) from Equity Interests	(7.3)	(40.0)	(70.5)	(40.0)	(20.0)	(0.0)	20.0	40.0	60.0
Income/(Loss) Before Taxes	2,791.6	132.0	(623.1)	132.0	1,028.0	12.6	395.0	827.6	1,283.6
Deferred Taxes	877.0	94.0	(158.0)	94.0	288.4	(87.3)	54.1	214.2	382.9
Current Taxes	426.0	400.9	(79.0)	400.9	144.2	(43.7)	27.1	107.1	191.5
Income (Loss) Before Extra. Items	\$1,914.6	\$37.9	(\$465.0)	\$37.9	\$739.6	\$99.9	\$340.8	\$613.4	\$900.6
Extraordinary Items (After Taxes)	0.0	717.1	0.0	717.1	0.0	0.0	0.0	0.0	0.0
Net Income/(Loss)	\$1,914.6	\$755.0	(\$465.0)	\$755.0	\$739.6	\$99.9	\$340.8	\$613.4	\$900.6
Average Basic Shares Outstanding	602.0	600.4	602.0	600.4	601.0	601.6	602.5	603.3	604.1
Reported Basic EPS	\$3.15	\$1.26	(\$0.77)	\$1.26	\$1.23	\$0.17	\$0.57	\$1.02	\$1.49
Average Fully Diluted Shares Outstanding	608.5	608.8	608.5	608.8	610.3	611.0	611.9	612.7	613.5
Reported Fully Diluted EPS	\$3.15	\$1.24	(\$0.76)	\$1.24	\$1.21	\$0.16	\$0.56	\$1.00	\$1.47
Less: Extraordinary and Nonrecurring Items per S	3.39	0.96	0.00	0.96	1.34	0.00	0.00	0.00	0.00
Adjusted Fully Diluted EPS	(\$0.25)	\$0.28	(\$0.76)	\$0.28	(\$0.12)	\$0.16	\$0.56	\$1.00	\$1.47
Plus: Amortization per Share	0.60	0.58	0.66	0.58	0.06	0.06	0.06	0.06	0.06
Less: Equity Income / (Losses) from Affiliates	(0.01)	(0.07)	(0.12)	(0.07)	(0.03)	(0.00)	0.03	0.07	0.10
Adjusted Fully Diluted Cash EPS	\$0.36	\$0.93	\$0.01	\$0.93	(\$0.03)	\$0.22	\$0.58	\$0.99	\$1.43

E= Morgan Stanley Research Estimates.

Note: Pro forma results assume that data revenues are booked gross of the affiliate fee. In 2001 and prior years, Cox booked data revenues net of the affiliate fee, but the company began booking gross data revenues beginning in 2002.

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 135

**Cox Communications
Balance Sheet Forecasts**

	2000	2001	2002E	2003E	2004E	2005E	2006E
Cash & Marketable Securities	\$78.4	\$86.9	\$86.9	\$86.9	\$236.9	\$436.9	\$736.9
Accounts Receivable	358.3	421.1	486.0	565.1	646.8	732.9	820.1
Total Current Assets	436.8	508.0	572.8	652.0	883.7	1,169.7	1,556.9
Prop., Plant. & Equip. (Rpt)	8,369.4	10,328.5	11,548.8	12,223.2	12,477.8	12,821.3	13,194.7
Less: Accumulated Depreciation	2,453.0	3,200.6	3,770.7	4,441.0	5,150.0	5,895.6	6,685.0
Net Prop., Plant. & Equip.	5,916.4	7,127.9	7,778.2	7,782.2	7,327.7	6,925.7	6,509.7
Investments in Uncon. Operations	3,896.4	3,515.2	2,495.2	2,495.1	2,515.1	2,555.1	2,615.0
Intangible Assets	13,951.2	13,510.9	13,475.6	13,440.2	13,404.9	13,369.5	13,334.2
Other Assets	520.0	399.4	399.4	399.4	399.4	399.4	399.4
Total Assets	\$24,720.8	\$25,061.4	\$24,721.1	\$24,769.0	\$24,530.8	\$24,419.4	\$24,415.2
Short-term Debt	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Accounts Payable and Deferred Income	714.2	674.4	790.1	872.9	949.1	1,021.5	1,085.9
Total Current Liabilities	714.2	674.4	790.1	872.9	949.1	1,021.5	1,085.9
Long-term Debt	8,543.8	8,417.7	8,533.1	8,393.8	7,663.2	6,710.6	5,501.7
Deferred Taxes	4,592.7	4,538.3	4,682.5	4,638.8	4,665.9	4,773.0	4,964.4
Other Liabilities	1,653.9	1,760.2	305.0	353.2	401.4	449.7	497.9
Preferred Equity	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Common Equity	9,211.4	9,666.0	10,405.7	10,505.6	10,846.4	11,459.8	12,360.4
Total Equity	9,216.3	9,670.9	10,410.5	10,510.4	10,851.2	11,464.6	12,365.3
Total Liabilities & Equity	\$24,720.8	\$25,061.4	\$24,721.1	\$24,769.0	\$24,530.8	\$24,419.4	\$24,415.2

E= Morgan Stanley Research Estimates

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 136

**Cox Communications
Debt Capitalization**

(\$ Million)

	2000E	2001	2002E	2003E	2004E	2005E	2006E
Bank Debt/ Commercial Paper/Other	\$1,524.8	\$727.4	\$1,408.9	\$1,205.0	\$781.9	\$514.9	\$28.7
Medium Term Notes	424.1	391.2	391.2	391.2	391.2	0.0	0.0
6.875% Senior Notes due 2005	365.2	365.2	365.2	365.2	365.2	0.0	0.0
7.625% Senior Notes due 2025	132.4	132.4	132.4	132.4	132.4	132.4	132.4
6.500% Senior Notes due 2002	200.0	200.0	0.0	0.0	0.0	0.0	0.0
7.250% Sub. Debentures due 2015	100.0	100.0	100.0	100.0	100.0	100.0	0.8
6.4% Notes due 8/08	200.0	200.0	200.0	200.0	200.0	200.0	100.8
6.8% Debentures 8/28	200.0	200.0	200.0	200.0	200.0	200.0	100.8
6.15% Reset Put Securities 8/33	250.0	250.0	250.0	250.0	250.0	250.0	150.8
7.0% Due 2001	299.7	0.0	0.0	0.0	0.0	0.0	0.0
7.5% Due 2004	373.8	375.0	375.0	375.0	0.0	0.0	0.0
7.75 Due 2006	399.2	400.0	400.0	400.0	400.0	400.0	0.0
7.875 Due 2009	400.0	400.0	400.0	400.0	400.0	400.0	400.0
7.75% Notes Due 2010	800.0	800.0	800.0	800.0	800.0	800.0	800.0
MOPPRS/CHEERS	200.0	200.0	0.0	0.0	0.0	0.0	0.0
6.53% Debentures due 2/28	190.0	200.0	200.0	200.0	200.0	200.0	200.0
6.75% Senior Notes due 3/20/11	0.0	500.0	500.0	500.0	500.0	500.0	500.0
Convertible Senior Notes	0.0	545.0	324.5	331.8	339.2	346.9	354.7
Capital Lease Obligations/Other	132.7	153.6	153.6	153.6	153.6	153.6	153.6
Total Debt	\$6,191.9	\$6,139.8	\$6,200.8	\$6,004.1	\$5,213.5	\$4,197.8	\$2,922.5
Indexed Debt							
Discount Debentures	804.6	837.4	871.2	906.6	943.9	983.1	1,024.2
Premium Phones	275.0	275.0	275.0	275.0	275.0	275.0	275.0
Prizes	1,272.2	1,272.2	1,272.2	1,272.2	1,272.2	1,272.2	1,272.2
Forward Contracts	0.0	414.3	435.0	456.8	479.6	503.6	528.8
Reserve (FAS 133 Adjustment)	0.0	(521.0)	(521.0)	(521.0)	(521.0)	(521.0)	(521.0)
Total Debt	\$8,543.8	\$8,417.7	\$8,533.1	\$8,393.8	\$7,663.2	\$6,710.6	\$5,501.7
EBITDA	\$1,377.3	\$1,421.0	\$1,778.8	\$2,079.0	\$2,448.2	\$2,837.9	\$3,243.9
Total Debt / EBITDA	4.5x	4.3x	3.5x	2.9x	2.1x	1.5x	0.9x
Total Debt and Indexed Debt / EBITDA	6.2x	5.9x	4.8x	4.0x	3.1x	2.4x	1.7x

E= Morgan Stanley Research Estimates

Broadband Cable Television – April 5, 2002

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Exhibit 137

**Cox Communications
Revenue and Operating Cash Flow Comparisons, Quarterly**

(\$ Millions)

	2001				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
Cable/Telephony Revenue								
Analog	\$788.2	\$819.8	\$819.6	\$838.1	\$822.3	\$864.5	\$871.5	\$895.4
Digital Cable	32.4	36.6	43.1	49.0	54.8	60.1	65.6	72.0
High Speed Data	56.6	62.3	75.2	91.7	117.1	129.6	144.8	160.9
Total Cable Television Revenue	\$877.2	\$918.7	\$937.9	\$978.8	\$994.2	\$1,054.2	\$1,081.9	\$1,128.3
Residential Telephony	40.1	47.8	55.9	64.0	68.8	76.3	83.8	91.4
Cox Business Services	30.6	35.3	38.2	40.3	41.7	45.0	47.6	51.0
Total Cable/Telephony Revenue	\$947.9	\$1,001.8	\$1,032.0	\$1,083.0	\$1,104.7	\$1,175.4	\$1,213.4	\$1,270.7
% Change	21.6%	14.0%	14.4%	14.5%	16.5%	17.3%	17.6%	17.3%
Cable/Telephony Gross Profit								
Analog	\$555.3	\$583.6	\$583.8	\$596.1	\$562.2	\$602.2	\$609.4	\$628.2
Digital Cable	27.6	31.1	36.6	41.7	43.9	46.9	49.2	51.9
High Speed Data	56.6	62.3	75.2	91.7	87.5	99.6	112.8	130.6
Total Cable Television Gross Profit	\$639.4	\$677.0	\$695.6	\$729.4	\$693.5	\$748.7	\$771.4	\$810.6
Residential Telephony Gross Profit	10.8	16.2	32.3	48.5	17.1	25.7	51.4	77.1
Cox Business Services	4.6	6.8	13.7	20.5	6.7	10.0	20.0	30.0
Total Cable/Telephony Gross Profit	\$654.7	\$700.0	\$741.5	\$798.3	\$717.3	\$784.4	\$842.8	\$917.7
Gross Profit Margin	69.1%	69.9%	71.9%	73.7%	64.9%	66.7%	69.5%	72.2%
Cable/Telephony EBITDA								
Core Cable Television EBITDA	\$343.1	\$362.9	\$373.1	\$403.7	\$374.3	\$398.7	\$411.8	\$453.8
Video/Data Startup Losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Residential Telephony EBITDA	5.2	8.1	11.2	16.1	15.1	18.3	22.6	27.3
Cox Business Services EBITDA	9.8	11.1	12.0	12.7	15.0	16.2	17.1	18.3
Total Cable/Telephony EBITDA	\$358.1	\$382.1	\$396.3	\$432.5	\$404.5	\$433.3	\$451.6	\$499.4
% Change	19.5%	13.4%	11.9%	11.9%	12.9%	13.4%	14.0%	15.5%
Cable/Telephony EBITDA								
Total Cable Margins excl. Telephony	39.1%	39.5%	39.8%	41.2%	37.6%	37.8%	38.1%	40.2%
Residential Telephony	13.0%	17.0%	20.0%	25.2%	22.0%	24.0%	27.0%	29.8%
Cox Business Services	32.0%	31.4%	31.4%	31.5%	36.0%	36.0%	36.0%	35.9%
Total Cable/Telephony Margins	37.8%	38.1%	38.4%	39.9%	36.6%	36.9%	37.2%	39.3%
Other								
Revenues	\$0.0	\$0.0	\$0.0	\$2.2	\$0.0	\$0.0	\$0.0	\$0.0
Operating Cash Flow	0.0	0.0	0.0	(148.0)	(9.9)	0.0	0.0	0.0
Operating Cash Flow Margin								
Total Revenue	\$947.9	\$1,001.8	\$1,032.0	\$1,085.3	\$1,104.7	\$1,175.4	\$1,213.4	\$1,270.7
Total Operating Cash Flow	358.1	382.1	396.3	284.5	394.6	433.3	451.6	499.4
Total Cash Flow Margin	37.8%	38.1%	38.4%	26.2%	35.7%	36.9%	37.2%	39.3%

E = Morgan Stanley Research Estimates

Note: Data revenues in 2002 are shown gross of the affiliate fee; in 2001, these revenues are shown net of the affiliate fee.

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 136

Cox Communications**Revenue and Operating Cash Flow Comparisons, 2000-2006E**

(\$ Millions)

	Actual		Pro Forma		2002E	2003E	2004E	2005E	2006E
	2000	2001	2000	2001					
Cable/Telephony Revenue									
Analog	\$3,080.0	\$3,265.7	\$3,146.5	\$3,265.7	\$3,453.7	\$3,689.7	\$3,946.5	\$4,224.3	\$4,524.0
Digital Cable	74.0	161.1	74.0	161.1	252.6	357.8	458.5	558.8	658.7
High Speed Data	148.9	285.7	204.2	387.6	552.4	828.3	1,107.9	1,401.1	1,695.5
Total Cable Television Revenue	\$3,303.0	\$3,712.5	\$3,424.7	\$3,814.5	\$4,258.7	\$4,875.9	\$5,512.9	\$6,184.3	\$6,878.1
Residential Telephony	106.1	207.9	106.1	207.9	320.3	433.7	549.4	683.3	807.3
Cox Business Services	97.8	144.3	97.8	144.3	185.3	231.0	279.2	317.3	354.6
Total Cable/Telephony Revenue	\$3,506.9	\$4,064.7	\$3,628.6	\$4,166.7	\$4,764.3	\$5,540.6	\$6,341.5	\$7,184.9	\$8,039.9
% Change	51.3%	15.9%	13.4%	14.8%	14.3%	16.3%	14.5%	13.3%	11.9%
Cable/Telephony Gross Profit									
Analog	\$2,235.4	\$2,318.8	\$2,283.2	\$2,318.8	\$2,401.9	\$2,553.5	\$2,716.0	\$2,890.5	\$3,077.5
Digital Cable	62.9	137.0	62.9	137.0	191.9	265.7	331.2	392.6	449.5
High Speed Data	148.9	285.7	148.9	285.7	430.4	650.4	890.9	1,126.1	1,362.1
Total Cable Television Gross Profit	\$2,447.2	\$2,741.4	\$2,495.0	\$2,741.4	\$3,024.2	\$3,469.6	\$3,938.2	\$4,409.2	\$4,889.1
Residential Telephony Gross Profit	\$41.5	\$107.7	\$41.5	\$107.7	\$171.4	\$233.4	\$294.4	\$363.8	\$428.5
Cox Business Services	38.4	45.5	38.4	45.5	66.6	83.3	102.0	118.5	135.2
Total Cable/Telephony Gross Profit	\$2,527.1	\$2,894.6	\$2,574.9	\$2,894.6	\$3,262.2	\$3,786.4	\$4,334.6	\$4,891.5	\$5,452.7
Gross Profit Margin	72.1%	71.2%	71.0%	69.5%	68.5%	68.3%	68.4%	68.1%	67.8%
Cable/Telephony EBITDA									
Core Cable Television EBITDA	\$1,356.1	\$1,482.8	\$1,381.9	\$1,482.8	\$1,638.7	\$1,864.8	\$2,163.0	\$2,475.5	\$2,798.6
Video/Data Startup Losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Residential Telephony EBITDA	(17.1)	40.7	(17.1)	40.7	83.3	130.9	183.1	243.9	310.1
Cox Business Services EBITDA	38.4	45.5	38.4	45.5	66.6	83.3	102.0	118.5	135.2
Total Cable/Telephony EBITDA	\$1,377.3	\$1,569.0	\$1,403.1	\$1,569.0	\$1,788.7	\$2,079.0	\$2,448.2	\$2,837.9	\$3,243.9
% Change	52.8%	13.9%	10.3%	11.8%	14.0%	16.2%	17.8%	15.9%	14.3%
Cable/Telephony EBITDA									
Total Cable Margins excl. Telephony	41.1%	39.9%	40.3%	38.9%	38.5%	38.2%	39.2%	40.0%	40.7%
Residential Telephony	NM	NM	NM	19.6%	26.0%	30.2%	33.3%	35.7%	38.4%
Cox Business Services	39.3%	31.5%	39.3%	31.5%	36.0%	36.1%	36.5%	37.3%	38.1%
Total Cable/Telephony Margins	39.3%	38.6%	38.7%	37.7%	37.5%	37.5%	38.6%	39.5%	40.3%
Other									
Revenues	\$0.0	\$2.2	\$0.0	\$2.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Operating Cash Flow	0.0	(148.0)	\$0.0	(\$148.0)	(\$9.9)	\$0.0	\$0.0	\$0.0	\$0.0
Operating Cash Flow Margin	NM								
Total Revenue	\$3,506.9	\$4,067.0	\$3,628.6	\$4,168.9	\$4,764.3	\$5,540.6	\$6,341.5	\$7,184.9	\$8,039.9
Total Operating Cash Flow	1,377.3	1,421.0	1,403.1	1,421.0	1,778.8	2,079.0	2,448.2	2,837.9	3,243.9
Total Cash Flow Margin	39.3%	34.9%	38.7%	34.1%	37.3%	37.5%	38.6%	39.5%	40.3%

E= Morgan Stanley Research Estimates

Note: Pro forma results assume that data revenues are booked gross of the affiliate fee. In 2001 and prior years, Cox booked data revenues net of the affiliate fee, but the company began booking gross data revenues beginning in 2002.

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 139
Cox Communications
Cable Television Operations, Quarterly

(\$ Million except per data)

	2001				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
Homes Passed	9,843,052	9,866,948	9,936,499	9,979,207	10,016,629	10,054,191	10,091,895	10,129,739
% Change	2.8%	2.4%	2.1%	2.8%	1.8%	1.9%	1.6%	1.5%
Basic Subscribers	6,213,994	6,166,614	6,206,737	6,237,888	6,257,492	6,209,780	6,250,184	6,281,553
% Change	1.3%	0.5%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Homes Passed Penetration	63.1%	62.5%	62.5%	62.5%	62.5%	61.8%	61.9%	62.0%
Premium Subscriptions	4,103,003	4,165,283	4,132,082	4,098,881	4,134,675	4,122,454	4,174,140	4,221,426
% Change	-0.8%	-3.3%	-2.2%	-1.8%	0.8%	-1.0%	1.0%	3.0%
Basic subscriber Penetration	66.0%	67.5%	66.6%	65.7%	66.1%	66.4%	66.8%	67.2%
Digital Subscriptions	960,507	1,071,322	1,228,015	1,386,039	1,538,789	1,667,489	1,833,239	2,008,815
% Change	114.8%	91.3%	79.8%	64.6%	60.2%	55.6%	49.3%	44.9%
Homes Passed Penetration	9.8%	10.9%	12.4%	13.9%	15.4%	16.6%	18.2%	19.8%
Basic subscriber Penetration	15.5%	17.4%	19.8%	22.2%	24.6%	26.9%	29.3%	32.0%
Premium Subscriber Penetration	23.4%	25.7%	29.7%	33.8%	37.2%	40.4%	43.9%	47.6%
HSCDS Subscribers	587,170	668,038	779,499	883,562	994,062	1,098,062	1,228,062	1,364,562
% Change	126.0%	108.5%	95.5%	83.3%	69.3%	64.4%	57.5%	54.4%
Homes Passed Penetration	6.0%	6.8%	7.8%	8.9%	9.9%	10.9%	12.2%	13.5%
Basic subscriber Penetration	9.4%	10.8%	12.6%	14.2%	15.9%	17.7%	19.6%	21.7%
Monthly Reg. Rev. per Basic Sub.	\$32.32	\$32.44	\$32.40	\$32.53	\$33.29	\$33.74	\$33.69	\$33.83
% Change	3.9%	4.6%	3.5%	3.6%	3.0%	4.0%	4.0%	4.0%
Monthly Reg. & Unreg. Rev. per Basic Sub.	42.35	44.14	44.16	44.90	43.87	46.23	46.63	47.63
% Change	1.4%	4.0%	3.8%	2.3%	3.6%	4.7%	5.6%	6.1%
Monthly Digital Video Rev. per Digital Sub.	12.00	12.00	12.50	12.50	12.50	12.50	12.50	12.50
% Change	9.1%	9.1%	13.6%	13.6%	4.2%	4.2%	0.0%	0.0%
Monthly HSCDS Rev. per HSCDS Sub.	35.27	33.09	34.62	36.74	41.59	41.28	41.49	41.38
% Change	-19.3%	-15.5%	-9.4%	9.6%	17.9%	24.7%	19.8%	12.6%
Regulated Analog Revenues	601.5	602.5	601.3	607.2	623.9	631.0	629.7	635.9
% Change	15.4%	5.5%	4.1%	4.3%	3.7%	4.7%	4.7%	4.7%
Premium and Non-regulated Revenues	186.7	217.3	218.3	230.9	198.4	233.5	241.8	259.4
% Change	4.3%	3.3%	5.2%	0.0%	6.2%	7.5%	10.8%	12.4%
Digital Video Revenues	32.4	36.6	43.1	49.0	54.8	60.1	65.6	72.0
% Change	175.9%	120.1%	110.2%	94.8%	69.0%	64.4%	52.2%	47.0%
HSCDS Revenues	56.6	62.3	75.2	91.7	117.1	129.6	144.8	160.9
% Change	93.1%	82.8%	82.3%	106.9%	107.1%	107.9%	92.6%	75.6%
Total Revenue	\$877.2	\$918.7	\$937.9	\$978.8	\$994.2	\$1,054.2	\$1,081.9	\$1,128.3
% Change	18.3%	10.4%	10.7%	10.9%	13.3%	14.7%	15.4%	15.3%

E= Morgan Stanley Research Estimates

Note: Data revenues in 2002 are shown gross of the affiliate fee; in 2001, these revenues are shown net of the affiliate fee.

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 140

**Cox Communications
Cable Television Operations, Quarterly (continued)***(\$ Million except per data)*

	2001				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
Total Revenue	\$877.2	\$918.7	\$937.9	\$978.8	\$994.2	\$1,054.2	\$1,081.9	\$1,128.3
% Change	18.3%	10.4%	10.7%	10.9%	13.3%	14.7%	15.4%	15.3%
Analog Programming Costs	232.9	236.2	235.8	242.0	\$260.1	\$262.3	\$262.2	\$267.2
% of Total Analog Revenue	29.5%	28.8%	28.8%	28.9%	31.6%	30.3%	30.1%	29.8%
Digital Prog. & Direct Costs	4.9	5.5	6.5	7.4	11.0	13.2	16.4	20.2
% of Total Digital Revenue	15.0%	15.0%	15.0%	15.0%	20.0%	22.0%	25.0%	28.0%
HSCDS Direct Operating Costs	0.0	0.0	0.0	0.0	29.7	30.0	32.0	30.3
% of Total HSCDS Revenue	0.0%	0.0%	0.0%	0.0%	25.3%	23.1%	22.1%	18.8%
Total Programming and Direct Costs	237.8	241.6	242.3	249.4	300.7	305.5	310.5	317.7
% of Total HSCDS Revenue	27.1%	26.3%	25.8%	25.5%	30.2%	29.0%	28.7%	28.2%
Analog Service Gross Profit	555.3	583.6	583.8	596.1	562.2	602.2	609.4	628.2
% of Total Analog Revenue	70.5%	71.2%	71.2%	71.1%	68.4%	69.7%	69.9%	70.2%
Digital Service Gross Profit	27.6	31.1	36.6	41.7	43.9	46.9	49.2	51.9
% of Total Digital Revenue	85.0%	85.0%	85.0%	85.0%	80.0%	78.0%	75.0%	72.0%
HSCDS Gross Profit	56.6	62.3	75.2	91.7	87.5	99.6	112.8	130.6
% of Total HSCDS Revenue	100.0%	100.0%	100.0%	100.0%	74.7%	76.9%	77.9%	81.2%
Total Gross Profit	\$639.4	\$677.0	\$695.6	\$729.4	\$693.5	\$748.7	\$771.4	\$810.6
% of Total Revenue	72.9%	73.7%	74.2%	74.5%	69.8%	71.0%	71.3%	71.8%
Other Operating Costs	\$73.1	\$70.9	\$73.4	\$71.5	\$72.9	\$75.4	\$75.1	\$77.8
% of Total Revenues	8.3%	7.7%	7.8%	7.3%	7.3%	7.2%	6.9%	6.9%
Marketing Costs	\$44.9	\$46.7	\$47.6	\$45.1	\$49.7	\$52.7	\$53.9	\$55.7
% of Total Revenues	5.1%	5.1%	5.1%	4.6%	5.0%	5.0%	5.0%	4.9%
Gen. & Admin. Costs	178.3	196.5	201.5	209.1	196.6	221.8	230.7	223.3
% of Total Revenues	20.3%	21.4%	21.5%	21.4%	19.8%	21.0%	21.3%	19.8%
Operating Costs	\$34.1	\$55.8	\$64.8	\$75.1	619.9	655.4	670.1	674.5
% of Revenues	60.9%	60.5%	60.2%	58.8%	62.4%	62.2%	61.9%	59.8%
EBITDA incl. New Serv. Start-up Losses x Telephony	\$343.1	\$362.9	\$373.1	\$403.7	\$374.3	\$398.7	\$411.8	\$453.8
Operating Margin	39.1%	39.5%	39.8%	41.2%	37.6%	37.8%	38.1%	40.2%
Add: Broadband Losses excl. Telephony	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
EBITDA excl. New Serv. Start-up Losses	\$343.1	\$362.9	\$373.1	\$403.7	\$374.3	\$398.7	\$411.8	\$453.8
Operating Margin	39.1%	39.5%	39.8%	41.2%	37.6%	37.8%	38.1%	40.2%
% Change	14.3%	8.6%	7.8%	7.5%	9.1%	9.9%	10.4%	12.4%

E= Morgan Stanley Research Estimates

Note: Data revenues in 2002 are shown gross of the affiliate fee; in 2001, these revenues are shown net of the affiliate fee.

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 141
Cox Communications
Cable Television Operations, 2000-2006E

(\$ Million except per data)

	Actual		Pro Forma		2002E	2003E	2004E	2005E	2006E
	2000	2001	2000	2001					
Homes Passed	9,710,963	9,979,207	9,710,963	9,979,207	10,129,739	10,281,685	10,435,911	10,592,449	10,751,336
% Change	20.9%	2.8%	1.1%	2.8%	1.5%	1.5%	1.5%	1.5%	1.5%
Basic Subscribers	6,193,317	6,237,888	6,193,317	6,237,888	6,281,553	6,325,524	6,369,803	6,414,391	6,459,292
% Change	20.6%	0.7%	1.9%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Homes Passed Penetration	63.8%	62.5%	63.8%	62.5%	62.0%	61.5%	61.0%	60.6%	60.1%
Premium Subscriptions	4,174,447	4,098,881	4,174,447	4,098,881	4,097,162	4,080,976	4,057,472	4,025,913	3,988,117
% Change	29.0%	-1.8%	-0.8%	-1.8%	0.0%	-0.4%	-0.6%	-0.8%	-0.9%
Basic subscriber Penetration	67.4%	65.7%	67.4%	65.7%	65.2%	64.5%	63.7%	62.8%	61.7%
Digital Subscriptions	841,824	1,386,039	841,824	1,386,039	2,008,815	2,534,873	3,009,643	3,427,078	3,798,044
% Change	217.3%	64.6%	139.8%	64.6%	44.9%	26.2%	18.7%	13.9%	10.8%
Homes Passed Penetration	8.7%	13.9%	8.7%	13.9%	19.8%	24.7%	28.8%	32.4%	35.3%
Basic subscriber Penetration	13.6%	22.2%	13.6%	22.2%	32.0%	40.1%	47.2%	53.4%	58.8%
Premium Subscriber Penetration	20.2%	33.8%	20.2%	33.8%	49.0%	62.1%	74.2%	85.1%	95.2%
HSCDS Subscribers	481,947	883,562	481,947	883,562	1,364,562	1,945,440	2,549,877	3,187,511	3,802,113
% Change	157.8%	83.3%	136.5%	83.3%	54.4%	42.6%	31.1%	25.0%	19.3%
Homes Passed Penetration	5.0%	8.9%	5.0%	8.9%	13.5%	18.9%	24.4%	30.1%	35.4%
Basic subscriber Penetration	7.8%	14.2%	7.8%	14.2%	21.7%	30.8%	40.0%	49.7%	58.9%
Monthly Reg. Rev. per Basic Sub.	\$31.21	\$32.42	\$31.22	\$32.42	\$33.64	\$35.32	\$37.09	\$38.94	\$40.89
% Change	0.0%	3.9%	0.1%	3.9%	3.8%	5.0%	5.0%	5.0%	5.0%
Monthly Reg. & Unreg. Rev. per Basic Sub.	42.68	43.89	42.69	43.89	46.09	48.78	51.81	55.07	58.57
% Change	0.2%	2.8%	0.3%	2.8%	5.0%	5.8%	6.2%	6.3%	6.3%
Monthly Digital Video Rev. per Digital Sub.	11.00	12.28	11.00	12.28	12.50	13.13	13.78	14.47	15.19
% Change	0.0%	11.6%	0.0%	11.6%	1.8%	5.0%	5.0%	5.0%	5.0%
Monthly HSCDS Rev. per HSCDS Sub.	37.79	35.04	51.83	47.55	41.43	41.71	41.08	40.70	40.43
% Change	-11.1%	-7.3%	21.9%	-8.3%	-12.9%	0.7%	-1.5%	-0.9%	-0.7%
Regulated Analog Revenues	\$2,252.4	\$2,412.5	\$2,301.0	\$2,412.5	\$2,520.6	\$2,671.7	\$2,825.0	\$2,987.0	\$3,158.3
% Change	43.6%	7.1%	6.0%	4.8%	4.5%	6.0%	5.7%	5.7%	5.7%
Premium and Non-regulated Revenues	827.7	853.2	845.5	853.2	933.1	1018.0	1121.5	1237.3	1365.7
% Change	44.6%	3.1%	0.6%	0.9%	9.4%	9.1%	10.2%	10.3%	10.4%
Digital Video Revenues	74.0	161.1	74.0	161.1	252.6	357.8	458.5	558.8	658.7
% Change	264.5%	117.6%	264.5%	117.6%	56.8%	41.6%	28.1%	21.9%	17.9%
HSCDS Revenues	148.9	285.7	204.2	387.6	552.4	828.3	1,107.9	1,401.1	1,695.5
% Change	149.2%	91.9%	241.8%	89.8%	42.5%	50.0%	33.8%	26.5%	21.0%
Total Revenue	\$3,303.0	\$3,712.5	\$3,424.7	\$3,814.5	\$4,258.7	\$4,875.9	\$5,512.9	\$6,184.3	\$6,878.1
% Change	48.7%	12.4%	10.4%	11.4%	11.6%	14.5%	13.1%	12.2%	11.2%

E= Morgan Stanley Research Estimates

Note: Pro forma results assume that data revenues are booked gross of the affiliate fee. In 2001 and prior years, Cox booked data revenues net of the affiliate fee, but the company began booking gross data revenues beginning in 2002

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 142

**Cox Communications
Cable Television Operations, 2000-2006E (continued)***(\$ Million except per data)*

	Actual		Pro Forma						
	2000	2001	2000	2001	2002E	2003E	2004E	2005E	2006E
Total Revenue	\$3,303.0	\$3,712.5	\$3,424.7	\$3,814.5	\$4,258.7	\$4,875.9	\$5,512.9	\$6,184.3	\$6,878.1
% Change	48.7%	12.4%	10.4%	11.4%	11.6%	14.5%	13.1%	12.2%	11.2%
Analog Programming Costs	844.6	946.9	863.3	946.9	1051.8	1136.2	1230.5	1333.8	1446.5
% of Total Analog Revenue	27.4%	29.0%	27.4%	29.0%	30.5%	30.8%	31.2%	31.6%	32.0%
Digital Prog. & Direct Costs	\$11.1	\$24.2	11.1	24.2	60.8	92.1	127.2	166.3	209.1
% of Total Digital Revenue	15.0%	15.0%	15.0%	15.0%	24.1%	25.8%	27.8%	29.8%	31.8%
HSCDS Direct Operating Costs	\$0.0	0.0	55.3	101.9	122.0	177.9	217.0	275.0	333.4
% of Total HSCDS Revenue	0.0%	0.0%	27.1%	26.3%	22.1%	21.5%	19.6%	19.6%	19.7%
Total Programming and Direct Costs	855.8	971.1	929.7	1,073.1	1,234.5	1,406.2	1,574.7	1,775.0	1,989.0
% of Total HSCDS Revenue	25.9%	26.2%	27.1%	28.1%	29.0%	28.8%	28.6%	28.7%	28.9%
Analog Service Gross Profit	2,235.4	2,318.8	2,283.2	2,318.8	2,401.9	2,553.5	2,716.0	2,890.5	3,077.5
% of Total Analog Revenue	72.6%	71.0%	72.6%	71.0%	69.5%	69.2%	68.8%	68.4%	68.0%
Digital Service Gross Profit	62.9	137.0	62.9	137.0	191.9	265.7	331.2	392.6	449.5
% of Total Digital Revenue	85.0%	85.0%	85.0%	85.0%	75.9%	74.3%	72.3%	70.3%	68.3%
HSCDS Gross Profit	148.9	285.7	148.9	285.7	430.4	650.4	890.9	1,126.1	1,362.1
% of Total HSCDS Revenue	100.0%	100.0%	72.9%	73.7%	77.9%	78.5%	80.4%	80.4%	80.3%
Total Gross Profit	\$2,447.2	\$2,741.4	\$2,495.0	\$2,741.4	\$3,024.2	\$3,469.6	\$3,938.2	\$4,409.2	\$4,889.1
% of Total Revenue	74.1%	73.8%	72.9%	71.9%	71.0%	71.2%	71.4%	71.3%	71.1%
Other Operating Costs	255.3	288.9	265.3	288.9	301.2	361.0	399.0	427.4	456.5
% of Total Revenues	7.7%	7.8%	7.7%	7.6%	7.1%	7.4%	7.2%	6.9%	6.6%
Marketing Costs	180.4	184.3	180.5	184.3	211.9	240.0	269.8	302.1	332.2
% of Total Revenues	5.5%	5.0%	5.3%	4.8%	5.0%	4.9%	4.9%	4.9%	4.8%
Gen. & Admin. Costs	655.5	785.4	667.4	785.4	872.4	1,003.8	1,106.3	1,204.3	1,301.8
% of Total Revenues	19.8%	21.2%	19.5%	20.6%	20.5%	20.6%	20.1%	19.5%	18.9%
Operating Costs	\$1,946.9	\$2,229.7	\$2,042.9	\$2,331.7	\$2,620.0	\$3,011.1	\$3,349.9	\$3,708.8	\$4,079.5
% of Revenues	58.9%	60.1%	59.7%	61.1%	61.5%	61.8%	60.8%	60.0%	59.3%
EBITDA incl. New Serv. Start-up Losses x Telephony	\$1,356.1	\$1,482.8	\$1,381.9	\$1,482.8	\$1,638.7	\$1,864.8	\$2,163.0	\$2,475.5	\$2,798.6
Operating Margin	41.1%	39.9%	40.3%	38.9%	38.5%	38.2%	39.2%	40.0%	40.7%
Add: Broadband Losses excl. Telephony	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA excl. New Serv. Start-up Losses	\$1,356.1	\$1,482.8	\$1,381.9	\$1,482.8	\$1,638.7	\$1,864.8	\$2,163.0	\$2,475.5	\$2,798.6
Operating Margin	41.1%	39.9%	40.3%	38.9%	38.5%	38.2%	39.2%	40.0%	40.7%
% Change	51.3%	9.3%	9.0%	7.3%	10.5%	13.8%	16.0%	14.4%	13.1%

*E= Morgan Stanley Research Estimates**Note: Pro forma results assume that data revenues are booked gross of the affiliate fee. In 2001 and prior years, Cox booked data revenues net of the affiliate fee, but the company began booking gross data revenues beginning in 2002.**Broadband Cable Television – April 5, 2002***Please see the important disclosures at the end of this report.**

Exhibit 143

Cox Communications**Residential Telephony Summary, Quarterly***Dollars in Millions, Except Per Data*

	2001				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
CATV Homes Passed	9,843,052	9,866,948	9,936,499	9,979,207	10,016,629	10,054,191	10,091,895	10,129,739
% Change								
Telephony Homes Passed	2,644,390	2,816,649	3,142,393	3,338,097	3,513,115	3,688,133	3,863,151	4,038,168
% Change	9.0%	6.5%	11.6%	6.2%	5.2%	5.0%	4.7%	4.5%
CATV Homes Passed Penetration	26.9%	28.5%	31.6%	33.5%	35.1%	36.7%	38.3%	39.9%
Residential Telephony Subscribers	292,230	344,524	398,813	453,572	505,572	558,222	610,872	663,198
% Change	19.4%	17.9%	15.8%	13.7%	11.5%	10.4%	9.4%	8.6%
CATV Homes Passed Penetration	3.0%	3.5%	4.0%	4.5%	5.0%	5.6%	6.1%	6.5%
Telephony Homes Passed Penetration	11.1%	12.2%	12.7%	13.6%	14.4%	15.1%	15.8%	16.4%
Residential Telephony Lines	393,705	456,084	518,922	583,114	649,965	714,524	775,807	835,630
% Change	17.7%	15.8%	13.8%	12.4%	11.5%	9.9%	8.6%	7.7%
CATV Homes Passed Penetration	4.0%	4.6%	5.2%	5.8%	6.5%	7.1%	7.7%	8.2%
Telephony Homes Passed Penetration	14.9%	16.2%	16.5%	17.5%	18.5%	19.4%	20.1%	20.7%
Residential Revenue	\$40.1	\$47.8	\$55.9	\$64.0	\$68.8	\$76.3	\$83.8	\$91.4
% Change	17.7%	19.1%	17.0%	14.4%	7.5%	10.9%	9.9%	9.0%
As % Of Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Average Revenue per Line	\$36.75	\$37.53	\$38.26	\$38.72	\$37.19	\$37.28	\$37.51	\$37.80
% Change	0.7%	2.1%	1.9%	1.2%	-3.9%	0.2%	0.6%	0.8%
Average Revenue per Subscriber	\$49.85	\$50.08	\$50.18	\$50.05	\$47.81	\$47.81	\$47.81	\$47.81
% Change	-1.3%	0.5%	0.2%	-0.2%	-4.5%	0.0%	0.0%	0.0%
Total Variable Expenses	21.7	23.9	25.2	29.5	32.3	35.9	39.4	41.4
% of Revenue	54.0%	50.0%	45.0%	46.0%	47.0%	47.0%	47.0%	45.3%
Gross Profit	\$18.5	\$23.9	\$30.8	\$34.5	\$36.5	\$40.4	\$44.4	\$50.0
% of Revenue	46.0%	50.0%	55.0%	54.0%	53.0%	53.0%	53.0%	54.7%
Total Marketing Expense	4.1	4.2	4.1	3.9	4.4	4.6	4.7	5.2
% of Revenue	10.1%	8.8%	7.3%	6.1%	6.4%	6.0%	5.7%	5.7%
Total G&A (other)	5.8	7.6	10.8	9.2	12.5	12.6	11.7	11.7
% of Revenue	14.5%	15.9%	19.3%	14.3%	18.2%	16.6%	13.9%	12.8%
Total G & A Employee Expense	3.4	4.0	4.7	5.4	4.4	4.9	5.4	5.9
% of Revenue	8.4%	8.4%	8.4%	8.4%	6.4%	6.4%	6.4%	6.4%
Total Operating Expenses	\$13.2	\$15.8	\$19.6	\$18.4	\$21.3	\$22.1	\$21.8	\$22.8
% of Revenue	33.0%	33.0%	35.0%	28.8%	31.0%	29.0%	26.0%	24.9%
Residential Telephony EBITDA	\$5.2	\$8.1	\$11.2	\$16.1	\$15.1	\$18.3	\$22.6	\$27.3
% Change	NM	55.8%	37.6%	44.1%	-6.2%	21.0%	23.6%	20.4%
EBITDA Margin %	13.0%	17.0%	20.0%	25.2%	22.0%	24.0%	27.0%	29.8%
Annual EBITDA per Line / Subscriber	\$19.4	\$25.5	\$30.1	\$37.8	\$31.6	\$34.4	\$38.7	\$42.8
% Change	NM	31.4%	17.9%	25.7%	-16.6%	9.1%	12.5%	10.5%

E= Morgan Stanley Research Estimates

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Please see the important disclosures at the end of this report.

Exhibit 144
Cox Communications
Residential Telephony Summary, 2000-2006E

Dollars in Millions, Except Per Data

	2000	2001	2002E	2003E	2004E	2005E	2006E
CATV Homes Passed	9,710,963	9,979,207	10,129,739	10,281,685	10,435,911	10,592,449	10,751,336
% Change	1.1%	2.8%	1.5%	1.5%	1.5%	1.5%	1.5%
Telephony Homes Passed	2,426,580	3,338,097	4,038,168	4,748,741	5,469,972	6,202,022	6,295,052
% Change	110.9%	37.6%	21.0%	17.6%	15.2%	13.4%	1.5%
CATV Homes Passed Penetration	25.0%	33.5%	39.9%	46.2%	52.4%	58.6%	58.6%
Residential Telephony Subscribers	244,653	453,572	663,198	894,416	1,143,143	1,402,638	1,619,107
% Change	140.3%	85.4%	46.2%	34.9%	27.8%	22.7%	15.4%
CATV Homes Passed Penetration	2.5%	4.5%	6.5%	8.7%	11.0%	13.2%	15.1%
Telephony Homes Passed Penetration	10.1%	13.6%	16.4%	18.8%	20.9%	22.6%	25.7%
Residential Telephony Lines	334,589	596,200	844,849	1,139,397	1,456,251	1,786,822	2,062,582
% Change	121.9%	78.2%	41.7%	34.9%	27.8%	22.7%	15.4%
CATV Homes Passed Penetration	3.4%	6.0%	8.3%	11.1%	14.0%	16.9%	19.2%
Telephony Homes Passed Penetration	13.8%	17.9%	20.9%	24.0%	26.6%	28.8%	32.8%
Residential Revenue	\$106.1	\$207.9	\$320.3	\$433.7	\$549.4	\$683.3	\$807.3
% Change	146.0%	95.9%	54.0%	35.4%	26.7%	24.4%	18.2%
As % Of Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Average Revenue per Line	\$36.64	\$37.23	\$37.04	\$36.42	\$35.27	\$35.11	\$34.95
% Change	-4.0%	1.6%	-0.5%	-1.7%	-3.2%	-0.5%	-0.5%
Average Revenue per Subscriber	\$52.03	\$50.06	\$47.81	\$46.40	\$44.94	\$44.73	\$44.53
% Change	-10.3%	-3.8%	-4.5%	-3.0%	-3.2%	-0.5%	-0.5%
Total Variable Expenses	64.6	100.2	148.9	200.2	254.9	319.5	378.8
% of Revenue	60.9%	48.2%	46.5%	46.2%	46.4%	46.8%	46.9%
Gross Profit	\$41.5	\$107.7	\$171.4	\$233.4	\$294.4	\$363.8	\$428.5
% of Revenue	39.1%	51.8%	53.5%	53.8%	53.6%	53.2%	53.1%
Total Marketing Expense	12.6	16.2	19.0	22.2	24.7	27.9	27.7
% of Revenue	11.9%	7.8%	5.9%	5.1%	4.5%	4.1%	3.4%
Total G&A (other)	29.1	33.4	48.5	57.0	60.2	62.0	56.7
% of Revenue	27.4%	16.1%	15.1%	13.1%	11.0%	9.1%	7.0%
Total G & A Employee Expense	16.9	17.4	20.6	23.3	26.4	30.0	33.9
% of Revenue	15.9%	8.4%	6.4%	5.4%	4.8%	4.4%	4.2%
Total Operating Expenses	\$58.6	\$67.0	\$88.0	\$102.5	\$111.3	\$119.9	\$118.3
% of Revenue	55.2%	32.2%	27.5%	23.6%	20.3%	17.5%	14.7%
Residential Telephony EBITDA	(\$17.1)	\$40.7	\$83.3	\$130.9	\$183.1	\$243.9	\$310.1
% Change	NM	NM	104.9%	57.0%	39.9%	33.2%	27.1%
EBITDA Margin %	NM	19.6%	26.0%	30.2%	33.3%	35.7%	38.4%
Annual EBITDA per Line / Subscriber	(\$100.8)	\$116.5	\$149.2	\$168.0	\$179.7	\$191.6	\$205.3
% Change	NM	NM	28.1%	12.6%	7.0%	6.6%	7.1%

E= Morgan Stanley Research Estimates

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Please see the important disclosures at the end of this report.

Exhibit 145

**Cox Communications
Commercial Telephony Operations, 2000-2006E**

(*\$ Thousands, except per-share data*)

	2000	2001E	2002E	2003E	2004E	2005E	2006E
Summary Network Data							
Markets Launched	9	12	13	14	14	14	14
Switches Installed	9	12	13	14	14	14	14
Total Buildings On-Net	4,554	7,754	8,754	9,804	10,907	12,064	13,280
Revenue Build							
Year End VGE Circuits	1,200,684	1,773,340	2,100,960	2,230,964	2,481,845	2,731,544	3,006,757
Avg. VGE Circuits	855,932	1,405,358	1,937,150	2,165,962	2,356,405	2,606,695	2,869,151
VGE Circuits Per On-Net Building	264	229	229	228	228	226	226
Revenue VGE Circuit/Month	\$5.00	\$4.98	\$4.73	\$4.72	\$4.72	\$4.72	\$4.71
Data Services							
As % of Total Revenue	53%	57%	57%	53%	48%	46%	46%
Dedicated Transport/Other							
As % of Total Revenue	17%	9%	6%	5%	4%	4%	4%
% Growth Rate	102%	-19%	-9%	2%	2%	2%	2%
Total Data Revenues							
As % of Total Revenue	69%	66%	64%	58%	52%	51%	49%
% Growth Rate	83%	41%	24%	14%	8%	10%	9%
Year End Switched Access Lines							
Avg. Switched Access Lines	42,406	72,406	98,364	140,397	197,301	235,738	272,749
Switched Lines Per Building	12	12	12	18	20	21	22
Revenue Access Line/Month	\$48.00	\$48.00	\$48.00	\$47.52	\$47.04	\$46.57	\$46.11
Switched Access Revenue							
As % of Total Revenue	25%	28%	30%	35%	40%	42%	43%
% Take of Long Dist by Switched Lines							
Long Distance Revenue per Month/Line	\$50.00	\$50.00	\$49.00	\$48.51	\$48.02	\$47.54	\$47.07
Long Distance Revenue							
As % of Total Revenue	6%	6%	6%	7%	8%	8%	8%
Total Voice Revenues							
As % of Total Revenue	31%	34%	36%	42%	48%	49%	51%
% Growth Rate	83%	59%	37%	43%	39%	18%	14%
Total Revenue							
% Change	82.1%	47.5%	28.4%	24.7%	20.9%	13.7%	11.7%
Rolling 5-Year CAGR				51.3%	39.1%	26.5%	19.7%
Revenue per Customer	2.687	1.954	1.870	2.075	2.247	2.303	2.332
Data Services Direct Costs							
Data Services Direct Costs as % Rev	10%	10%	10%	10%	10%	10%	10%
Dedicated Transport Direct Costs							
Data Services Direct Costs as % Rev	20%	20%	19%	19%	19%	18%	18%
Switched Access Line Direct Costs							
Switched Access Line Direct Costs as % Rev	25%	25%	24%	24%	23%	23%	23%
Long-Distance Direct Costs							
Long-Distance Direct Costs as % of LD Rev	50%	50%	48%	46%	45%	43%	42%
Total Direct Costs							
Total Direct Costs as % of Other Rev.	18%	17%	17%	18%	18%	18%	18%
Total Gross Profit							
Gross Margin %	82%	83%	83%	82%	82%	82%	82%
Sales and Marketing							
% of Revenue	10%	12%	11%	11%	11%	11%	11%
General and Admin. Expenses							
% of Revenue	33%	39%	36%	35%	34%	33%	33%
Total Operating Expenses							
% of Revenue	43%	51%	47%	46%	45%	44%	44%
Total EBITDA							
EBITDA %	39.3%	31.5%	36.0%	36.1%	36.5%	37.3%	38.1%
Change %	92%	19%	46%	25%	22%	16%	14%

E = Morgan Stanley Research Estimates

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Please see the important disclosures at the end of this report.

Insight Communications (ICCI, \$19, Underweight, Industry View: Attractive, Target \$22)

We rate Insight shares Underweight with a 12-month price target of \$22. At current prices, Insight is trading at 15.8 times 2002E EBITDA and 13.5 times 2003E EBITDA on a proportionate basis. We believe continued interactive digital and VOD rollouts and basic rate increases are the key components for accelerated revenue and EBITDA growth in 2002.

We expect total revenue and system-level cash flow growth of 12.5-13.0% and 12.5-13.0%, respectively, in 2002. We project total revenue of \$790-800 million and operating cash flow of \$370-380 million. After corporate overhead expense, we estimate EBITDA growth of 14.0-14.5%, which excludes one-time charges related to the @Home transition. The company's guidance on operating cash flow growth in 2002 is 14-16%.

The acceleration in revenue and EBITDA growth in 2002 versus 2001 is largely due to the rebuild in the Illinois systems. Insight spent last year rebuilding and upgrading these systems that were acquired from AT&T in January 2001. These systems will require another year of rebuilds. As VOD and telephony are deployed in rebuilt systems, we estimate that Insight will be able to reach 15-16% EBITDA growth in 2003 and 2004.

The company made the decision not to market the Insight Digital product on the Illinois systems until the rebuild was complete. In addition, the company made the decision not to implement any rate increases on any of its systems until they were completely rebuilt. The rebuilds in the non-Illinois systems are largely completed and, thus, Insight indicated that it will implement larger rate increases on these systems in 2002. We believe rate increases will average about 5-6% during the year, which compares to an average of 2.4% in 2001. The company will not implement rate increases on the Illinois systems in 2002 as these systems are still being rebuilt (represents about 360,000 customers).

Digital Video Subscribers

We expect Insight to end 1Q02 with 280,000-290,000 digital video subscribers, representing weekly additions of 2,100. This compares to average weekly additions of 2,160 during 4Q01. Over 80% of Insight digital customers are Insight Digital customers, while the remainder are digital

customers inherited through the AT&T systems acquired in January 2001. Insight should begin marketing its Insight Digital product to the Illinois systems during 2002. The company has spent the past year rebuilding and upgrading these systems in order to offer its interactive digital product.

Insight ended 2001 with 950,000 VOD-enabled customers, which represents about 75% of Insight's total customer base. The company indicated that it would trial S-VOD at some point during the year. It did not note pricing strategies, but the company did say that it would charge for the service.

Cable Modem Customers

Insight should add 8,500-9,500 high-speed data customers during 1Q02 to end the quarter with 96,000-99,000. In February 2002, Insight completed the transition from the @Home network to a backbone managed by AT&T Broadband. In December 2001, Insight signed an interim deal with @Home in which Insight paid \$10 million for continuation of the cable-modem service through the end of February. During the transition, the company made the decision to stop marketing the service. Insight cable modem service is now branded "InsightBB."

Insight estimates that it will be able to reduce direct costs on the modem product to about \$9 per customer, which compares to the \$13 per customer that it paid to @Home as the affiliate fee.

Residential Telephony

At the end of 2001, Insight had approximately 210,000 homes passed for residential telephony, with 7,500 subscribers. The company has launched the service in Louisville, Kentucky and Evansville, Indiana, and has plans for launches in Columbus, Ohio, and Lexington, Kentucky. Unlike residential telephony deployments by other MSOs, Insight sells local bandwidth to AT&T under the agreement. Insight does not bear marketing and G&A expenses and therefore will not experience start-up losses. However, the telephony product is offered on a co-branded basis.

Capital Expenditures and Plant Upgrades

Insight ended the year with 79% of its plant (including the Illinois systems) upgraded for 750 MHz and two-way capabilities. Excluding the Illinois systems, the plant was about

97% upgraded. The company expects to end 2002 with 99% of its plant (including the Illinois systems) upgraded for two-way and 750 MHz.

We expect Insight to incur \$300 million in capital expenditures in 2002, largely for rebuilds in the Illinois systems, telephony deployment, and interactive digital expansion.

Exhibit 146
Insight Communications
Broadband Cable Drivers

(\$ in Millions)

	Pro Forma with AT&T ⁽¹⁾			Pro Forma with AT&T				Pro Forma with AT&T			
	2000	2001	2002	1Q01	2Q01	3Q01	4Q01	1Q02E	2Q02E	3Q02E	4Q02E
Broadband Subscribers											
Basic	1,278,500	1,283,700	1,296,537	1,284,900	1,270,100	1,275,500	1,283,700	1,288,035	1,290,119	1,291,402	1,296,537
Pro Forma Basic Growth %	0.5%	0.4%	1.0%								
Basic ARPL	\$29.40	\$30.97	\$32.67	\$30.37	\$30.83	\$31.25	\$31.44	\$32.07	\$32.87	\$32.87	\$32.87
Program. Costs as % of Analog Rev.	27.4%	27.2%	27.0%	28.5%	27.3%	26.9%	26.3%	28.3%	27.1%	26.7%	26.0%
Programming Costs per sub % Change	22.9%	8.8%	9.7%	9.1%	8.7%	8.6%	8.9%	8.5%	9.7%	10.3%	10.5%
Digital Video Subscribers											
Weekly Additions	1,085	1,985	2,160	2,185	1,406	2,185	2,162	2,100	1,800	2,200	2,542
ARPL	\$12.13	\$19.16	\$19.16	\$18.76	\$20.07	\$18.70	\$19.13	\$19.16	\$19.16	\$19.16	\$19.16
Basic Sub Penetration	11.9%	20.1%	28.5%	14.2%	15.8%	18.0%	20.1%	22.1%	23.9%	26.1%	28.5%
Digital Prog. Costs as % of Dig. Rev.	28.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Cable Modem Subscribers											
Weekly Additions	NA	696	1,588	885	769	892	246	700	1,250	2,200	2,200
ARPL	\$38.93	\$39.56	\$38.00	\$35.45	\$39.74	\$39.96	\$41.80	\$38.00	\$38.00	\$38.00	\$38.00
Basic Sub Penetration	4.1%	6.9%	13.2%	4.9%	5.8%	6.7%	6.9%	7.5%	8.8%	11.0%	13.2%
Affiliate Fee as % of HSD service rev.	35.0%	36.3%	32.5%	35.0%	35.0%	35.0%	40.0%	40.0%	32.0%	32.0%	27.0%
Fixed Costs (1)											
Fixed Costs (\$)	\$159.4	\$146.8	\$155.5	\$35.3	\$39.0	\$37.3	\$35.0	\$37.5	\$41.2	\$39.6	\$39.6
Fixed Costs (% Change)	-10.5%	-7.9%	6.0%	NM	NM	NM	NM	NM	NM	NM	NM
Total Capital Expenditures	\$262.2	\$325.6	\$310.2	NA	NA	NA	NA	NA	NA	NA	NA
Broadband (incl. Telephony)											
Revenue Growth %	7.6%	5.6%	12.6%	4.4%	6.4%	5.1%	5.9%	9.9%	11.5%	12.6%	12.9%
EBITDA Growth %	NA	NA	32.8%	5.5%	2.2%	4.2%	5.5%	8.0%	12.4%	13.2%	14.0%
EBITDA Margin %	0.0%	47.5%	47.5%	47.0%	46.2%	47.4%	49.1%	46.1%	46.8%	48.0%	48.9%

(1) G&A, marketing and plant operations for cable operations.

E = Morgan Stanley Research Estimates

Exhibit 147
Insight Communications
Estimated 2002 Fair Market Value

(\$ Millions Except For Share Data)

Asset Description	National Operations	Corporate & Other	Total
Core Cable Television Operations	\$5,488.0		\$5,488.0
Telephony	390.1		390.1
Management Fees		(123.9)	(123.9)
<i>Other Assets</i>			
Liberate (883,682 shares)		5.9	5.9
Total Estimated Asset Value	\$5,878.0	(\$117.9)	\$5,760.1
<i>Less:</i>			
Debt	2,603.1	274.9	\$2,878.0
Preferred Stock	0.0	0.0	0.0
Minority Interest	1,637.5	0.0	1,637.5
<i>Plus:</i>			
Cash		216.6	216.6
Cash from Stock Options		0.0	0.0
Total Fair Market Value	\$1,637.5	(\$176.2)	\$1,461.3
Class A Shares Outstanding	50,967	50,967	50,967
Class C Shares Outstanding	10,226	10,226	10,226
Stock Options	4,158	4,158	4,158
Total Insight Comm. Shares Outstanding	65,351	65,351	65,351
Total Fair Market Value Per Share	\$25.06	(\$2.70)	\$22.36
<i>Supplemental Valuation Data</i>			
Estimated Asset Value	\$5,878.0	(\$123.9)	\$5,754.2
2002E Cable/Telephony EBITDA	377.0	(16.0)	361.0
Est. Asset Value / Est. 2002E EBITDA	15.6x	NA	15.9x
2003E Cable/Telephony EBITDA	435.4	(16.5)	418.9
Est. Asset Value / 2003E EBITDA	13.5x	NA	13.7x
2002E Basic Subscribers	1,296,537		
Est. Asset Value per Basic Subscriber	\$4,534		

E= Morgan Stanley Research Estimates

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 148
Insight Communications
Consolidated Annual Income Statement

(\$ in millions)	Pro Forma With ATT Transaction						
	2000	2001	2002E	2003E	2004E	2005E	2006E
CABLE							
Service Revenue	667.4	703.9	786.8	905.9	1,040.1	1,194.0	1,352.1
Operating Expenses	349.2	369.6	416.5	488.3	564.4	648.3	736.1
Cable System Cash Flow	318.2	334.3	370.3	417.6	475.7	545.6	616.0
RESIDENTIAL TELEPHONY OPERATIONS							
Revenue	0.0	0.7	6.8	21.2	42.9	66.2	88.2
Operating Expenses	0.0	0.7	0.0	3.5	12.2	23.7	30.7
Telephony Operating Cash Flow	0.0	0.1	6.7	17.8	30.8	42.6	57.6
CORPORATE/Other							
Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenses	13.8	17.9	16.0	16.5	17.0	17.5	18.0
Net Cash Corporate Expenses	(15.0)	(17.9)	(16.0)	(16.5)	(17.0)	(17.5)	(18.0)
TOTAL REVENUE	\$667.4	\$704.6	\$793.5	\$927.1	\$1,083.1	\$1,260.2	\$1,440.4
TOTAL EBITDA	\$303.2	\$316.4	\$361.0	\$418.9	\$489.5	\$570.7	\$655.6
Depreciation	144.2	178.4	199.0	208.4	210.1	217.6	225.8
EBITA	159.0	138.0	162.0	210.4	279.4	353.1	429.7
Amortization	138.0	205.0	8.0	8.0	8.0	8.0	8.0
EBIT	21.0	(67.0)	154.0	202.4	271.4	345.1	421.7
Cash Interest Expense	187.3	180.1	180.2	182.1	177.5	169.5	204.7
Noncash Interest Expense	4.7	32.9	36.1	40.2	41.1	42.4	0.0
Other Income		18.2	0.0	0.0	0.0	0.0	0.0
Interest Income	3.4	7.3	7.7	8.1	8.5	8.9	9.3
Pretax Profit before Equity Income	(167.6)	(254.6)	(54.6)	(11.7)	61.3	142.1	226.4
Income from Equity Interests	0.0	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Minority Interest	90.1	141.3	20.3	(2.7)	(41.1)	(83.5)	(125.3)
Pretax Profit	(77.5)	(115.3)	(36.3)	(16.5)	18.2	56.5	99.0
Tax Provision	(31.0)	(46.6)	(11.3)	(3.4)	10.5	25.8	42.8
Current Taxes	(15.5)	0.0	(5.7)	(3.4)	10.5	25.8	42.8
Net Income before Extraordinary Items	(46.5)	(68.7)	(25.0)	(13.1)	7.7	30.7	56.2
Extraordinary Items (after-tax)	0.0	(6.1)	0.0	0.0	0.0	0.0	0.0
Net Income	(46.5)	(74.8)	(25.0)	(13.1)	7.7	30.7	56.2
Preferred Dividends	(18.7)	(19.4)	(19.5)	(19.6)	(19.7)	(19.8)	(19.9)
Net Income Available to Common Shareholders	(65.2)	(94.2)	(44.5)	(32.7)	(12.0)	10.9	36.3
Avg. Basic Shares Outstanding	59,703	60,202	61,406	65,479	65,734	65,991	66,249
Reported Basic EPS	(\$1.09)	(\$1.57)	(\$0.73)	(\$0.50)	(\$0.18)	\$0.17	\$0.55
Avg. Diluted Shares Outstanding	59,703	60,202	61,406	65,479	65,734	65,991	66,249
Reported Diluted EPS	(\$1.09)	(\$1.56)	(\$0.73)	(\$0.50)	(\$0.18)	\$0.17	\$0.55
Extraordinary Items per Diluted Share	\$0.00	\$0.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nonrecurring Items (after-tax)	\$0.00	(\$0.20)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Diluted EPS	(\$1.09)	(\$1.66)	(\$0.73)	(\$0.50)	(\$0.18)	\$0.17	\$0.55
Amortization per Diluted Share	\$1.16	\$1.02	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Equity Income per Diluted Share	\$0.00	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)
Diluted Cash EPS	\$0.06	(\$0.67)	(\$0.72)	(\$0.49)	(\$0.18)	\$0.17	\$0.55

E= Morgan Stanley Research Estimates

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 149
**Insight Communications
 Balance Sheet Forecast**

BALANCE SHEET ANALYSIS	2000	2001	2002E	2003E	2004E	2005E	2006E
Cash & Marketable Securities	61.6	216.6	216.6	216.6	216.6	216.6	341.6
Accounts Receivable	18.2	22.9	25.8	30.2	35.2	41.0	46.9
Other Current Assets	28.3	31.3	35.3	41.2	48.2	56.1	64.1
Total Current Assets	108.0	270.9	277.7	288.0	300.0	313.7	452.5
Prop., Plant. & Equip.	1,115.3	1,626.3	1,822.6	1,893.5	1,957.4	2,030.4	2,108.8
Accumulated Depreciation	294.4	474.5	382.4	463.3	540.8	621.4	705.1
Net Prop., Plant. & Equip. (Rpt)	820.9	1,151.7	1,440.1	1,430.3	1,416.5	1,409.0	1,403.8
Investments in Unconsolidated Investments	2.2	0.0	0.0	0.0	0.0	0.0	0.0
Intangible Assets	1,270.6	2,397.1	2,389.1	2,381.1	2,373.1	2,365.1	2,357.1
Other Assets	42.8	47.7	47.7	47.7	47.7	47.7	47.7
Total Assets	2,244.6	3,867.4	4,154.7	4,147.1	4,137.4	4,135.5	4,261.1
Short-term Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Account Payable	46.2	67.1	67.6	69.7	70.6	75.9	79.5
Other Current Liabilities	77.4	95.0	95.0	95.0	95.0	95.0	95.0
Total Current Liabilities	123.6	162.1	162.6	164.7	165.6	170.9	174.5
Long-term Debt	1,372.5	2,542.5	2,878.0	2,867.7	2,791.1	2,663.2	2,591.9
Minority Interest	(47.9)	255.9	235.6	238.3	279.4	362.9	488.2
Deferred Taxes	60.8	0.0	0.0	0.0	0.0	0.0	0.0
Other Liabilities	194.9	260.9	257.5	268.4	285.6	292.2	303.9
Preferred Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common Equity	540.7	646.0	621.0	607.9	615.7	646.4	702.6
Total Equity	540.7	646.0	621.0	607.9	615.7	646.4	702.6
Total Liabilities & Equity	2,244.6	3,867.4	4,154.7	4,147.1	4,137.4	4,135.5	4,261.1

E= Morgan Stanley Research Estimates

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 150

**Insight Communications
Debt Capitalization***(S Millions)*

	Pro Forma						
	2000	2001	2002E	2003E	2004E	2005E	2006E
Insight Indiana Credit Facility	298.6	0.0	0.0	0.0	0.0	0.0	0.0
12 3/4% Senior Discount Notes due 2011	0.0	244.9	274.9	308.6	346.4	388.8	400.0
Subtotal For Insight Consolidated Excluding Kentucky	\$298.6	\$244.9	\$274.9	\$308.6	\$346.4	\$388.8	\$400.0
Kentucky							
Midwest Holdings Credit Facility	685.5	1,580.0	1,693.7	1,643.2	1,528.8	1,358.4	1,276.0
Revolving Credit Facility - 8.38%	356.3	0.0	0.0	0.0	0.0	0.0	0.0
High Yield Offering - 8.5%	200.0	200.0	200.0	200.0	200.0	200.0	200.0
Insight Midwest Senior Notes - 10.5% - due 2010	492.6	492.6	492.6	492.6	492.6	492.6	492.6
Subtotal	\$1,734.4	\$2,272.6	\$2,386.3	\$2,335.8	\$2,221.4	\$2,051.1	\$1,968.6
Ohio							
Notes to Banks and Institutions	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Subtotal	25.0						
Total Debt	\$2,058.0	\$2,542.5	\$2,686.2	\$2,669.4	\$2,592.8	\$2,464.9	\$2,393.6
Series A - 10%	140.0	140.0	140.0	140.0	140.0	140.0	140.0
Series B - 12.875%	40.3	45.7	51.8	58.3	58.3	58.3	58.3
Total Debt and Preferred Stock	\$2,238.3	\$2,728.2	\$2,878.0	\$2,867.7	\$2,791.1	\$2,663.2	\$2,591.9
EBITDA	\$303.2	\$316.4	\$361.0	\$418.9	\$489.5	\$570.7	\$655.6
Total Debt / EBITDA	6.8x	8.0x	7.4x	6.4x	5.3x	4.3x	3.7x
Total Debt and Preferred Stock / EBITDA	7.4x	8.6x	8.0x	6.8x	5.7x	4.7x	4.0x

*E = Morgan Stanley Research Estimates**Broadband Cable Television - April 5, 2002***Please see the important disclosures at the end of this report.**

Exhibit 151
Insight Communications
Revenue and Operating Cash Flow Comparison, Quarterly

(*\$ Millions*)

	2001				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
Cable/Telephony Revenue								
Analog	\$152.8	\$155.3	\$155.2	\$157.7	\$158.9	\$166.0	\$165.6	\$167.3
Digital Cable	9.5	11.6	12.1	14.0	15.6	17.1	18.6	20.3
Cable Modem	6.5	8.5	9.9	11.0	10.9	12.5	15.4	18.7
Total Cable Television Revenue	\$168.7	\$175.3	\$177.1	\$182.7	\$185.4	\$195.5	\$199.5	\$206.3
Telephony	0.0	0.0	0.2	0.5	1.0	1.7	2.0	2.0
Total Cable/Telephony Revenue	\$168.7	\$175.3	\$177.4	\$183.1	\$186.4	\$197.2	\$201.6	\$208.3
					10.5%	12.5%	13.6%	13.7%
Cable/Telephony Gross Profit								
Analog	\$104.6	\$107.5	\$107.6	\$109.7	\$106.5	\$113.0	\$112.4	\$113.7
Digital Cable	5.7	6.9	7.3	8.4	9.4	10.2	11.1	12.2
Cable Modem	4.3	5.6	6.5	6.7	6.7	8.7	10.7	13.9
Total Cable Television Gross Profit	\$114.7	\$120.0	\$121.4	\$124.8	\$122.5	\$131.9	\$134.2	\$139.8
Telephony	0.0	0.0	0.2	0.5	1.0	1.7	2.0	2.0
Total Cable/Telephony Gross Profit	\$114.7	\$120.0	\$121.7	\$125.2	\$123.5	\$133.6	\$136.3	\$141.8
Gross Profit Margin	67.9%	68.5%	68.6%	68.4%	66.3%	67.7%	67.6%	68.1%
Cable/Telephony EBITDA								
Core Cable Television EBITDA	79.3	81.0	84.1	89.8	85.0	90.7	94.7	99.9
Video/Data Startup Losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Telephony EBITDA	0.0	0.0	0.0	0.0	1.0	1.7	2.0	2.0
Total Cable/Telephony EBITDA	79.3	81.0	84.1	89.9	86.0	92.4	96.7	101.9
					8.4%	14.0%	14.9%	13.4%
Cable/Telephony EBITDA								
Total Cable Margins excl. Telephony	47.0%	46.2%	47.5%	49.2%	45.8%	46.4%	47.4%	48.4%
Telephony Margins	0.0%	0.0%	NM	NM	99.4%	99.4%	99.4%	99.4%
Total Cable/Telephony Margins	47.0%	46.2%	47.4%	49.1%	46.1%	46.8%	48.0%	48.9%
Corporate/Other								
Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	(4.3)	(3.9)	(4.0)	(9.5)	(4.0)	(4.0)	(4.0)	(4.0)
Total Revenue	\$168.7	\$175.3	\$177.4	\$183.1	\$186.4	\$197.2	\$201.6	\$208.3
% Growth	NA	NA	NA	NA	10.5%	12.5%	13.6%	13.7%
Total EBITDA (Operating Cash Flow)	75.0	77.1	80.1	80.4	82.0	88.4	92.7	97.9
% Growth	NA	NA	NA	NA	9.3%	14.6%	15.7%	21.9%
EBITDA Margins	44.5%	44.0%	45.2%	43.9%	44.0%	44.8%	46.0%	47.0%

E. Morgan Stanley Research Estimate

Exhibit 152
Insight Communications
Revenue and Operating Cash Flow Comparisons, 2000-2006E

(*\$ Millions*)

	Pro Forma						
	2000	2001	2002E	2003E	2004E	2005E	2006E
Cable/Telephony Revenue							
Analog	\$638.4	\$620.9	\$657.8	\$697.9	\$744.7	\$801.0	\$860.2
Digital Cable	13.6	47.1	71.5	102.3	138.6	180.7	219.5
Cable Modem	15.4	35.8	57.4	105.7	156.9	212.3	272.5
Total Cable Television Revenue	\$667.4	\$703.9	\$786.8	\$905.9	\$1,040.1	\$1,194.0	\$1,352.1
Telephony	0.0	0.7	6.8	21.2	42.9	66.2	88.2
Total Cable/Telephony Revenue	\$667.4	\$704.6	\$793.5	\$927.1	\$1,083.1	\$1,260.2	\$1,440.4
	7.6%	5.6%	12.6%	16.8%	16.8%	16.4%	14.3%
Cable/Telephony Gross Profit							
Analog	\$463.2	\$429.4	\$445.6	\$469.6	\$496.8	\$528.7	\$562.1
Digital Cable	8.6	28.3	42.9	59.9	80.4	103.9	125.1
Cable Modem	5.7	23.2	39.9	75.1	111.1	150.1	192.5
Total Cable Television Gross Profit	\$477.6	\$480.9	\$528.4	\$604.5	\$688.3	\$782.7	\$879.7
Telephony	0.0	0.7	6.8	21.2	42.9	66.2	88.2
Total Cable/Telephony Gross Profit	\$477.6	\$481.6	\$535.2	\$625.7	\$731.2	\$848.9	\$968.0
Gross Profit Margin	71.6%	68.4%	67.4%	67.5%	67.5%	67.4%	67.2%
Cable/Telephony EBITDA							
Core Cable Television EBITDA	318.2	334.3	370.3	417.6	475.7	545.6	616.0
Video/Data Startup Losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Telephony EBITDA	0.0	0.1	6.7	17.8	30.8	42.6	57.6
Total Cable/Telephony EBITDA	318.2	334.3	377.0	435.4	506.5	588.2	673.6
	9.0%	5.1%	12.8%	15.5%	16.3%	16.1%	14.5%
Cable/Telephony EBITDA							
Total Cable Margins excl. Telephony	47.7%	47.5%	47.1%	46.1%	45.7%	45.7%	45.6%
Telephony Margins		8.0%	99.4%	83.7%	71.7%	64.3%	65.2%
Total Cable/Telephony Margins	47.7%	47.5%	47.5%	47.0%	46.8%	46.7%	46.8%
Corporate/Other							
Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	(15.0)	(17.9)	(16.0)	(16.5)	(17.0)	(17.5)	(18.0)
Total Revenue	\$667.4	\$704.6	\$793.5	\$927.1	\$1,083.1	\$1,260.2	\$1,440.4
% Growth		5.6%	12.6%	16.8%	16.8%	16.4%	14.3%
Total EBITDA (Operating Cash Flow)	303.2	316.4	361.0	418.9	489.5	570.7	655.6
% Growth		4.4%	14.1%	16.0%	16.9%	16.6%	14.9%
EBITDA Margins		44.9%	45.5%	45.2%	45.2%	45.3%	45.5%

Note: 1Q01 adjusted to reflect consolidation of Greenwood Systems (which Insight acquired in mid-January 2001) for the entire quarter.

E= Morgan Stanley Research Estimates

Exhibit 153
Insight Communications
Consolidated Cable Television Operations, Quarterly

(\$ millions, except per-share data)

	2001 - With AT&T				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
Homes Passed	2,158,000	2,166,000	2,181,000	2,200,800	2,209,053	2,217,306	2,225,559	2,233,812
% Change	2.1%	1.9%	2.4%	3.2%	2.4%	2.4%	2.0%	1.5%
Basic Subscribers	1,284,900	1,270,100	1,275,500	1,283,700	1,288,835	1,290,119	1,291,402	1,296,537
% Change	-0.3%	-0.4%	0.1%	0.4%	0.3%	1.6%	1.2%	1.0%
Homes Passed Penetration	59.5%	58.6%	58.5%	58.3%	58.3%	58.2%	58.0%	58.0%
Premium Subscriptions	750,382	741,738	744,892	749,681	754,377	755,128	755,880	758,885
% Change	-21.2%	-20.6%	-19.7%	-19.3%	0.5%	1.8%	1.5%	1.2%
Basic Subscriber Penetration	58.4%	58.4%	58.4%	58.4%	58.5%	58.5%	58.5%	58.5%
Digital Subscriptions	182,900	201,200	229,600	257,700	285,000	308,400	337,000	370,041
% Change	158.0%	128.4%	88.2%	69.4%	55.8%	53.3%	46.8%	43.6%
Homes Passed Penetration	8.5%	9.3%	10.5%	11.7%	12.9%	13.9%	15.1%	16.6%
Basic Subscriber Penetration	14.2%	15.8%	18.0%	20.1%	22.1%	23.9%	26.1%	28.5%
Premium Subscriber Penetration	24.4%	27.1%	30.8%	34.4%	37.8%	40.8%	44.6%	48.8%
HSCDS Subscribers	63,300	73,300	84,900	88,100	97,200	113,450	142,050	170,650
% Change	241.2%	160.2%	116.6%	70.1%	53.6%	54.8%	67.3%	93.7%
Homes Passed Penetration	2.9%	3.4%	3.9%	4.0%	4.4%	5.1%	6.4%	7.6%
Basic Subscriber Penetration	4.9%	5.8%	6.7%	6.9%	7.5%	8.8%	11.0%	13.2%
Monthly Reg. Rev. per Basic Sub.	\$30.80	\$31.07	\$31.50	\$31.68	\$32.36	\$33.16	\$33.16	\$33.16
% Change	-1.0%	-0.1%	1.3%	1.9%	5.1%	6.7%	5.3%	4.7%
Monthly Reg. & Unreg. Rev. per Basic Sub.	\$39.73	\$40.52	\$40.64	\$41.07	\$41.19	\$42.90	\$42.77	\$43.10
% Change	-4.2%	-2.9%	-3.6%	-2.1%	3.7%	5.9%	5.2%	4.9%
Monthly Digital Video Rev. per Digital Sub.	\$18.78	\$20.07	\$18.70	\$19.13	\$19.16	\$19.16	\$19.16	\$19.16
% Change	68.7%	89.1%	57.8%	46.7%	2.1%	-4.5%	2.5%	0.2%
Monthly HSCDS Rev. per HSCDS Sub.	37.51	41.34	41.56	42.45	39.14	39.57	40.10	39.79
% Change	12.3%	-1.8%	-9.0%	-15.8%	4.3%	-4.3%	-3.5%	-6.3%
Regulated Analog Revenues	\$118.4	\$119.1	\$120.3	\$121.6	\$124.9	\$128.3	\$128.4	\$128.7
% Change	-0.9%	0.3%	1.8%	2.8%	5.4%	7.7%	6.8%	5.8%
Premium and Non-regulated Revenues	34.4	36.2	34.9	36.1	34.1	37.7	37.2	38.6
% Change	-13.8%	-10.8%	-16.8%	-12.8%	-0.8%	4.1%	6.5%	7.0%
Digital Video Revenues	9.5	11.6	12.1	14.0	15.6	17.1	18.6	20.3
% Change	254.6%	309.7%	245.5%	202.6%	64.2%	47.5%	53.5%	45.4%
HSCDS Revenues	6.5	8.5	9.9	11.0	10.9	12.5	15.4	18.7
% Change	212.3%	157.6%	126.0%	93.0%	68.0%	47.6%	55.8%	69.4%
Total Revenue	\$168.7	\$175.3	\$177.1	\$182.7	\$185.4	\$195.5	\$199.5	\$206.3
% Change	4.4%	6.4%	5.1%	5.9%	9.9%	11.5%	12.6%	12.9%

E= Morgan Stanley Research Estimates

Broadband Cable Television - April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 154
Insight Communications
Consolidated Cable Television Operations, Quarterly (continued)

(\$ millions, except per-share data)

	2001 - With AT&T				2002E			
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE
Total Revenue	\$168.7	\$175.3	\$177.1	\$182.7	\$185.4	\$195.5	\$199.5	\$206.3
% Change	4.4%	6.4%	5.1%	5.9%	9.9%	11.5%	12.6%	12.9%
Analog Programming Costs	\$48.1	\$47.8	\$47.6	\$48.0	\$52.4	\$52.9	\$53.2	\$53.6
% of Total Analog Revenue	28.5%	27.3%	26.9%	26.3%	28.3%	27.1%	26.7%	26.0%
Digital Prog. & Direct Costs	3.8	4.6	4.8	5.6	6.2	6.8	7.4	8.1
% of Total Digital Revenue	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
HSCDS Direct Operating Costs	2.1	2.9	3.3	4.3	4.2	3.8	4.7	4.8
% of Total HSCDS Revenue	33.1%	33.6%	33.7%	39.4%	38.8%	30.7%	30.3%	25.8%
Total Programming and Direct Costs	54.1	55.3	55.7	57.9	62.9	63.6	65.3	66.5
% of Total Revenue	32.1%	31.5%	31.5%	31.7%	33.9%	32.5%	32.7%	32.2%
Analog Service Gross Profit	104.6	107.5	107.6	109.7	106.5	113.0	112.4	113.7
% of Total Analog Revenue	68.5%	69.2%	69.3%	69.6%	67.0%	68.1%	67.9%	68.0%
Digital Service Gross Profit	5.7	6.9	7.3	8.4	9.4	10.2	11.1	12.2
% of Total Digital Revenue	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
HSCDS Gross Profit	4.3	5.6	6.5	6.7	6.7	8.7	10.7	13.9
% of Total HSCDS Revenue	66.9%	66.4%	66.3%	60.6%	61.2%	69.3%	69.7%	74.2%
Total Gross Profit	114.7	120.0	121.4	124.8	122.5	131.9	134.2	139.8
% of Total Revenue	67.9%	68.5%	68.5%	68.3%	66.1%	67.5%	67.3%	67.8%
% Change	39.7%	39.8%	40.1%	39.0%	6.0%	11.8%	11.1%	13.5%
Other Operating Costs	19.0	19.7	18.9	17.3	18.7	20.6	21.1	20.2
% of Total Revenues	11.3%	11.2%	10.7%	9.5%	10.1%	10.6%	10.6%	9.8%
Marketing Costs	3.0	3.2	2.8	2.6	3.3	3.5	3.2	3.5
% of Total Revenues	1.8%	1.8%	1.6%	1.4%	1.8%	1.8%	1.6%	1.7%
Gen. & Admin. Costs	13.3	16.2	15.5	15.1	15.4	17.0	15.3	16.2
% of Total Revenues	7.9%	9.2%	8.8%	8.3%	8.3%	8.7%	7.7%	7.8%
Operating Costs	89.4	94.3	93.0	92.9	100.4	104.8	104.9	106.4
% of Revenues	53.0%	53.8%	52.5%	50.8%	54.2%	53.6%	52.6%	51.6%
EBITDA (System Cash Flow)	\$79.3	\$81.0	\$84.1	\$89.8	\$85.0	\$90.7	\$94.7	\$99.9
Operating Margin	47.0%	46.2%	47.5%	49.2%	45.8%	46.4%	47.4%	48.4%
% Change	6.2%	2.6%	4.3%	7.0%	7.2%	11.9%	12.5%	11.2%

E= Morgan Stanley Research Estimates

Exhibit 155

Insight Communications

Consolidated Cable Television Operations, 2000-2006E

(\$ millions, except per-share data)

	Pro Forma with ATT Transaction						
	2000	2001E	2002E	2003E	2004E	2005E	2006E
Homes Passed	2,133,300	2,200,800	2,233,812	2,267,319	2,301,329	2,335,849	2,370,887
% Change	2.4%	3.2%	1.5%	1.5%	1.5%	1.5%	1.5%
Basic Subscribers	1,278,500	1,283,700	1,296,537	1,309,000	1,321,000	1,333,000	1,345,000
% Change	0.5%	0.4%	1.0%	1.0%	0.9%	0.9%	0.9%
Homes Passed Penetration	59.9%	58.3%	58.0%	57.7%	57.4%	57.1%	56.7%
Premium Subscriptions	928,600	749,681	758,885	761,766	767,936	774,723	773,820
% Change	-1.8%	-19.3%	1.2%	0.4%	0.8%	0.9%	-0.1%
Basic Subscriber Penetration	72.6%	58.4%	58.5%	58.2%	58.1%	58.1%	57.5%
Digital Subscriptions	152,100	257,700	370,041	493,853	642,175	795,902	899,727
% Change	87.3%	69.4%	43.6%	33.5%	30.0%	23.9%	13.0%
Homes Passed Penetration	7.1%	11.7%	16.6%	21.8%	27.9%	34.1%	37.9%
Basic Subscriber Penetration	11.9%	20.1%	28.5%	37.7%	48.6%	59.7%	66.9%
Premium Subscriber Penetration	16.4%	34.4%	48.8%	64.8%	83.6%	102.7%	116.3%
HSCDS Subscribers	51,800	88,100	170,650	281,734	401,665	531,674	673,186
% Change	564.1%	70.1%	93.7%	65.1%	42.6%	32.4%	26.6%
Homes Passed Penetration	2.4%	4.0%	7.6%	12.4%	17.5%	22.8%	28.4%
Basic Subscriber Penetration	4.1%	6.9%	13.2%	21.5%	30.4%	39.9%	50.1%
Monthly Reg. Rev. per Basic Sub.	\$31.10	\$31.26	\$32.96	\$34.34	\$35.88	\$37.50	\$39.18
% Change	6.8%	0.5%	5.4%	4.2%	4.5%	4.5%	4.5%
Monthly Reg. & Unreg. Rev. per Basic Sub.	\$41.83	\$40.49	\$42.49	\$44.64	\$47.19	\$50.30	\$53.53
% Change	4.8%	-3.2%	4.9%	5.1%	5.7%	6.6%	6.4%
Monthly Digital Video Rev. per Digital Sub.	\$11.78	\$19.17	\$18.99	\$19.74	\$20.33	\$20.94	\$21.57
% Change	-17.0%	62.7%	-0.9%	3.9%	3.0%	3.0%	3.0%
Monthly HSCDS Rev. per HSCDS Sub.	44.21	42.68	36.98	38.94	38.26	37.91	37.69
% Change	-49.2%	-3.5%	-13.3%	5.3%	-1.7%	-0.9%	-0.6%
Regulated Analog Revenues	\$474.6	\$479.4	\$510.3	\$536.9	\$566.2	\$597.1	\$629.6
% Change	7.1%	1.0%	6.4%	5.2%	5.5%	5.5%	5.4%
Premium and Non-regulated Revenues	163.8	141.5	147.5	161.0	178.5	203.9	230.6
% Change	-0.3%	-13.6%	4.2%	9.1%	10.9%	14.2%	13.1%
Digital Video Revenues	13.6	47.1	71.5	102.3	138.6	180.7	219.5
% Change	0.0%	246.0%	51.8%	43.0%	35.4%	30.4%	21.4%
HSCDS Revenues	15.4	35.8	57.4	105.7	156.9	212.3	272.5
% Change	0.0%	132.1%	60.3%	84.1%	48.4%	35.3%	28.4%
Total Revenue	\$667.4	\$703.9	\$786.8	\$905.9	\$1,040.1	\$1,194.0	\$1,352.1
% Change	7.6%	5.5%	11.8%	15.1%	14.8%	14.8%	13.2%

E= Morgan Stanley Research Estimates

Broadband Cable Television – April 5, 2002

Please see the important disclosures at the end of this report.

Exhibit 156
Insight Communications
Consolidated Cable Television Operations, 2000-2006E (continued)

(\$ millions, except per-share data)

	Pro Forma with ATT Transaction						
	2000	2001E	2002E	2003E	2004E	2005E	2006E
Total Revenue	\$667.4	\$703.9	\$786.8	\$905.9	\$1,040.1	\$1,194.0	\$1,352.1
% Change	7.6%	5.5%	11.8%	15.1%	14.8%	14.8%	13.2%
Analog Programming Costs	175.2	191.5	212.2	228.3	247.9	272.3	298.1
% of Total Analog Revenue	27.4%	27.2%	27.0%	25.2%	23.8%	22.8%	22.0%
Digital Prog. & Direct Costs	5.0	18.9	28.6	42.5	58.2	76.8	94.4
% of Total Digital Revenue	36.8%	40.0%	40.0%	41.5%	42.0%	42.5%	43.0%
HSCDS Direct Operating Costs	9.7	12.6	17.5	30.6	45.8	62.1	79.9
% of Total HSCDS Revenue	62.8%	35.3%	30.5%	29.0%	29.2%	29.3%	29.3%
Total Programming and Direct Costs	189.9	223.0	258.3	301.4	351.9	411.3	472.4
% of Total Revenue	28.4%	31.7%	32.8%	33.3%	33.8%	34.4%	34.9%
Analog Service Gross Profit	463.2	429.4	445.6	469.6	496.8	528.7	562.1
% of Total Analog Revenue	72.6%	69.2%	67.7%	67.3%	66.7%	66.0%	65.3%
Digital Service Gross Profit	8.6	28.3	42.9	59.9	80.4	103.9	125.1
% of Total Digital Revenue	63.2%	60.0%	60.0%	58.5%	58.0%	57.5%	57.0%
HSCDS Gross Profit	5.7	23.2	39.9	75.1	111.1	150.1	192.5
% of Total HSCDS Revenue	NA	64.7%	69.5%	71.0%	70.8%	70.7%	70.7%
Total Gross Profit	477.6	480.9	528.4	604.5	688.3	782.7	879.7
% of Total Revenue	71.6%	68.3%	67.2%	66.7%	66.2%	65.6%	65.1%
% Change	1.6%	0.7%	9.9%	14.4%	13.9%	13.7%	12.4%
Other Operating Costs	66.6	74.9	80.7	94.1	106.2	119.4	134.1
% of Total Revenues	10.0%	10.6%	10.3%	10.4%	10.2%	10.0%	9.9%
Marketing Costs	18.0	11.6	13.6	18.1	21.0	24.4	27.9
% of Total Revenues	2.7%	1.6%	1.7%	2.0%	2.0%	2.0%	2.1%
Gen. & Admin. Costs	74.7	60.0	63.9	74.7	85.3	93.4	101.7
% of Total Revenues	11.2%	8.5%	8.1%	8.2%	8.2%	7.8%	7.5%
Operating Costs	\$349.2	\$369.6	\$416.5	\$488.3	\$564.4	\$648.3	\$736.1
% of Revenues	52.3%	52.5%	52.9%	53.9%	54.3%	54.3%	54.4%
EBITDA (System Cash Flow)	\$318.2	\$334.3	\$370.3	\$417.6	\$475.7	\$545.6	\$616.0
Operating Margin	47.7%	47.5%	47.1%	46.1%	45.7%	45.7%	45.6%
% Change	9.0%	5.1%	10.8%	12.8%	13.9%	14.7%	12.9%

E= Morgan Stanley Research Estimates

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ANALYST STOCK RATINGS

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

More volatile (V). We estimate that this stock has more than a 25% chance of a price move (up or down) of more than 25% in a month, based on a quantitative assessment of historical data, or in the analyst's view, it is likely to become materially more volatile over the next 1-12 months compared with the past three years. Stocks with less than one year of trading history are automatically rated as more volatile (unless otherwise noted). We note that securities that we do not currently consider "more volatile" can still perform in that manner.

ANALYST INDUSTRY VIEWS

Attractive (A). The analyst expects the performance of his or her industry coverage universe to be attractive vs. the relevant broad market benchmark over the next 12-18 months.

In-Line (I). The analyst expects the performance of his or her industry coverage universe to be in line with the relevant broad market benchmark over the next 12-18 months.

Cautious (C). The analyst views the performance of his or her industry coverage universe with caution vs. the relevant broad market benchmark over the next 12-18 months.