

INTERNET & DATA

Solutions

Internet & Data

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[Dedicated Internet Access](#)

[Ethernet Internet Service](#)

[Storage Transport Services](#)

[Native LAN](#)

[Metro Ethernet](#)

[Switched Native LAN](#)

[SONET Native LAN](#)

[Managed Security Services](#)

[Extended Native LAN](#)

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Time Warner Telecom offers one of the most comprehensive suites of Internet and Data products. Our Internet and Data products allow customers to create their own internal computer networks and to access the Internet and other external networks. One of the fastest growing products is our suite of Metro Ethernet products which is available to large, medium and small businesses. These products, called Native Local Area Network ("LAN") services, are high-speed, flexible solutions designed to deliver customers up to 100 times faster connection speeds at lower prices than traditional networks can offer.

Many older technologies like ISDN, Frame Relay and DSL only *talked about* the benefits that our Internet and Data products *deliver today*.

IP Backbone and Performance Overview

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Co-location

Do you want to expand into new markets but can't afford the extra time and money? Do you have a back-up plan in place if something goes wrong with your network? Time Warner Telecom's Co-Location Service solves these problems and delivers more.

Co-location Service provides reliable and secure space in Time Warner Telecom's co-location site to locate equipment for back up, remote, or virtual presence and obtain Wide Area Network services from Time Warner Telecom. Secured cabinets, cages, and/or racks are available depending on the market. We offer this service in 40 of our markets.

Read more about [Co-Location](#).

DECLARATION OF CLAIRE BETH NOGAY

EXHIBIT 4

A conversation with Time Warner Telecom's Mike Rouleau

TelephonyOnline.com, Oct 29 2003

On Monday, Time Warner Telecom announced its 500th customer for metro Ethernet services, a 400% increase since the company added switched Ethernet and wavelength-based services (in 10 Mb/s, 100 Mb/s and 1 Gb/s) to its Ethernet-over-Sonet offering six months ago. Mike Rouleau, TWT's senior vice president of business development, told Telephony's Ed Gubbins how the company did it and what it will do next.

On price: The RBOCs are still charging by the mile typically. We don't charge for mileage. And we give customers full line-rate capabilities all the way across town. If a customer signs up for 10 Mb/s, they get 10 Mb/s across town. The RBOCs are typically charging more granularly for bandwidth consumption. And they've got to be concerned about cannibalizing their existing data revenue streams, whereas we don't have legacy frame relay or ATM services to manage. We're aggressively deploying metro Ethernet.

On the market: Year-over-year we've had a 44% increase in data and IP revenues, though we don't break that out by product line. Typical metro Ethernet customers are migrating from frame relay or ATM. We've seen a shift from customers consuming larger ports—half a gig or a gig—to now, when a lot more customers sign up for 10-Mb/s ports due to Internet demand. It's much more scalable and easier to upgrade capacity if they need to because the port will already exist.

On reach: While [RBOCs] have lot of fiber deployed, I don't know that they have more buildings connected than we do in all cases. In certain markets they may; in others they may not. At the end of Q3, we had over 18,000 route-miles of fiber deployed. Of that, 11,345 miles are local, and they connect over 3800 buildings in our 44 markets across the U.S. In Raleigh, N.C., we have 500 to 600 route-miles of fiber. In Houston we have nearly 800 route-miles and almost 200 buildings connected. Those tend to be stronger markets for us. We're using switched native LAN infrastructure to penetrate more buildings because its lower cost electronics allow us to serve more multi-tenant buildings. And we can provide full integration between switched infrastructure and Ethernet-over-Sonet infrastructure to make it look like one network for the customer. The competition has an all-or-nothing kind of choice.

On what's next: In Q4 we'll roll out extended native LAN service to go between all our markets. We've already signed a couple customers but haven't installed them yet. We'll do that over the next couple months. Customers will be able to have end-to-end Ethernet connectivity between Raleigh, New York and Denver [for example]. The service offering will start at 2 Mb/s between markets. So within the metro, we'll give you full-line rate across town. And as you gateway off to different resources in the network, such as storage area networks, the Internet or our IP backbone for the extended native LAN service, we scale the bandwidth in 2-Mb/s increments for the first 10 Mb/s, 5-Mb/s increments from 10 Mb/s to 100 Mb/s and 20-Mb/s increments from 100 Mb/s to 1 Gb/s. If a customer wants a full gig across the country, we're in a position to give them that.



DECLARATION OF CLAIRE BETH NOGAY

EXHIBIT 5

TIME WARNER TELECOM

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Time Warner Telecom Announces Second Quarter 2004 Results

LITTLETON, Colo. – August 4, 2004 – Time Warner Telecom Inc. (NASDAQ: TWTC), a leading provider of managed voice and data networking solutions for business customers, today announced its second quarter 2004 financial results, including \$162.8 million in revenue, \$55.2 million in EBITDA¹, and a net loss of \$(27.2) million.

“We are making steady progress growing our revenue from enterprise customers,” said Larissa Herda, Time Warner Telecom’s Chairman, CEO and President. “While volatility continues in the telecom sector, we continue to pursue enterprise customers with a robust product suite which distinguishes us from others, as well as focusing on ongoing sales to quality carriers. Our revenue this quarter grew over the first quarter, as enterprise sales outpaced the headwinds we have been experiencing from disconnects, pricing pressures and other market dynamics. We are pleased with these results, and we continue to focus on delivering innovative ways to serve our customers.”

Highlights for the Quarter

For the quarter ending June 30, 2004 the Company --

- Grew enterprise revenue \$2.7 million sequentially, partially offset by a \$1.5 million decrease in other revenue, including a \$.9 million decrease in intercarrier compensation
- Grew enterprise revenue \$9.3 million, or 13% year over year, offset by the following decreases - \$3.3 million in carrier revenue, \$2.6 million in related party revenue and \$3.4 million in intercarrier compensation
- Produced EBITDA of \$55.2 million and EBITDA margin of 34%
- Increased the number of buildings served directly by the Company’s fiber network by 24%, year over year
- Grew customers by 20%, year over year, and
- Launched a series of new products, including expansion of the Company’s Ethernet and VersiPak product suites as well as launching a new Managed Security Service

Second Quarter 2004 compared to First Quarter 2004

Revenue

Revenue for the quarter was \$162.8 million, as compared to \$161.6 million for the first quarter of 2004, an increase of \$1.2 million sequentially. The primary components of the change included:

- \$2.7 million net increase in revenue from enterprise customers, primarily from the sale of data and Internet services
- \$2.2 million net increase from carriers and ISPs, primarily due to favorable dispute and contract settlements
- \$2.3 million decrease for a bankruptcy settlement received in the first quarter which did not recur in the second quarter
- \$.5 million net decrease from related parties
- \$.9 million decrease in intercarrier compensation due to lower minutes of use and lower rates

By product line, the percentage change in revenue for the second quarter over the first quarter was as follows:

- 5% increase for data and Internet services due to success with Ethernet and IP-based product sales
- 3% increase for switched services, primarily due to growth in bundled voice products
- 1% decrease for dedicated transport services, primarily due to carrier disconnects as well as pricing pressures

EBITDA and Margins

EBITDA for the quarter was \$55.2 million, reflecting an increase of 6%, or \$3.2 million, from the first quarter. Contributing to the increase was a \$1.9 million improvement in selling, general and administrative expenses primarily due to a bad debt recovery in the current period. EBITDA margin was 34% compared to 32%, and gross margin was 61% compared to 60% for the second and first quarters of 2004, respectively. The Company utilizes a fully burdened gross margin, including network costs, national IP backbone costs and personnel costs for customer care, provisioning, network maintenance, technical field and network operations.

Net Loss

The Company reported a net loss of \$(27.2) million, or \$(.23) per share for the quarter, compared to a net loss of \$(38.8) million or \$(.34) per share for the first quarter. The decrease in the loss primarily relates to \$8.9 million of deferred loan costs and related fees which were expensed in the first quarter in conjunction with a refinancing.

Second Quarter 2004 compared to Second Quarter 2003

Revenue

Quarterly revenue was \$162.8 million for both quarters. The primary change in revenue included:

- \$9.3 million net increase in revenue from enterprise customers, primarily from the sale of data and Internet services
- \$3.3 million net decrease from carriers and ISPs, primarily due to disconnects and pricing pressures
- \$2.6 million net decrease from related parties, primarily due to a decrease in transport services being purchased by their Internet-related businesses
- \$3.4 million decrease in intercarrier compensation due to lower minutes of use and lower rates

By product line, the percentage change in revenue year over year was as follows:

- 24% increase for data and Internet services due to success with Ethernet and IP-based product sales
- 8% increase for switched services, primarily due to growth in bundled voice products
- 6% decrease for dedicated transport services, primarily due to disconnects and pricing pressures

EBITDA and Margins

EBITDA for the quarter was \$55.2 million, reflecting a 10% increase, or \$5.0 million, from the same period last year. Contributing to the increase was a \$3.8 million improvement in selling, general and administrative expenses primarily due to a bad debt recovery in the current period. EBITDA margin was 34% for the quarter as compared to 31% for the same period last year. Gross margin was 61% for the current quarter as compared to 60% for the same period last year.

Net Loss

The Company reported a net loss of \$(27.2) million, or \$(.23) per share, for the quarter, compared to a net loss of \$(29.0) million or \$(.25) per share for the same period last year.

Other Operating Highlights

Capital Expenditures

Capital expenditures were \$44.0 million for the quarter, compared to \$31.5 million for the first quarter, and \$27.9 million in the second quarter last year. The Company continues to expect capital expenditures for 2004 to be \$150 million to \$175 million, which includes costs for continued expansion of its network, the addition of more buildings to the network, and infrastructure for new products.

Other Revenue Items

The Company expects additional disconnects from related parties over the next several quarters resulting in a reduction of quarterly revenue by approximately \$1 million. In conjunction with the mandated rate reduction by the FCC for switched access, the Company adjusted its rates on June 21 to be at parity with the competing Incumbent Local Exchange Carriers. The rate reduction had minimal impact on the current quarter but is expected to decrease intercarrier compensation by approximately \$2.0 million in the third quarter, subject to fluctuations in minutes of use.

The Company continues to experience a high level of service disconnections, which resulted in the loss of \$2.9 million of monthly revenue for the current quarter, \$2.4 million in the first quarter of 2004 and \$3.1 million for the second quarter last year.

New Product Announcements

The Company recently rolled out several new services to enhance existing product suites as well as launched a new managed security service.

The Company introduced its Multi-Point Extended Native LAN service. This product enhances the existing robust suite of Ethernet products by allowing any combination of customer locations throughout the Company's service area to communicate with each other, effectively creating a national Ethernet WAN. This product is scalable with capacity from 2 megabits up to 1 gigabit. As an indication of the scale of the deployment, Juniper Networks, Inc., recently announced that Time Warner Telecom's Virtual Private LAN service deployment was the largest in the United States.

The Company introduced VersiPak VRS, an enhancement to their existing converged product. VersiPak VRS allows customers to transfer private data between multiple branch locations with capacity needs up to 4.5 megabits. This new VersiPak product also allows customers to connect their smaller satellite or remote offices to their higher bandwidth Metro Ethernet solutions.

The Company also introduced a managed security service, which includes the introduction of network and CPE-based firewall and secure IP Virtual Private Network services. This service essentially stops unwanted in-coming traffic before it reaches the customer's location.

Summary

"We continue to focus on growing our enterprise customer base as well as stabilizing our carrier revenue," said Herda. "Our strategy to focus on enterprise customers has helped diversify our revenue stream and create growth opportunities. We are encouraged by the growth prospects of our data and Internet services. We remain focused on rational, long-term growth and profitability," concluded Herda.

Time Warner Telecom Inc. plans to conduct a webcast conference call to discuss its earnings results on August 5 at 9:30 a.m. MT (11:30 a.m. ET). To access the webcast and the financial and statistical information to be discussed in the webcast, visit www.twtelecom.com under "Investor Relations."

¹ *EBITDA is defined as net income or loss before depreciation, amortization, accretion, asset impairment charge, interest expense, interest income, investment gains and losses, income tax expense and cumulative effect of change in accounting principle. (See a discussion below of EBITDA under "Financial Measures".)*

Financial Measures

The Company provides financial measures using generally accepted accounting principles ("GAAP") as well as adjustments to GAAP measures to describe its business trends. These measures include EBITDA, which is a widely recognized metric of operating performance and liquidity. EBITDA is not intended to replace operating income (loss), net income (loss), cash flow, and other measures of financial performance and liquidity reported in accordance with GAAP. Management believes that EBITDA is a standard measure of operating performance and liquidity that is commonly reported and widely used by analysts, investors, and other interested parties in the telecommunications industry because it eliminates many differences in financial, capitalization, and tax structures, as well as non-cash and non-operating charges to earnings. Management uses EBITDA internally to assess on-going operations and it is the basis for various financial covenants contained in the Company's debt agreements. EBITDA is reconciled to Net Loss, the most comparable GAAP measure to EBITDA, within the Consolidated Operating Highlights on pages 6 and 7.

The Company uses recurring revenue to enhance the comparability of its revenue performance between periods (see page 11 for reconciliation to GAAP Revenue). The Company presented EBITDA, gross margins, EBITDA margins and recurring revenue without the impact of reciprocal compensation settlements to enhance comparability of those measures between periods. Due to the significant positive impact of the Company's settlement with WorldCom, Inc. (now MCI Inc.), the Company has presented its selected operating statistics on page 11, both as reported and net of the settlements as well as a reconciliation between the two, in order to assist in understanding the impact of the settlement and the Company's performance during the quarter net of the impact of that event.

Forward Looking Statements

The statements in this press release concerning the outlook for 2004 and beyond, including expansion plans, growth prospects, service disconnects, pricing pressures and expected capital expenditures are forward-looking statements that reflect management's views with respect to future events and financial performance. These statements are based on management's current expectations and are subject to risks and uncertainties. These risks include the risks summarized in the Company's filings with the SEC, especially the section entitled "Risk Factors" in its 2003 Annual Report on Form 10-K. Time Warner Telecom undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Time Warner Telecom Inc.

Time Warner Telecom Inc., headquartered in Littleton, Colo., is a leading provider of managed network solutions to a wide array of businesses and organizations in 44 U.S. metropolitan areas that require telecommunications intensive services. One of the country's premier competitive telecom carriers, Time Warner Telecom integrates data, dedicated Internet access, and local and long distance voice services for long distance carriers, wireless communications companies, incumbent local exchange carriers, and such enterprise organizations as healthcare, finance, higher education, manufacturing, hospitality, state and local government, and military. Please visit www.twtelecom.com for more information.

Time Warner Telecom Inc.
Consolidated Operations Highlights
(Dollars in thousands)
Unaudited (1) (2)

	Three Months Ended		
	6/30/04	3/31/04	Growth %
Revenue			
Dedicated transport services	\$83,552	\$84,160	-1%
Switched services	39,321	38,113	3%
Data and Internet services	29,908	28,424	5%
	152,781	150,697	1%
Inter-carrier compensation (3)	10,045	10,952	-8%
Total Revenue	162,826	161,649	1%
Expenses			
Operating costs	64,221	64,317	0%
Gross Margin	98,605	97,332	1%
Selling, general and administrative	43,381	45,312	-4%
EBITDA	55,224	52,020	6%
Depreciation, amortization and accretion	54,590	56,813	
Operating Income (Loss)	634	(4,793)	
Interest expense	(28,811)	(35,822)	
Interest income	1,224	1,319	
Investment gains and (losses), net	20	690	
Net loss before income taxes	(26,933)	(38,606)	
Income tax expense	225	225	
Net Loss	(\$27,158)	(\$38,831)	
Capital Expenditures	\$44,023	\$31,548	40%
Gross Margin	61%	60%	
EBITDA Margin	34%	32%	

- (1) For complete financials and related footnotes, please refer to the Company's SEC filings.
(2) See Page 10 for selected operating statistics.
(3) Inter-carrier Compensation includes switched access and reciprocal compensation.

Time Warner Telecom Inc.
Consolidated Operations Highlights
(Dollars in thousands)
Unaudited (1) (2)

	Three Months Ended			Six Months Ended		
	June 30,			June 30,		
	2004	2003	Growth %	2004	2003	Growth%
Revenue						
Dedicated transport services	\$83,552	\$88,842	-6%	\$167,712	\$175,354	-4%
Switched services	39,321	36,433	8%	77,434	76,324	1%
Data and Internet services	29,908	24,131	24%	58,332	48,435	20%
	152,781	149,406	2%	303,478	300,113	1%
Inter-carrier compensation (3)	10,045	13,366	-25%	20,997	27,672	-24%
Total Revenue	162,826	162,772	0%	324,475	327,785	-1%
Expenses						
Operating costs	64,221	65,463	-2%	128,538	131,830	-2%
Gross Margin	98,605	97,309	1%	195,937	195,955	0%
Selling, general and administrative	43,381	47,152	-8%	88,693	97,132	-9%
EBITDA	55,224	50,157	10%	107,244	98,823	9%
Depreciation, amortization and accretion	54,590	54,358		111,403	108,468	
Operating Income (Loss)	634	(4,201)		(4,159)	(9,645)	
Interest expense	(28,811)	(26,272)		(64,633)	(52,612)	
Interest income	1,224	1,697		2,543	3,322	
Investment gains and (losses), net	20	-		710	-	
Net loss before income taxes	(26,933)	(28,776)		(65,539)	(58,935)	
Income tax expense	225	225		450	450	
Loss before cumulative effect of change in accounting principle	(27,158)	(29,001)		(65,989)	(59,385)	
Cumulative effect of change in accounting principle (4)	-	-		-	2,985	
Net Loss	(\$27,158)	(\$29,001)		(\$65,989)	(\$62,350)	
Capital Expenditures	\$44,023	\$27,885	58%	\$75,571	\$50,258	50%
Gross Margin	61%	60%		60%	60%	
EBITDA Margin	34%	31%		33%	30%	

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

(2) See Page 10 for selected operating statistics.

(3) Inter-carrier Compensation includes switched access and reciprocal compensation.

(4) Reflects implementation of Statement of Financial Accounting Standards No. 143 "Asset Retirement Obligations".

Time Warner Telecom Inc.
Highlights of Results Per Share
Unaudited (1)

	Three Months Ended			Six Months Ended	
	6/30/04	3/31/04	6/30/03	June 30, 2004	2003
Weighted Average Shares Outstanding (thousands)					
Basic and Diluted	<u>115,673</u>	<u>115,515</u>	<u>114,930</u>	<u>115,594</u>	<u>114,929</u>
Basic and Diluted Loss per Common Share	<u>(\$0.23)</u>	<u>(\$0.34)</u>	<u>(\$0.25)</u>	<u>(\$0.57)</u>	<u>(\$0.54)</u>

	As of		
	6/30/04	3/31/04	6/30/03
Common shares (thousands)			
Actual Shares Outstanding	<u>115,671</u>	<u>115,670</u>	<u>114,931</u>
Options (thousands)			
Options Outstanding	<u>19,249</u>	<u>19,417</u>	<u>17,727</u>
Options Exercisable	<u>11,560</u>	<u>11,046</u>	<u>8,098</u>
Options Exercisable and In-the-Money	<u>1,574</u>	<u>1,507</u>	<u>231</u>

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

Time Warner Telecom Inc.
Condensed Consolidated Balance Sheet Highlights
(Dollars in thousands)
Unaudited (1)

	June 30, 2004	March 31, 2004
Cash and equivalents, and short-term investments	\$463,166	\$470,159
Receivables	54,953	54,600
Less: allowance	(13,834)	(14,850)
Net receivables	<u>41,119</u>	<u>39,750</u>
Other current assets	31,454	31,874
Long-term Investments	13,494	3,895
Property, plant and equipment	2,288,000	2,245,131
Less: accumulated depreciation	(961,586)	(907,506)
Net property, plant and equipment	<u>1,326,414</u>	<u>1,337,625</u>
Other Assets	<u>97,892</u>	<u>94,544</u>
Total	<u><u>\$1,973,539</u></u>	<u><u>\$1,977,847</u></u>
Current Liabilities		
Accounts payable	\$39,535	\$34,922
Deferred revenue	23,678	25,912
Accrued taxes, franchise and other fees	72,871	71,532
Accrued interest	43,919	18,995
Accrued payroll and benefits	24,112	19,008
Current portion of debt and lease obligations	1,656	1,476
Other current liabilities	78,153	90,539
Total current liabilities	<u>283,924</u>	<u>262,384</u>
Long-Term Debt and Capital Lease Obligations		
Floating rate Senior secured notes	240,000	240,000
9.25% Senior unsecured notes	200,000	200,000
9.75% Senior unsecured notes	400,000	400,000
10.125% Senior unsecured notes	400,000	400,000
Capital lease obligations	11,345	10,189
Less: current portion	(1,656)	(1,476)
Total long-term debt and capital lease obligations	<u>1,249,689</u>	<u>1,248,713</u>
Other Long-Term Liabilities	6,768	6,627
Stockholders' Equity	<u>433,158</u>	<u>460,123</u>
Total	<u><u>\$1,973,539</u></u>	<u><u>\$1,977,847</u></u>
Summary of Cash & Investments		
Cash and equivalents, and short-term investments	\$463,166	\$470,159
Long-term Investments	<u>13,494</u>	<u>3,895</u>
	<u><u>\$476,660</u></u>	<u><u>\$474,054</u></u>

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

Time Warner Telecom Inc.
Selected Operating Statistics
 Unaudited (1)

	<i>Quarter Ended</i>					
	2003				2004	
	Mar. 31	Jun. 30	Sept. 30	Dec. 31	Mar. 31	Jun. 30
<u>Operating Metrics:</u>						
Route Miles						
Metro	11,075	11,170	11,345	11,582	11,998	12,247
Regional	<u>6,694</u>	<u>6,694</u>	<u>6,694</u>	<u>6,694</u>	<u>6,694</u>	<u>6,694</u>
Total	17,769	17,864	18,039	18,276	18,692	18,941
Fiber Miles						
Metro	602,988	604,668	614,942	624,034	626,873	637,081
Regional	<u>237,277</u>	<u>269,759</u>	<u>274,459</u>	<u>274,459</u>	<u>273,963</u>	<u>273,963</u>
Total	840,265	874,427	889,401	898,493	900,836	911,044
Buildings (2)						
On-net	3,616	3,677	3,854	4,152	4,350	4,576
Type II	<u>9,173</u>	<u>10,087</u>	<u>10,662</u>	<u>11,934</u>	<u>12,502</u>	<u>13,114</u>
Total	12,789	13,764	14,516	16,086	16,852	17,690
Networks						
Class 5 Switches	41	41	41	41	41	41
Soft Switches	12	12	12	12	12	12
Headcount						
Total employees	1,916	1,932	2,010	2,009	1,982	1,971
Sales						
Sales Account Executives	259	275	289	300	286	290
Customer Care Specialists (3)	-	-	-	2	19	20
	<u>259</u>	<u>275</u>	<u>289</u>	<u>302</u>	<u>305</u>	<u>310</u>
Customers	7,598	7,994	8,420	8,878	9,209	9,632

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

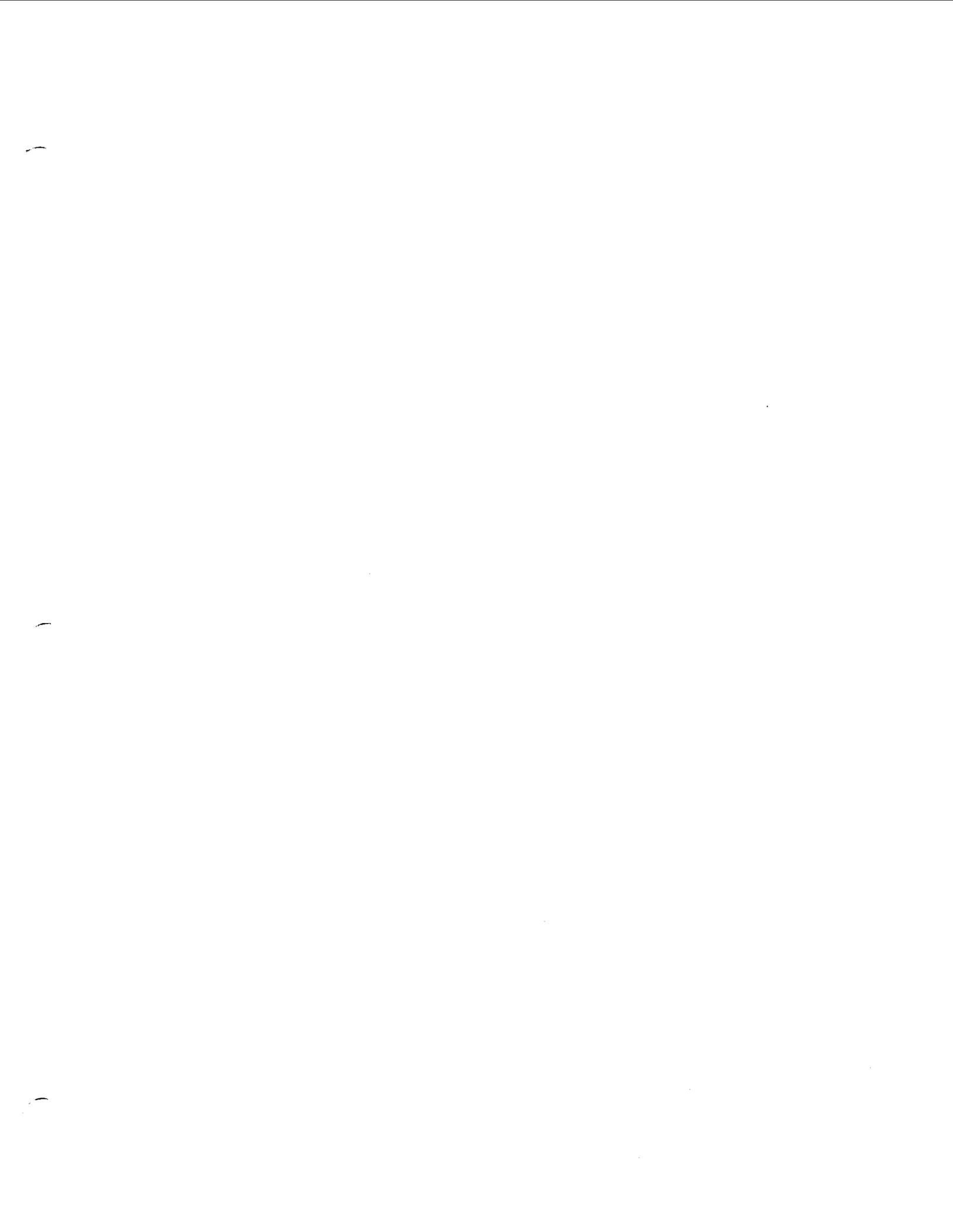
(2) Buildings "On-net" represents customer locations to which the Company's fiber network is directly connected. Type II buildings are carried on the Company's fiber network, including the Company's switch for switched services, with a leased service from the Company's distribution ring to the customer location.

(3) Customer Care Specialists are responsible for selling to and retaining existing customers.

Time Warner Telecom Inc.
Selected Operating Statistics
 Unaudited (1)

		2003				2004			
		Sept. 30 (Note 2)		Dec. 31 (Note 2)		Mar. 31 (Note 2)		Jun. 30	
		MCI		MCI		MCI		MCI	
		As Reported	WorldCom Net of Settlement	As Reported	WorldCom Net of Settlement	As Reported	WorldCom Net of Settlement	As Reported	WorldCom Net of Settlement
Revenue (\$'000)		\$94,066	\$2,824	\$91,618	\$4,125	\$87,493	\$84,160	\$82,500	\$83,552
Dedicated transport services		38,957	95	37,508	-	37,508	38,113	(25)	38,138
Switched services		25,700	2,245	30,441	5,048	25,393	28,424	675	29,908
Data and Internet services		158,723	5,164	159,567	9,173	150,394	150,697	2,310	152,781
Subtotal		150,707	149,406	158,723	5,164	153,559	150,697	2,310	152,781
Intercarrier Compensation		14,306	13,366	9,842	-	9,811	10,952	-	10,045
Recurring Revenue		165,013	162,772	168,565	5,164	163,401	161,649	2,310	162,828
Reciprocal Compensation settlements		-	-	3,863	-	-	-	-	-
Total Revenue		\$165,013	\$167,264	\$169,378	\$9,173	\$160,205	\$161,649	\$2,310	\$162,828
Operating Costs		66,367	66,631	65,861	65,861	64,317	64,317	64,317	64,221
Selling, general and administrative		49,980	31,162	44,631	44,631	45,312	45,312	(400)	43,381
EBITDA		\$48,666	\$50,157	\$74,635	\$20,292	\$54,343	\$52,020	\$2,710	\$55,224
EBITDA Reconciliation (\$'000)		\$48,666	\$50,157	\$74,635	\$20,292	\$54,343	\$52,020	\$2,710	\$55,224
As Reported		\$48,666	\$50,157	\$74,635	\$20,292	\$54,343	\$52,020	\$2,710	\$55,224
Less: Reciprocal compensation settlements		-	(3,863)	-	(3,863)	-	-	-	-
Without Reciprocal Compensation settlements (2)		\$48,666	\$50,157	\$70,772	\$20,292	\$58,886	\$52,020	\$2,710	\$55,224
Capital Expenditures (\$'000)		\$22,373	\$27,855	\$34,529	-	\$44,910	\$31,548	-	\$31,548
Gross Margin (2)		60%	60%	61%	n/a	61%	60%	n/a	61%
As Reported		60%	60%	61%	n/a	61%	60%	n/a	61%
Without Reciprocal Compensation settlements		60%	60%	60%	n/a	59%	60%	n/a	60%
EBITDA Margin (2)		29%	31%	43%	n/a	35%	32%	n/a	34%
As Reported		29%	31%	43%	n/a	35%	32%	n/a	34%
Without Reciprocal Compensation settlements		29%	31%	42%	n/a	35%	32%	n/a	34%

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.
 (2) The Company separately presents EBITDA, gross margin and EBITDA margin and recurring revenue without reciprocal compensation settlements and MCI/WorldCom settlements to help enhance comparability of these measures between periods. Total Revenue represents the revenue reported on a GAAP basis.



DECLARATION OF CLAIRE BETH NOGAY

EXHIBIT 6



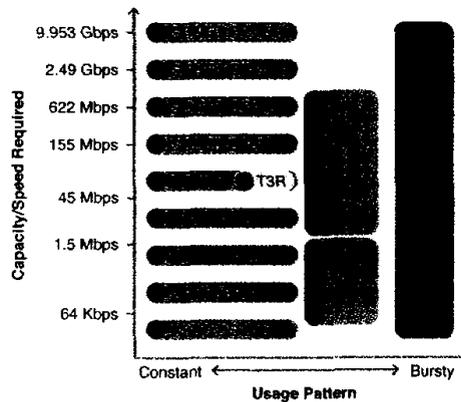
AT&T Data Services. For You. For Your Customers.

AT&T has been building and delivering mission-critical data services to enterprises and service providers for many years. As a total service access provider, AT&T Wholesale Services offers best-in-class performance, service delivery and operational support enabling you to build flexibility, high reliability, performance and scalability into your service offerings. You may also leverage some of these same services to provide new technologies to your customers, or to better manage your ever-changing internal needs.

AT&T Private Line Services

AT&T offers an array of Local and Long-Haul Dedicated Private Line & SONET services from Single Channel to OC192 (Wavelength) Services, all with high availability and performance.

In addition, Ethernet Services are available in bandwidths from 50Mbps up to 1Gbps. In the event of a service outage, we stand behind our services with credit allowances and aggressive Service Assurance Warranties (SAW). AT&T Private Line Services handle demanding



AT&T's assurance of availability, reliability and performance.

Options for AT&T Private Line Services cover access, diversity, reliability, network management and disaster recovery.

- **AT&T Bandwidth Manager (ABM)** provides a full spectrum of network management, bandwidth-on-demand and disaster recovery capabilities.
- **Enhanced Reliability Option** offers the strongest SAW in the industry, guaranteeing 99.99% service availability.
- **Multiplexing** allows you to combine network circuits over a common high-speed backbone to improve economic performance and optimize efficiency and utilization

AT&T Global Wholesale Services – Your Networking Solutions Provider

AT&T Global Wholesale Services offers a comprehensive portfolio of global Voice, Data, IP and Application Services to help you grow your business on multiple fronts. First, as a service provider, you have access to our best-in-class communications products to market to your customers. Now you also have the valuable opportunity to leverage some of these same – and newly developed – services to

- Build and strengthen your own network infrastructure
- Manage and facilitate your internal business operations
- Enhance and complement your existing offer set with new value-add application services

With a world-class breadth of communications capabilities, AT&T Global Wholesale is uniquely positioned to help you serve your customers, keeping both your business and theirs moving forward.

of the service.

AT&T High-Speed Packet Services

For high-speed transport, high-level security and a network that can quickly be scaled to meet growth, AT&T offers flexibility around its industry-leading packet services, which are available in the US and around the world. As a Service Provider, you can generate revenues by marketing AT&T's best-in-class communications products. Now you also have the valuable opportunity to leverage some of these same services to build out and strengthen your own network infrastructure, and/or to manage and facilitate your internal business operations.

- **AT&T Frame Relay Service** is based on frame relay technology between a customer premises and AT&T's network edge switch. It is provided over AT&T's ATM core backbone for high-speed reliability, low congestion and consistent performance. Its rich feature set includes industry-leading SLAs, AT&T ReliaBURST® for traffic spikes beyond your Committed Information Rate (CIR), virtually instantaneous rerouting around failures and Priority Egress Queuing (PEQ) to ensure that the highest priority communications traverse the network first.
- **AT&T ATM Service** provides extremely rapid transport, minimal delays and very high-quality levels - even for voice and video transfer. Highly bandwidth-intensive applications cross the network with ease, including videoconferencing, medical imaging and high-quality video for media applications. AT&T's ATM Service can run voice across the data network at speeds up to OC12.
- **AT&T Frame Relay to ATM Service Interworking** allows customers to transmit data between AT&T Frame Relay and ATM ports.
- **AT&T IP-Enabled Frame Relay/ATM Service** combines the flexibility of IP networking with the security of AT&T's best-in-class frame relay/ATM network, helping you maintain privacy on your (or your customer's) frame relay and/or ATM network.
- **Network Gateway Interface (NGI) and International Network Gateway Interface (I-NGI)** offerings provide the capability to expand the local, regional or global footprint of your network by connecting your Frame Relay/ATM to AT&T's Frame Relay/ATM Service.
- **AT&T DSL Access to Frame Relay** provides a significant cost savings over other high-speed access services requiring no new customer investment in infrastructure or special equipment.
- **AT&T Customer Network Management System (CNMS)** provides a comprehensive Web-based network performance and monitoring tool delivering robust trending reports on each port and PVC on customer networks.
- **AT&T E-Services** provides secure web-based reporting and services for controlling service requests, managing trouble tickets and inventory maintenance.

AT&T Local Access Services

AT&T ACCU-Ring Service is a fully managed high-speed service running on a SONET infrastructure and providing two-way digital transmission for all local channel connections. These include AT&T Private Line, Switched and Enhanced services, Local Exchange Carrier and Interexchange Carrier traffic, as well as business premises-to-premises communications.

Dedicated Entrance Facilities (DEF) provide a high capacity, dedicated communication path between a customer's premises and the AT&T Local Network Services (LNS) node, or between a customer's premises and other designated premises (two-node direct SONET interface configuration). DEF is offered in various bandwidths at SONET rates. If SONET facilities are unavailable, LNS Special Construction charges may apply.

Ultravailable® Network, Ultravailable® Wavelength and Ultravailable Managed OptEring ServicesSM are fully managed, custom solutions for interconnecting a customer's data centers and business sites in a metropolitan area network (MAN) environment with the ability to extend the MAN into the wide area network (WAN) with the AT&T Ultravailable® Managed OptEringSM Service.

Learn more about AT&T Global Wholesale and the worldwide services we provide by contacting your local AT&T Sales Representative or visiting us at www.att.com/wholesale





AT&T Data Services for Service Providers

With experience that spans more than a century, AT&T understands the unique business needs of service providers. We work with carriers, cable companies, mobile operators and ISPs to meet the specific requirements of your customers on a global basis, while maintaining a strong local feel. We have the infrastructure and resources, plus a global presence in 60 countries, to help you maximize reach and efficiency. Operating in a rapidly evolving marketplace where the pressures of global competition dictate the need for diverse global connectivity, AT&T Data Services offer a flexible portfolio of local, national and international data products and services — always with high levels of technical support that meet your needs as your network reacts to industry forces.

Your Challenge is Our Business

Our U.S. domestic and international sales teams are segmented by geography and specialty to provide you with the data services product and coverage information that supports your needs. We are accessible, knowledgeable and speak your language. We are continually evolving our network and expanding our breadth of services to cover everything from Private Line to High Speed Packet Services (Frame Relay and ATM), with local, national, and global reach. We also offer powerful Web tools so you have available comprehensive network management information at the point-and-click of a mouse. We are focused on building a network to handle complex and mission-critical applications, emphasizing features that enhance key competencies and responding to fast-changing needs. In fact, through our commitment to solving data networking challenges, we design networks that fit the needs of you and your customers. Selecting from our data networking portfolio, we can help you customize and create, giving you and your customers the economies of scale that only a proven global service provider can.

Powering Up with AT&T Strengths

When you choose AT&T, you know you also have the power of the AT&T network behind you. On an average day, the AT&T network handles more than 2500 terabytes of data. Our frame relay network consistently achieves a 99.99% performance rating. We optimize a combination of bilateral and alternate routes to more than 230 countries and territories, with over 400 correspondents or suppliers. In the U.S., we have more

**Want a truly global
data network provider?
Connect with AT&T.**

More than ever, now is the time to leverage AT&T's world-class quality services for your customers' data networking needs. We have the infrastructure and resources, plus over 100 years of industry experience, to give your customers security and availability. AT&T Wholesale data networking products offer fast and reliable service - anytime, anywhere - at competitive prices for our wholesale customers.

than 61,000 route-miles of fiber (enough to circle the globe twice). AT&T's depth of services has been recognized in the industry, "AT&T remains the player to beat in the business communications space, enjoying a position as the biggest seller to large enterprises and the carrier with the fullest portfolio of data services available." -Yankee Group, July 2002.

We were the first to deliver Frame Relay-to-ATM Service Interworking We not only introduced the award-winning IP-Enabled ATM, but our IP-Enabled Frame Relay Service was the first MPLS-based product in the U.S.

An Overview of AT&T Data Services

AT&T has been here to strengthen data networks for as long as any business in America has been networking. From Private Line to Frame Relay to ATM Services, from local to global to secure Internet Access, we've developed a rich portfolio that can bolster your networks' footprint and capabilities. Whether you are providing a simple T1 local connection, OC192 (10 Gbps) wavelength service or international FR/ATM, AT&T facilities can enable you to build flexibility, high reliability, performance, and scalability into your service offers. As you review our services, remember that we continue to expand our offerings to include new technologies and provide more services to meet your ever-changing needs.

AT&T Private Line Services

From Single Channel to OC192 Services for local or long haul communications, AT&T Private Line Services offer an array of choices, all with high availability and performance, plus the security only Private Line can assure. In the event of a service outage, we stand behind our Single Channel and Fractional T1 services with a Credit Allowance, while our T1 and T45 services are protected by a Service Assurance Warranty(SAW).

Bandwidth Options:

- Single Channel
- Fractional T1 and T1
- Fractional T45 and T45
- OC48 to OC192 Optical Wavelength Services
- Ethernet Services available at: 50Mbps, 150Mbps, 300Mbps, 1Gbps.

AT&T Private Line Services handle your demanding communications needs with AT&T's assurance of availability, reliability and performance.

Think innovation is out of fashion in traditional carrier services? Don't tell that to AT&T.

"Few companies have the international reach of AT&T and none have the same level of optical offerings as Ultravailable."

-Yankee Group, February 2003

Options for AT&T Private Line Services cover access, diversity, reliability, network management and disaster recovery. The following is a sampling:

- Total Service includes the local access channel and delivers total end-to-end service through AT&T. With this option, AT&T handles total provisioning, maintenance, billing and support of dedicated access circuits as well as the Interoffice channels.
- AT&T Bandwidth Manager (ABM) provides a full spectrum of network management, bandwidth-on-demand and disaster recovery capabilities.
- Enhanced Reliability Option offers the strongest SAW in the industry, guaranteeing 99.99% service availability.
- Multiplexing allows you to combine network circuits over a common high-speed backbone to improve economic performance and optimize efficiency and utilization of the service.

AT&T High-Speed Packet Services

For high-speed transport, high-level security and a network that can quickly scale to meet growth, AT&T offers flexibility around its industry-leading packet services.

- AT&T Frame Relay Service is based on frame relay technology and is provided over AT&T's ATM switching backbone for high-speed reliability, low congestion and consistent performance. Its rich feature set includes industry-leading SLAs, AT&T ReliaBURST® for traffic bursting beyond your committed information rate (CIR), virtually instantaneous rerouting around failures and Priority Egress Queuing (PEQ) to ensure that the most important communications transverse the network first.
- AT&T Frame Relay Plus provides you with a monitoring and network management window into your customers' networks, down to the application level.
- AT&T IP-Enabled Frame Relay Service maintains the privacy of the frame network while establishing any-to-any access to the Internet, intranets and extranets using MPLS technology.
- AT&T Frame Relay to ATM Service Interworking lets your customers transmit data between AT&T Frame Relay and ATM ports. This service is also useful for customers that wish to migrate from Frame relay to ATM at their own pace with no change in CPE.
- AT&T ATM Service can carry the most bandwidth-intensive applications across the network with ease, including videoconferencing, medical imaging, high-quality video for media applications and running voice across the data network at speeds up to 155 Mbps.
- AT&T IP-Enabled ATM assigns any-to-any access to the Internet, intranets and extranets while preserving the privacy of the ATM network.

"With its global network infrastructure upgrade progressing, AT&T is in an increasingly strong position to support high-speed U.S. and international connections and value-added IP services in many metropolitan markets around the world."

— Gartner, January 09, 2003

Reliability Options for AT&T Frame Relay and ATM Service:

- Disaster Recovery Options build in protection against major failures with backup PVCs, access protection, direct links to disaster recovery centers and more.
- Diversity Options put in place redundancy connections such as POP diversity and switch diversity to ensure a continuous flow of network traffic.

AT&T Local Services (Private Line, Frame Relay, ATM)

- AT&T Local Private Line Service is a cost-effective solution for connecting multiple metro sites. – The available speeds are: DS0, DS1, DS3; OC3c, OC12c, OC48c, OC192c; STM 1, 4, and 16. Also Metropolitan Ethernet is available at speeds of 50Mbps, 150Mbps, 300Mbps, and 1Gbps.
- AT&T Local Frame Relay Service connects multiple sites within a metropolitan area requiring bandwidth up to T45 connectivity.
- AT&T Local ATM Service provides that same local connectivity among multiple metro sites, with increased speeds up to T45 and OC3 allowing for multimedia capabilities.

AT&T Access Services

AT&T offers several Integrated Access Offers.

- AT&T ACCU-Ring Service is a fully managed high-speed service which runs on a SONET infrastructure and provides two-way digital transmission for all local channel connections. These include AT&T Private Line, switched and enhanced services, Local Exchange Carrier and Interexchange Carrier traffic, as well as business premises-to-premises communications.
- Dedicated Entrance Facilities (DEF) provide a high capacity, dedicated communication path between a customer's premises and the AT&T Local Network Services (LNS) node, or between a customer's premises and a designated premises (two-node direct SONET interface configuration). It is offered in OC-3, OC-12 and OC-48 bandwidths at SONET rates. DEF also offers STM-1 and STM-4 handoffs. Since this service includes a dedicated, high capacity, customized network, it will be deployed where SONET facilities are available. If SONET facilities are not available, LNS Special Construction charges may apply.
- AT&T Ultravailable® Network, AT&T Ultravailable® Wavelength and AT&T Ultravailable Managed OptEring Service are fully managed, custom solutions for interconnecting your customer's data centers and business sites in a metropolitan area network (MAN) environment with the ability to extend the MAN into the WAN with the AT&T Ultravailable Managed OptEring Service. The network design and engineering provides the highest possible levels of availability, reliability and security, assuring your customer fail-safe business continuity with continuous operations and access to their information.

"In the U.S., AT&T remains a leading provider of private-line services, as well as frame relay and ATM services, and the company has also been a leading provider of global telecommunications services. AT&T has maintained this leadership position and will continue to do so through its advanced and innovative offerings."

– Gartner, April 2002

AT&T Dark Fiber Offer

Dark, or unlit, fiber is purchased as a custom offering from AT&T. The dark fiber, consisting of non-zero dispersion-shifted fiber, is designed to support technologies as they evolve. The fiber terminates into the CPE that provides the necessary transmission speed – and the customer provides the required Optical Amplifier equipment.

AT&T Dedicated (Leased) Transit

AT&T's Dedicated Transit (for voice, video, data or IP) allows International Facility-Based Carriers to traverse the US in order to connect sub sea cables, satellite earth stations or border crossings that touch the US. For example, if carrier A (in Europe) and B (in Asia/Pacific) exchange traffic via Japan - US and TAT 14, they would need a segment in the US to connect those two cables. Dedicated Transit allows them to send traffic from Europe to Asia/Pacific in a seamless fashion. (This is just one illustration and not the only example.)

An AT&T Dedicated Transit Facility is service agnostic. International Facility-Based Carriers can transmit voice, video, data or IP. AT&T's world class US domestic network provides a seamless extension of an administration's own network which allows for the initial establishment of a direct global link to administrations in other countries. Dedicated Transit is available in speeds from 64 Kbps through STM1. AT&T's self-healing, redundant network enables restorations to occur in milliseconds. Network maintenance is provided 24 x 7. Dedicated Transit offers three distinct paths across the US for East/West Coast connectivity.

AT&T Sub Sea Cable

AT&T sells spare capacity in cables in which it has ownership to qualified International Facility-Based Carriers. Sub Sea Cable terms are usually an IRU (Indefeasible Right to Use) or less frequently leased capacity for a minimum of one year. Speeds offered are from 64 Kbps to STM-16. Sub Sea Cable service is non-regulated and non-tariffed, but subject to terms and conditions of the cables' C&MAs (Construction and Maintenance Agreements). AT&T also services and maintains cables in which it has an ownership interest. These facilities boast best in class maintenance and design. AT&T Sub Sea Cable Service can be bundled with AT&T Dedicated Transit and Backhaul Services.

For more information, contact your AT&T
Representative or visit www.att.com/wholesale



DECLARATION OF CLAIRE BETH NOGAY

EXHIBIT 7