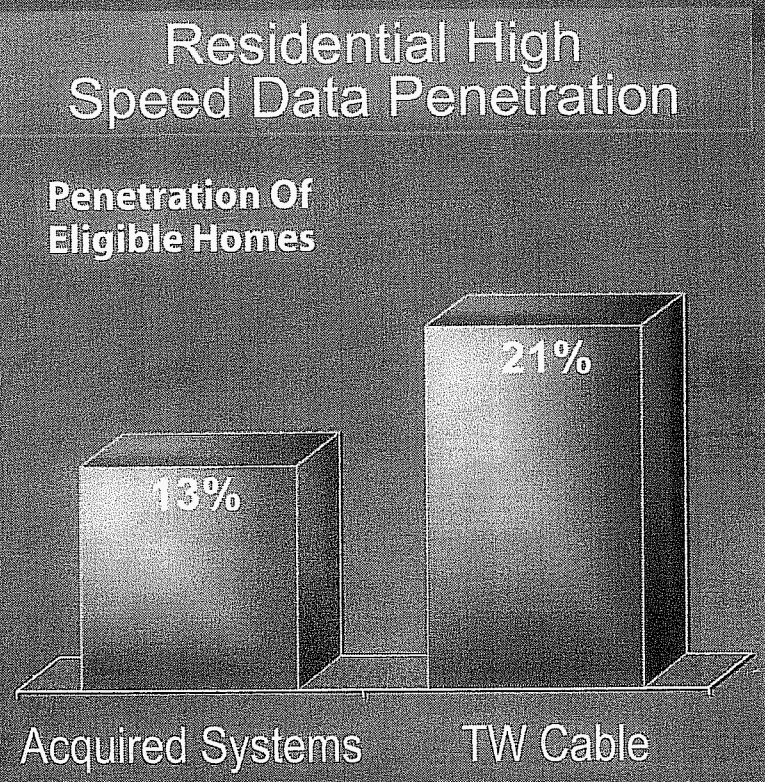
High speed data opportunity



- **Adelphia service will improve to TW Cable level:**
  - 5 Mbps standard offering; 8 Mbps premium offering
  - Strong data infrastructure and quality customer service
- **Opportunity to leverage AOL relationship and accelerate net additions**

Note: subscriber amounts based on information as of December 31, 2004

TimeWarner

Digital Phone opportunity

- **Sizable consumer demand; essentially untapped today**
- **Significant growth potential for combined company**
  - TW Cable launched Digital Phone in 2004; now focused on sub growth
  - Plan to aggressively launch in upgraded systems

TW Cable pro forma financial outlook – first year after close

Pro forma for Comcast redemption and Adelphia transaction (including related swaps)

Revenues	$13.3B-$13.8B
Adjusted OIBDA *	$4.7B-$5.0B
Adjusted OIBDA margin	% in mid 30's
Capex	$2.7B-$2.9B
Free Cash Flow **	$400M - $600M

* Adjusted OIBDA defined as Operating Income before D&A excluding the impact of non-cash impairments of goodwill, intangible and fixed assets, as well as gains and losses on asset sales and transaction and certain other acquisition related costs.

** Defined as Cash Provided by Operations less cash provided by discontinued operations, capital expenditures and product development costs, principal payments on capital leases and partnership distributions, if any. Does not include transaction and certain other acquisition related costs.

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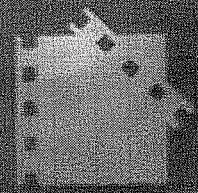
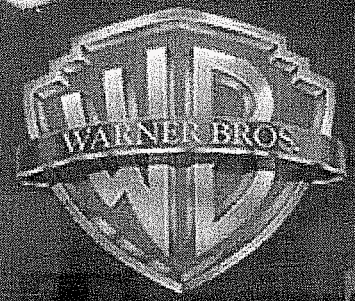
HBO





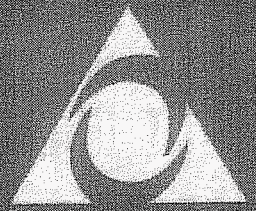
Time Inc

NEW LINE CINEMA

TimeWarner

Turner

TIME WARNER
CABLE



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