Cequel Communications Holdings I, LLC, a Delaware limited liability company (“Cequel”), and Cequel Capital Corporation, a Delaware corporation (“Cequel Capital,” and together with Cequel, the “Issuers”), are furnishing the information contained herein to the holders of the Issuers’ 8.625% Senior Notes due 2017 (the “Existing Notes”) issued pursuant to the indenture, dated as of November 4, 2009 (as amended, the “Indenture”), by and among the Issuers and U.S. Bank National Association, as trustee.

Offering of Senior Notes

Unless otherwise indicated or the context otherwise requires, the terms “we,” “us,” “our” or other similar terms refer to Cequel and its consolidated subsidiaries. The term “Cequel Holdings” refers to our parent company Cequel Communications Holdings, LLC, the term “Suddenlink” refers to our indirect subsidiary Cequel Communications, LLC, doing business as Suddenlink Communications and the term “Cequel Corporation” refers to Nespresso Acquisition Corporation, which is the acquisition vehicle for the Acquisition (as defined herein) described herein and is expected to change its name to Cequel Corporation following consummation of the Acquisition and is also expected to become our indirect parent company following consummation of the Acquisition.

Cequel Communications Escrow I, LLC (“Escrow LLC”) and Cequel Communications Escrow Capital Corporation (“Escrow Corporation” and together with Escrow LLC, the “Escrow Issuers”), each a newly formed unrestricted subsidiary of Cequel, intend to commence a private offering to eligible purchasers, subject to market and other conditions, of $500 million principal amount of senior notes due 2020 (the “Notes”). The Notes are being offered in connection with the sale of all the equity interests in Cequel Holdings to Cequel Corporation, which is currently owned by affiliates of BC Partners (“BC Partners”) and Canada Pension Plan Investment Board (“CPPIB”) (such transaction, the “Acquisition”).

If the offering of the Notes is consummated, pending the consummation of the Acquisition, an amount equal to 100% of the issue price of the Notes plus an amount equal to the interest that will accrue on the Notes from the issue date of the Notes to March 11, 2013 will be deposited by the Escrow Issuers into an escrow account. In the event that notice is delivered by Cequel which provides that the transactions contemplated by the Purchase Agreement (as defined herein) are not being pursued or the Acquisition is not consummated on the terms contemplated by the Purchase Agreement as in effect on the issue date for the Notes, without any waiver, modification or consent that is materially adverse to the holders of the Notes (as reasonably determined by Cequel), in each case, prior to the March 1, 2013, the notes will be subject to a
special mandatory redemption. In the event of a special mandatory redemption, the Notes will be redeemed at a special mandatory redemption price equal to 100% of the issue price of the Notes being redeemed, plus the accrued and unpaid interest on the principal amount of the Notes from the issue date to, but not including, the special mandatory redemption date. Any amounts remaining in the escrow account after funding such redemption would be returned to us.

Substantially simultaneously with the consummation of the Acquisition, Escrow LLC will be merged with and into Cequel and Escrow Corporation will be merged with and into Capital Corporation, which mergers will result in the surviving entities assuming each respective Escrow Issuer’s obligations under the Notes. Subject to such assumption of the Notes by Cequel and Capital Corporation and certain other conditions, the funds in the escrow account will be released to Cequel. Upon the release of the funds from the escrow account, the net proceeds from the sale of the Notes and cash on hand will be used by Cequel to make a distribution of approximately $516 million to Cequel Holdings, which will use such distribution to fund the $500 million portion of the purchase price Cequel Holdings is required to fund in connection with the Acquisition and to pay Cequel Holdings’ estimated fees and expenses relating to the Acquisition.

This Current Report does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful.

Set forth below is certain information with respect to our business strengths and strategies disclosed in connection with the offering of the Notes:

Our Strengths

Clustered markets with strong local presence.

Our customer base is clustered geographically with approximately 88% of our basic video customers located within our top 20 primary systems. In addition to our geographic concentration, more than 95% of our customers are connected to our national backbone. We believe that clustering, together with a strong local presence, provides us with significant benefits, including our ability to (1) achieve operating expense and capital investment efficiencies; (2) leverage the advanced technology of our national backbone and multiple fiber-interconnected markets to cost-effectively deploy new services; (3) attract and retain high quality regional and local management who focus on superior customer service; and (4) improve our brand awareness and the overall effectiveness of our marketing campaigns.

Our strong local presence also enables us to identify and capitalize upon opportunities to further leverage our network, management and customer support organizations, including servicing the small and medium sized businesses within our markets.

Leading position in markets with favorable competitive dynamics.

In each of our top 20 primary systems, we believe we are the leading integrated provider of video, high-speed Internet and telephone services. As of June 30, 2012, our markets had no overlap with Verizon FiOS, while AT&T U-verse was only available in approximately 4.0% of the homes in our coverage area. Moreover, we believe we have the fastest residential Internet service in substantially all of our markets, with speeds that are significantly faster than digital
subscriber line services. This leading position provides us with substantial operating and competitive advantages, which we believe have led to growth in revenue and the revenue generating units (“RGUs”).

The majority of the areas we serve are mid-sized cities that are not part of major metropolitan areas and are the commercial, retail and medical hubs for the surrounding communities. In addition we serve several large colleges in our markets. We believe these characteristics present substantial opportunities for the sale of advanced services in markets that are less penetrated by integrated communications services competitors.

Advanced network infrastructure supported by our innovative engineering approach.

We have made a significant commitment to develop a state-of-the-art network. Our investment in this advanced infrastructure enables us to offer the triple play of video, high-speed Internet and telephone services to approximately 92% of our customer base and positions us to pursue new opportunities in advanced and commercial services. In addition, we have also substantially completed our three year bandwidth expansion plan (“Project Imagine”). Project Imagine was designed to improve the capacity and efficiency of our network architecture through analog channel reclamation and increased digital delivery. Project Imagine was also intended to allow us to offer a larger number of high-definition channels, expand our high definition television and video on demand offerings and capability and broadly deploy higher speed Internet access. Project Imagine, has given our customers improved picture and sound quality for most of their video programming. As a result of Project Imagine, as of June 30, 2012, we have been able to substantially increase our average number of high definition channels from 24 to 85. Furthermore, we believe Project Imagine has increased the reliability and redundancy of our network and allowed us to further leverage our national backbone through centralized product deployment, providing further opportunities for the growth of our advanced services. We believe Project Imagine has also enabled us to increase penetration for our advanced services and average revenue per unit, and has resulted in additional competitive and operating advantages for us.

We believe we have built a highly efficient network architecture, with a focus on system redundancy and resilience. As of June 30, 2012, approximately 82% of our network had a bandwidth of 750 MHz or greater, and we have connected more than 95% of our customers to our national backbone to capture the capital and operating efficiencies of our centralized platform architecture. We believe this enables us to distribute content and services efficiently. We continue to strive to innovate and fortify our network to optimize delivery of our advanced services. In addition, we have entered into peering relationships with major Internet service and content providers, which enable us to realize expense reductions and efficiencies in our traffic exchange and the management of our network. We believe that a flexible and extendable network architecture is critical to support the delivery of new and advanced services to our customers.

Established record of execution creating revenue growth and improving operating performance.

We believe we have an established record of financial growth and strong operating performance which has been achieved through the focused and disciplined execution of our business strategy. On a pro forma basis after giving effect to the acquisition of NPG Cable, Inc., Mercury Voice & Data Company and NPG Digital Phone, Inc. (the “NPG Acquisition”) and
divestiture of certain assets which were consummated in 2008, 2010, 2011 and 2012, from the
twelve months ended June 30, 2008 to the twelve months ended June 30, 2012 we were able to
grow revenue by approximately 7.6% annually, while expanding our Adjusted EBITDA margins
(Adjusted EBITDA as a percentage of revenues) from 33.7% for the twelve months ended June
30, 2008 to 37.5% for the twelve months ended June 30, 2012.

In addition, we continue to execute on our strategy to bundle our services, which on a pro
forma basis after giving effect to the NPG Acquisition and divestiture of certain assets which
were consummated in 2010 and 2011, resulted in approximately 47.8% of our customers having
purchased multiple services, or bundles, as of December 31, 2008 and approximately 63.4% of
our customers having purchased a bundle of services as of June 30, 2012. We believe the value
of our bundled offering increases our customer retention and revenue growth opportunities.

**Brand built through investment in customer care and close ties with our communities.**

Our operating philosophy is to “make a difference in customers’ lives by making it easy for
them to get great entertainment and communication services from motivated employees.” One
of the core tenets of this philosophy is outstanding customer care, which we believe creates
loyalty, improves customer retention, reinforces our brand and drives increased demand for our
services. We have enhanced our customer care organization through the recruitment of
experienced leaders and implementation of systems to measure our service levels based on a
variety of key metrics for which our management is accountable. As a result, customer
satisfaction as measured by our internal surveys has steadily improved. In addition, since 2007,
in the South region, the only region where we are measured by a national survey, we have the
most improved customer satisfaction scores among competing multichannel video providers.

In addition to striving to provide outstanding service to our customers, we are dedicated to
fostering strong relations with the communities we serve, and we believe that our local presence
and long-standing relationships with our communities and customers distinguish us from our
competitors, enhance our brand and result in higher customer satisfaction.

**Strong and experienced management team.**

Our Chairman and Chief Executive Officer, Jerald L. Kent, has over 29 years of experience in
the cable sector, having founded and successfully built several cable and communications
businesses including as co-founder and a managing partner of Charter Communications, Inc. in
1993, where he subsequently served as Chief Executive Officer until 2001. He has assembled a
team of experienced cable and communications professionals, many of whom have worked
together for many years. Our regional and local management teams have demonstrated the
ability to efficiently integrate the cable systems we have acquired and have enabled us to
improve financial and operational performance across our company.

**Our Strategy**

Our goal is to be the leading integrated provider of video, high-speed Internet and telephone
services with the best customer service in the markets we serve. We seek to continue to drive
increased penetration of residential households in our markets while simultaneously broadening
existing customer relationships in order to increase the amount of revenue we generate from each
home passed and increase our customer retention. In addition, we seek to execute a similar
strategy with respect to our existing commercial customers and potential commercial customers.
Our growth strategy relies upon disciplined capital investments in our technology platform,
reinforcement of our customer service orientation, strong branding and a focus on execution by our seasoned management team and employees.

**Drive multiple avenues of growth.**

Our strategy for growth has multiple components, including:

- continuing to attract new customers;
- maintaining and expanding our existing customer relationships through the bundling of our services and increased adoption of additional services;
- continuing to expand our growth in serving commercial customers; and
- pursuing new avenues of growth, including carrier services.

The bundling of our integrated communications services is central to our growth strategy, as we believe that customers who subscribe to our bundled offerings are less likely to switch providers and are more likely to seek additional services from us. In addition, we are expanding our complementary offerings such as home networking and home security throughout our markets. Our evolving commercial strategy focuses on leveraging our existing infrastructure capabilities and expertise to achieve greater penetration and profitability in this segment.

**Focus on providing superior customer service.**

We strive to provide superior customer service by “making it easy to get great entertainment and communications products from us.” We have made significant investments in our customer care centers, technology and people, and expect to continue to improve our customers’ perception of us through these assets. This focus on delivering operational excellence paired with outstanding service has led to industry leading improvements in independent customer surveys. The Suddenlink brand has been carefully crafted to reflect our focus on making technology easy for our customers and to drive increasing customer loyalty and willingness to buy new services from us. We believe these strong relationships with our customers will allow us to drive revenue growth and profitability.

**Conservatively manage our liquidity and reduce leverage through growth in our cash flow.**

Our focus is to maintain significant liquidity at all times, comprised of cash and borrowings available under our revolving credit facility (the “Revolving Credit Facility”) of the $2.7 billion credit facility of Suddenlink (the “Credit Facility”), and to reduce our leverage through growth in our cash flow and repayment of existing indebtedness. We had a cash balance of $76.6 million at June 30, 2012. As of June 30, 2012, after giving effect to the offering of the Notes and the use of proceeds from the issuance of the Notes (assuming consummation of the Acquisition) we would have had cash on hand of approximately $11.6 million and $324.0 million of borrowings available under our Revolving Credit Facility. Through implementation of our business strategy and improvement in our financial results, we reduced our ratio of long-term debt to Adjusted EBITDA (for the prior twelve months) from 6.9x at June 30, 2007 to 5.5x at June 30, 2012. Despite an increase in our leverage as a result of the offering of the Notes to 6.2x at June 30, 2012 (after giving pro forma effect to the offering of the Notes and the use of proceeds therefrom), we believe we will continue to reduce our leverage in the future.
Target our capital expenditures to maximize return on investment.

Our capital expenditures, including Project Imagine, are made with a disciplined focus on return on investment. We believe that three attributes of our cable systems allow us to invest efficiently. First, we believe our national backbone facilitates the cost-effective deployment of services across our markets. Second, we believe the clustered nature of our markets allows us to invest in our network on a more cost-effective basis than otherwise possible. Third, because we face limited video competition from Verizon and AT&T, we believe we are not forced to implement new technologies as soon as they become available. Instead, we believe we are able to wait until the technology is proven and equipment costs have declined. We believe these strategies lead to a very efficient and strategic deployment of capital and thereby improve the rate of return on such capital expenditures.

Selectively pursue opportunistic strategic acquisitions.

We continue to evaluate and selectively pursue opportunistic strategic acquisitions that we believe will add value to our existing business. Our strategy focuses on opportunities that either build upon our existing clusters or are large enough to form a new cluster of systems, and, in each case, that enable us to continue to achieve strong financial performance across our systems. We also participate in competitive bidding processes, some of which may involve significant cable systems. If we are the winning bidder in any such process involving significant cable systems, we could require substantial additional equity and debt financing to consummate such an acquisition.

Set forth below is certain information regarding the Acquisition and accounting for the Acquisition disclosed in connection with the offering of the Notes:

The Acquisition

On July 18, 2012, Cequel Holdings, Cequel Corporation (the “Purchaser”), and which is currently beneficially owned by BC Partners and CPPIB, the sellers party thereto and Cequel III, LLC, in its capacity as our management company, entered into a Purchase and Sale Agreement (the “Purchase Agreement”), with respect to the sale of equity interests in Cequel Holdings. In connection with the Acquisition, Jerald L. Kent, our Chairman and Chief Executive Officer, Thomas P. McMillin, our Executive Vice President and Chief Operating Officer and Mary E. Meduski, our Executive Vice President and Chief Financial Officer, through certain management partnerships are required to make certain equity contributions which will result in their having an equity interest in Cequel Corporation upon the closing of the Acquisition. Pursuant to the Purchase Agreement, the Purchaser will purchase directly and indirectly all of the outstanding common equity interests in Cequel Holdings and cause all other equity interests in Cequel Holdings (including preferred equity interests), and rights to purchase equity interests in Cequel Holdings, to be retired, redeemed or otherwise terminated. The total purchase price for the Acquisition is approximately $2.485 billion, comprised of an aggregate of $1.985 billion of cash equity contributions by BC Partners and CPPIB and the re-investment of an aggregate of $65.1 million by certain of our executive officers and $500 million from subsidiaries of Cequel Holdings, funded from the net proceeds of the offering of the Notes and cash on hand. The total Acquisition value is approximately $6.6 billion comprised of the purchase price and approximately $4.1 billion of net liabilities (as of June 30, 2012) of subsidiaries of Cequel Holdings that are being assumed. In addition, if the closing of the Acquisition occurs after January 1, 2013, Cequel Holdings is required to make an additional payment to the sellers under
the Purchase Agreement in an aggregate amount equal to 50% of our consolidated free cash flow (calculated in accordance with the Purchase Agreement) for the period beginning January 1, 2013 and up to the closing date for the Acquisition (the “Additional Payment Amount”). The Purchase Agreement includes certain customary representations, warranties and covenants. The completion of the Acquisition is also subject to customary conditions, including receipt of certain regulatory approvals and receipt of certain governmental approvals (including in respect of certain U.S. and foreign anti-trust laws). In addition, following consummation of the Acquisition, Cequel Corporation will become the holder, directly and indirectly, of all of the issued and outstanding membership interests in Cequel Holdings and accordingly will become our indirect parent company. Following the Acquisition, our affairs will be governed by the board of directors of Cequel Corporation. The Acquisition is expected to close prior to December 31, 2012.

In connection with the Acquisition, we are required to fund (i) $500 million to Cequel Holdings as payment for a portion of the purchase price for the Acquisition, (ii) an estimated $16.0 million in transaction fees and expenses of Cequel Holdings relating to the Acquisition; and (iii) the Additional Payment Amount to the sellers under the Purchase Agreement if the Acquisition is not consummated prior to January 1, 2013. In addition, in April 2013, we expect to make a distribution of up to $65 million to Cequel Holdings, which will be used by Cequel Holdings to pay BC Partners and CPPIB deferred sponsor fees related to the Acquisition (the “Deferred Sponsor Fees”).

In connection with these payments and the Acquisition, we have received consent from the holders of the Existing Notes to an amendment to the Indenture which will (i) permit us to make an additional $400 million of restricted payments under the Indenture to Cequel Holdings from the proceeds of the offering and (ii) reduce the restricted payment basket by $100 million at each of June 30, 2013 and September 30, 2013. In exchange for this consent, we will pay holders who consented to these amendments an aggregate fee of approximately $13.5 million upon the closing of the Acquisition, at which time the amendments will become effective. The additional $400 million of restricted payments, together with existing availability under the restricted payment basket of the Indenture, will be used by us to make a distribution to Cequel Holdings, which will use such amount to fund the $500 million to Cequel Holdings as payment for a portion of the purchase price for the Acquisition and Cequel Holdings’ fees and expense relating to the Acquisition.

In addition, in connection with the Acquisition, we received an acknowledgment from the lenders under the Credit Facility to a proposed amendment to the termination provisions of the management agreement by and among Cequel Holdings and Cequel III, LLC. This amendment to such management agreement is expected to be entered into on the closing date of the Acquisition. In exchange for this acknowledgement, we are required to pay the lenders who executed the acknowledgement an aggregate fee of approximately $12.8 million, approximately $6.4 million of which has been paid and the remainder of which is required to be paid upon the later of the consummation of the Acquisition and the date that is five business days after the termination of the Purchase Agreement.

The following table summarizes estimated sources and uses of funds in connection with the Transactions:
Sources of Funds (in millions) | Uses of Funds (in millions)
--- | ---
Notes ................................................. $500.0 | Acquisition .................................. $2,485.0
Equity contributions .................................. 1,985.0 | Fees and expenses(1) ..................  65.0
Cash ................................................... 65.0 | 
Total sources of funds ....................... $2,550.0 | Total uses of funds......................... $2,550.0

(1) These fees and expenses include the professional and advisory fees and other costs and expenses for the Company and Cequel Holdings related to the Acquisition and the issuance of the Notes. This amount includes, among other things, (i) the estimated $16 million of transaction fees and expenses of Cequel Holdings relating to the Acquisition, (ii) the $13.5 million consent fee payable to certain holders of the Existing Notes and (iii) the $12.8 million acknowledgement fee payable to certain lenders under the Credit Facility. This amount does not give effect to any (i) additional amount that would be payable if the Acquisition is consummated on or after January 1, 2013 or (ii) payment of the Deferred Sponsor Fees.

**Accounting for the Acquisition**

Following consummation of the Acquisition, we will engage a third party to complete a valuation of our assets to determine our enterprise value as a result of the Acquisition. We expect that this valuation will result in increases to the book value of our property, plant and equipment, our intangible assets, and our equity accounts to reflect our new enterprise value and the new equity investments being made in connection with the Acquisition. In addition, other assets or liabilities on our balance sheet may be marked to fair value at the time of the Acquisition. Without having completed this valuation, we are not able to estimate the anticipated changes to our balance sheet upon the closing of the Acquisition, and no such changes are reflected in any financial information presented herein. Accordingly, after the Acquisition, we will reflect the impact of the Acquisition consistent with Accounting Standards Codification Topic 805 Business Combinations (“ASC 805”). The application of ASC 805 will establish a new accounting basis reflecting the fair value of our assets and liabilities exchanged in connection with the Acquisition. We have not provided pro forma effect to this valuation or accounting since the effect is primarily non-cash.

The transactions contemplated by the Purchase Agreement, the related equity and debt financing (including the issuance of the Notes), the merger of each of the Escrow Issuers with and into the applicable Issuer, the Issuers’ assumption of the Notes, the performance of our obligations under a related escrow agreement and our payment of any fees, costs and expenses related to the foregoing are referred to as the “Transactions”.

**Set forth below is certain financial and operating information disclosed in connection with the offering of the Notes:**

**Preliminary Unaudited Financial Information**

The following financial and operating information for the quarter ended September 30, 2012 represents preliminary estimates of certain of our financial and subscriber results, which are subject to change. The estimates set forth below are based on information available to our management as of the date of the offering circular and are not guarantees of future performance.
The estimates are subject to the completion of our unaudited quarterly financial statements for the quarter ended September 30, 2012, which results may change. The estimates are forward-looking statements and are subject to the risks, uncertainties and other factors described under “Cautionary Note Regarding Forward-Looking Statements.” You should consider these estimates together with our historical financial statements and the accompanying notes and the other information in this Current Report. We do not intend to update the estimates of our financial and operating results set forth below and disclaim any obligation to do so.

Select Financial Results: (in millions)

<table>
<thead>
<tr>
<th></th>
<th>Preliminary</th>
<th>Actual</th>
<th>Preliminary vs. 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Three Months ended</td>
<td>Three Months ended</td>
<td>Change</td>
</tr>
<tr>
<td>September 30, 2012</td>
<td>$511.9</td>
<td>$482.7</td>
<td>$29.2</td>
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<tr>
<td>Total Revenue</td>
<td></td>
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</table>

<table>
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<tr>
<th></th>
<th>Preliminary</th>
<th>Actual</th>
<th>Preliminary vs. 2011</th>
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</thead>
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<tr>
<td></td>
<td>Nine Months ended</td>
<td>Nine Months ended</td>
<td>Change</td>
</tr>
<tr>
<td>September 30, 2012</td>
<td>$1,530.2</td>
<td>$1,411.0</td>
<td>$119.2</td>
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<tr>
<td>Total Revenue</td>
<td></td>
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Select Operating Data:

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<th>Preliminary</th>
<th>Actual</th>
<th>Preliminary vs. 2011</th>
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<tbody>
<tr>
<td></td>
<td>September 30, 2012</td>
<td>June 30, 2012</td>
<td>Change</td>
</tr>
<tr>
<td>Basic Video</td>
<td>1,230,300</td>
<td>1,230,100</td>
<td>200</td>
</tr>
<tr>
<td>Digital Video</td>
<td>832,600</td>
<td>807,700</td>
<td>24,900</td>
</tr>
<tr>
<td>Residential HSI</td>
<td>996,800</td>
<td>979,400</td>
<td>17,400</td>
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<tr>
<td>Residential Telephone</td>
<td>469,800</td>
<td>462,700</td>
<td>7,100</td>
</tr>
<tr>
<td>Total RGUs</td>
<td>3,529,500</td>
<td>3,479,900</td>
<td>49,600</td>
</tr>
<tr>
<td>Commercial Internet</td>
<td>51,000</td>
<td>49,900</td>
<td>1,100</td>
</tr>
<tr>
<td>Commercial Telephone</td>
<td>22,600</td>
<td>21,200</td>
<td>1,400</td>
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<tr>
<td></td>
<td>Preliminary</td>
<td>Actual</td>
<td>Preliminary vs. 2011</td>
</tr>
<tr>
<td></td>
<td>September 30, 2012</td>
<td>September 30, 2011</td>
<td>Change</td>
</tr>
<tr>
<td>Basic Video</td>
<td>1,230,300</td>
<td>1,268,300</td>
<td>(38,000)</td>
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<tr>
<td>Digital Video</td>
<td>832,600</td>
<td>753,600</td>
<td>79,000</td>
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<td>Residential HSI</td>
<td>996,800</td>
<td>937,200</td>
<td>59,600</td>
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<td>Residential Telephone</td>
<td>469,800</td>
<td>426,100</td>
<td>43,700</td>
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<tr>
<td>Total RGUs</td>
<td>3,529,500</td>
<td>3,385,200</td>
<td>144,300</td>
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<tr>
<td>Commercial Internet</td>
<td>51,000</td>
<td>46,400</td>
<td>4,600</td>
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<tr>
<td>Commercial Telephone</td>
<td>22,600</td>
<td>16,600</td>
<td>6,000</td>
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</table>
Capital Expenditures

We currently expect capital expenditures for the full year ended December 31, 2012 to be within the range of $340.0 million to $350.0 million. This represents an increase from our previously announced estimate of the high end of $325.0 million to $345.0 million, and is a result of additional capital expenditures associated with commercial and carrier services opportunities during the remainder of 2012.

Set forth below is certain information with respect to risks related to our business disclosed in connection with the offering of the Notes:

Our long-lived assets may become impaired in the future, which could cause a charge to our earnings.

At the close of the Acquisition, we will engage a third party to complete a valuation of our assets based upon the new enterprise value resulting from the Transactions. We expect that this valuation will result in increases to the book value of long-lived assets, including property, plant and equipment, and intangible assets. Amortizable long-lived assets must be reviewed for impairment whenever indicators of impairment exist. Non-amortizable long-lived assets are required to be reviewed for impairment on an annual basis or more frequently whenever indicators of impairment exist. Indicators of impairment could include, but are not limited to:

- an inability to perform at levels that were forecasted;
- a permanent decline in market capitalization;
- implementation of restructuring plans;
- changes in industry trends; and/or
- unfavorable changes in our capital structure, cost of debt, interest rates or capital expenditures levels.

Situations such as these could result in an impairment that would require a material non-cash charge to our results of operations and could have a material adverse effect on our consolidated results of operations.
Set forth below is certain information with respect to our capitalization following the issuance of the Notes disclosed in connection with the offering of the Notes:

The following table sets forth our capitalization as of June 30, 2012 on an actual basis and on an as adjusted basis to give effect to the Transactions. The table below does not give effect to any changes to our balance sheet that may result from a valuation of our assets which will be triggered by the closing of the Acquisition.

<table>
<thead>
<tr>
<th>As of June 30, 2012</th>
<th>Actual</th>
<th>As Adjusted(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(dollars in millions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$76.6</td>
<td>$11.6</td>
</tr>
<tr>
<td>Total cash and cash equivalents</td>
<td>$76.6</td>
<td>$11.6</td>
</tr>
<tr>
<td>Long-term debt:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit facility</td>
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</tr>
<tr>
<td>Revolving Credit Facility(2)</td>
<td>$160.0</td>
<td>$160.0</td>
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<tr>
<td>Term loan facility (3)</td>
<td>2,173.7</td>
<td>2,173.7</td>
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<tr>
<td>8.625% senior notes due 2017(4)</td>
<td>1,844.2</td>
<td>1,844.2</td>
</tr>
<tr>
<td>Notes</td>
<td></td>
<td>500.0</td>
</tr>
<tr>
<td>Capital lease and other obligations</td>
<td>7.3</td>
<td>7.3</td>
</tr>
<tr>
<td>Total long-term debt, capital lease and other obligations</td>
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<td>4,685.2</td>
</tr>
<tr>
<td>Member’s equity(5)</td>
<td>(531.8)</td>
<td>(531.8)</td>
</tr>
<tr>
<td>Total capitalization</td>
<td>$3,653.4</td>
<td>$4,153.4</td>
</tr>
</tbody>
</table>

(1) Adjusted to give effect to the Transactions. Does not give effect to any (i) Additional Payment Amount that would be payable if the Acquisition is consummated on or after January 1, 2013 or (ii) payment of the Deferred Sponsor Fees.

(2) As of June 30, 2012, we had approximately $16.0 million of outstanding letters of credit and $160.0 million of outstanding borrowings, which reduced the availability under the $500 million Revolving Credit Facility to approximately $324.0 million.

(3) Represents the accreted value of the term loan facility, as of June 30, 2012, which is $2,194.5 million aggregate principal amount, less unamortized original issue discount.

(4) Represents the accreted value of the Existing Notes, as of June 30, 2012, which is $1,825 million aggregate principal amount, plus unamortized original issue discount and premium.

(5) We expect that following the consummation of the Acquisition, our member’s equity will change to give effect to our new enterprise valuation and the new $1.985 billion equity investment being made in connection with the Acquisition. We cannot estimate the amount of the change at this time, and accordingly, we have not reflected such amount herein.
Set forth below is certain information regarding our ownership following the Acquisition disclosed in connection with the offering of the Notes:

Following consummation of the transactions, Cequel Corporation will directly and indirectly own all of the membership interests in Cequel Holdings and we expect that funds affiliated with BC Partners will beneficially own an aggregate of approximately 48.4% of Cequel Corporation’s common stock, CPPIB will beneficially own an aggregate of approximately 48.4% of Cequel Corporation’s common stock, Jerald L. Kent or his affiliates will beneficially own approximately 3.1% of Cequel Corporation’s common stock and each of Mary E. Meduski (or her affiliates) and Thomas P. McMillin (or his affiliates) will have de minims beneficial ownership of Cequel Corporation’s common stock.

Cautionary Note Regarding Forward-Looking Statements

Some statements in this Current Report are known as “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements may relate to, among other things:

All statements, other than statements of historical fact, contained within this Current Report constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases you can identify forward-looking statements by terms such as “may,” “intend,” “might,” “will,” “should,” “could,” “would,” “expect,” “believe,” “estimate,” “predict,” “potential,” or the negative of these terms, and similar expressions intended to identify forward-looking statements.

These forward-looking statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties and we cannot assure you that the actual results or developments referenced by such forward-looking statements will be realized. Also, these forward-looking statements present our estimates and assumptions only as of the date of this Current Report.

Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, but are not limited to, those described in Item 1A “Risk Factors,” of our Annual Report available on our website (www.suddenlink.com), and the following:

• competition for video, high-speed Internet and telephone customers;

• our ability to achieve anticipated customer and revenue growth and to successfully introduce new products and services;

• our ability to complete our capital investment plans on time and on budget;

• the effects of weak economic conditions or other factors which may negatively affect our customers’ demand for our products and services;

• increasing programming costs and delivery expenses related to our products and services;
changes in consumer preferences, laws and regulations or technology that may cause us to change our operational strategies;

our ability to effectively integrate acquisitions and to maximize expected operating efficiencies from our acquisitions;

our substantial indebtedness;

the restrictions contained in our financing agreements;

our ability to generate sufficient cash flow to meet our debt service obligations;

fluctuations in interest rates which may cause our interest expense to vary from quarter to quarter; and

other risks and uncertainties, including those listed under the caption “Risk Factors” included in our Annual Report available on our website.

Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included in this Current Report are made only as of the date hereof. We do not undertake and specifically decline any obligation to update any such statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments.

Adjusted EBITDA

For more information regarding Adjusted EBITDA, the definition thereof and limitations with respect thereto, see the press release “Suddenlink Reports Second Quarter and Year-to-Date 2012 Financial and Operating Results” posted on our website at www.suddenlink.com.
SIGNATURES

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

CEQUEL COMMUNICATIONS HOLDINGS I, LLC

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

[Signature Page to FD 8-K]