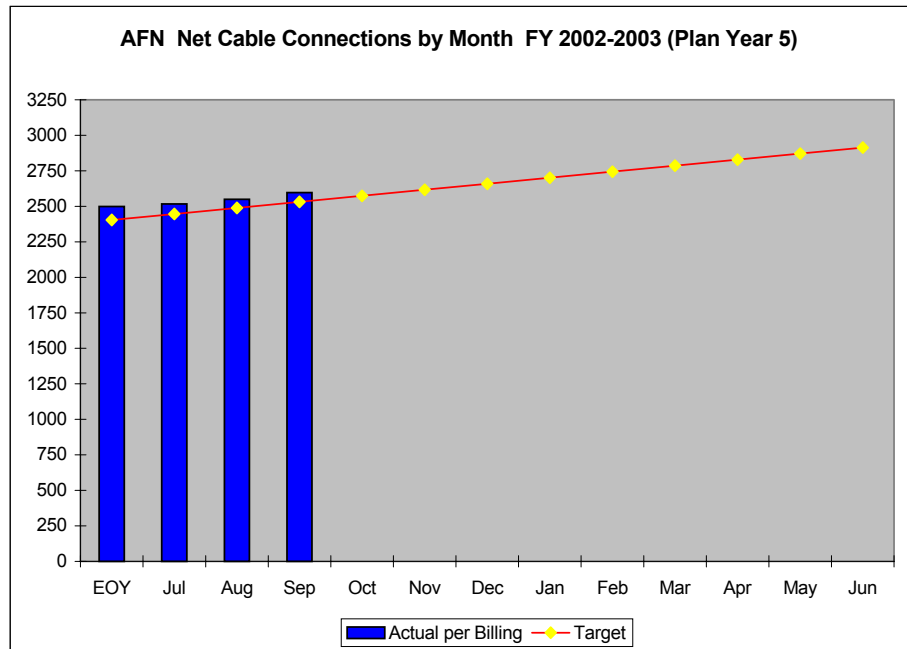


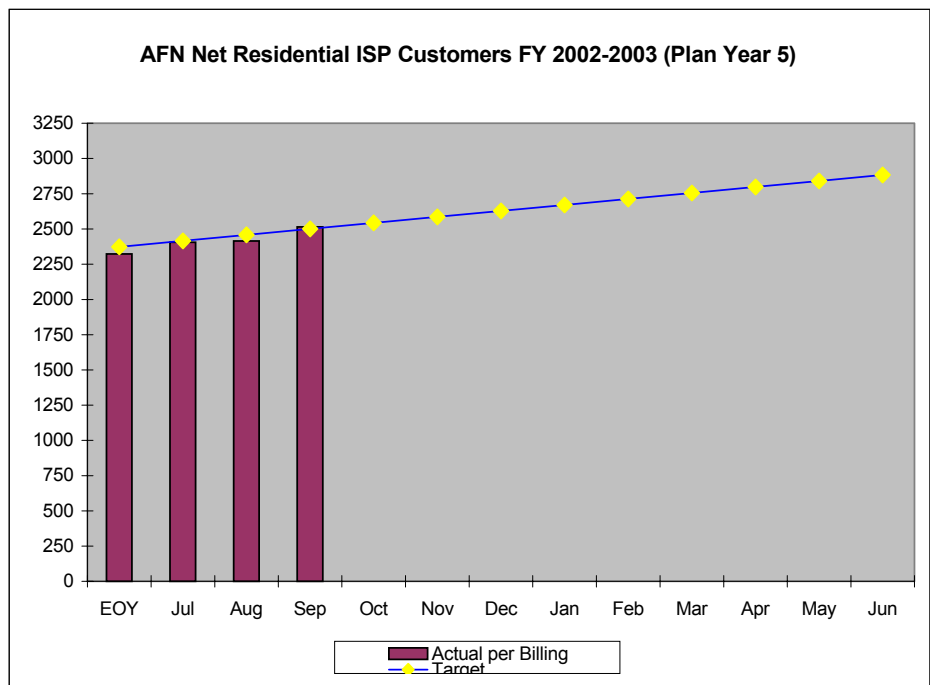
afn QUARTERLY REPORT

AFN Cable Connections in the business plan are projected to be 2,531 by Sept. 30, 2002. As of Sept. 30, there were 2,597 connections, which exceeds the plan goal by 66. The plan projects an end of year total of 2914, which means we need to average 35 new accounts per month to meet the plan targets.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	2499	2517	2550	2597									
Target	2404	2446	2489	2531	2574	2616	2659	2701	2744	2786	2829	2971	2914

AFN Residential Cable Modem Service as of Sept. 30, 2002 was 2514 which exceeds the Sept 30th target of 2500 by 14. The end of year target is 2883 which means we need to average 41 new accounts per month to meet the plan's benchmark..



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	2323	2405	2415	2514									
Target	2373	2415	2458	2500	2543	2585	2628	2670	2713	2755	2798	2840	2883

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Construction Update

The Ashland Fiber Network's construction is being completed by our own in house crew since July, 2002. From July through September a total of about 3.600 fee of underground plant was completed and services mad available in these areas.

Competition

Charter announced that on May. 2002 their analog expanded basic services would no longer include the premium channels, STARZ, Encore, and Movie Plex. As of Oct 8, STARZ and Encore were still included.

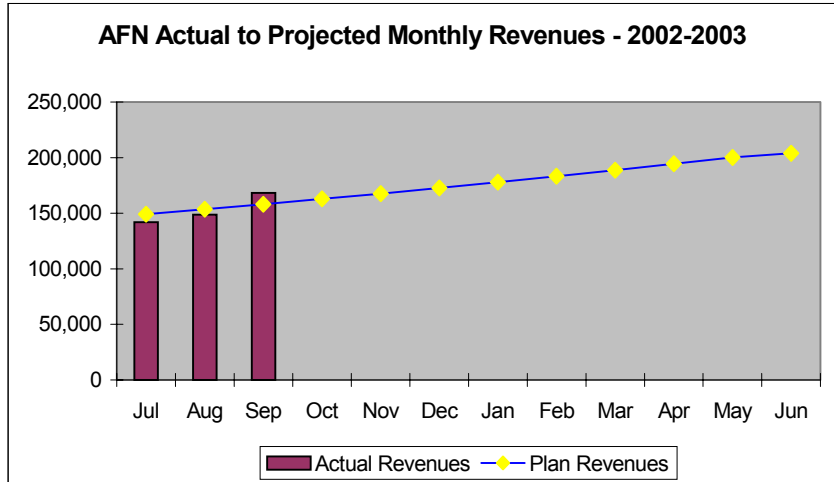
Charter's internet service 'Pipeline' now is offered at different service levels. Their least expensive level is priced at \$39.95 (less \$10.00 if you have cable TV) and runs at 256kb of download speeds and 128kb of upload speeds. This is much slower than AFN speeds.

Charter's published rate for expanded basic is now \$34.81. AFN's tier 3 rates is priced at \$28.46. Charter however has given a number of special rates well below their published rates under 12 month service commitment contracts.

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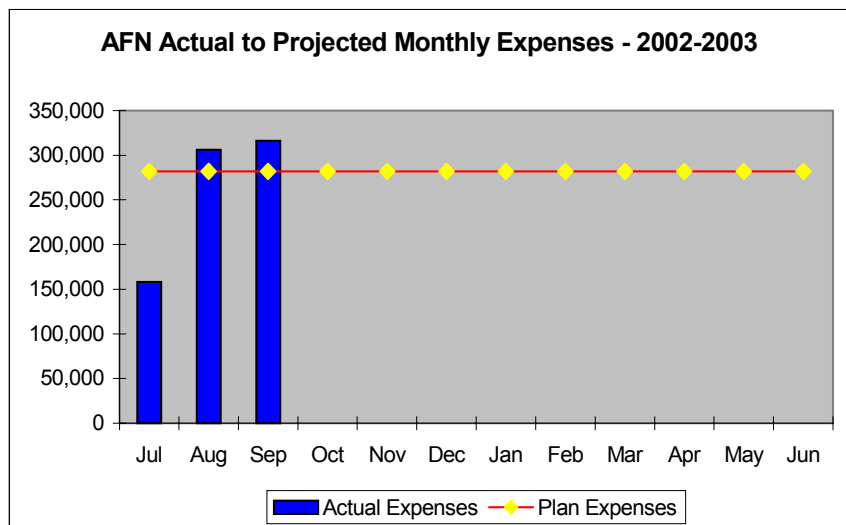
Business Plan Revenues and Expenses.

This graph presents estimated monthly revenues totaling to the annual amount included in the business plan. The projected revenue potential for each month is compared to actual revenues posted. The actual revenue was 458,720 The projected revenue was \$460,544. However, Sept revenues exceeded projections by over \$10,000 and already October exceeds revenue projections by nearly \$6,000. So, revenues appear to be on track with meeting plan goals.



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	141,757	148,557	168,406									
Plan	149,000	153,470	158,074	162,816	167,701	172,732	177,914	183,251	188,749	194,411	200,244	203,979

Plan expenses are projected at \$282,077 per month for the entire year. This includes \$92,000+ month in debt services which is a fixed cost for AFN's long term construction debt. Actual expenses for the first quarter equaled \$780,386, which if compared to the projected total of \$846,231 for the first quarter, means AFN's expenses are \$65,845 below the plan estimates.

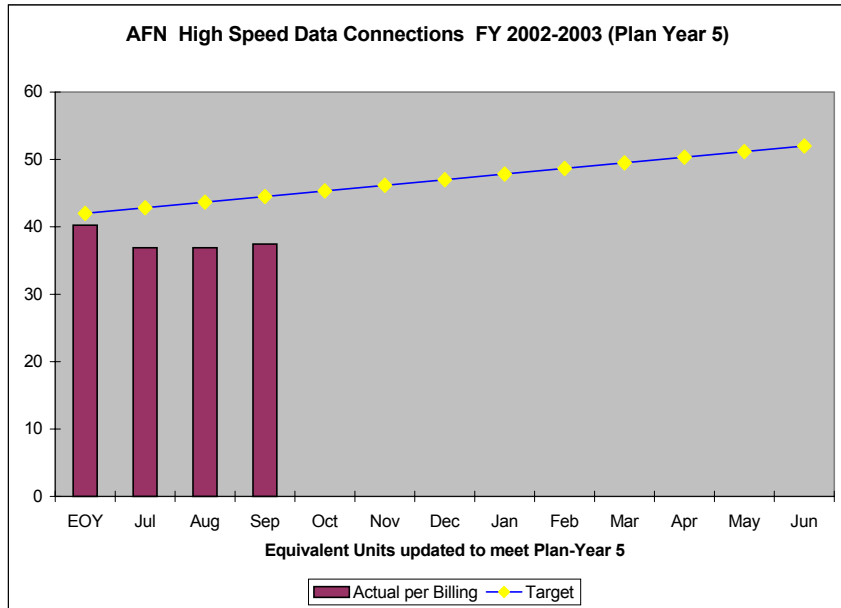


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	158,180	306,124	316,082									
Plan	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,080

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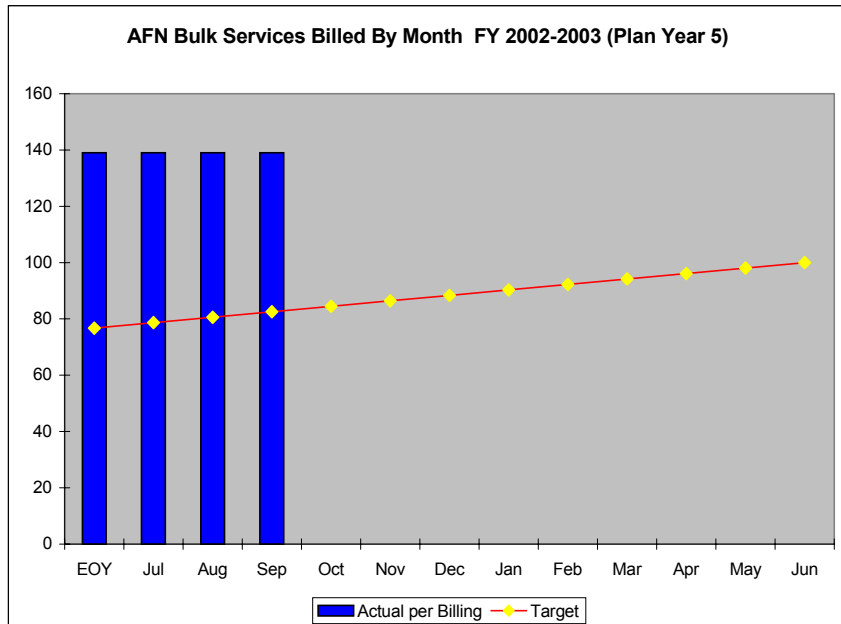
AFN High Speed Data

accounts are projected to be 44.5. Using the current rate of \$651/month total data revenues produces 40.85 equivalent accounts. Because the business plan assumes a \$710/month equivalent rate in 02-03 the revenue breaks down into 37.5 accounts which is 7 short of plan projections. So while we have actually gained nearly one new account equivalent since July 30, unless AFN rates are increased to plan targets we will continue to lag in this area.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	40.24	36.9	36.9	37.46									
Target	42	42.8	43.7	44.5	45.3	46.2	47.0	47.8	48.7	49.5	50.3	51.2	52.0

AFN Bulk Service Contracts (hotels and motels) are projected by the plan to be at 100 equivalent by July 2003. AFN is currently at 139 bulk service equivalents, which exceeds the end of year target.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	139	139	139	139									
Target	76.7	78.6	80.6	82.5	84.5	86.4	88.3	90.3	92.2	94.2	96.1	98.00	100

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Summary for 2001-2002

