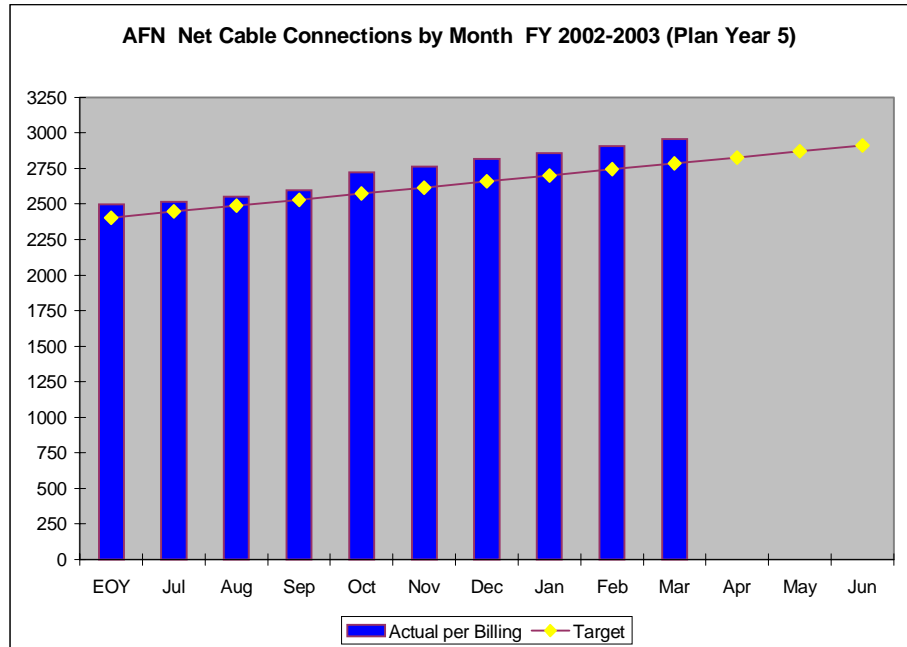


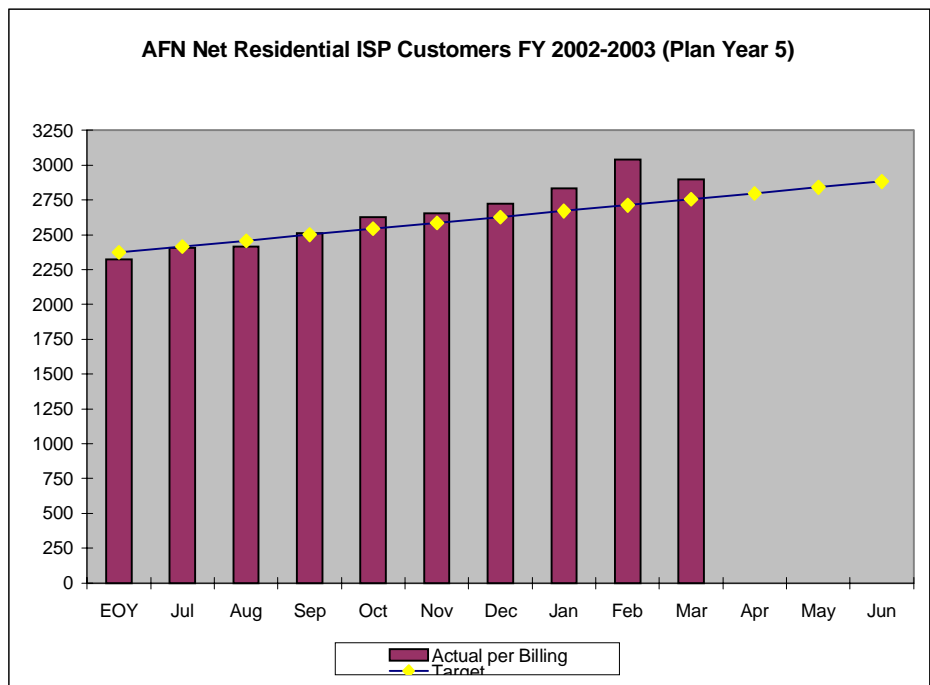
afn QUARTERLY REPORT

AFN Cable Connections in the business plan are projected to be 2,787 by March 31, 2003. As of March 31, 2002, there were 2,956 connections, which exceeds the plan goal by 169. The plan projects an end of year total of 2914, which means we have already exceeded June 30th totals by 42.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	2499	2517	2550	2597	2722	2764	2817	2860	2906	2956	0	0	0
Target	2404	2447	2489	2532	2574	2617	2659	2702	2744	2787	2829	2872	2914

AFN Residential Cable Modem Service as of March 31, 2003 was 2898 which exceeds the March target of 2755 by 144. The end of year target is 2883 which means we already exceed June 30th targets by 15.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	2323	2405	2415	2514	2625	2654	2724	2836	3042	2898	0	0	0
Target	2373	2416	2458	2501	2543	2586	2628	2671	2713	2756	2798	2841	2883

afn QUARTERLY REPORT

Construction Update

The Ashland Fiber Network's construction was being completed by our own in house crew from, July, 2002 through December 2002. In January, we brought one outside contractor crew back to help our own in house crew. From January through March a total of over 13,000 feet of underground plant was completed and services made available in these areas. We now estimate only between 250-325 service addresses are still unable to get AFN.

Competition

Charter's internet service 'Pipeline' now is offered at a different level of service. Their least expensive level of service is priced at \$39.95, (less \$10.00 if you have cable TV) and runs a 256 kb of download speeds and 128kb of upload speeds. This is much slower than the speeds offered by AFN. Even with our recently approved rate increase our ISP retail rates are still below Charter's rates.

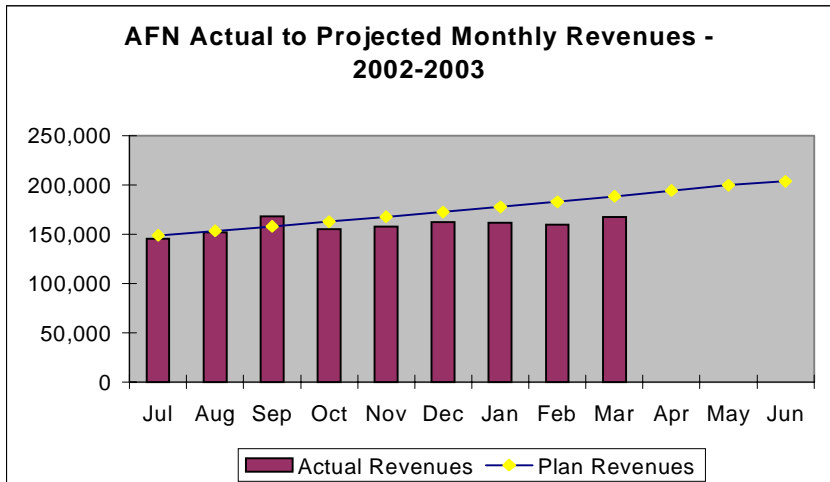
Charter's published rate for expanded basic CATV is now \$34.81. AFN's tier 3 rate is priced at \$30.60. Charter however has given a number of special rates well below their published rates under 12 month service commitment contracts.

The City has installed our advertising insertion equipment and it is now operational. This will enable us to not only start selling advertising on AFN, but will also cross promote programming and premium services, special events and higher tiers of service.

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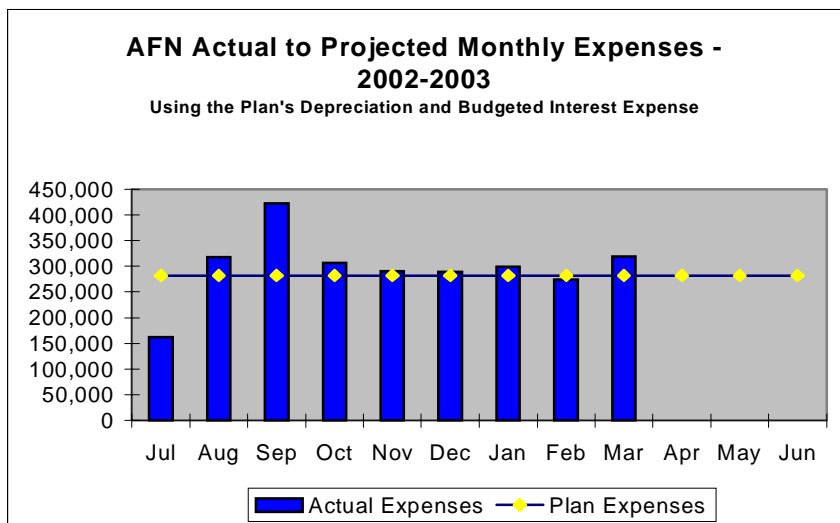
Business Plan Revenues and Expenses.

This graph presents estimated monthly revenues totaling to the annual amount included in the base plan. The projected revenue potential for each month is compared to actual revenues posted. The actual revenue was \$1,430,245. The projected revenue was \$1,513,707. This means actual revenue is \$83,462 less than projected revenue.



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	145,195	151,991	168,406	155,063	157,602	162,719	161,567	160,125	167,576			
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

Actual expenses are projected at \$282,077 per month for the entire year. This includes \$92,000+ month in debt services and depreciation which are a fixed cost for AFN. Actual expenses for the first 6 months equaled \$2,679,833 which if compared to the projected total of \$2,538,693 for the year, means AFN's expenses are \$141,140 above the plan estimates.

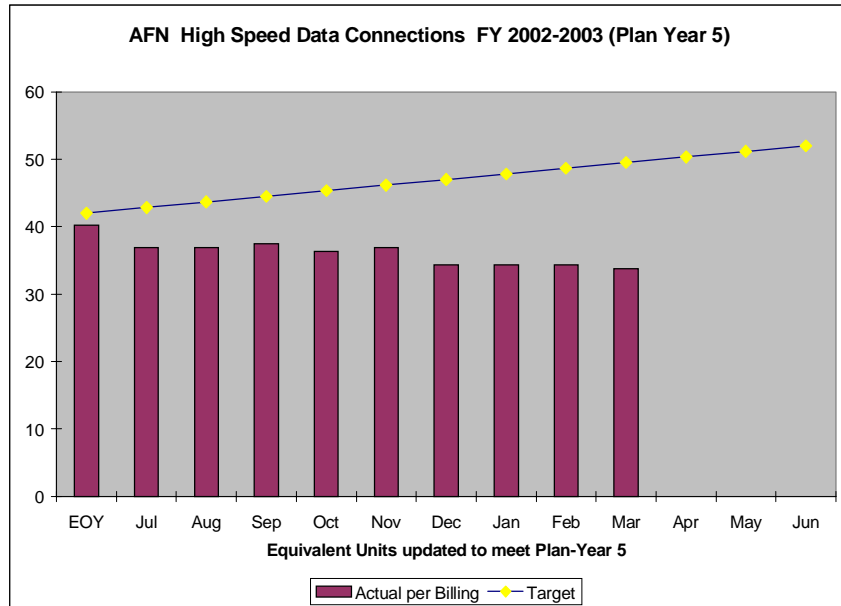


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	162,432	317,631	421,876	306,702	290,010	289,017	299,238	273,956	318,972			
Plan	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077	282,077

afn QUARTERLY REPORT

AFN High Speed Data

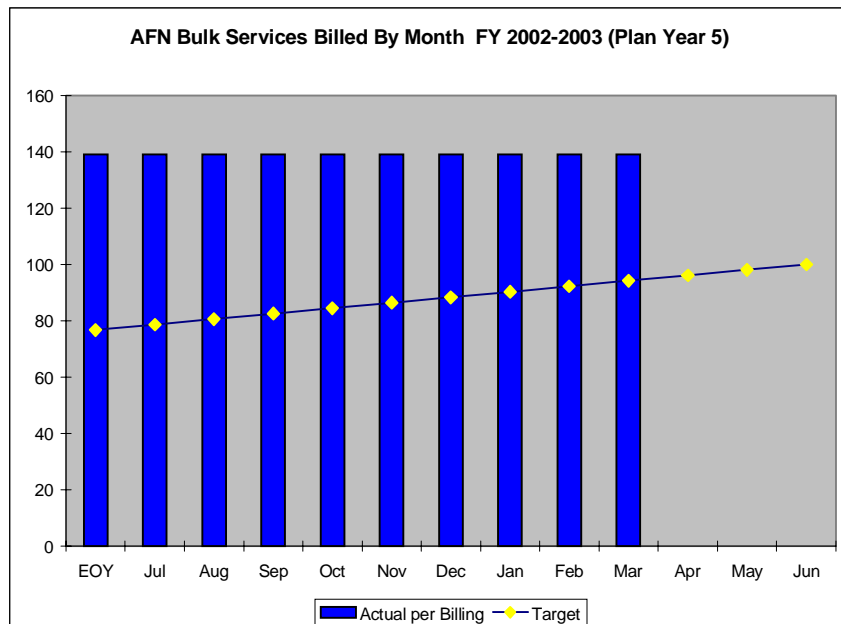
accounts are projected to be 49.5. Using the current rate of \$651/month total data revenues produces 37.4 equivalent accounts. Because the business plan assumes a \$710/month equivalent rate in 02-03 the revenue breaks down into 33.73 accounts which is 15.8 short of plan projections.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	40.24	36.9	36.9	37.46	36.32	36.89	34.29	34.29	34.29	33.73			
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 equivalents by July 2003. AFN is currently 139 bulk service equivalents, which exceeds the July target.



	EOY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Actual	139	139	139	139	139	139	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

