Adelphia Recovery Trust
919 North Market Street
Seventeenth Floor
P.O. Box 8705

Wilmington, DE 19899
January 30, 2008

# INFORMATION REGARDING THE VALUE OF PROPERTY TRANSFERRED TO THE ADELPHIA RECOVERY TRUST FOR U.S. FEDERAL INCOME TAX PURPOSES 

Under Section 9.4(c) of the First Modified Fifth Amended Joint Chapter 11 Plan For Adelphia Communications Corporation And Certain Of Its Affiliated Debtors (the "Plan"), and Section 8.02 of the Amended and Restated Declaration of Trust for Adelphia Contingent Value Vehicle, the Trustees of the Adelphia Recovery Trust (the "Trust") are required to cause valuations of the assets transferred to the Trust to be made and to notify holders of interests in the Trust ("CVV Interests") of those valuations. This letter is provided to you in connection with those requirements.

For tax purposes and under the Plan, the formation of the Trust, which is a liquidating trust, is deemed to occur in two steps: (1) the bankruptcy estate is deemed to transfer assets to the Trust's beneficiaries and (2) the Trust's beneficiaries are deemed to contribute the assets to the Trust.

The worksheet attached to this letter contains information about the value of the assets that were deemed distributed to each class of CVV Interest holder from the bankruptcy estate and subsequently contributed to the Trust. IF YOU RECEIVED OTHER DISTRIBUTIONS WITH RESPECT TO YOUR CLAIMS AGAINST OR INTERESTS IN ADELPHIA, INCLUDING CASH OR TIME WARNER CABLE STOCK, PLEASE NOTE THAT THOSE DISTRIBUTIONS ARE NOT REFLECTED IN THE ATTACHED WORKSHEET.

The bulk of the Trust's assets consist of litigation claims previously owned by Adelphia and its subsidiaries against various third parties. These litigation claims are very difficult to quantify with precision. For that reason, the method used to determine, for federal income tax purposes, the overall value of the Trust's assets at the time of the effective date was based on the trading prices of CVV Interests that were publicly traded near the Trust's effective date. THE TRUST EXPRESSLY DISCLAIMS ANY ASSOCIATION BETWEEN THE VALUATION CALCULATED FOR TAX PURPOSES AND THE AMOUNT OF THE TRUST'S ACTUAL OR ANTICIPATED RECOVERIES.

Copies of this letter and the related press release are available in the "Important DocumentsAdelphia Recovery Trust" section of Adelphia's website at www.adelphiarestructuring.com. Questions can be directed to creditor.inquiries@adelphia.com. However, the Trust does not intend to and will not provide tax advice to beneficiaries.

Adelphia Recovery Trust
2007 Effective Date Trust Valuation letter
THIS LETTER IS NOT INTENDED TO, AND DOES NOT, PROVIDE INCOME OR OTHER TAX ADVICE RELATING TO THE RECEIPT OF DISTRIBUTIONS OUT OF THE BANKRUPTCY ESTATE OR THE HOLDING OF CVV INTERESTS. EACH HOLDER OF CVV INTERESTS SHOULD SEEK TAX ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM ITS OWN TAX ADVISOR. REFERENCE IS MADE TO THE DISCLOSURE STATEMENT ACCOMPANYING THE PLAN FOR AN ANALYSIS OF THE TAX CONSEQUENCES APPLICABLE TO A CREDITOR WHO RECEIVED A DISTRIBUTION FROM THE BANKRUPTCY ESTATE, INCLUDING WITHOUT LIMITATION THE DEEMED DISTRIBUTION OF THE LITIGATION CLAIMS. HOLDERS OF CVV INTERESTS ARE HEREBY NOTIFIED THAT ANY DISCUSSION OF TAX ISSUES CONTAINED OR REFERRED TO IN THIS LETTER IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE. THIS INFORMATION MAY NOT BE USED OR QUOTED IN WHOLE OR IN PART IN CONNECTION WITH ANY OFFERING OR SALE OF SECURITIES.

VALUE WORKSHEET FOR
TRUST INTEREST HOLDERS

|  | CUSIP <br> Number | Column A <br> Value per <br> Interest |  | Column B <br> Number of <br> Interests |  | Column C <br> Total Value |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| CVV Series RF | 00685R 847 | \$1.0000000000 | x | 115,000,000 | $=$ | \$115,000,000 |
| CVV Series <br> Arahova Interests | 00685R 102 | \$0.3649120630 | X | 722,639,681 | $=$ | \$263,699,937 |
| CVV Series FrontierVision Interests | 00685R 201 | \$0.1624422614 | x | 86,600,001 | $=$ | \$14,067,500 |
| CVV Series FPL Interests | 00685R 862 | \$0.1654978004 | X | 25,575,129 | $=$ | \$4,232,628 |
| CVV Series Olympus Interests | 00685R 300 | \$1.0000000000 | X | 17,000,001 | $=$ | \$17,000,001 |
| CVV Series ACC-1 Interests | 00685R 409 | \$0.0506908695 | X | 4,839,988,165 | $=$ | \$245,343,209 |
| CVV Series ACC-2 Interests | 00685R 508 | \$0.0379794992 | X | 325,986,078 | $=$ | \$12,380,788 |
| CVV Series ACC-3 Interests | 00685R 607 | \$0.0369381015 | x | 161,782,486 | $=$ | \$5,975,938 |
| CVV Series ESL Interests | 00685R 854 | \$0 | x | 17 | $=$ | \$0 |
| CVV Series ACC-4 Interests | 00685R 706 | \$0 | X | 1,790,968,272 | $=$ | \$0 |
| CVV Series ACC-5 Interests | 00685R 805 | \$0 | x | 458 | $=$ | \$0 |
| CVV Series ACC6B Interests | 00685R 839 | \$0 | X | 150,000,000 | $=$ | \$0 |
| CVV Series ACC6B1 Interests | 00685R 821 | \$0 | x | 3 | $=$ | \$0 |
| CVV Series ACC6D Interests | 00685R 813 | \$0 | X | 575,000,000 | $=$ | \$0 |
| CVV Series ACC6D1 Interests | 00685R 797 | \$0 | X | 4 | $=$ | \$0 |
| CVV Series ACC6E/F Interests | 00685R 789 | \$0 | X | 935,812,456 | $=$ | \$0 |
| CVV Series ACC6E/F1 Interests | 00685R 771 | \$0 | x | 5 | $=$ | \$0 |
| CVV Series ACC-7 Interests | 00685R 870 | \$0 | X | 219,134,945 | $=$ | \$0 |
| CVV Series ACC7A Interests | 00685R 763 | \$0 | X | 1,519,293,603 | $=$ | \$0 |

