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CORECOMM HOLDCO INC

Form S-4

February 08, 2002

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON FEBRUARY 8, 2002
REGISTRATION NO. 333-_____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

CORECOMM HOLDCO, INC.
(Exact Name of Registrant as Specified in Its Charter)

DELAWARE 4812 13-4078506
(STATE OR OTHER JURISDICTION OF (PRIMARY STANDARD INDUSTRIAL (I.R.S. EMPLOYER
INCORPORATION OR ORGANIZATION) CLASSIFICATION CODE NUMBER) IDENTIFICATION NO.)

110 East 59th Street, 26th Floor
New York, New York 10022
(212) 906-8485

(Address, Including Zip Code, and Telephone Number, Including Area Code, of
Registrant's Principal Executive Offices)

JARED L. GURFEIN, ESQ.
DIRECTOR OF LEGAL AFFAIRS
CORECOMM HOLDCO, INC.
110 EAST 59TH STREET, 26TH FLOOR
NEW YORK, NEW YORK 10022
(212) 906-8485

THOMAS H. KENNEDY, ESQ.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
FOUR TIMES SQUARE
NEW YORK, NEW YORK 10036
(212) 735-3000

(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE,
OF AGENT FOR SERVICE)

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE OF THE
SECURITIES TO THE PUBLIC:

As soon as practicable after this registration statement becomes
effective and all other conditions to the exchange offers described herein have
been satisfied or waived.

If the securities being registered on this form are being offered in
connection with the formation of a holding company and there is compliance with
General Instruction G, check the following box. []

If this form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act, check the following box and
list the Securities Act registration statement number of the earlier effective
registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule
462(d) under the Securities Act, check the following box and list the Securities
Act registration statement number of the earlier effective registration
statement for the same offering. []

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CALCULATION OF REGISTRATION FEE

| TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED | AMOUNT TO BE REGISTERED (1) | PROPOSED MAXIMUM OFFERING PRICE PER SHARE | PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (2) |
|---|-----------------------------------|---|---|
| Common Stock, par value \$0.01 per share, including the associated Rights to purchase Series A Junior Participating Preferred Stock(3) | 1,344,416 | N/A | \$15,777,101 |

(1) Represents the maximum number of shares of CoreComm Holdco common stock estimated to be issuable upon consummation of the exchange offers, based on the exchange ratios applicable in the exchange offers (1/116.7 of a share of CoreComm Holdco common stock for each share of CoreComm Limited common stock and 3.0349 shares of CoreComm Holdco common stock for each \$1,000 in principal amount of 6% Convertible Subordinated Notes due 2006 of CoreComm Limited) including shares issuable upon the exercise of warrants and shares that may be issued due to rounding.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(f) (1), (2) and (3) and Rule 457(c) of the Securities Act of 1933, based on (a) the product of (1) \$0.0945, the average of the high and low sale prices per share of CoreComm Limited common stock on February 5, 2002, as reported by the Nasdaq National Market times (2) the maximum number of shares of CoreComm Limited common stock estimated to be received by CoreComm Holdco pursuant to the exchange offers plus (b) one-third of the maximum aggregate principal amount of 6% Convertible Subordinated Notes due 2006 of CoreComm Limited estimated to be received by CoreComm Holdco, Inc. pursuant to the exchange offers minus (c) \$142,500 aggregate cash consideration payable with respect to the 6% Convertible Subordinated Notes due 2006 pursuant to the exchange offers.

(3) The rights to purchase shares of our Series A Junior Participating Preferred Stock initially are attached to and trade with the shares of our common stock being registered hereby. Upon the occurrence of specified events, our Series A Junior Participating Preferred Stock will be evidenced separately from the shares of our common stock. Value attributed to these rights, if any, is reflected in the market price of our common stock.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(b), MAY DETERMINE.

CORECOMM HOLDCO, INC.
OFFERS TO EXCHANGE

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SHARES OF CORECOMM HOLDCO, INC. COMMON STOCK
FOR SHARES OF COMMON STOCK OF CORECOMM LIMITED
AND SHARES OF CORECOMM HOLDCO, INC. COMMON STOCK AND CASH
FOR 6% CONVERTIBLE SUBORDINATED NOTES DUE 2006 OF CORECOMM LIMITED

THE EXCHANGE OFFERS AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON MARCH 8, 2002, UNLESS EXTENDED.

CoreComm Holdco, Inc., referred to as "CoreComm Holdco" or "Holdco," which was formerly a first-tier, wholly-owned subsidiary of CoreComm Limited, referred to as "CoreComm Limited" or "Limited," hereby offers, upon the terms and subject to the conditions set forth in this preliminary prospectus, referred to as the "prospectus," and the accompanying letters of transmittal, to exchange:

- 1/116.7 of a share of its common stock, par value \$0.01 per share, together with the associated rights to purchase shares of its Series A Junior participating preferred stock which are attached to each share of its common stock, collectively referred to as the "Holdco common stock" or the "CoreComm Holdco common stock," for each validly tendered and accepted share of common stock, par value \$0.01 per share of CoreComm Limited, referred to as the "Limited common stock" or the "CoreComm Limited common stock," rounded up to the nearest whole share for each unaffiliated holder; and
- 3.0349 shares of Holdco common stock and \$30.00 in cash (which is equal to the amount of the October 1, 2001 interest payment that has not been paid), net without interest, for each validly tendered and accepted \$1,000 in aggregate principal amount of 6% Convertible Subordinated Notes due 2006 of CoreComm Limited, referred to as the "public notes," with the number of shares of Holdco common stock rounded up to the nearest whole share for each unaffiliated holder. We refer to the public notes, together with the Holdco common stock, as the "outstanding securities."

The 1/116.7 and 3.0349 exchange ratios will be adjusted proportionately for any stock splits, combinations, stock dividends and the like.

CoreComm Holdco will accept up to an aggregate of all shares of outstanding CoreComm Limited common stock and all outstanding public notes and will issue up to an aggregate of 1,314,416 shares of Holdco common stock in the exchange offers plus additional shares which may be issued as a result of rounding up in the exchange offers.

Each of CoreComm Holdco and CoreComm Limited recommends that you tender your outstanding securities in the exchange offers. None of the exchange agent, the information agent or any of their respective officers or directors makes any recommendation as to whether you should tender your outstanding securities in the exchange offers.

All persons holding outstanding securities, including Limited common stock, are eligible to participate in the exchange offers if they tender their securities in a jurisdiction where the exchange offers are permitted under local law. However, there are a number of conditions to these exchange offers, including that, solely with respect to the exchange offer for Limited common stock at least 90% of the outstanding shares of Limited common stock are validly tendered and not withdrawn. In the event that any one of these conditions is not satisfied, and we decide not to waive the satisfaction of that condition, we are under no obligation to complete the exchange offers.

Currently, no public market exists for the shares of Holdco common stock. CoreComm Limited's outstanding common stock is currently listed on the Nasdaq National Market under the symbol "COMM." Pursuant to conversations with Nasdaq,

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we intend to transfer the listing of Limited common stock on the Nasdaq National Market to Holdco common stock upon successful completion of the exchange offers. Please refer to the section of the prospectus entitled "Risk Factors - Risk factors relating to our common stock and corporate control - Our common stock could be delisted from the Nasdaq National Market if we fail to meet Nasdaq's continued listing criteria, which could have a negative impact on the trading activity and price of your common stock, and could make it more difficult for us to raise capital."

PLEASE REFER TO THE "RISK FACTORS" SECTION OF THIS PROSPECTUS BEGINNING ON PAGE 15 FOR A DISCUSSION OF THE RISKS ASSOCIATED WITH THE EXCHANGE OFFERS BEFORE YOU MAKE YOUR DECISION AS TO WHETHER TO TENDER YOUR SHARES OF CORECOMM LIMITED COMMON STOCK AND/OR PUBLIC NOTES.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Information Agent for the exchange offers is: The Depositary and Exchange Agent for the exchange offers is:

D.F. KING & CO., INC.

CONTINENTAL STOCK TRANSFER & TRUST COMPANY

The date of this preliminary prospectus is February 8, 2002

[SIDENOTE]

THE INFORMATION IN THIS PRELIMINARY PROSPECTUS MAY CHANGE. WE MAY NOT COMPLETE THE EXCHANGE OFFERS UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PRELIMINARY PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER IS NOT PERMITTED.

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CONDENSED CORECOMM CORPORATE STRUCTURE

CoreComm Holdco, Inc., a Delaware corporation, was created by the 1999 merger of two former wholly owned subsidiaries of CoreComm Limited - CoreComm Operating Co. Limited and CoreComm Ohio Limited, both Bermuda companies, which were incorporated in 1998. Until December 17, 2001, CoreComm Holdco was a wholly owned subsidiary of CoreComm Limited. On October 31, 2001 and December 17, 2001, CoreComm Limited and CoreComm Holdco announced the Holdco Recapitalization in which shares of common stock of CoreComm Holdco were to be issued in exchange for:

- (1) 6% Convertible Subordinated Notes due 2006 of CoreComm Limited;
- (2) a significant portion of CoreComm Limited's other debt;
- (3) a significant portion of joint debt of CoreComm Limited and CoreComm Holdco; and
- (4) all of CoreComm Limited's outstanding preferred stock.

The registration statement of which this prospectus forms a part is being filed pursuant to the agreements entered into in connection with the Holdco Recapitalization, relating to those shares of our common stock issued in those transactions. CoreComm Holdco's only material assets are loans to, and the capital stock of, its subsidiary, CoreComm Communications, Inc., which in turn owns the capital stock of various operating companies.

As the final phase of the Holdco Recapitalization, we intend to offer to exchange 1/116.7 of a share of our common stock, including the associated rights to purchase shares of our Series A junior participating preferred stock, for each validly tendered and not withdrawn share of CoreComm Limited common stock accepted in the registered public exchange offer. We also intend to offer to exchange 3.0349 shares of our common stock, including the associated rights to purchase shares of our Series A junior participating preferred stock and \$30.00 in cash for each \$1,000 principal amount of 6% Convertible Subordinated Notes due 2006 of CoreComm Limited that is validly tendered and not withdrawn and accepted in the registered public exchange offer. In each case, we will round up the number of our shares issued to each unaffiliated holder of either security. We will issue up to an aggregate of 1,314,416 shares of our common stock in these exchange offers (plus additional shares which may be issued as a result of rounding up in the exchange offers) which will represent approximately 13% of our outstanding shares. We operate the same businesses that CoreComm Limited historically operated. As a result of the already completed phases of the Holdco

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Recapitalization, CoreComm Limited now owns only approximately 13% of our outstanding common shares. Moreover, we will become the parent of CoreComm Limited if the exchange offers are completed and CoreComm Limited has agreed at that time to surrender that number of shares of our common stock that are issued in the exchange offers, which will leave CoreComm Limited with little or no material assets.

The following three charts summarize the corporate structure of CoreComm Limited and CoreComm Holdco, through which we conduct our operations and hold our investments. The first chart illustrates our corporate structure prior to December 17, 2001. The second chart illustrates our corporate structure since the consummation of the initial phase of the Holdco Recapitalization which commenced on December 17, 2001 and was completed on December 28, 2001. The third chart indicates our corporate structure assuming we are successful in completing the exchange offers. None of these charts shows details of our operating or other intermediate companies or ownership interests in those entities.

[GRAPHIC OF CHART 1 - STRUCTURE PRIOR TO DECEMBER 17, 2001]

[GRAPHIC OF CHART 2 - PRESENT STRUCTURE]

[GRAPHIC OF CHART 3 - ASSUMING SUCCESSFUL COMPLETION OF THE EXCHANGE OFFERS (1)]

(1) Assumes 100% of the holders of CoreComm Limited common stock are validly tendered and accepted in the exchange offer. One of the conditions to the exchange offer for shares of CoreComm Limited common stock is that at least 90% of the outstanding shares of CoreComm Limited common stock are validly tendered and not withdrawn in the exchange offer, which condition can be waived by CoreComm Holdco, in whole or in part, at any time prior to the expiration date of the exchange offers, subject to applicable rules and regulations.

In this prospectus, "we," "us," "our," "CoreComm Holdco" and "Holdco" refer to CoreComm Holdco, Inc. and, unless the context requires otherwise, its consolidated subsidiaries. In this prospectus, "Limited" refers to CoreComm Limited. As of December 31, 2001, (1) we did not own any shares of CoreComm Limited's common stock, and (2) CoreComm Limited owned 1,314,416 shares of our common stock which presently amounts to approximately 13% of our outstanding shares.

QUESTIONS AND ANSWERS ABOUT THE EXCHANGE OFFERS

The following questions and answers, and the summary of the exchange offers that follows, highlight selected information from this document and may not contain all of the information that is important to you. To better understand the exchange offers you should read this entire document, the accompanying letters of transmittal and instructions to the letters of transmittal carefully.

Q: WHAT ARE WE AND CORECOMM LIMITED PROPOSING IN THE EXCHANGE OFFERS?

A: Pursuant to a plan to recapitalize the companies, we are offering to exchange (a) shares of Holdco common stock for all of the outstanding shares of Limited common stock and (b) shares of Holdco common stock and cash for all of the outstanding public notes.

Q. WHAT WILL I RECEIVE FOR EACH OUTSTANDING SECURITY THAT I TENDER IN THE EXCHANGE OFFERS?

A. You will receive 1/116.7 of a share of Holdco common stock for each share of Limited common stock, and 3.0349 shares of Holdco common stock and \$30.00 in cash (which is equal to the amount of the October 1, 2001 interest payment that has not been paid), net without interest, which we refer to as the "cash consideration," for each \$1,000 in aggregate principal amount of public notes, that you validly tender in the exchange offers and that is accepted by CoreComm Holdco, with the number of shares of Holdco common stock that you receive in each of the two offers rounded up to the nearest whole share for each unaffiliated holder. We sometimes refer to the 1/116.7 and 3.0349 numbers as the "exchange ratios." These exchange ratios will be adjusted proportionately for any stock splits, combinations, stock dividends and the like that may occur prior to completing the exchange offers.

Q. WHEN DO THE EXCHANGE OFFERS EXPIRE?

A. If you wish to participate in the exchange offers, you must validly tender your outstanding securities so that the exchange agent receives them before 12:00 midnight, New York City time, on March 8, 2002, unless we extend the exchange offers. We sometimes refer to this date and time, including any extension, as the "expiration date."

Q. ARE THERE ANY CONDITIONS TO OUR OBLIGATION TO COMPLETE THE EXCHANGE OFFERS?

A. Yes. We do not have to complete the exchange offers unless all of the conditions outlined on pages 38 to 39 are satisfied. In particular, there is a condition for the exchange offer relating to the Limited common stock that at least 90% of the outstanding shares of Limited common stock be tendered into that exchange offer. We sometimes refer to this condition in this document as the "minimum condition." There is no minimum condition for the exchange offer relating to the public notes. We may at any time waive any or all of the conditions to the exchange offers.

Q: DO I HAVE TO PAY ANY BROKERAGE FEES OR COMMISSIONS?

A: If you are the record owner of your outstanding securities and you tender your outstanding securities in the exchange offers, you will

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not incur any brokerage fees or commissions. If you own your outstanding securities through a broker or other nominee who tenders the outstanding securities on your behalf, your broker may charge you a commission for doing so. You should consult with your broker or nominee to determine whether any charges will apply.

Q: DOES CORECOMM LIMITED'S BOARD OF DIRECTORS SUPPORT THE EXCHANGE OFFERS?

A: Yes. CoreComm Limited's board of directors unanimously supports the exchange offers and recommends that you tender your shares of Limited common stock and your public notes in the exchange offers so that we can proceed with the recapitalization plan.

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Q: WHAT PERCENTAGE OF HOLDCO COMMON STOCK WILL CORECOMM LIMITED STOCKHOLDERS OWN AFTER THE CONSUMMATION OF THE RECAPITALIZATION PLAN?

A: If we obtain all of the shares of CoreComm Limited common stock, the former CoreComm Limited common stockholders, together with holders of warrants to purchase Limited common stock, assuming all holders elected to exercise their warrants, would own approximately 13% of the outstanding shares of Holdco common stock, based upon the number of shares of Holdco common stock and Limited common stock outstanding on December 31, 2001.

Q: HOW DO I PARTICIPATE IN THE EXCHANGE OFFERS?

A: You are urged to read this entire prospectus carefully, and to consider how the exchange offers affect you. Then, if you wish to tender your outstanding securities, you should complete and sign the applicable enclosed letter of transmittal and return it with your stock certificates and/or public notes to the designated exchange agent, or, if you hold your outstanding securities in "street name" through a broker, ask your broker to tender your outstanding securities. Please read this prospectus carefully for more information about procedures for tendering your outstanding securities, the timing of the exchange offers, extensions of the exchange offer periods and your rights to withdraw your shares from the exchange offers prior to the expiration date.

Q: WILL I BE TAXED ON THE SHARES OF HOLDCO COMMON STOCK AND, IF APPLICABLE, CASH THAT I RECEIVE?

A: We expect your exchange of Limited common stock for Holdco common stock will not be a taxable exchange for United States federal income tax purposes. In an exchange of public notes for Holdco common stock, we expect that you will recognize gain, if any, but not loss, to the extent of the cash you receive in the exchange. Such gain will be taxed as ordinary income to the extent of any accrued market discount. You should consult your own tax advisor as to the particular tax consequences of the exchange offers to you.

Q: DO THE STATEMENTS ON THE COVER PAGE REGARDING THIS PROSPECTUS BEING SUBJECT TO CHANGE AND THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION NOT YET BEING EFFECTIVE MEAN THAT THE EXCHANGE OFFERS HAVE NOT YET COMMENCED?

A: No. The exchange offers have commenced and effectiveness of the registration statement is not necessary for you to tender outstanding

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securities.

- Q. HOW CAN I GET MORE INFORMATION ABOUT THE EXCHANGE OFFERS?
- A. You may call the information agent, D.F. King & Co., Inc., to ask any questions or to request additional documents at (800) 848-2998 (toll free) in the United States or at (212) 269-5550 (collect) elsewhere. You also may obtain free copies of other documents publicly filed by us or CoreComm Limited at the Securities and Exchange Commission's website at www.sec.gov. For more information, please refer to the section of the prospectus entitled "Where You Can Find More Information."
- Q: WHAT IS THE RECAPITALIZATION OF CORECOMM LIMITED AND CORECOMM HOLDCO?
- A: The recapitalization is a series of transactions, culminating with these exchange offers, through which CoreComm Limited and CoreComm Holdco exchanged shares of common stock of CoreComm Holdco for outstanding debt of CoreComm Limited and CoreComm Holdco, and outstanding preferred stock and common stock of CoreComm Limited.
- Q: WHAT IS THE DIFFERENCE BETWEEN CORECOMM LIMITED AND CORECOMM HOLDCO?
- A: CoreComm Holdco today operates the same businesses that CoreComm Limited has historically operated. The main difference is that CoreComm Holdco was formerly a wholly-owned subsidiary of CoreComm Limited. However, as a result of the already completed phases of the recapitalization, CoreComm Limited now owns only approximately 13% of CoreComm Holdco. Moreover, CoreComm Holdco will become the parent of CoreComm Limited if the exchange offers are completed and CoreComm Limited at that time will own little or no assets. If you choose not to tender shares of CoreComm Limited common stock, you may wind up owning shares in CoreComm Limited which will be a subsidiary of CoreComm Holdco and no longer will own the businesses CoreComm Holdco operates.

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- Q: WHY SHOULD I TENDER MY SHARES AND/OR PUBLIC NOTES?
- A: The board of directors of CoreComm Limited has recommended you tender your outstanding securities because, if you do not tender your outstanding securities, you will continue to own securities of CoreComm Limited, which as its only material assets holds only an approximately 13% ownership interest in CoreComm Holdco, and following the exchange offers, if completed, will own little or none of the outstanding shares of CoreComm Holdco. Other than its interest in CoreComm Holdco, CoreComm Limited does not hold any material assets. By contrast, if you tender your outstanding securities, and the exchange offers are completed successfully, you will own shares of CoreComm Holdco, which owns 100% of the businesses historically owned by CoreComm Limited prior to the recapitalization.
- Q: WHY AM I ONLY RECEIVING 1/116.7 OF A SHARE FOR EACH SHARE OF CORECOMM LIMITED COMMON STOCK I TENDER?
- A: The exchange ratio is based on two factors:
- (a) We are offering approximately 13% of our outstanding capital stock to the holders of Limited common stock, assuming for purposes of this 13% that holders of warrants to purchase Limited common stock

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exercised their warrants; and

(b) there will only be approximately 10,000,000 total shares of our common stock outstanding after we complete the exchange offers.

Thus, approximately 1,300,000 shares are being offered to the holders of Limited common stock and the holders of warrants who exercise their warrants. By contrast, CoreComm Limited has approximately 152,000,000 shares outstanding, including shares issuable pursuant to the exercise of warrants. That means that one share of Holdco common stock is a much larger percent of the total shares of Holdco common stock than one share of Limited common stock is as a percent of the total shares of CoreComm Limited.

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PROSPECTUS SUMMARY

This prospectus and the related letters of transmittal each contain important information which should be read carefully before any decision is made with respect to the exchange offers. The following summary therefore is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere in this prospectus and the related letters of transmittal.

We are an integrated communications provider that offers local and toll-related telephone, Internet and high-speed data services to business and residential customers in targeted markets throughout the Mid-Atlantic and Midwest regions of the United States. We operate three business divisions: business services (ATX), residential services (CoreComm Residential) and Internet services (Voyager). We are exploiting the convergence of telecommunications and information services through our network strategy, which involves the ownership of telephone switching equipment and the leasing of the local telephone lines that run directly to homes and businesses, combined with the provisioning of a leased regional network that carries Internet traffic. This configuration of locally and regionally owned and leased facilities allows us to deliver a wide range of communications services over a wide geography within our regions. We currently offer services to business and residential customers located principally in Pennsylvania, Ohio, New Jersey, Michigan, Wisconsin, Maryland, Illinois, New York, Virginia, Delaware, Massachusetts, Washington, D.C. and Indiana. In local exchange services, we compete against the established local telephone service provider that was the service provider in a region prior to the opening of local telephone service to competition.

In 2001, we streamlined our strategy and operations to focus on our two most successful and promising lines of business. The first is integrated communications products and other high bandwidth/data/web-oriented services for the business market. The second is bundled local telephony and Internet products efficiently sold, serviced and provisioned via Internet-centric interfaces to the residential market. Our strategy is to attractively bundle telephony and data services in our target markets in order to compete with the incumbents and gain market share.

As of September 30, 2001, we had more than 295,000 local telephone access lines in service and more than 350,000 Internet customers.

Through our business services division, we offer customers a full range of high-speed communications services including local and toll-related telephony services, network services such as network data integration, Internet access and Web consulting, development and hosting, and other related services. In addition, we offer Advanced Communications Solutions products tailored to meet

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the needs of our business customers, such as conference calling, travel services, pre-paid calling, enhanced fax and PC-based billing. Customers are billed on a single, consolidated invoice, delivered by traditional means or near real time Web-based billing that allows the customer to sort the information to detail calling patterns. Our target markets are the Mid-Atlantic region throughout the New York-Virginia corridor, and Midwest markets, including: Cleveland, Ohio; Columbus, Ohio; Chicago, Illinois; and other markets in the Great Lakes region.

Our residential services division offers residential customers voice, data and other telecommunications services in Ohio, Illinois, Michigan, Wisconsin and Pennsylvania, and Internet access services over a wider footprint in the Midwest and Mid-Atlantic regions of the United States. Customers are billed for their services with one, consolidated bill. If they choose, customers can access their billing information and pay their bills online, or they may elect automatic bill payment via credit or debit card. Our residential strategy is to bundle telephony and Internet products and services in ways that are attractive to the customer, distinctive in the marketplace, and offer convenience and simplicity.

Our Internet services division provides Internet access and high-speed data communications services to residential and business subscribers. Services include dial-up Internet access, dedicated telecommunications services to business, cable modem access, Web-hosting, electronic commerce, and co-location services. We operate one of the largest dial-up Internet networks in the Midwest in terms of geographic coverage, with approximately 170 owned points of presence in Michigan, Wisconsin, Ohio, Illinois, Indiana, Minnesota, Pennsylvania, New York and California.

Our principal executive offices are located at 50 Monument Road, Bala Cynwyd, Pennsylvania 19004 and 110 East 59th Street, New York, New York 10022, and our telephone number is (212) 906-8485. The address of our Website is WWW.CORE.COM. The information on our Website is not part of this prospectus.

The issuer of the outstanding securities is CoreComm Limited, a Delaware corporation, whose principal executive offices are located at 50 Monument Road, Bala Cynwyd, Pennsylvania 19004 and 110 East 59th Street, 26th Floor, New York, New York 10022, telephone number (212) 906-8485.

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RECENT DEVELOPMENTS

HOLDCO RECAPITALIZATION

In October 2001, CoreComm Limited entered into agreements with numerous holders of its 6% Convertible Subordinated Notes due 2006 whereby the holders agreed, among other things, to exchange their notes for the amount of the October 1, 2001 interest payment of approximately \$5 million, and shares of our common stock as part of a recapitalization plan. The exchange was completed in December 2001, including the payment of the approximately \$5 million by CoreComm Limited.

In December 2001, both CoreComm Holdco and CoreComm Limited entered into an exchange agreement with

(1) holders of 10.75% Unsecured Convertible PIK Notes due 2011 and 10.75% Senior Unsecured Convertible PIK Notes due 2010, both of which were a joint obligation of CoreComm Limited and CoreComm Holdco, in the initial principal amounts of \$10,000,000 and \$16,100,000, respectively, together with any interest paid thereon,

(2) holders of Senior Unsecured Notes due September 29, 2003 of CoreComm

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Limited in the principal amount of \$105.7 million, and

(3) holders of all of the preferred stock of CoreComm Limited in the initial principal amount of \$300 million together with any dividends paid thereon.

The exchange agreement provided for the securityholders to exchange their securities for shares of our common stock as part of the Holdco Recapitalization. Please refer to the section of the prospectus entitled "Description of Capital Stock - The Exchange Agreement."

In December 2001, the credit agreement governing our senior secured facility was amended to permit the Holdco Recapitalization to occur.

On December 17, 2001, Nasdaq granted CoreComm Limited an exception to Nasdaq's stockholder approval requirements permitting the Holdco Recapitalization to proceed without a vote of the stockholders of CoreComm Limited because requiring a stockholder vote would seriously jeopardize the financial viability of CoreComm Limited.

By December 28, 2001, we completed the first phase of the Holdco Recapitalization.

In December 2001, we consummated other transactions to eliminate additional amounts of our outstanding indebtedness.

As part of the Holdco Recapitalization, we plan to launch registered public exchange offers whereby we will offer to exchange shares of our common stock which will have been registered under the Securities Act of 1933, as amended, which we refer to as the "Securities Act," pursuant to a Form S-4 registration statement to all remaining holders of 6% Convertible Subordinated Notes due 2006 of CoreComm Limited and all holders of CoreComm Limited common stock for their notes and CoreComm Limited common stock, respectively. As a result of the already completed phases of the Holdco Recapitalization, CoreComm Limited's only material asset is its ownership of approximately 13% of our outstanding shares.

CHANGES IN MANAGEMENT AND BOARD OF DIRECTORS

In January, 2002, our board of directors implemented changes to our management and expanded our board to include three new directors. The changes are as follows:

- Barclay Knapp was elected to be our Chairman of the board of directors;
- Thomas J. Gravina was elected to be our President - Chief Executive Officer and was elected to serve as a director;
- Michael A. Peterson was elected to be our Executive Vice President - Chief Operating Officer and Chief Financial Officer and was elected to serve as a director;
- George S. Blumenthal was elected Chairman Emeritus; and
- Ralph H. Booth, II was elected to serve as a director.

THE EXCHANGE OFFERS AND THEIR CONSEQUENCES TO YOU

What Are The Exchange Offers?

In the exchange offers, we are giving you the opportunity to tender your shares of CoreComm Limited common stock for shares of Holdco common stock and your public notes for shares of Holdco common stock and the cash consideration. We recommend that you tender all of your outstanding securities.

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Regardless of whether you participate in the exchange offers, the exchange offers will have consequences to you as a holder of outstanding securities. The consequences differ depending on whether, and to what extent, you participate in the exchange offers.

Holders of Limited common stock that do not to tender will not be entitled to receive any amount of the Holdco common stock consideration delivered to tendering holders and holders of public notes that do not tender will not be entitled to receive any amount of the Holdco common stock or the cash consideration delivered to tendering holders. To the extent outstanding securities are tendered and accepted in the exchange offers, the trading market, if any, for the untendered outstanding securities could be adversely affected. Also, the public notes and shares of Limited common stock represent indebtedness and equity, respectively, of CoreComm Limited rather than equity of CoreComm Holdco. Therefore, unless you tender your Limited common stock and public notes pursuant to the exchange offers, you will remain a holder of securities of CoreComm Limited, which currently has as its only material asset an approximately 13% ownership interest in CoreComm Holdco. Moreover, if the exchange offers are successfully consummated, CoreComm Limited has agreed to surrender to CoreComm Holdco that number of shares of Holdco common stock owned by CoreComm Limited equal to the number of shares of Holdco common stock issued to holders of outstanding securities pursuant to the exchange offers. At that time, CoreComm Limited would become a subsidiary of CoreComm Holdco with little or no material assets.

Holders of public notes who tender will receive shares of our common stock and cash but will lose all rights associated with the public notes. The public notes obligate CoreComm Limited to pay holders of public notes a specified amount of interest on a semi-annual basis. Holders of our common stock will have no similar right and we do not presently contemplate issuing cash dividends in the foreseeable future. Please refer to the section of the prospectus entitled "Comparison of rights of holders of Holdco common stock and the outstanding securities - Description of public notes."

You should consider these consequences in making your decision as to whether to tender outstanding securities in the exchange offers.

Terms of The Exchange Offers

We are offering to exchange 1/116.7 of a share of Holdco common stock for each share of Limited common stock that you validly tender and that we accept in the exchange offers, up to an aggregate maximum of all of the outstanding shares. We are also offering to exchange 3.0349 shares of Holdco common stock and the cash consideration for each \$1,000 in aggregate principal amount of the public notes that you validly tender and that we accept in the exchange offers, up to an aggregate maximum of all of the outstanding public notes. The exchange ratios will be adjusted proportionately for any stock splits, combinations, stock dividends and the like that may occur prior to completion of the exchange offers. The number of shares of Holdco common stock issued to each unaffiliated holder of Limited common stock and the number of shares of Holdco common

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stock issued to each unaffiliated holder of public notes will be rounded up to the nearest whole number. These are voluntary exchange offers, which means that you may tender all, some or none of your shares of Limited common stock and/or public notes in the exchange offers.

We will exchange all shares of Limited common stock and all public notes that you validly tender and do not withdraw and that we accept, on the terms and subject to the conditions of the exchange offers. We promptly will return any shares of Limited common stock or public notes that we do not accept for exchange following the expiration date.

Expiration Date; Extension; Termination The exchange offers and withdrawal rights will expire at 12:00 midnight, New York City time, on the expiration date, unless we

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extend the exchange offers. We may extend the exchange offers for any reason and will make a public announcement if we do so. You must validly tender your outstanding securities so that the exchange agent receives them before the expiration date if you wish to participate in the exchange offers. We also may terminate the exchange offers in the circumstances described in "The Exchange Offers-- Conditions for Completion of the Exchange Offers."

Withdrawal Rights You may withdraw tenders of your outstanding securities at any time before the expiration date. If you change your mind before the expiration date, you may retender your outstanding securities by following the tender procedures again and retendering before the expiration date.

Conditions for Completion of The Exchange Offers The exchange offers are subject to various conditions that must be satisfied in order for us to be obligated to complete the exchange offers. With respect to the exchange offer relating to Limited common stock, at least 90% of the outstanding shares of Limited common stock must be tendered as a condition to completing

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that exchange offer. There is no similar minimum requirement with respect to the exchange offer relating to the public notes. We may, at any time, waive any or all of the conditions to the exchange offers.

Procedures for Tendering Outstanding Securities

If you hold shares of Limited common stock, you must complete and sign the yellow letter of transmittal designating the number of shares of Limited common stock you wish to tender in the exchange offers. If you hold public notes, you must complete and sign the blue letter of transmittal designating the aggregate principal amount of public notes that you wish to tender in the exchange offers. Send the applicable letter of transmittal, together with your certificates representing shares of Limited common stock or public notes, as applicable, along with any other required documents, by one of the mailing methods described in the applicable letter of transmittal, so that it is received by the exchange agent at the applicable address set forth on the back cover of this document before the expiration date.

Outstanding Securities Held Through a Broker

If you hold outstanding securities through a broker, you should receive instructions from your broker on how to participate in the exchange offers. Please contact your broker directly if you have not yet received instructions. Some financial institutions also may effect tenders by transferring securities electronically through The Depository Trust Company.

Guaranteed Delivery

If you hold certificates representing shares of Limited common stock or public notes or if you hold shares of Limited common stock or public notes through a broker, you also may comply with the procedures for guaranteed delivery.

The Securities

Currently, no public market exists for the shares of our common stock. CoreComm Limited's outstanding common stock is currently listed on the Nasdaq National Market under the symbol "COMM." Pursuant to conversations with the Nasdaq National Market, we intend to transfer the listing of the Limited common stock on

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the Nasdaq National Market to the Holdco common stock upon successful completion of the exchange offers.

On December 17, 2001, the last trading day before the public announcement of our intention to commence the exchange offers, the per share closing trading price of Limited common stock was \$0.17. The public notes are currently not traded on any national securities

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exchange or authorized to be quoted in any inter-dealer quotation system of any national securities association. Although certain institutions and securities dealers do provide quotations for and engage in transactions in these securities, there is no established trading market for these securities, other than through these limited or sporadic quotations.

U.S. Federal Income Tax Consequences

We expect your exchange of Limited common stock for Holdco common stock will not be a taxable exchange for United States federal income tax purposes. In an exchange of your public notes for Holdco common stock, we expect that you will recognize gain, if any, but not loss, to the extent of the cash you receive in the exchange. Such gain will be taxed as ordinary income to the extent of any accrued market discount. You should consult your own tax advisor as to the particular tax consequences of the exchange offers to you.

Appraisal Rights

No appraisal rights are or will be available to holders of outstanding securities in connection with these exchange offers. Please refer to the section of the prospectus entitled "The Exchange Offers - Effect of the Exchange Offers - No Appraisal Rights."

Regulatory Approvals

CoreComm Limited and CoreComm Holdco are engaged in a process to obtain any necessary authorizations from the FCC and any state authorities deemed necessary, and do not anticipate any issues related to any approvals to delay consummation of the exchange offers. Other than these approvals and the SEC declaring the registration statement on Form S-4 of which this

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prospectus forms a part effective, CoreComm Holdco does not believe that any additional filings, including any filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, approvals or other actions by or with any governmental authority or administrative or regulatory agency are required with respect to the exchange offers. Please refer to the section of the prospectus entitled "Risk Factors - Any determination of non-compliance with FCC and state regulations dealing with ownership changes could result in monetary penalties or loss if our telecommunications authorizations."

Accounting Treatment

CoreComm Holdco is performing an analysis of the fair value of its net tangible assets as if a purchase business combination occurred as a result of the issuance of over 80% of its outstanding shares to new stockholders.

Fractional Shares

Instead of issuing any fractional shares of Holdco common stock in the exchange offers we will round up to the nearest whole number the number of shares of Holdco common stock issued to each unaffiliated holder of Limited common stock and the number of shares of Holdco common stock issued to each unaffiliated holder of public notes.

Depositary and Exchange Agent

Continental Stock Transfer & Trust Company

Information Agent

D.F. King & Co., Inc.

Recommendation

Each of CoreComm Holdco and CoreComm Limited recommends that you tender your outstanding securities in the exchange offers. None of the exchange agent, the information agent or any of their respective officers or directors makes any recommendation as to whether you should tender your outstanding securities in the exchange offers.

We urge you to read this document, including the matters described under "Risk Factors," and the accompanying documents very carefully.

Legal Limitation:

We are not making any offer to sell, nor are we soliciting any offer to buy, Holdco common stock in any jurisdiction in which the offer or sale is not permitted.

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COMPARATIVE PER SHARE DATA

CoreComm Holdco historically was a wholly-owned subsidiary of CoreComm Limited and a holding company for the CoreComm businesses. Upon consummation of the exchange offers the relationship would reverse, with CoreComm Holdco becoming the parent of CoreComm Limited. The pro forma per share data presented below gives effect to the completed acquisitions of ATX and Voyager as well as the recapitalization and exchange transactions completed in December 2001. In addition, the unaudited pro forma per share data gives effect to other transactions to eliminate additional amounts of outstanding CoreComm Holdco indebtedness that were entered into by December 31, 2001, the public exchange offers for the outstanding securities set forth in this prospectus, and an estimated result of the fair value analysis of CoreComm Holdco's net tangible assets as if a purchase business combination occurred in connection with the recapitalization and exchange transactions. The fair value of the shares of Holdco common stock issued in these transactions is estimated for pro forma purposes to be \$3.00 per share. The final determination of fair values will be made upon the completion of a study to be undertaken to determine the fair value of certain of our assets and liabilities, including intangible assets. Our actual financial position and results of operations will differ, perhaps significantly, from the unaudited pro forma amounts reflected in this prospectus as a result of the completion of this fair value analysis.

| | AT AND FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2001 | | | | | AT AND YEAR DECEMBER | | |
|---|--|---------|------------|--------------|-------------------------|----------------------------|--------------|------------|
| | HOLDCO | | LIMITED | | | HOLDCO | | |
| | PRO HISTORICAL | FORMA | HISTORICAL | PRO FORMA | EQUIVALENT PRO FORMA | HISTORICAL | PRO FORMA | HISTORICAL |
| Book value per share | \$22.87 | \$3.0 | \$ (.62) | \$ (2.82) | \$.03 | \$62.99 | n/a | \$4. |
| (Loss) per share before extraordinary items | (39.52) | (33.55) | (4.70) | \$ (.90) | (.29) | (31.66) | (34.26) | (6. |

We have never paid or declared cash dividends on our common stock.

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SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA OF CORECOMM HOLDCO

The following information is only a summary and you should read it together with the financial information we include elsewhere in this document.

The following summary financial data of CoreComm Holdco and its predecessor, OCOM Corporation Telecoms Division, has been derived from, and should be read in conjunction with, the historical consolidated financial statements and related notes included in this prospectus. The summary historical

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financial data relates to OCOM as it was operated prior to its acquisition by CoreComm Holdco.

The following pro forma financial data as of and for the nine months ended September 30, 2001 and for the year ended December 31, 2000, gives effect to the Holdco Recapitalization. In addition, the unaudited pro forma financial data gives effect to other transactions to eliminate additional amounts of our outstanding indebtedness that were entered into by December 31, 2001, the public exchange offers of our common stock to CoreComm Limited's stockholders, and to the holders of CoreComm Limited's 6% Convertible Subordinated Notes and an estimated result of the fair value analysis of our net tangible assets as if a purchase business combination occurred in connection with the Holdco Recapitalization and exchange transactions. For additional information with respect to the Holdco Recapitalization, without giving effect to the public exchange offers, refer to the Unaudited Pro Forma Financial Data included elsewhere in this prospectus. The final determination of fair values will be made upon the completion of a study to be undertaken to determine the fair value of some of our assets and liabilities, including intangible assets. Our actual financial position and results of operations will differ, perhaps significantly, from the unaudited pro forma amounts reflected in this prospectus as a result of the completion of this fair value analysis. This information should be read in conjunction with the unaudited pro forma financial data included elsewhere in this prospectus.

Interim data for the nine months ended September 30, 2001 and 2000 are unaudited but include, in our opinion, all adjustments consisting only of normal recurring adjustments necessary for a fair presentation of that data. Results for the nine months ended September 30, 2001 are not necessarily indicative of the results that may be expected for any other interim period or the year as a whole.

In 2000, we completed two significant acquisitions. We acquired ATX Telecommunications Services, Inc. and Voyager.net, Inc. In addition, we entered into a senior secured credit facility with The Chase Manhattan Bank and CoreComm Limited issued approximately \$108.7 million aggregate principal amount of senior unsecured notes to the former shareholders of ATX. The pro forma income statement data for the year ended December 31, 2000 also gives effect to these acquisitions as if they had been consummated on January 1, 2000. Also in 2000, we recorded a non-cash compensation expense of approximately \$43.4 million in accordance with APB opinion No. 25, "Accounting for Stock Issued to Employees."

In 1999, we acquired 100% of the stock of MegsINet Inc. and some of the assets of USN Communications, Inc. In addition, CoreComm Limited issued \$175.0 million in aggregate principal amount of 6% Convertible Subordinated Notes due 2006, of which \$4.75 million remains outstanding as a result of the Holdco Recapitalization and prior conversions into CoreComm Limited common stock by holders of the notes.

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PRO FORMA

HISTORICAL

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| | MONTHS ENDED SEPTEMBER 30, ----- 2001 ---- | YEAR ENDED DECEMBER 31, ----- 2000 ---- | NINE MONTHS ENDED SEPTEMBER 30, ----- 2001 2000 ----- | | YEAR ENDED DECEMBER 31, ----- 2000 1999 ----- | | 1998 OPERA COMMEN DECEMB ----- 1 |
|--|--|---|--|-----------|--|-----------|---|
| (IN THOUSANDS, EXCEPT PER SHARE DATA) | | | | | | | |
| INCOME STATEMENT DATA | | | | | | | |
| Revenues..... | \$220,487 | \$298,446 | \$220,055 | \$56,155 | \$131,526 | \$57,151 | \$6 |
| Operating expenses..... | 541,783 | 626,927 | 579,529 | 220,973 | 427,847 | 157,660 | 20 |
| (Loss) before extraordinary item.... | (332,173) | (339,292) | (376,033) | (167,150) | (301,241) | (103,180) | (13) |
| Gain from extinguishment of debt (1)..... | | | 2,216 | -- | -- | -- | (13) |
| Net (loss)..... | n/a | n/a | (373,817) | (167,150) | (301,241) | (103,180) | (13) |
| Basic and diluted net (loss) per common share: | | | | | | | |
| (Loss) before extraordinary item.... | (33.55) | (34.26) | (39.52) | (17.57) | (31.66) | (10.85) | (|
| Gain from extinguishment of debt..... | | | .23 | -- | -- | -- | (|
| Net (loss)..... | n/a | n/a | (39.29) | (17.57) | (31.66) | (10.85) | (|
| Basic and diluted weighted average number of common shares(1)..... | 9,902 | 9,902 | 9,514 | 9,514 | 9,514 | 9,514 | 9 |

HISTO

BALANCE SHEET DATA

| | |
|--|--------|
| Working capital (deficiency)..... | \$ (98 |
| Fixed assets-- net..... | 120 |
| Total assets..... | 583 |
| Long-term debt and capital leases..... | 179 |
| Shareholders' equity..... | 217 |

(1) After giving retroactive effect to the 6,342.944-for-1 stock split in December 2001. We have never declared or paid any cash dividends.

RISK FACTORS

You should consider these risk factors in evaluating whether to tender your

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outstanding securities and thereby become a holder of Holdco common stock. An investment in our common stock involves a high degree of risk. These factors should be considered in conjunction with the other information contained in this prospectus, including the financial statements and the related notes. If any of the following risks actually occurs, the business, financial condition, or results of operations of CoreComm Holdco may be seriously harmed. In this case, the value of Holdco common stock may decline, and you may lose all or part of your investment. Please refer to the section of the prospectus entitled "Special Note Regarding Forward-Looking Statements."

RISK FACTORS RELATING TO FAILURE TO TENDER OUTSTANDING SECURITIES IN THE EXCHANGE OFFERS:

CORECOMM LIMITED CURRENTLY HOLDS ONLY AN APPROXIMATELY 13% INTEREST IN CORECOMM HOLDCO, AND FOLLOWING SUCCESSFUL COMPLETION OF THE EXCHANGE OFFERS, WOULD HOLD VIRTUALLY NO MATERIAL ASSETS.

As a holder of either Limited common stock or public notes, you own securities in CoreComm Limited. As a result of the first phase of transactions involved in the Holdco Recapitalization, CoreComm Limited, which formerly owned 100% of our outstanding capital stock, now only owns approximately 13% of our outstanding capital stock. CoreComm Holdco owns 100% of the business operations which CoreComm Limited formerly owned indirectly through CoreComm Holdco. If you do not tender your outstanding securities you will continue to own securities in CoreComm Limited, rather than in CoreComm Holdco. If the exchange offers are successful, CoreComm Limited has agreed that it will surrender to CoreComm Holdco the number of shares of Holdco common stock it presently owns equal to the number issued in the exchange offers. That means that if the exchange offers are completed, CoreComm Limited will own little or no common stock of CoreComm Holdco, and thus will own little or no material assets, since Holdco common stock is CoreComm Limited's only material asset. CoreComm Limited also remains a party liable under our \$156.1 million senior secured credit facility, has no right to withdraw any additional money under that facility, and does not contemplate raising any additional financing in the foreseeable future.

HOLDERS OF PUBLIC NOTES FOLLOWING THE EXCHANGE OFFERS COULD FACE REDUCED LIQUIDITY FOLLOWING THE EXCHANGE OFFERS.

To the extent public notes are tendered and accepted in the exchange offers, the trading market, if any, for the untendered public notes could be adversely affected. This adverse effect would be in addition to any adverse effect that occurred to the trading market for the public notes due to \$160.0 million in aggregate principal amount of public notes that were exchanged for Holdco common stock pursuant to agreements previously entered into as part of the Holdco Recapitalization.

SHARES OF LIMITED COMMON STOCK COULD FACE REDUCED LIQUIDITY AND COULD BE DELISTED FROM NASDAQ FOLLOWING SUCCESSFUL COMPLETION OF THE EXCHANGE OFFERS.

Pursuant to conversations with Nasdaq, we intend to transfer CoreComm Limited's current listing to CoreComm Holdco following successful completion of the exchange offers. If any remaining outstanding shares of Limited common stock no longer meet the requirements for inclusion on the Nasdaq National Market, it is possible that the shares of Limited common stock would be delisted and may trade in the Nasdaq Small Cap Market or the over-the-counter market and that price quotations would be reported by other sources. The extent of the public market for the shares of Limited common stock and the availability of quotations for shares of Limited common stock would, however, depend upon the number of holders of shares remaining at that time, the interest in maintaining a market in shares of Limited common stock on the part of securities firms, the possible termination of registration of the shares under the Securities Exchange Act of 1934, as described below, and other factors. CoreComm Holdco cannot predict

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whether the reduction in the number of shares of Limited common stock that might otherwise trade publicly would have an adverse or beneficial effect on the market price for, or marketability of, the shares of Limited common stock.

STATUS AS "MARGIN SECURITIES."

The shares of Limited common stock are presently "margin securities" under the regulations of the Federal Reserve Board, which has the effect, among other things, of allowing brokers to extend credit on the collateral of shares of Limited common stock. Depending on factors similar to those described above with respect to market quotations, following completion of the exchange offers, the shares of Limited common stock may no longer constitute "margin securities" for the purposes of the Federal Reserve Board's margin regulations, in which event the shares of Limited common stock would not be eligible as collateral for margin loans made by brokers.

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LIMITED COMMON STOCK'S REGISTRATION UNDER THE SECURITIES EXCHANGE ACT OF 1934 COULD BE TERMINATED.

Shares of Limited common stock are currently registered under the Securities Exchange Act of 1934. CoreComm Limited can terminate that registration upon application to the SEC if the outstanding shares are not listed on a national securities exchange or listed on an automated inter-dealer quotation system, or if there are fewer than 300 holders of record of shares of Limited common stock. Termination of registration of the shares of Limited common stock under the Exchange Act would reduce the information that CoreComm Limited must furnish to its stockholders and to the SEC and would make provisions of the Exchange Act, including the short-swing profit recovery provisions of Section 16(b) and the requirement of furnishing a proxy statement in connection with stockholders meetings pursuant to Section 14(a) and the related requirement of furnishing an annual report to stockholders, no longer applicable with respect to shares of Limited common stock. In addition, if shares of Limited common stock are no longer registered under the Exchange Act, the requirements of Rule 13e-3 under the Exchange Act with respect to "going-private" transactions would no longer be applicable to CoreComm Limited. Furthermore, the ability of "affiliates" of CoreComm Limited and persons holding "restricted securities" of CoreComm Limited to dispose of these securities pursuant to Rule 144 under the Securities Act of 1933 may be impaired or eliminated. If registration of the shares under the Exchange Act were terminated, Limited common stock would no longer be eligible for Nasdaq reporting or for continued inclusion on the Federal Reserve Board's list of "margin securities."

RISK FACTORS RELATING TO TENDERING OUTSTANDING SECURITIES IN THE EXCHANGE OFFERS:

A LAWSUIT WAS FILED WHICH MAY PROHIBIT US FROM COMPLETING THE EXCHANGE OFFERS.

On or about September 14, 2001, a lawsuit was filed by WXIII/Far Yale Gen-Par, LLC, as General Partner of WXIII/Far Yale Real Estate Limited Partnership against CoreComm Communications, Inc. (our first tier wholly owned subsidiary) and CoreComm Limited seeking approximately \$172,500 in unpaid rent, interest and other charges allegedly owed under a commercial real estate lease between Yale and CoreComm Communications as to which CoreComm Limited is the guarantor. On or about February 5, 2002, Yale filed a motion with the court requesting permission to amend the complaint to specify a revised figure of \$404,290.87 as the amount allegedly due under the lease and to add an additional count asking the court to issue a preliminary injunction preventing the defendants from transferring, selling, assigning, encumbering or otherwise

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hypothecating any of their assets, including any debt or equity interests in their subsidiaries, except for usual and ordinary expenses paid in the usual and ordinary course of business. We are currently defending ourselves in the litigation and we do not believe that Yale's request for a preliminary injunction is meritorious. However, we cannot predict the outcome of the litigation. If Yale were to obtain the injunctive relief requested, it could prevent us from closing the exchange offers and/or have a material adverse effect on our business, financial condition and/or results of operations. Even if the minimum condition is satisfied, before the expiration date we may choose not to accept outstanding securities and not to complete the exchange offers if any action, proceeding or litigation seeking to enjoin, make illegal or delay completion of the exchange offers or otherwise relating in any manner to the exchange offers is or has been threatened or instituted or is pending or if any order, stay, injunction or decree is issued by any court which would or might restrain, prohibit or delay completion of the exchange offers.

HOLDERS OF PUBLIC NOTES THAT TENDER IN THE EXCHANGE OFFERS WILL BE GIVING UP THEIR RIGHTS TO RECEIVE INTEREST.

Holders of public notes who tender will receive shares of our common stock but will lose all rights associated with the public notes. The public notes obligate CoreComm Limited to pay holders of public notes a specified amount of interest on a semi-annual basis, and to pay holders of public notes the face value of those public notes at maturity. Presently, CoreComm Limited cannot predict if it will be able to meet these obligations in the future. However, to the extent that it may be able to make any or all future payments, by tendering your public notes for Holdco common stock, you will lose the right to any of these payments and instead will hold shares of Holdco common stock.

RISK FACTORS RELATING TO OUR COMMON STOCK AND CORPORATE CONTROL:

OUR ANTI-TAKEOVER DEFENSE PROVISIONS MAY DETER POTENTIAL ACQUIRERS AND MAY DEPRESS OUR STOCK PRICE.

Delaware corporate law, our restated certificate of incorporation, as amended, which we refer to as the "charter," and our amended by-laws contain provisions that could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from attempting to acquire, control of us. These provisions include the following:

- we may issue preferred stock with rights senior to those of our common stock;
 - we have a classified board of directors with terms that do not expire for three years from re-election;
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- our charter prohibits action by written consent by stockholders; and
 - we require advance notice for nomination of directors and for stockholder proposals.

In addition, under our stockholder rights plan, holders of our common stock are entitled to one right to purchase 1/1000 of a share of our Series A junior participating preferred stock for each outstanding share of common stock they hold, exercisable under defined circumstances involving a potential change of control as discussed in this prospectus. The preferred stock purchase rights have the anti-takeover effect of causing substantial dilution to a person or group that attempts to acquire us on terms not approved by our board of directors. Those provisions could have a material adverse effect on the premium

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that potential acquirers might be willing to pay in an acquisition or that investors might be willing to pay in the future for shares of our common stock. Please refer to the section of the prospectus entitled "Description of Capital Stock -- The Stockholder Rights Plan."

SOME OF OUR SIGNIFICANT STOCKHOLDERS, WHO HAVE THE RIGHT TO MAINTAIN SPECIFIED OWNERSHIP PERCENTAGES OF OUR VOTING SECURITIES AND HAVE A CONTRACTUAL RIGHT TO REPRESENTATION ON OUR BOARD OF DIRECTORS, MAY HAVE INTERESTS THAT CONFLICT WITH OUR INTERESTS AND THE INTERESTS OF OUR OTHER STOCKHOLDERS.

As a result of their ownership of our common stock and contractual rights, some of our significant stockholders will be in a position to affect significantly our corporate actions in a manner that could conflict with the interests of our other stockholders.

Although Michael Karp (together with the Florence Karp Trust), Booth American Company, Thomas Gravina and Debra Buruchian, as well as the other parties to the Holdco Recapitalization exchange agreement, have agreed to restrictions on their rights to acquire additional shares of our common stock, they have the right to acquire some additional amounts. Specifically, each party may acquire in any calendar year a number of additional shares of our common stock sufficient to raise their percent ownership of all of our outstanding shares by 0.0735 times the percent they owned immediately after the closing of the transactions in the exchange agreement, up to a maximum of 39%. That means that Michael Karp (together with the Florence Karp Trust), who currently owns 34.0% of our common stock, has the right to own up to 36.5% of our voting securities in 2002 and up to 39.0% of our voting securities thereafter. Booth American Company, which currently owns 20.0% of our common stock, has the right to own up to 21.5% of our voting securities in 2002, 22.9% thereafter. Each of Thomas Gravina, who is our CEO, President and a director, and Debra Buruchian currently own 10.8% of our common stock, and thus have the right to own up to 11.6% of our voting securities in 2002 and up to 12.4% of our voting securities thereafter. The ability of these stockholders to acquire additional shares of our common stock could have a material adverse effect on the premium that potential acquirers may be willing to pay in an acquisition or that investors might be willing to pay in the future for shares of our common stock.

Each of Michael Karp and Booth American Company also have a contractual right to designate directors to our board of directors. So long as Michael Karp, together with his affiliates and associates, owns at least 15% of our outstanding common stock, Michael Karp has the right to designate that number of directors to our board of directors so that his representation on our board of directors is proportionate to his, together with his affiliates' and associates', ownership percentage of our common stock. So long as Booth American Company, together with its affiliates and associates, owns at least 15% of our outstanding common stock, Booth American Company has the right to designate one director to our board of directors. As of January 14, 2002, Ralph Booth had been elected to the board. As of January 14, 2002, Michael Karp had not nominated any directors.

WE MAY ISSUE ADDITIONAL COMMON STOCK OR PREFERRED STOCK, WHICH COULD DILUTE YOUR INTERESTS.

Our charter does not limit the issuance of additional common stock or preferred stock up to the number of authorized shares of each class. We have already adopted a stock option plan which is described in "Management and Executive Compensation -- Executive Compensation -- Stock Option Plan." In January 2002, our board of directors approved an initial grant of options exercisable for 2.58 million shares of our common stock under the plan. We cannot predict the extent to which this potential dilution, the availability of a large amount of shares for sale, and the possibility of additional issuances and sales of our common stock and/or preferred stock will negatively affect the

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trading price of our common stock or the liquidity of our common stock.

OUR ABILITY TO PAY DIVIDENDS IS RESTRICTED.

We have never paid cash dividends on our common stock. In addition, the payment of any dividends by us in the future will be at the discretion of our board of directors and will depend upon, among other things, future earnings, operations, capital requirements, our general financial condition, the general financial condition of our subsidiaries and

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general business conditions. The terms of our senior secured credit facility further restrict our ability to pay dividends on our common stock. Under applicable law, in order for us to declare and pay a dividend we must have available surplus.

In addition, any future debt instruments of ours or our subsidiaries may restrict our payment of dividends or the payment of dividends or distributions to us by our subsidiaries. Please refer to the section of this discussion of risk factors entitled "Restrictions imposed by our debt agreements may significantly limit our ability to execute our business strategy and increase the risk of default under our debt obligations" and the section of this prospectus entitled "Dividend Policy."

THE MARKET PRICE OF OUR COMMON STOCK COULD BE VOLATILE.

The market price of our common stock could fluctuate widely in response to numerous factors and events, including the depth and liquidity of the trading market, many of which are beyond our control. These factors include actual or anticipated variations in our operating results, earnings releases by us and our competitors, announcements of technological innovations, changes in financial estimates by securities analysts, the possibility of Nasdaq delisting, market conditions in the industry and the general state of the securities markets, governmental legislation or regulation, currency and exchange rate fluctuations, as well as general economic and market conditions, such as recessions. In addition, the stock market in general, and the telecommunications sector specifically, in recent years have experienced broad price and volume fluctuations.

OUR COMMON STOCK COULD BE DELISTED FROM THE NASDAQ NATIONAL MARKET IF WE FAIL TO MEET NASDAQ'S CONTINUED LISTING CRITERIA, WHICH COULD HAVE A NEGATIVE IMPACT ON THE TRADING ACTIVITY AND PRICE OF YOUR COMMON STOCK, AND COULD MAKE IT MORE DIFFICULT FOR US TO RAISE CAPITAL.

If the exchange offer for CoreComm Limited common stock is successful and the Nasdaq listing is transferred to our common stock and we fail to meet any of the Nasdaq continued listing requirements, our common stock could be delisted from the Nasdaq National Market. If our common stock is delisted from the Nasdaq National Market, it could have a negative impact on the trading activity and price of your common stock and could make obtaining timely and accurate quotations with respect to the trading of our common stock difficult. It could also make it more difficult for us to raise additional equity capital in the future.

SALES OF LARGE AMOUNTS OF OUR COMMON STOCK OR THE PERCEPTION THAT SALES COULD OCCUR MAY DEPRESS OUR STOCK PRICE.

We issued an aggregate of 8,685,602 shares of our common stock to former holders of preferred stock of CoreComm Limited, former holders of debt securities of CoreComm Limited and former holders of debt securities that were a

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joint obligation of CoreComm Limited and CoreComm Holdco, Inc. as part of the Holdco Recapitalization. These shares represent approximately 87% of our outstanding common stock. None of these shares are subject to any lock up restrictions and may be sold at any time, except that some shares issued in accordance with the exchange agreement may only be transferred in the following manners:

- pursuant to a bona fide public offering;
- pursuant to unsolicited open market sales on any national securities exchange or automated inter-dealer quotation system on which the shares are listed;
- pursuant to a tender offer made to our stockholders which our board of directors has recommended;
- pursuant to a privately-negotiated transaction with a person or entity that, together with its affiliates and associates, does not own at least 15% of our common stock;
- pursuant to a will or the laws of descent and distribution;
- pursuant to a bequest or similar gift or transfer to any person or entity that, together with its affiliates and associates, does not own at least 15% of our common stock; or
- as a result of any pledge or hypothecation to a bona fide financial institution to secure a bona fide loan, guaranty or other financial accommodation or as a result of any foreclosure with respect thereto. Please refer to the section of the prospectus entitled "Description of Capital Stock - The Exchange Agreement."

Sales of the securities acquired in connection with the Holdco Recapitalization in the public market could lower our stock price and impair our ability to raise funds in additional stock offerings. Future sales of a substantial number of shares of our common stock in the public market, or the perception that these sales could occur, could adversely affect the prevailing

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market price of our common stock and could make it more difficult for us to raise funds through a public offering of our equity securities.

RISK FACTORS RELATING TO OUR BUSINESS:

WE ARE AT RISK OF NOT BEING ABLE TO MEET OUR NEAR TERM CASH REQUIREMENTS.

We still have significant liabilities even after the successful completion of the Holdco Recapitalization. On a pro forma basis, at September 30, 2001, our current liabilities would exceed our current assets by approximately \$82 million. Our operating losses and capital expenditures currently result in negative cash flow. Although we believe that we will have sufficient cash to execute our business plan, we cannot assure you that:

- (1) actual costs will not exceed the amounts estimated or additional funding will not be required;
- (2) we will be able to generate sufficient cash from operations to meet capital requirements, debt service and other obligations when required;
- (3) we will be able to access this cash flow;

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- (4) we will be able to sell assets or businesses;
- (5) we will not be adversely affected by interest rate fluctuations; or
- (6) we will be able to secure additional financing.

These factors may affect our ability to meet our cash requirements, which may have an adverse effect on us, and potentially our viability as an ongoing business.

TO DEVELOP OUR BUSINESS, FUND OUR CAPITAL COMMITMENTS AND SERVICE OUR INDEBTEDNESS AND OTHER OBLIGATIONS, WE WILL REQUIRE A SIGNIFICANT AMOUNT OF CASH.

Our strategy will require capital to build and maintain the network, including potentially building through acquisitions. In addition, our businesses that resell services provided by larger, facilities-based companies will require additional money to acquire new customers and to finance the support of these new customers. Our businesses will also require additional billing, customer service and other back-office expenditures. In addition, we will require significant amounts of capital to meet all of our debt service and other obligations as they become due.

We intend to fund these requirements from cash and cash equivalents on hand, future issuances of both public and private debt and equity and funds internally generated by operations. We cannot give you any assurance that sufficient resources will be available to meet our expected requirements and obligations. There can be no assurance that we will be able to meet these obligations with the resources currently on hand or the cash that may be generated by our operations in the future.

As a result, we cannot assure you that we will be able to repay our present or future indebtedness. Accordingly, we may be required to consider a number of measures, including:

- limiting or eliminating business projects;
- refinancing all or a portion of our debt;
- seeking modifications of the terms of our debt;
- seeking additional debt financing, which may be subject to obtaining necessary lender consents;
- seeking additional equity financing; or
- a combination of these measures.

We cannot assure you that any of these possible measures can be accomplished, or can be accomplished in sufficient time to make timely payments with respect to our indebtedness. In addition, we cannot assure you that any measures can be accomplished on terms which will be favorable to us and our subsidiaries.

WE EXPECT TO INCUR NET LOSSES AND NEGATIVE CASH FLOW FROM OPERATIONS FOR SOME TIME.

On a pro forma basis, we would have had net losses before extraordinary

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item for the nine months ended September 30, 2001 and for the fiscal year ended December 31, 2000 of approximately \$332.2 million and \$339.3 million, respectively.

We expect that our capital and operating expenditures will result in negative cash flow until at least the fourth quarter of 2002. We cannot assure you that this will not continue beyond that time.

We also expect to incur future operating losses, and we cannot assure you that we will achieve or sustain profitability in the future. If we fail to become profitable, it could adversely affect our ability to sustain our operations and to obtain additional required funds. In addition, failing to become profitable would adversely affect our ability to make the required payments on our indebtedness.

For more information, please refer to the section of the prospectus entitled "Unaudited Pro Forma Financial Data."

UNCERTAINTIES REGARDING OUR FINANCIAL CONDITION MAY ADVERSELY IMPACT OUR ABILITY TO OBTAIN TRADE CREDIT AND VENDOR FINANCING, AND MAY ADVERSELY AFFECT OUR RELATIONSHIPS WITH CREDITORS AND VENDORS.

Our recently experienced financial difficulties and our anticipated cash flow and liquidity problems led to our decision to consummate the Holdco Recapitalization. In addition, we have negotiated favorable settlements for less than the full amount owed to many of our trade creditors. These events may cause trade creditors and vendors to view our business prospects with a heightened level of uncertainty, and as a result:

- our existing trade creditors and vendors may be less willing to advance trade credit and vendor financing on the terms or at the levels previously provided; and
- we may have difficulty in securing trade credit and vendor financings from new sources.

If this were to occur and we were to experience difficulty in obtaining new trade credit and vendor financing, or if the terms of financing were to be less favorable than those previously provided, our future revenues, cash flows and profitability may be adversely affected, and we may not have sufficient cash to fund our current operations unless we locate alternative sources of this financing, which may not be possible on acceptable terms or at all.

OUR SUBSTANTIAL INDEBTEDNESS COULD ADVERSELY AFFECT OUR FINANCIAL HEALTH.

As of September 30, 2001, as adjusted for the Holdco Recapitalization and other transactions, we have \$171.2 million in outstanding debt obligations in the form of: our \$144.3 million, net of unamortized discount of \$11.8 million, senior secured credit facility with The Chase Manhattan Bank; \$15.4 million, net of unamortized discount of \$0.4 million of Unsecured Convertible PIK Notes due 2011; and \$11.5 million in capital leases and other notes. In addition, we have \$118.1 million in trade payables and accrued expenses outstanding. This substantial amount of debt, cash interest due to The Chase Manhattan Bank from time to time and any other trade payables and other debt which we may incur may have important consequences for you. For example, it could:

- limit our ability to obtain additional financing, if we need it, for working capital, capital expenditures, acquisitions, debt service requirements or other purposes;
- increase our vulnerability to adverse economic and industry conditions;

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- require us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing funds available for operations, future business opportunities or other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we compete; and
- place us at a competitive disadvantage compared to competitors that may have less debt.

RESTRICTIONS IMPOSED BY OUR DEBT AGREEMENTS MAY SIGNIFICANTLY LIMIT OUR ABILITY TO EXECUTE OUR BUSINESS STRATEGY AND INCREASE THE RISK OF DEFAULT UNDER OUR DEBT OBLIGATIONS.

The credit agreement governing our senior secured credit facility contains a number of covenants which may significantly limit our or our subsidiaries' ability to, among other things:

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- borrow additional money;
- make capital expenditures and other investments;
- pay dividends;
- merge, consolidate or dispose of our assets;
- enter into transactions with related entities;
- incur additional liens; and
- refinance junior indebtedness.

It is an event of default under our senior secured credit facility if we experience change of control events including the acquisition by a person or group of more than 35% of our voting power in the circumstances set forth in the senior secured credit facility. In December 2001, the credit agreement governing our senior secured facility was amended to permit the Holdco Recapitalization to occur.

In addition, the senior secured credit agreement contains financial maintenance covenants. If we fail to comply with these covenants, we will be in default under that credit agreement. A default, if not waived, could result in acceleration of our indebtedness, in which case the debt would become immediately due and payable. If this were to occur today, we would not be able to repay our debt and may not be able to borrow sufficient funds to refinance it. Even if new financing were available, it may not be on terms that are acceptable to us. In addition, complying with these covenants may cause us to take actions that we otherwise would not take, or not take actions that we otherwise would take.

For more information about these restrictions, please refer to the section of the prospectus entitled "Description of Our Indebtedness."

WE ARE A HOLDING COMPANY THAT IS DEPENDENT UPON CASH FLOW FROM OUR SUBSIDIARIES TO MEET OUR OBLIGATIONS - OUR ABILITY TO ACCESS THAT CASH FLOW MAY BE LIMITED IN SOME CIRCUMSTANCES.

We are a holding company with no independent operations or significant assets other than investments in and advances to our subsidiaries. We depend

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upon the receipt of sufficient funds from our subsidiaries to meet our obligations. The terms of existing and future indebtedness of our subsidiaries and the laws of the jurisdictions under which those subsidiaries are organized generally limit the payment of dividends, loan repayments and other distributions to them, subject in some cases to exceptions that allow them to service indebtedness in the absence of specified defaults.

WE HAVE MATERIAL DISPUTES WITH VENDORS AND OTHER PARTIES THAT COULD EXPOSE US TO MATERIAL BREACH OF CONTRACT AND OTHER COMMERCIAL CLAIMS.

We purchase goods and services from a wide variety of vendors under contractual and other arrangements that sometimes give rise to litigation in the ordinary course of business. We also provide goods and services to a wide range of customers under arrangements that sometimes lead to disputes over payment, performance and other obligations. Some of these disputes, regardless of their merit, could subject us to costly litigation and the diversion of our technical and/or management personnel. Additionally, any liability from litigation that is not covered by our insurance or exceeds our coverage could have a negative effect on our business, financial condition and/or operating results. Currently, we have the following outstanding matters which, if resolved unfavorably to us, could have a material adverse effect on us:

- We are currently in litigation with Ameritech Ohio, a supplier from whom we purchase telecommunications products and services, over the adequacy of Ameritech's performance under a 1998 contract between us and Ameritech and related issues. This litigation began in June 2001 when Ameritech threatened to stop processing new orders following our exercise of our right under the contract to withhold payments for Ameritech's performance failures. In response to their threat, we sought, and on June 29, 2001 received, an order from an official of the Public Utilities Commission of Ohio, which we refer to as "PUCO," barring Ameritech from refusing to process new CoreComm orders. Ameritech has appealed that order to the PUCO and the appeal is still pending.

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On July 5, 2001, Ameritech filed a claim with the PUCO seeking payment from us of approximately \$8,600,000 allegedly owed under the contract. On August 8, 2001, Ameritech filed a second claim against CoreComm in Ohio state court, seeking an additional approximately \$4,300,000 in allegedly improperly withheld amounts. On August 28, 2001, we exercised our right to remove the state court claim to the United States District Court for the Northern District of Ohio, and the parties then stipulated to a consolidation of both of Ameritech's claims in the United States District Court. To consolidate the two claims, on October 9, 2001, Ameritech filed an amended complaint in the United States District Court, seeking a total of approximately \$14,400,000.

On December 26, 2001, we filed our answer to Ameritech's amended complaint and simultaneously filed three counterclaims against Ameritech and some of its affiliates, alleging breach of contract, antitrust violations, and fraudulent or negligent misrepresentation. Ameritech's response to our counterclaims is currently due on February 13, 2002. Although we believe that we have meritorious defenses to Ameritech's amended complaint, and that the amount currently in dispute is substantially less than the \$14,400,000 claimed in Ameritech's amended complaint, we cannot be certain how the matter will be resolved. We also believe that to the extent that Ameritech prevails with respect to any of its claims, Ameritech's award may be offset in whole or in part by amounts that we are seeking to obtain from Ameritech under its

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counterclaims. However, it is impossible at this time to predict the outcome of the litigation.

- We have received correspondence from various operating subsidiaries of Verizon Communications, Inc. ("Verizon") claiming that Verizon is owed a total of approximately \$14.4 million for services allegedly provided in Delaware, Maryland, Virginia, Pennsylvania, District of Columbia, Massachusetts and New York, and threatening to activate account embargo and service suspension procedures in those states if payment of the alleged amounts is not received by February 11, 2002 (as to the amounts allegedly owed in Pennsylvania) and March 3, 2002 (as to the amounts allegedly owed for the remaining states). We are currently reviewing Verizon's claims against our own billing records, including records reflecting unresolved disputed charges, and believe that the amount at issue could be substantially less than the amount claimed by Verizon. Moreover, we intend to vigorously defend against any effort to implement any embargo or service suspension. However, we cannot presently predict how the matter will be resolved and if Verizon were to prevail on its claims and/or activate an account embargo or service suspension, it could have a material adverse affect on our business, financial condition and/or results of operations.
- On December 3, 2001, General Electric Capital Corp. filed a lawsuit in the Circuit Court of Cook County, Illinois against CoreComm Limited and our subsidiary, MegsINet, Inc. seeking approximately \$8 million in allegedly past due amounts under a capital equipment lease agreement between Ascend and MegsINet. GECC is seeking all amounts allegedly owed under the lease as well as repossession of the equipment. The company's response to GECC's complaint is due February 20, 2002 and we intend to defend the suit vigorously. A finding in favor of GECC could adversely affect our financial condition.
- On May 25, 2001, KMC Telecom, Inc. and some of its operating subsidiaries filed an action in the Supreme Court of New York for New York County against CoreComm Limited, Cellular Communications of Puerto Rico, Inc., CoreComm New York, Inc. and MegsINet, Inc. On that same date, KMC filed the same cause of action in the Circuit Court of Cook County, IL. Upon defendant's Motion to Stay the New York action, KMC voluntarily dismissed the Illinois litigation and the matter is currently proceeding in New York. KMC contends that it is owed approximately \$2 million under a services agreement and a collocation agreement with MegsINet. The defendants have denied KMC's claims and have asserted that KMC failed to perform under the alleged contracts. The defendants have served discovery and intend to defend themselves in coordination with one of their insurance carriers. However, a finding in favor of KMC in this litigation could have a material adverse effect on our business, financial condition and/or results of operations.
- On July 6, 2001, MCI initiated a compulsory arbitration action against our subsidiary CoreComm Communications, Inc. in connection with a dispute arising under a carrier services agreement between the parties. The arbitration demand contends that MCI is owed in excess of \$1.9 million for circuits that were allegedly ordered by CoreComm Communications, Inc. under the carrier agreement, and MCI has subsequently asserted that under one theory of the case, its claims could exceed \$10 million. We have denied MCI's claims, asserting that the circuits were never ordered under the contract and have been improperly billed by MCI and we do not agree with MCI's various damages theories. Discovery in this matter has been completed, and the case is currently scheduled for trial before the arbitrator in April 2002. We are defending the suit and pursuing

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all available claims and defenses. However, a finding in favor of MCI in this arbitration could have a material adverse effect on our business, financial condition and/or results of operations.

- We have received correspondence from a law firm on behalf of Weston Telecommunications, L.L.C. asserting that Weston is the assignee of certain rights of Easton Telecom Services, Inc. under an asset purchase agreement approved as part of the bankruptcy disposition of Teligent, Inc., and demanding payment of approximately \$4.9 million for telecommunications services purportedly provided under alleged contracts between Easton and our subsidiary MegsINet, Inc. We have investigated Weston's claims and do not believe they have any merit, and we intend to defend ourselves vigorously and pursue all available claims and defenses should the matter proceed to litigation. However, a finding in favor of Weston in this matter could have a material adverse effect on our business, financial condition and/or results of operations.
- For a discussion of a lawsuit that may prohibit us from completing the exchange offers, please refer to the section of the prospectus entitled "-- Risk factors relating to tendering outstanding securities in the exchange offers -- A lawsuit was filed which may prohibit us from completing the exchange offers."

WE FACE HEAVY COMPETITION IN THE TELECOMMUNICATIONS INDUSTRY FOR ALL OF THE SERVICES WE PROVIDE AT PRESENT AND THOSE WE INTEND TO PROVIDE IN THE FUTURE.

Some of our present competitors and potential future competitors may have greater financial, technical, marketing, personnel and other resources than we have. The competitive environment could have a variety of adverse effects on us. For example, it could:

- require price reductions in the fees for services and require increased spending on marketing, network capacity and product development;
- negatively impact our ability to generate greater revenues and profits from sources other than our core local and long distance telephone and Internet service businesses;
- limit our ability to develop new products and services;
- limit our ability to continue to grow our subscriber base; and
- result in attrition in our subscriber base.

Any of the above events could have an adverse impact on revenues or result in an increase in costs as a percentage of revenues, either of which could have a material adverse effect on our business, financial condition and operating results.

LOCAL TELEPHONE BUSINESS. In each of our markets, we face competition from larger, better capitalized incumbent local exchange carriers, including Verizon and SBC, as well as other providers of telecommunications services, other competitive local exchange carriers and cable television companies. An incumbent local exchange carrier is an established local telephone service provider that was the monopoly service provider in a region prior to the opening of local telephone service to competition. We also will face competition or prospective competition from other telecommunications companies. For example, AT&T, MCI WorldCom and Sprint, among other carriers, have begun to offer local telecommunications services in major U.S. markets using their own facilities or by resale of the incumbent local exchange carriers' or other providers'

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services. In fact, some of our potential competitors, including AT&T, MCI WorldCom and Sprint, have entered into interconnection agreements with Verizon and SBC to provide local exchange service in states in which we operate.

In addition to these long distance carriers, entities that currently offer or are potentially capable of offering switched telecommunications services include:

- other competitive local exchange carriers;
- other long distance carriers;
- wireless telephone system operators;
- large customers who build private networks;
- cable television companies; and

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- other utilities.

These entities may provide a bundled package of telecommunications products, including local and long distance telephone, that is in direct competition with the products we offer or plan to offer. Competition in the competitive local exchange carrier business will continue to intensify in the future due to the increase in the size, resources and number of market participants.

INTERNET SERVICES. The Internet services market is extremely competitive. We compete directly or indirectly with the following categories of companies:

- established online services, such as America Online, the Microsoft Network and Prodigy;
- local, regional and national Internet service providers, which are vendors that provide subscribers access to the Internet, such as EarthLink Network, Inc. and United Online;
- national telecommunications companies, such as ATT
- incumbent local exchange carriers, such as Verizon and SBC; and
- online cable services, such as Roadrunner.

This competition will likely increase as large diversified telecommunications and media companies acquire Internet service providers and as Internet service providers consolidate into larger, more competitive companies. Diversified competitors may bundle other services and products with Internet connectivity services, potentially placing us at a significant competitive disadvantage. As a result, our businesses may suffer.

OTHER BUSINESSES. In addition to our competitive local exchange carrier and Internet services businesses, our other businesses face strong competition as well. These competitive businesses include long distance service, cellular service and messaging services such as paging. Our long distance service faces competition from long distance carriers, including facilities-based carriers such as AT&T, MCI WorldCom and Sprint and resellers of long distance service. Moreover, as more incumbent local exchange carriers enter the long distance market, our long distance service will face increased competition from those entities given their ability to offer bundles of local and long distance

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services. Our cellular service faces competition from other cellular carriers, such as Verizon, Cingular and AT&T Wireless, and from personal communications service carriers, such as Sprint PCS. Our paging services are similarly exposed to competition from other providers of paging services operating in the same local markets, regionally or nationally.

THE TELECOMMUNICATIONS INDUSTRY IS HIGHLY REGULATED BY THE FEDERAL GOVERNMENT AND BY STATE GOVERNMENTS, AND POTENTIAL REGULATORY CHANGES COULD HAVE AN ADVERSE EFFECT ON OUR OPERATIONS.

LOCAL TELEPHONE AND OTHER BUSINESSES. Our telephone businesses are subject to extensive regulation by the FCC and by the public utility commissions of various states. Changes in statutes, regulations or judicial interpretations could have material adverse effects on our operations. In particular, unfavorable decisions with respect to regulatory matters that affect our operations, status or relationships with our customers or other carriers could decrease our revenues, increase our costs, and make it more difficult to attract and retain customers. It is impossible to determine at this time how the FCC or the various State regulatory commissions will rule on any of the numerous issues before it that affect our business.

INTERNET SERVICES. We will provide Internet services through data transmissions over public telephone lines and networks. These transmissions are subject to the regulation of the FCC and state public utility commissions described above. As an Internet service provider, we are not currently subject to direct regulation by the FCC or any other governmental agency, other than regulations applicable to businesses generally. However, we could become subject to FCC or other regulatory agency regulation, especially as Internet services and telecommunications services converge. Changes in the regulatory environment could decrease our revenues, increase our costs and affect our service offerings.

There have been various regulations and court cases relating to liability of Internet service providers and other online service providers for information carried on or through their services or equipment, including in the areas of copyright, indecency, obscenity, defamation and fraud. The United States Supreme Court declared the Communications Decency Act of 1996 to be unconstitutional as it applies to the transmission of indecent online communications to minors, and a lower court declared the 1998 Federal Child Online Protection Act to be unconstitutional. Other federal and state statutes continue to prohibit the online distribution of obscene materials. Additional laws and regulations may be adopted with respect to the Internet, covering issues such as Universal Service Fund support payments, content, user privacy, pricing, libel, obscene

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material, indecency, taxation, gambling, intellectual property protection and infringement and technology export and other controls. Other federal Internet-related legislation has been introduced which may limit commerce and discourse on the Internet. The law in this area is unsettled and there may be new legislation and court decisions that expose Internet service providers to liabilities or affect their services.

In addition, because users may download materials and subsequently distribute them to others, persons may potentially make claims against us for defamation, negligence, copyright or trademark infringement, personal injury or other claims based on the nature, content, publication and distribution of these materials. We also could be exposed to liability with respect to the offering of third-party content that may be accessible through its services. It is also possible that if any third-party content provided through our services contains errors, third parties who access this material could make claims against us for

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losses incurred in reliance on this information. We also will offer e-mail services, which will expose us to other potential risks, such as liabilities or claims resulting from unsolicited e-mail, lost or misdirected messages, illegal or fraudulent use of e-mail or interruptions or delays in e-mail service. These claims, whether with or without merit, likely would divert management's time and attention, may result in negative publicity and could result in significant costs to investigate and defend.

ANY DETERMINATION OF NON-COMPLIANCE WITH FCC AND STATE REGULATIONS DEALING WITH OWNERSHIP CHANGES COULD RESULT IN MONETARY PENALTIES OR LOSS OF OUR TELECOMMUNICATIONS AUTHORIZATIONS.

We hold federal and state authorizations to provide international and domestic wireline and wireless telecommunications services. Both the FCC and some of the states in which we operate have regulatory regimes that require authorization holders to obtain the prior approval of the relevant regulatory agency before undergoing changes in ownership or control. At the federal level, for non-substantial, also referred to as "PRO FORMA," changes in ownership or control, we are only required to notify the FCC after closing the transaction which results in the non-substantial change. In some of the states, however, the regulatory agencies require prior approval for even PRO FORMA transfers of control.

Based on our review of the relevant regulations and policies, we determined that the Holdco Recapitalization was PRO FORMA in nature and that we could complete that transaction without securing prior regulatory approval relating to our FCC telecommunications authorizations. Accordingly, we did not seek any prior approvals from the FCC. Nor did we seek prior approval from any state telecommunications regulatory agency. In the event that we completed the transaction without obtaining the requisite regulatory approvals, either because our determination of the PRO FORMA nature of the transaction was erroneous or because a particular agency requires prior approval even for PRO FORMA transfers of control, we remain subject to enforcement actions from the telecommunications regulatory agencies. These enforcement actions could include monetary penalties, and/or revocation or impairment of our telecommunications authorizations.

OUR RELIANCE ON INCUMBENT LOCAL EXCHANGE CARRIERS AND OTHER FACILITIES-BASED PROVIDERS OF TELECOMMUNICATIONS SERVICES AND CHANGES TO OUR AGREEMENTS WITH THESE PROVIDERS COULD HAVE A MATERIAL ADVERSE EFFECT ON US.

We depend upon our agreements with the incumbent local exchange carriers operating in our existing and targeted markets. There are two primary types of agreements that we enter into with these providers:

- interconnection agreements, which specify how we connect our network with, and purchase unbundled elements of, the network of the incumbent local exchange carriers in each of our markets; and
- resale agreements, through which we provide telecommunications services on a resale basis.

Federal legislation regulating the telecommunications industry has enhanced competition in the local service market by requiring the incumbent local exchange carriers to provide access to their networks through interconnection agreements and to offer separate elements of their network and retail services at prescribed rates to other telecommunications carriers. The termination of any of our contracts with our carriers or a reduction in the quality or increase in cost of their services could have a material adverse effect on our financial condition and results of operations. Similarly, the failure by the incumbent local exchange carriers to comply with their obligations under our interconnection agreements or resale agreements could result in customer dissatisfaction and the loss of existing and potential customers. In addition,

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the rates charged to us under the interconnection agreements or resale agreements may limit our flexibility to price our services at rates that are low enough to attract a sufficient number of customers and permit us to operate profitably.

Interconnection and resale agreements are subject to review and approval by various federal and state regulators. In addition, parties to the agreements may seek to have the agreements modified based upon the outcome of regulatory or judicial rulings occurring after the dates of the agreements. The outcome of these rulings, or any modified agreements, could have a material adverse effect on our financial condition and results of operations. In addition, some aspects of the

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agreements, including the price and economic terms of these agreements, have been subject to litigation and regulatory action. Please refer to the section of the prospectus entitled "Government Regulation of the Telecommunications Services Business."

We rely on telecommunications carriers to transmit our traffic over local and long distance networks. Our dependence on other facilities-based carriers means that we depend on the quality and condition of their networks. These networks may experience disruptions that are not easily remedied. For example, the following conditions of the facilities-based carriers could cause interruption in service and/or reduced capacity for our customers:

- physical damage;
- power loss; and
- software defects.

We depend upon cooperation with the incumbent local exchange carriers and other providers for the provision and repair of transmission facilities and to provide the services and network components that are ordered. We may not be able to obtain the facilities and services we require at satisfactory quality levels, rates, terms and conditions, which could delay the buildout of our networks and degrade the quality of service to our subscribers.

In addition, we depend upon suppliers of network services, hardware and software. If these suppliers fail to provide network services, equipment or software in the quantities, at the quality levels or at the times required, or if we cannot develop alternative sources of supply, it will be difficult, if not impossible, for us to provide our services.

The pace at which we are able to add new customers and services could be adversely affected if the incumbent local exchange carriers do not provide us with necessary network elements, collocation space, intercompany network connections and billing information and the means to share information about customer accounts, service orders and repairs on a timely basis. In many instances, the incumbent local exchange carriers do not timely or fully provide these services or facilities. Also, the rules governing which elements the incumbent local exchange carriers must provide, the cost methodology for providing these elements, and the types of equipment that may be placed together are currently under FCC and judicial review.

In the event that our long distance carriers are unable to handle the growth in customer usage, we could try to transfer traffic to a carrier with sufficient capacity, but we cannot be sure that additional capacity will be available. If any of the local exchange carriers are unable to handle the growth

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in customer usage, we will be required to use another local carrier, which could be difficult in light of the limited number of local carriers with their own facilities. In the event we elect to use other carriers, the charges for services may exceed those under the existing contracts, which could have a material adverse effect on our financial condition and results of operations.

In addition, the accurate and prompt billing of our customers will depend upon the timeliness and accuracy of call detail records provided by the carriers whose services we will resell. We cannot be sure that our carriers will provide accurate information on a timely basis. A carrier's failure to do so could have a material adverse effect on our ability to bill our customers and, therefore, on our operating results.

WE MAY NOT BE ABLE TO IMPLEMENT SUCCESSFULLY OUR BUSINESS STRATEGY BECAUSE DOING SO DEPENDS ON FACTORS BEYOND OUR CONTROL, WHICH COULD ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

Our success depends on our ability to implement our business strategy in order to increase our earnings and cash flow. Our results of operations and cash flow will be adversely affected if we cannot fully implement our business strategy. Successful implementation depends on factors unique to the telecommunications industry and numerous other factors beyond our control. These include changes in:

- general economic conditions;
- characteristics of local markets;
- the perception of attractiveness of a particular product;
- evolving consumer preferences;

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- federal, state and local regulations; and
- our continued ability to hire and retain qualified management personnel.

In addition, because of these and other factors, we may not be able to implement our business plans within planned time periods and budgets. If we cannot implement our expansion and business plans in a timely fashion or if there are delays or cost overruns, our business, financial condition and results of operations will be adversely affected.

BECAUSE OF THE FAST PACE OF TECHNOLOGICAL CHANGE IN THE TELECOMMUNICATIONS INDUSTRY, THERE IS A RISK THAT WE WILL FALL BEHIND OR WILL FAIL TO SUCCESSFULLY ADDRESS THIS CHANGE, WHICH COULD HARM OUR ABILITY TO COMPETE AND COULD MATERIALLY AND ADVERSELY AFFECT OUR BUSINESS AND RESULTS OF OPERATIONS.

The telecommunications industry is subject to rapid and significant changes in technology. We cannot predict the effect of technological changes on our business. However, the cost of implementing emerging and future technologies may be significant.

The Internet services market is characterized by rapid technological change, evolving industry standards, changes in member needs and frequent new service and product introductions. Our future success depends, in part, on our ability to use leading technologies effectively, develop our technical expertise, enhance our existing services and develop new services that meet changing member needs on a timely and cost-effective basis. In particular, we must provide subscribers with the appropriate products, services and guidance to

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best take advantage of the rapidly evolving telecommunications industry. Our failure to respond in a timely, cost-efficient and effective manner to new and evolving technologies, such as those offering greater bandwidth services, among others, could have a negative impact on our business and financial results.

OUR SERVICES DEPEND UPON OUR NETWORK INFRASTRUCTURE, AND THE FAILURE TO HAVE SUFFICIENT CAPACITY TO ACCOMMODATE NEW USERS, TO MAINTAIN RELIABILITY OR TO MAINTAIN SECURITY COULD HAVE A MATERIAL ADVERSE EFFECT ON OUR ABILITY TO ATTRACT AND RETAIN CUSTOMERS.

Success in our businesses depends, in part, on the capacity, reliability and security of our network infrastructure. Network capacity constraints may occur in the future, both at the local and national levels. These capacity constraints would result in slowdowns, delays or inaccessibility when members try to use a particular service. Poor network performance could cause customers to discontinue service with us. Reducing the incidence of these problems requires constantly expanding and improving our infrastructure, which could be very costly and time consuming.

Our Internet services network infrastructure is composed of a complex system of routers, switches, transmission lines and other hardware used to provide Internet access and other services. This network infrastructure will require continual upgrades and adaptation as the number of customers and the amount and type of information they wish to transmit over the Internet increases. This development of network infrastructure will require substantial financial, operational and managerial resources. We cannot be certain that we will be able to upgrade or adapt our network infrastructure to meet additional demand or changing customer requirements on a timely basis and at a commercially reasonable cost, or at all. If we fail to upgrade our network infrastructure on a timely basis or adapt it to an expanding customer base, changing customer requirements or evolving industry standards, our business could be adversely affected.

We also have to protect our infrastructure against fire, power loss, telecommunications failure, computer viruses, security breaches and similar events. We do not currently maintain a redundant or backup network operations center. A significant portion of our computer equipment, including critical equipment dedicated to our telephone network and Internet access services, is presently located at four network operating centers: Philadelphia, Pennsylvania; Cleveland, Ohio; East Lansing, Michigan; and New Berlin, Wisconsin. A natural disaster or other unanticipated occurrence at our switch or collocation facilities, network operations center or points-of-presence through which members connect to the Internet, in the networks of telecommunications carriers we will use, or in the Internet backbone in general could cause interruptions in our Internet services.

WE MAY BE REQUIRED TO MAKE SIGNIFICANT CAPITAL EXPENDITURES RELATING TO THE INFORMATION SYSTEMS INFRASTRUCTURE OF OUR OPERATIONS.

Our billing, customer service and management information systems are vital to our ability to bill customers, monitor costs and respond to customer service issues. As our operations grow, our need for sophisticated systems will increase. The cost of implementing these systems has been, and will continue to be, significant. Furthermore, any of the following developments could negatively affect our results of operations:

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- the failure to adequately and timely identify all information and processing needs;

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- the failure of systems to operate as expected;
- the failure to upgrade systems as necessary; and
- failure by third party service providers to deliver necessary systems or services.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In this prospectus there are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, which we refer to as the "Exchange Act," which are usually identified by the use of forward-looking words or phrases, including, "anticipates," "believes," "estimates," "expects," "intends," "projects," "plans," "should," "strategy," "will" and similar expressions.

These forward-looking statements reflect current judgments about our plans, strategies and prospects, which are based on the information currently available and on current assumptions as of the date of this prospectus.

Although we believe that our plans, intentions and expectations as reflected in or suggested by these forward-looking statements are reasonable as of the date of this prospectus, we can give no assurance that the plans, intentions or expectations will be achieved in a timely manner, if at all. In reviewing information included in this prospectus, keep in mind that our actual results, performances, or achievements may differ materially from the forward-looking statements made in this prospectus. The risks identified in this section could cause our actual results, performance or achievements to be materially different from the forward-looking statements made in this prospectus. These risks, uncertainties and contingencies include the following:

- the success or failure of our efforts to implement our current business strategy;
- operating cash flow will meet expectations or that we will be able to access this cash for our subsidiaries' operations to meet any unfunded portion of our capital requirements when required or to satisfy the terms of our indebtedness;
- additional financing will not be required in excess of our projected funding requirements;
- any financings will be obtained when required on acceptable terms or at all;
- our access to trade credit and vendor financings;
- technological developments;
- our ability to continue to design and deploy efficient network routes, install facilities, obtain and maintain any required regulatory licenses or approvals and finance construction and development of our network, all in a timely manner, at reasonable costs and on satisfactory terms and conditions;
- our assumptions about customer acceptance, churn rates, overall market penetration and competition from providers of alternative services;
- the impact of restructuring, the Holdco Recapitalization and integration actions;
- economic conditions generally and in the competitive local exchange

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carrier market specifically;

- industry trends in the telecommunications industry generally;
- the actions of competitors and our ability to respond to those actions;
- legislative and regulatory changes; and
- availability, terms and deployment of capital.

We disclaim any intent or obligation to update any forward-looking statements, whether as a result of changes in our plans, intentions or expectations, new information, future events or otherwise. In evaluating forward-looking statements, you

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should consider these risks and uncertainties, together with the other risks described from time to time in our reports and documents filed with the SEC, and you should not place undue reliance on these statements, which are not a guarantee of performance and are subject to a number of risks and uncertainties, many of which are outside our control. All written and oral forward-looking statements relating to the exchange offers are expressly qualified in their entirety by the foregoing cautionary statements.

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THE EXCHANGE OFFERS

BACKGROUND AND PURPOSE

We are making the exchange offers in connection with our publicly announced plan of recapitalization, through which CoreComm Limited and CoreComm Holdco have previously exchanged approximately \$600 million of principal amount of outstanding debt and liquidation preference of preferred stock for Holdco common stock. The specific transactions CoreComm Limited and/or CoreComm Holdco entered into as part of the recapitalization plan include the following:

- In October 2001, CoreComm Limited entered into agreements with numerous holders of public notes whereby the holders agreed, among other things, to exchange their notes for shares of Holdco common stock as part of a recapitalization plan at the same exchange ratio and the same cash consideration that is being offered pursuant to the present exchange offer to the holders of public notes. The exchanges closed December, 2001.
- In December 2001, both CoreComm Holdco and CoreComm Limited entered into an exchange agreement with
 - (1) holders of 10.75% Unsecured Convertible PIK Notes due 2011, and 10.75% Senior Unsecured Convertible PIK Notes due 2010, both of which are a joint obligation of CoreComm Limited and CoreComm Holdco, in the initial principal amount of \$10,000,000 and \$16,100,000, respectively, together with any interest paid thereon,
 - (2) holders of Senior Unsecured Notes due September 29, 2003 of CoreComm Limited in the principal amount of \$105.7 million, and

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- (3) holders of all outstanding shares of preferred stock of CoreComm Limited in the initial principal amount of \$300 million together with any dividends paid thereon.

The exchange agreement provided for the security holders to exchange their securities for shares of Holdco common stock as part of the recapitalization plan. The exchanges closed on December 28, 2001. Please refer to the section of the prospectus entitled "Description of Capital Stock - The Exchange Agreement."

- In December 2001, the credit agreement governing our senior secured facility was amended to permit the recapitalization transactions to occur.
- On December 17, 2001, Nasdaq granted CoreComm Limited an exception to Nasdaq's stockholder approval requirements permitting the recapitalization transactions to proceed without a vote of the stockholders of CoreComm Limited because requiring a stockholder vote would seriously jeopardize the financial viability of CoreComm Limited.
- On December 17, 2001, CoreComm Holdco adopted a stockholder rights plan. Please refer to the section of the prospectus entitled "Description of Capital Stock - The Stockholder Rights Plan."
- On December 18, 2001, the indenture governing the public notes was amended to, among other things,
 - delete the provision requiring that any offer by CoreComm Limited to all holders of public notes to purchase their public notes be made in accordance with the "purchase offer" procedures originally set forth in the indenture,
 - delete the provision providing that upon any change in control of CoreComm Limited each holder of public notes has the right to require CoreComm Limited to repurchase all or any part of that holder's public notes at the price set forth in the indenture and in accordance with the "purchase offer" procedures set forth in the indenture, and
 - delete the restriction on CoreComm Limited's ability to dispose of all or substantially all of its properties to another corporation.

EFFECT OF THE EXCHANGE OFFERS

Because holders of all of CoreComm Limited's outstanding common stock are being asked to exchange that stock for shares of Holdco common stock, consummation of the exchange offers would result in CoreComm Limited becoming a subsidiary of CoreComm Holdco because CoreComm Holdco would then hold all or substantially all the shares of Limited

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common stock. Moreover, the issuance of shares of Holdco common stock in the exchange offers will not increase the number of shares of Holdco common stock outstanding as we plan to exercise our right granted to us pursuant to the exchange agreement that we entered into with CoreComm Limited on December 14, 2001 requiring CoreComm Limited to deliver to us that number of shares of our common stock which we issue in the exchange offers. Thus, CoreComm Limited will have little or no material assets following consummation of the exchange offers. Please refer to the section of the prospectus entitled "Certain Relationships and Related Transactions - Exchange Agreement between CoreComm Limited and

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CoreComm Holdco."

All public notes tendered in the exchange offers and shares of Limited common stock tendered in the exchange offers will be retained by CoreComm Holdco. CoreComm Holdco may merge a subsidiary of CoreComm Holdco into CoreComm Limited following the consummation of the exchange offers, but no determination as to the timing or execution of a merger has been made. There can be no assurance that a merger will occur or the timing thereof.

CHANGE OF CONTROL

If CoreComm Holdco acquires shares of Limited common stock pursuant to the exchange offers, a change of control of CoreComm Limited could result.

OPTIONS PLANS

In December 2001, the CoreComm Limited board of directors, in connection with the Holdco Recapitalization, accelerated all outstanding options to acquire shares of CoreComm Limited common stock so that all are presently fully vested and exercisable. CoreComm Limited options are not exercisable for shares of our common stock. In the event that we are successful in consummating the exchange offers, CoreComm Limited would become a subsidiary of CoreComm Holdco. Subsequent to that time, CoreComm Holdco and CoreComm Limited may agree to effect a merger between CoreComm Limited and a subsidiary of CoreComm Holdco which would have the effect of converting holders of any remaining outstanding shares of Limited common stock not owned by us into shares of our common stock at an exchange ratio identical to that being offered in the exchange offer for the Limited common stock. Between now and that time, if holders of CoreComm Limited options exercise their options, they would, at the time of a merger, have the same rights as other holders of Limited common stock to have their shares of Limited common stock converted into shares of our common stock at that exchange ratio.

REGULATORY APPROVALS

CoreComm Limited and CoreComm Holdco and/or their various subsidiaries hold federal and state authorizations to provide international and domestic wireline and wireless telecommunications services. Both the FCC and some of the states in which we operate have regulatory regimes that require authorization holders to obtain the approval of the relevant regulatory agency in connection with undergoing changes in ownership or control. CoreComm Limited and CoreComm Holdco are engaged in a process to secure any necessary approvals and do not anticipate any issues related to approvals interfering with the completion of the exchange offers. Please refer to the section of the prospectus entitled "Risk Factors - Risk Factors Relating to Our Business - Any determination of non-compliance with FCC and state regulations dealing with ownership changes could result in monetary penalties or loss of our telecommunications authorizations."

Other than the foregoing and the SEC declaring the registration statement on Form S-4 of which this prospectus forms a part effective, CoreComm Holdco does not believe that any additional filings, including any filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, approvals or other actions by or with any governmental authority or administrative or regulatory agency are required with respect to the exchange offers.

NO APPRAISAL RIGHTS

Appraisal is a statutory remedy available to stockholders of corporations that object to mergers and other extraordinary and statutorily specified corporate actions. No appraisal rights are or will be available to holders of outstanding securities in connection with the exchange offers.

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ACCOUNTING TREATMENT

CoreComm Holdco is performing an analysis of the fair value of its net tangible assets as if a purchase business combination occurred as a result of the issuance of over 80% of its outstanding shares to new stockholders.

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TERMS OF THE EXCHANGE OFFERS

CoreComm Holdco is offering to exchange 1/116.7 of a share of Holdco common stock for each share of Limited common stock, and 3.0349 shares of Holdco common stock and the cash consideration for each \$1,000 in aggregate principal amount of public notes, that are validly tendered and accepted by CoreComm Holdco, on the terms and subject to the conditions described below by 12:00 midnight, New York City time, on March 8, 2002. The number of shares of Holdco common stock issued to each unaffiliated holder of Limited common stock and the number of shares of Holdco common stock issued to each unaffiliated holder of public notes will be rounded up to the nearest whole number in each exchange offer. CoreComm Holdco may extend this deadline for any reason, including under those circumstances specified below. The last day on which tenders will be accepted, whether on March 8, 2002 or any later date to which the exchange offers may be extended, is sometimes referred to in this document as the "expiration date." These are voluntary exchange offers, which means that holders of outstanding securities may tender all, some or none of their outstanding securities in the exchange offers. All persons holding outstanding securities are eligible to participate in the exchange offers if they validly tender their outstanding securities during the exchange offer period in a jurisdiction where the exchange offers are permitted under the laws of that jurisdiction.

The exchange offers are open to all holders of outstanding securities who tender their securities in a jurisdiction where the exchange offers are permitted under the laws of that jurisdiction. Therefore, any officer, director or affiliate of CoreComm Limited or CoreComm Holdco who is a holder of outstanding securities may participate in the exchange offers.

The exchange ratios of 1/116.7, applicable to the exchange offer for shares of Limited common stock, and 3.0349 per \$1,000 in aggregate principal amount, applicable to the exchange offer for public notes, will be adjusted proportionately for any stock splits, combinations, stock dividends and the like that occurs prior to the expiration date of the exchange offers, including extensions. For example, if CoreComm Holdco were to effect a 3-for-1 split, upon consummation of the exchange offers a holder of outstanding securities who tendered 1,000 shares of Limited common stock and \$10,000 in aggregate principal amount of public notes would receive 118 shares of Holdco common stock (plus \$300.00 in cash in connection with the public notes), calculated as the sum, rounded up in each offer, of the following:

- the product of 1,000 shares, multiplied by the 1/116.7 exchange ratio, and multiplied by three (reflecting the 3-for-1 split), resulting in the right to receive 25.71 shares of Holdco common stock, rounded up to 26 shares; plus
- the product of \$10,000 in aggregate principal amount of notes, multiplied by the 3.0349/\$1,000 exchange ratio, and multiplied by three (reflecting the 3-for-1 split), resulting in the right to receive 91.05 shares of Holdco common stock, rounded up to 92 shares.

CoreComm Holdco will accept up to all of (1) the outstanding shares of Limited common stock and (2) the outstanding public notes for exchange and will issue up to 1,314,416 shares of Holdco common stock in the exchange offers plus

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additional shares which may be issued as a result of rounding up in the exchange offers. CoreComm Holdco's obligation to complete the exchange offers is subject to important conditions that are described under "-- Conditions for Completion of the Exchange Offers."

The exchange ratio applicable to the exchange of Limited common stock is based upon CoreComm Holdco's and CoreComm Limited's previously announced intention to offer 13% of CoreComm Holdco's outstanding common stock to the holders of Limited common stock and holders of warrants to purchase Limited common stock. The shares being offered under the exchange offer to holders of Limited common stock are equal to this 13%, less any amount reserved for holders of warrants to purchase Limited common stock. This percentage represents, in our view, a fair offer to the holders of Limited common stock based upon the percentages of Holdco common stock that were offered to holders of CoreComm Limited preferred stock and CoreComm Limited's and CoreComm Holdco's debt in the prior phase of the recapitalization. Although holders of these securities had a senior position in our capital structure to the holders of Limited common stock, these holders agreed to allow us to offer the holders of Limited common stock 13% of Holdco's common stock.

In determining the exchange ratio and the cash consideration applicable to the exchange of public notes, CoreComm Holdco is offering the same ratio and cash consideration that was offered and accepted by the holders of 97.0% of the outstanding principal amount of the public notes pursuant to a prior phase of the Holdco Recapitalization.

CoreComm Holdco will furnish this document and related documents to brokers, banks and similar persons whose names or the names of whose nominees appear on CoreComm Limited's stockholder list or, if applicable, that are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of shares of Limited common stock and/or public notes.

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The terms and conditions of the exchange offers are set forth in this document, the letters of transmittal and the instructions to the letters of transmittal. Each holder of outstanding securities that tenders outstanding securities in the exchange offers will be agreeing to the terms and conditions of the exchange offers and will be making representations and warranties to, and agreements with, CoreComm Holdco, as described in these documents. We urge you to read these documents carefully before deciding whether to participate in the exchange offers.

FRACTIONAL SHARES

Instead of issuing any fractional shares of Holdco common stock in the exchange offers we will round up to the nearest whole number the number of shares of Holdco common stock issued to each unaffiliated holder of Limited common stock and the number of shares of Holdco common stock issued to each unaffiliated holder of public notes.

RECOMMENDATION

Each of CoreComm Holdco and CoreComm Limited recommends that you tender your outstanding securities in the exchange offers. None of the exchange agent, the information agent or any of their respective officers or directors makes any recommendation as to whether you should tender your outstanding securities in the exchange offers.

ANNOUNCEMENT OF RESULTS

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We expect to announce preliminary results of the exchange offers by press release promptly after the expiration date. However, because of the time required and difficulty involved in determining the number of outstanding securities validly tendered for exchange, CoreComm Holdco expects that the final results will not be determined until some time after the expiration date. We will announce the final results of the exchange offers by press release promptly after the results have been determined.

EXCHANGE OF THE OUTSTANDING SECURITIES

If all of the conditions of the exchange offers are satisfied or waived, CoreComm Holdco will exchange 1/116.7 of a share of Holdco common stock for each validly tendered share of Limited common stock and 3.0349 shares of Holdco common stock and the cash consideration for each \$1,000 in aggregate principal amount of validly tendered public notes that were not properly withdrawn before the expiration date, with the number of shares of Holdco common stock issued to each unaffiliated holder of Limited common stock and the number of shares of Holdco common stock issued to each unaffiliated holder of public notes being rounded up to the nearest whole number in each exchange offer. The exchange ratios will be adjusted proportionately for any stock splits, combinations, stock dividends and the like. CoreComm Holdco may, subject to the rules under the Exchange Act, delay accepting or exchanging any outstanding securities in order to comply, in whole or in part, with any applicable law. For a description of CoreComm Holdco's right to delay, terminate or amend the exchange offers, please refer to the section of the prospectus entitled "-- Extension of Tender Period; Termination; Amendment."

If CoreComm Holdco notifies the exchange agent, either orally or in writing, that it has accepted the tenders of shares of outstanding securities for exchange, the exchange of these outstanding securities will be complete. Promptly following the announcement by CoreComm Holdco of the final results of the exchange offers, the exchange agent will deliver the tendered shares of outstanding securities to CoreComm Holdco. Simultaneously, the exchange agent, as agent for the tendering stockholders, will receive from CoreComm Holdco the shares of Holdco common stock that correspond, based on the exchange ratios, to the number of outstanding securities accepted. The exchange agent then will deliver the shares of Holdco common stock to you either by crediting the shares of Holdco common stock, including fractional shares rounded up to the nearest whole number, to book-entry accounts maintained by CoreComm Holdco's transfer agent for the benefit of the tendering holders, or by physically delivering to you shares, depending on the manner in which you tendered your outstanding securities. In addition, the exchange agent will deliver the cash consideration to the tendering public note holders.

If any tendered outstanding securities are not exchanged for any reason, these unexchanged or untendered outstanding securities will be returned to the tendering holders.

As soon as reasonably practicable following the crediting of shares to your respective book-entry accounts, CoreComm Holdco's transfer agent will send you an account statement evidencing your holdings.

CoreComm Holdco will not pay any interest in connection with the exchange offers, regardless of any delay in making the exchange or crediting or delivering shares.

No alternative, conditional or contingent tenders will be accepted in the exchange offers. Tendering security holders waive any right to receive notice of

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the acceptance by CoreComm Holdco of their outstanding securities for exchange.

PROCEDURES FOR TENDERING OUTSTANDING SECURITIES

To tender your outstanding securities, you must complete the following procedures so that your tender is received by the exchange agent before the expiration date:

If you have certificates representing shares of Limited common stock, you should send the following documents to the exchange agent by one of the mailing methods described in the yellow letter of transmittal, at the applicable address set forth on the back cover of this document sufficiently in advance of the expiration date for them to be received by the exchange agent before the expiration date:

- a properly completed and executed yellow letter of transmittal indicating the number of shares of Limited common stock to be tendered, along with any other documents required by the instructions to the yellow letter of transmittal; and
- the certificates representing the shares of Limited common stock to be tendered.

If you have certificates representing public notes, you should send the following documents to the exchange agent by one of the mailing methods described in the blue letter of transmittal, at the applicable address set forth on the back cover of this document sufficiently in advance of the expiration date for them to be received by the exchange agent before the expiration date:

- a properly completed and executed blue letter of transmittal indicating the aggregate principal amount of public notes to be tendered, along with any other documents required by the instructions to the blue letter of transmittal; and
- the certificates representing the public notes to be tendered.

In addition, the certificates representing shares of Limited common stock and/or public notes, as applicable, to be tendered must be endorsed or you must enclose an appropriate stock power relating to the delivery of Limited common stock or an instrument of assignment relating to the delivery of public notes, as applicable, if:

- that certificate is registered in the name of a person other than the signer of a letter of transmittal;
- delivery of shares of Holdco common stock is to be made to the exchange agent on behalf of a person other than the registered owner of the shares of Limited common stock and/or public notes being tendered; or
- in the event that the shares of Limited common stock and/or public notes are not accepted for exchange, they are to be delivered to CoreComm Limited's transfer agent on behalf of a person other than the registered owner.

The signature on the letter of transmittal must be guaranteed by an eligible institution unless the shares of Limited common stock and/or public notes, as applicable, tendered under the letters of transmittal are tendered in one of the following ways:

- by the registered holder of the shares of Limited common stock or public notes tendered if the holder has not requested special issuance as described in "Special Issuance Instructions" of the instructions to the

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letter of transmittal; or

- for the account of an eligible institution.

An eligible institution is a member of a registered national securities exchange or a member of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or a correspondent in the United States. Most banks and financial institutions are eligible institutions.

If the certificate representing your shares of Limited common stock or public notes has been lost, destroyed, mutilated or stolen, please refer to the section of the prospectus entitled "-- Lost, Destroyed, Mutilated or Stolen Certificates" for information regarding special procedures that must be followed.

The exchange agent's address is set forth on the back cover of this document.

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BOOK-ENTRY TRANSFER

If you hold your shares of Limited common stock and/or public notes, as applicable, through a broker, you should follow the instructions sent to you separately by your broker. You should not use the letters of transmittal to direct the tender of your shares of Limited common stock or public notes, as applicable. Your broker must notify The Depository Trust Company and cause it to transfer the shares or notes, as applicable, into the exchange agent's account in accordance with The Depository Trust Company's procedures. The broker must also ensure that the exchange agent receives an agent's message from The Depository Trust Company confirming the book-entry transfer of your shares of Limited common stock or public notes, as applicable. An agent's message is a message, transmitted by The Depository Trust Company and received by the exchange agent, that forms a part of a book-entry confirmation, which states that The Depository Trust Company has received an express acknowledgment from the participant in The Depository Trust Company tendering the shares or notes, as applicable, that the participant has received and agrees to be bound by the terms of the letter of transmittal and the instructions to the letters of transmittal.

If you are an institution that is a participant in The Depository Trust Company's book-entry transfer facility, you should follow the same procedures that are applicable to persons holding shares or notes, as applicable, through a broker as described in the immediately preceding paragraph.

Trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity who sign a letter of transmittal, notice of guaranteed delivery, certificates representing shares of Limited common stock and/or public notes to be tendered or stock powers or other instruments of assignment must indicate the capacity in which they are signing, and must submit evidence, which is current as of a date within 180 days before the date that the applicable letters of transmittal is delivered to the exchange agent, of their power to act in that capacity, unless this requirement is waived by CoreComm Holdco.

If you validly tender your shares of Limited common stock and/or public notes and they are accepted by CoreComm Holdco, there will be a binding agreement between you and CoreComm Holdco on the terms and subject to the conditions set forth in this document and in the applicable letter of transmittal and the instructions to the applicable letter of transmittal. A person who tenders shares of Limited common stock and/or public notes for their

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own account violates U.S. federal securities laws unless the person owns:

- those shares of Limited common stock and/or public notes;
- other securities convertible into or exchangeable for those shares of Limited common stock and/or public notes and intends to acquire shares of Limited common stock and/or public notes for tender by conversion or exchange of those securities; or
- an option, warrant or right to purchase those shares of Limited common stock and/or public notes and intends to acquire shares of Limited common stock and/or public notes for tender by exercise of that option, warrant or right.

U.S. federal securities laws provide a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

Do not send letters of transmittal, certificates representing shares of Limited common stock and/or public notes or other exchange offer documents to CoreComm Holdco, CoreComm Limited or the information agent. These materials must be submitted to the exchange agent at the address set forth on the back cover of this document as described above and in the instructions to the applicable letter of transmittal in order for you to participate in the exchange offers.

It is up to you to decide how to deliver your shares of Limited common stock and/or public notes, as applicable, and all other required documents to the exchange agent. It is your responsibility to ensure that all necessary materials are received by the exchange agent before the expiration date. If the exchange agent does not receive all of the materials required by this section at one of the addresses set forth on the back cover of this document before the expiration date, your shares of Limited common stock and/or public notes, as applicable, will not be validly tendered in the exchange offers.

CORECOMM HOLDCO'S INTERPRETATIONS ARE BINDING

CoreComm Holdco will determine, in its sole and absolute discretion, all questions as to the form of documents, including notices of withdrawal, and the validity, form, eligibility, including time of receipt, and acceptance for exchange of

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any tender of outstanding securities in the exchange offers. This determination will be final and binding on all tendering security holders.

CoreComm Holdco reserves the absolute right to:

- determine whether a tendering security holder is eligible;
- reject any and all tenders of any outstanding securities not validly tendered or the acceptance of which, in the opinion of CoreComm Holdco's counsel, may be unlawful;
- waive any defects or irregularities in the tender of any outstanding security or any conditions of the exchange offers either before or after the expiration date; and
- request any additional information from any record or beneficial owner of outstanding securities that CoreComm Holdco deems necessary or appropriate.

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None of CoreComm Holdco, CoreComm Limited, the information agent, the exchange agent or any other person will be under any duty to notify tendering security holders of any defect or irregularity in tenders or notices of withdrawal or incur any liability for failure to give this notification. It is your responsibility to ensure that your outstanding securities are validly tendered in accordance with the procedures described in this document and the related documents before the expiration date.

LOST, DESTROYED, MUTILATED OR STOLEN CERTIFICATES

If any certificate representing your shares of Limited common stock or public notes, as applicable, has been lost, destroyed, mutilated or stolen and you wish to tender your shares or notes represented by that certificate, please complete Box A of the accompanying applicable letter of transmittal. If this occurs, CoreComm Limited or CoreComm Holdco may require a bond as indemnity against any claim that may be made with respect to the certificate alleged to have been lost, destroyed, mutilated or stolen.

GUARANTEED DELIVERY PROCEDURES

If you wish to tender your outstanding securities but the shares of Limited common stock and/or public notes, as applicable, are not immediately available, or time will not permit the shares or notes or other required documentation to reach the exchange agent before the expiration date, you may still tender your outstanding securities if:

- the tender is made through an eligible institution;
- the exchange agent receives from the eligible institution before the expiration date, a properly completed and duly executed notice of guaranteed delivery, substantially in the form provided by CoreComm Holdco; and
- the exchange agent receives the certificates representing all physically tendered shares of Limited common stock and/or public notes, as applicable, in proper form for transfer and a properly completed applicable letter of transmittal, or a facsimile of the applicable letter of transmittal and all other documents required by the applicable letter of transmittal and the instructions to the applicable letter of transmittal, within three Nasdaq National Market trading days after the date of execution of the notice of guaranteed delivery.

You may deliver the notice of guaranteed delivery by hand, facsimile transmission or mail to the exchange agent at the applicable address set forth on the back cover of this document and you must include a guarantee by an eligible institution in the form set forth in the notice of guaranteed delivery.

WITHDRAWAL RIGHTS

You may withdraw tenders of shares of outstanding securities at any time before the expiration date, and, unless CoreComm Holdco has accepted your tender as provided in this document and the accompanying documents, after the expiration of 40 business days from the commencement of the exchange offers. If CoreComm Holdco:

- delays its acceptance of the shares of Limited common stock or public notes, as applicable, for exchange;
- extends the exchange offers; or

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- is unable to accept the shares of Limited common stock or public notes, as applicable, for exchange under the exchange offers for any reason,

then, without prejudice to CoreComm Holdco's rights under the exchange offers, the exchange agent may, on behalf of CoreComm Holdco, retain any outstanding securities tendered, and these outstanding securities may not be withdrawn, except as otherwise provided in this document and the accompanying documents, subject to provisions under the Exchange Act that provide that an issuer making an exchange offer shall either pay the consideration offered or return tendered securities promptly after the termination or withdrawal of the exchange offers.

For a withdrawal to be effective, a written notice of withdrawal must be received by the exchange agent at one of its addresses set forth on the back cover of this document. The notice of withdrawal must:

- specify the name of the person having tendered the shares of Limited common stock and/or public notes, as applicable, to be withdrawn;
- identify the number of the shares of Limited common stock and/or public notes, as applicable, to be withdrawn; and
- specify the name in which certificates representing the shares of Limited common stock and/or public notes, as applicable, are registered, if different from that of the withdrawing holder.

If certificates representing the shares of Limited common stock or public notes, as applicable, have been delivered or otherwise identified to the exchange agent, then, before the release of these certificates, the withdrawing holder must also submit the serial numbers of the particular certificates to be withdrawn.

If the outstanding securities have been tendered pursuant to the procedures for book-entry transfer, any notice of withdrawal must specify the name and number of the account at The Depository Trust Company to be credited with the withdrawn outstanding securities and otherwise comply with the procedures of The Depository Trust Company.

Any outstanding securities withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offers. Properly withdrawn outstanding securities may be retendered by following one of the procedures described under "-- Procedures for Tendering Outstanding Securities" at any time on or before the expiration date.

If you withdraw your tender of any outstanding securities, these shares of Limited common stock and/or public notes, as applicable, will be returned to you either by crediting a book-entry account maintained by the Exchange Agent or by delivering to you physical certificates, depending on the form in which you tendered.

Except as otherwise provided above, any tender of outstanding securities made under the exchange offers is irrevocable. No alternative, conditional or contingent tenders will be accepted in the exchange offers.

EXTENSION OF TENDER PERIOD; TERMINATION; AMENDMENT

CoreComm Holdco expressly reserves the right, in its sole and absolute discretion, for any reason, including the non-satisfaction of any of the conditions for completion set forth below, at any time and from time to time, to extend the period of time during which the exchange offers are open or to amend the exchange offers in any respect, including changing the exchange ratios. CoreComm Holdco also expressly reserves the right to extend the period of time

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during which the exchange offers are open in the event either or both of the exchange offers is undersubscribed -- that is, fewer than all of the outstanding securities are tendered. In any of these cases, CoreComm Holdco will make a public announcement of the extension or amendment.

If CoreComm Holdco materially changes the terms of, or information concerning, the exchange offers, CoreComm Holdco will extend the exchange offers. Depending on the substance and nature of the change, CoreComm Holdco will extend the offers for at least five to 10 business days following the announcement if the exchange offers would have otherwise expired within those five to 10 business days.

If any condition for completion of the exchange offers described below is not satisfied, CoreComm Holdco reserves the right to choose to delay acceptance for exchange of any outstanding securities or to terminate the exchange offers and not accept for exchange any outstanding securities. For more information, please refer to the section of the prospectus entitled "-- Consequences of Unsatisfied Conditions."

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If CoreComm Holdco extends the exchange offers, is delayed in accepting any outstanding securities or is unable to accept for exchange any outstanding securities under the exchange offers for any reason, then, without affecting CoreComm Holdco's rights under the exchange offers, the exchange agent may, on behalf of CoreComm Holdco, retain all outstanding securities tendered. These outstanding securities may not be withdrawn except as provided under "-- Withdrawal Rights."

CoreComm Holdco's reservation of the right to delay acceptance of any outstanding security is subject to applicable law, which requires that CoreComm Holdco pay the consideration offered or return the outstanding securities deposited promptly after the termination or withdrawal of the exchange offers.

CoreComm Holdco will issue a press release or other public announcement no later than 9:00 a.m., New York City time, on the next business day following any extension, amendment, non-acceptance or termination of the previously scheduled expiration date.

CONDITIONS FOR COMPLETION OF THE EXCHANGE OFFERS

CoreComm Holdco will not be obligated to complete the exchange offer relating to Limited common stock unless at least 90% of the outstanding shares of Limited common stock are validly tendered and not withdrawn and all of the other conditions to the exchange offers described below have been satisfied. This condition is sometimes referred to in this document as the "minimum condition" and does not apply to the exchange offer relating to the public notes.

Even if the minimum condition is satisfied, before the expiration date CoreComm Holdco may choose not to accept outstanding securities for exchange and not to complete the exchange offers if:

- CoreComm Holdco or CoreComm Limited does not receive or obtain any consent, authorization, approval or exemption of or from any governmental authority that may be advisable in connection with the completion of the exchange offers;
- the registration statement on Form S-4 of which this prospectus forms a part has not been declared effective under the Securities Act of 1933, as amended, or is the subject of any stop order or proceeding seeking a stop

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order;

- any action, proceeding or litigation seeking to enjoin, make illegal or delay completion of the exchange offers or otherwise relating in any manner to the exchange offers is or has been threatened or instituted or is pending;
- any order, stay, judgment or decree is issued by any court, government, governmental authority or other regulatory or administrative authority and is in effect, or any statute, rule, regulation, governmental order or injunction shall have been proposed, enacted, enforced or deemed applicable to the exchange offers, any of which would or might restrain, prohibit or delay completion of the exchange offers or impair the contemplated benefits of the exchange offers to CoreComm Holdco or CoreComm Limited;
- any of the following occurs and the adverse effect of which shall, in the judgment of CoreComm Holdco, be continuing:
 - any general suspension of trading in, or limitation on prices for, securities on any national securities exchange, automated inter-dealer quotation system or in the over-the-counter market in the United States;
 - a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States;
 - any limitation, whether or not mandatory, by any governmental authority on, or any other event that would reasonably be expected to materially adversely affect, the extension of credit by banks or other lending institutions;
 - a commencement of a war or other national or international calamity, directly or indirectly, involving the United States, which would reasonably be expected to affect materially and adversely, or to delay materially, the completion of the exchange offers;
 - if any of the situations described above existed at the time of commencement of the exchange offers and CoreComm Holdco determines that the situation has deteriorated materially subsequent to the time of commencement; or

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- any tender or exchange offer, other than the exchange offers by CoreComm Holdco, with respect to some or all of the outstanding public notes, Limited common stock or Holdco common stock, or any merger, acquisition or other business combination proposal involving CoreComm Holdco or CoreComm Limited or a substantial portion of their respective assets, shall have been proposed, announced or made by any person or entity;

the occurrence of which event, in the judgment of CoreComm Holdco, in any case and regardless of the circumstances, makes it inadvisable to proceed with the exchange offers or with the acceptance of outstanding securities tendered for exchange.

CONSEQUENCES OF UNSATISFIED CONDITIONS

If any condition to the exchange offers is not satisfied, subject to applicable rules and regulations, CoreComm Holdco may, in its sole and absolute discretion:

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- terminate one or both of the exchange offers and promptly return all outstanding securities tendered in a terminated exchange offer to tendering security holders, except in the case of a failure to achieve the minimum condition, which only applies to the exchange offer for limited common stock;
- delay acceptance for exchange of any outstanding security, extend one or both of the exchange offers, and, subject to the withdrawal rights described under "-- Withdrawal Rights," retain all tendered outstanding securities until the expiration date;
- amend the terms and conditions of one or both of the exchange offers; or
- waive the unsatisfied condition and, subject to any requirement to extend the period of time during which one or both of the exchange offers are open, complete one or both of the exchange offers.

These conditions are for the sole and exclusive benefit of CoreComm Holdco. CoreComm Holdco may assert these conditions with respect to all or any portion of one or both of the exchange offers regardless of the circumstances giving rise to the conditions. CoreComm Holdco may waive any condition, in whole or in part at any time prior to the expiration date in its sole and absolute discretion, subject to applicable rules and regulations. CoreComm Holdco's failure to exercise its rights under any of the conditions described above does not represent a waiver of these rights. Each right is an ongoing right which may be asserted at any time prior to the expiration date. Any determination by CoreComm Holdco concerning the conditions described above will be final and binding upon all parties.

If a stop order issued by the SEC is in effect at any time after the commencement of the exchange offers with respect to the registration statement of which this document is a part, CoreComm Holdco will not accept any outstanding securities tendered and will not exchange shares of Holdco common stock for any outstanding securities during the period in which a stop order is in effect.

LEGAL LIMITATION

This document is not an offer to sell, and is not soliciting any offer to buy, any Holdco common stock in any jurisdiction in which the offer or sale is not permitted. If CoreComm Holdco learns of any jurisdiction in the United States where making the exchange offers or its acceptance would not be permitted, CoreComm Holdco intends to make a good faith effort to comply with the relevant law of that jurisdiction. If, after a good faith effort, CoreComm Holdco cannot comply with that law, CoreComm Holdco will determine whether the exchange offers will be made to, and whether tenders will be accepted from or on behalf of, persons that are holders of outstanding securities residing in the jurisdiction.

FEES AND EXPENSES

CoreComm Holdco will not pay any fees or commissions to any broker or dealer or any other person for soliciting tenders of outstanding securities under the exchange offers. CoreComm Holdco will, out of its available cash on hand, reimburse brokers, dealers, commercial banks and trust companies, upon request made within a reasonable period of time, for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers.

INFORMATION AGENT, EXCHANGE AGENT AND DEPOSITARY

CoreComm Holdco has retained D.F. King & Co., Inc. to act as the

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information agent and Continental Stock Transfer & Trust Company to act as the exchange agent and depositary in connection with the exchange offers. Continental

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Stock Transfer & Trust Company currently serves as the transfer agent for each of CoreComm Limited and CoreComm Holdco and as the rights agent pursuant to the rights agreement entered into with each of CoreComm Limited and CoreComm Holdco and has served as the escrow agent pursuant to escrow agreements in connection with the first phase of the Holdco Recapitalization.

The information agent may contact holders of outstanding securities by mail, telephone, facsimile transmission and personal interviews and may request brokers, dealers and other nominee stockholders to forward materials relating to the exchange offers to beneficial owners. The information agent and the exchange agent each will receive reasonable compensation for their respective services, will be reimbursed for reasonable out-of-pocket expenses and will be indemnified against liabilities in connection with their services.

Neither the information agent nor the exchange agent has been retained to make solicitations or recommendations. The fees they receive will not be based on the number of outstanding securities tendered under the exchange offers; however, the exchange agent will be compensated in part on the basis of the number of letters of transmittal received and the number of account statements distributed.

SOURCE AND AMOUNT OF FUNDS

The exchange offers are not conditioned upon any financing arrangements. The total amount of funds or other consideration required by CoreComm Holdco to complete the Exchange Offers is approximately 1,314,416 shares of Holdco common stock (consisting of approximately 1,300,000 shares in exchange for Limited common stock, assuming all holders of outstanding warrants to acquire Limited common stock were to exercise and tender in the exchange offer, and 14,416 shares in exchange for public notes) plus any additional shares required to be issued as a result of rounding up. In lieu of issuing fractional shares of Holdco common stock in the exchange offers, the number of shares of Holdco common stock being issued to each holder of Limited common stock and the number of shares of Holdco common stock being issued to each holder of public notes will be rounded up to the nearest whole number, which may increase the aggregate number of shares of Holdco common stock issued. We will pay up to \$142,500 of cash consideration, plus reimbursements of costs and expenses, in the exchange offer for the public notes out of our available cash on hand.

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UNAUDITED PRO FORMA FINANCIAL DATA OF HOLDCO

In October 2001, CoreComm Limited entered into agreements with numerous holders of its 6% Convertible Subordinated Notes due 2006 whereby the holders agreed, among other things, to exchange their notes for approximately \$5 million in cash (the amount of the October 1, 2001 interest payment) and shares of our common stock as part of the Holdco Recapitalization. The exchange was completed in December 2001, including the payment of the approximately \$5 million by CoreComm Limited.

On December 28, 2001, we completed the exchange of shares of our common stock for substantial amounts of the outstanding indebtedness of CoreComm Limited, substantial amounts of our outstanding indebtedness as co-obligors with

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CoreComm Limited and all of the outstanding preferred stock of CoreComm Limited. This exchange was completed pursuant to an exchange agreement with CoreComm Limited and

(1) holders of 10.75% Unsecured Convertible PIK Notes due 2011 and 10.75% Senior Unsecured Convertible PIK Notes due 2010, which were a joint obligation of CoreComm Holdco and CoreComm Limited, in the initial principal amounts of \$10,000,000 and \$16,100,000, respectively, together with any interest paid thereon,

(2) the holders of Senior Unsecured Notes due September 29, 2003 of CoreComm Limited in the principal amount of \$105.7 million, and

(3) the holders of all of the preferred stock of CoreComm Limited in the initial principal amount of \$300 million together with any dividends paid thereon.

The following summarizes the indebtedness and preferred stock that was exchanged for shares of our common stock in December 2001:

| DESCRIPTION | DATE ISSUED | ISSUER | PRINCIPAL LIQUIDATED |
|--|----------------|--------------------------------------|-------------------------|
| 10.75% Unsecured Convertible PIK Notes due 2011 | April 2001 | CoreComm Limited and CoreComm Holdco | \$10.0 million |
| 10.75% Senior Unsecured Convertible PIK Notes due 2010 | December 2000 | CoreComm Limited and CoreComm Holdco | \$16.1 million |
| Senior Unsecured Notes due September 29, 2003 | September 2000 | CoreComm Limited | \$108.7 million |
| 6% Convertible Subordinated Notes due 2006 | October 1999 | CoreComm Limited | \$175.0 million |
| Series A and Series A-1 Preferred Stock | September 2000 | CoreComm Limited | \$51.1 million |
| Series B Preferred Stock | September 2000 | CoreComm Limited | \$250.0 million |

(1) \$164.75 million was outstanding as of September 30, 2001, of which \$160 million was exchanged.

As a result of the completed exchanges in December 2001, approximately 87% of our outstanding shares, or 8,685,602 shares, are owned by the former holders of indebtedness of CoreComm Holdco and CoreComm Limited and the former holders of preferred stock of CoreComm Limited, and approximately 13% of our outstanding shares, or 1,314,416 shares, continue to be held by CoreComm Limited. We hold \$160 million principal amount of CoreComm Limited's 6% Convertible Subordinated Notes due 2006, approximately \$105.7 million principal amount of CoreComm Limited's Senior Unsecured Notes due September 29, 2003, approximately 51,000 shares of CoreComm Limited's Series A and Series A-1 preferred stock and 250,000 shares of CoreComm Limited's Series B preferred stock as a result of the

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exchanges. In addition, we exchanged the approximately \$10.8 million principal and accrued interest of 10.75% Unsecured Convertible PIK Notes due 2011 and the approximately \$18.0 million principal and accrued interest of 10.75% Senior Unsecured Convertible PIK Notes due 2010 for shares of our common stock.

We will determine the gain on restructuring of our indebtedness and the carrying value of our investment in CoreComm Limited's notes and preferred stock based on the fair value of our shares issued in the recapitalization. As a result

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of the issuance of over 80% of our outstanding shares to new stockholders, we are performing an analysis of the fair value of our net tangible assets as if a purchase business combination occurred.

We intend to offer our common stock to CoreComm Limited's stockholders through registered public exchange offers. These offers will also be made to solicit any remaining holders of CoreComm Limited's 6% Convertible Subordinated Notes due 2006, who will be offered a pro rata share in the aggregate consideration described above. We have agreed to file a shelf registration statement under the Securities Act to permit the sale of our common stock that was issued in the first phases of the Holdco Recapitalization.

In September 2000, CoreComm Limited acquired ATX in exchange for cash, notes, convertible preferred stock and common stock and CoreComm Limited acquired Voyager in exchange for cash and common stock.

The unaudited pro forma financial data presented below gives effect to the completed acquisitions of ATX and Voyager as well as the recapitalization and exchange transactions completed in December 2001. In addition, the unaudited pro forma financial data gives effect to other transactions to eliminate additional amounts of our outstanding indebtedness that were entered into by December 31, 2001. The unaudited pro forma financial data also gives effect to the intended public exchange offers of our common stock to CoreComm Limited's stockholders, and to the holders of CoreComm Limited's 6% Convertible Subordinated Notes. Finally, the unaudited pro forma financial data gives effect to an estimated result of the fair value analysis of our net tangible assets as if a purchase business combination occurred in connection with the recapitalization and exchange transactions. We have estimated that the fair value of our shares issued in these transactions is \$3.00 per share. The final determination of fair value will be made upon the completion of a study to be undertaken to determine the fair value of some of our assets and liabilities, including intangible assets. Our actual financial position and results of operations may differ, perhaps significantly, from the unaudited pro forma amounts reflected in this prospectus as a result of the completion of this fair value analysis.

The pro forma financial data is based on our historical financial statements and the historical financial statements of ATX, Voyager and CoreComm Limited. The ATX and Voyager acquisitions have been accounted for using the purchase method of accounting, in which the assets acquired and liabilities assumed have been recorded at their fair values. Some amounts in these historical financial statements have been reclassified to conform to our presentation.

The unaudited pro forma condensed statements of operations for the nine months ended September 30, 2001 and the year ended December 31, 2000 give effect to the recapitalization and exchange transactions, the other transactions to eliminate additional amounts of our outstanding indebtedness and the estimated result of the fair value analysis as if they had occurred on January 1, 2000. The unaudited pro forma condensed statements of operations for the year ended

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December 31, 2000 also gives effect to the ATX and Voyager acquisitions as if they had been consummated on January 1, 2000. The unaudited pro forma condensed balance sheet at September 30, 2001 gives effect to the recapitalization and exchange transactions, the other transactions to eliminate additional amounts of our outstanding indebtedness and the estimated result of the fair value analysis as if they had occurred on September 30, 2001.

The pro forma adjustments are based upon available information and assumptions that we believe are reasonable. The unaudited pro forma condensed statements of operations do not purport to present our results of operations had the various transactions or acquisitions occurred on the dates specified, nor are they necessarily indicative of the results of operations that may be achieved in the future. The unaudited pro forma financial statements should be read in conjunction with our financial statements and related notes, and with the financial statements and related notes of ATX and Voyager appearing elsewhere in this prospectus.

As of December 31, 2001, there were options to purchase approximately 22.1 million shares of CoreComm Limited common stock outstanding. In December 2001, the CoreComm Limited board of directors, in connection with the Holdco Recapitalization, accelerated all outstanding options to acquire shares of CoreComm Limited common stock so that all are presently fully vested and exercisable. However, based on the last sales price of CoreComm Limited common stock on the Nasdaq Stock Market on February 4, 2002 of \$.10, less than 1% of those options are at exercise prices below the market price for CoreComm Limited common stock. CoreComm Limited options are not exercisable for shares of our common stock. In the event that we are successful in consummating the exchange offers, CoreComm Limited would become a subsidiary of CoreComm Holdco. Subsequent to that time, CoreComm Holdco and CoreComm Limited may agree to effect a merger between CoreComm Limited and a subsidiary of CoreComm Holdco which would have the effect of converting holders of any remaining outstanding shares of CoreComm Limited common stock not owned by us into shares of our common stock at an exchange ratio identical to that being offered in the exchange offers. Between now and that time, if holders of CoreComm Limited options exercise their options, they would, at the time of a merger, have the same rights as other holders of CoreComm Limited common stock to have their shares of CoreComm Limited converted to shares of our common stock at

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that exchange ratio. The pro forma financial data does not give effect to non-cash compensation expense, if any, that may be recorded upon such option transactions.

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PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
SEPTEMBER 30, 2001
(IN THOUSANDS)

| CORECOMM HOLDCO HISTORICAL | ADJUSTMENTS | PRO FORMA FOR COMPLETED PORTION OF HOLDCO RECAPITALIZATION & OTHER | CORECOMM LIMITED & SUBSIDIARIES HISTORICAL | ADJUSTM |
|----------------------------------|-------------|--|---|---------|
| ----- | ----- | ----- | ----- | ----- |

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| | | | | | | |
|--|-----------|--------------|-----------------|-----------|-----------|----------|
| Assets | | | | | | |
| Cash and cash equivalents. | \$ 46,713 | \$ (3,200) | (C) | \$ 43,513 | \$ 240 | \$ (7,62 |
| Other current assets..... | 40,510 | | | 40,510 | 575 | |
| | ----- | ----- | | ----- | ----- | ----- |
| Total current assets..... | 87,223 | (3,200) | | 84,023 | 815 | (7,62 |
| Fixed assets, net..... | 120,464 | (7,222) | (C) | 113,242 | 68 | |
| Goodwill, net..... | 355,448 | (249,688) | (D) | 105,760 | | 29,1 |
| Intangible assets, net.... | 5,790 | | | 5,790 | | |
| Investment in and receivable from CoreComm Limited.. | | 22,937 | (B) | 22,937 | | (22,93 |
| Other, net..... | 14,105 | | | 14,105 | 8,595 | (5,04 |
| | ----- | ----- | | ----- | ----- | ----- |
| | \$583,030 | \$ (237,173) | | \$345,857 | \$ 9,478 | \$6,4 |
| | ===== | ===== | | ===== | ===== | ===== |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | | | | | | |
| Current portion of debt and capital leases..... | | | | | | |
| | \$40,772 | \$ (29,607) | (C) | \$11,165 | \$2,739 | \$ (2,73 |
| Other current liabilities. | 144,690 | (45) | (C) | 144,645 | 26,532 | (23,21 |
| | ----- | ----- | | ----- | ----- | ----- |
| Total current liabilities. | 185,462 | (29,652) | | 155,810 | 29,271 | (25,95 |
| Debt and capital leases... Notes payable to related parties..... | 147,124 | (2,452) | (A, C) | 144,672 | 257,686 | (257,68 |
| | 32,869 | (17,494) | (A) | 15,375 | | |
| | | | (A, B, C, D) | | | |
| Shareholders' equity..... | 217,575 | (187,575) | | 30,000 | (277,479) | 277,18 |
| | ----- | ----- | | ----- | ----- | ----- |
| | \$583,030 | \$ (237,173) | | \$345,857 | \$ 9,478 | \$ (6,45 |
| | ===== | ===== | | ===== | ===== | ===== |

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PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001
(IN THOUSANDS, EXCEPT PER SHARE DATA)

| | CORECOMM HOLDCO HISTORICAL | ADJUSTMENTS | PRO FORMA FOR COMPLETED PORTION OF HOLDCO RECAPITALIZATION AND OTHER | CORECOMM LIMITED & SUBSIDIARIES HISTORICAL | AD |
|---|----------------------------------|-------------|---|---|-------|
| | ----- | ----- | ----- | ----- | ----- |
| Revenues | \$ 220,055 | | \$220,055 | \$ 432 | |
| Costs and expenses..... | | | | | |
| Operating..... | 175,942 | | 175,942 | | |
| Selling, general and administrative..... | 75,021 | | 75,021 | 826 | |
| Corporate..... | 3,854 | | 3,854 | 2,860 | |

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| | | | | | |
|---|--------------|-----------------|--------------|-------------|-------|
| Non-cash compensation..... | 9,702 | | 9,702 | | |
| Other charges..... | 37,395 | | 37,395 | | |
| Write-down of intangibles.. | 167,599 | | 167,599 | | |
| Depreciation..... | 34,626 | | 34,626 | 26 | |
| Amortization..... | 75,390 | \$ (45,833) (N) | 29,557 | 2 | \$ |
| | ----- | ----- | ----- | ----- | ----- |
| | 579,529 | (45,833) | 533,696 | 3,714 | \$ |
| | ----- | ----- | ----- | ----- | ----- |
| Operating (loss)..... | (359,474) | 45,833 | (313,641) | (3,282) | |
| Other income (expense)..... | | | | | |
| Interest income and other, net..... | 1,875 | (320) (Q) | 1,555 | 151 | |
| Interest expense..... | (18,467) | 5,654 (P) | (12,813) | (16,955) | |
| | ----- | ----- | ----- | ----- | ----- |
| (Loss) before income taxes and extraordinary item..... | (376,066) | 51,167 | (324,899) | (20,086) | |
| Income tax benefit..... | 33 | | 33 | 201 | |
| | ----- | ----- | ----- | ----- | ----- |
| (Loss) before extraordinary item..... | \$ (376,033) | \$ 51,167 | \$ (324,866) | \$ (19,885) | \$ |
| | ===== | ===== | ===== | ===== | ===== |
| Basic and diluted (loss) per share before extraordinary item..... | \$ (39.52) | | \$ (32.49) | | |
| | ===== | ===== | ===== | ===== | ===== |
| Weighted average shares.... | 9,514 | 486 (O) | 10,000 | | |
| | ===== | ===== | ===== | ===== | ===== |

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PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2000
(IN THOUSANDS, EXCEPT PER SHARE DATA)

COMPLETED ACQUISITIONS

| | CORECOMM HOLDCO HISTORI- CAL | ATX HISTORI- CAL | VOYAGER PRO FORMA | ADJUST- MENTS | PRO FORMA | ADJUST- MENTS | PRO FORMA FOR COMPLETED PORTION OF HOLDCO RECAPITAL- IZATION & OTHER |
|--------------------------------------|---------------------------------------|------------------------|-------------------------|------------------|--------------|------------------|---|
| Revenues | \$ 131,526 | \$ 110,817 | \$ 55,507 | | \$ 297,850 | - | \$297,850 |
| Costs and expenses | | | | | | | |
| Operating Selling, general and | 142,323 | 84,176 | 24,812 | | 251,311 | | 251,311 |

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| | | | | | | | |
|-------------------|--------------|-------------|-------------|----------------|--------------|------------|--------------|
| administrative | 109,197 | 43,603 | 26,189 | \$ (1,400) (J) | 177,589 | | 177,589 |
| Corporate | 11,224 | | | | 11,224 | | 11,224 |
| Non-cash | | | | | | | |
| compensation | 43,440 | | 75 | | 43,515 | | 43,515 |
| Other charges | 12,706 | 1,103 | 1,707 | (2,810) (K) | 12,706 | | 12,706 |
| Write-down of | | | | | | | |
| intangibles | 35,920 | | | | 35,920 | | 35,920 |
| Depreciation | 30,641 | 2,227 | 5,265 | | 38,133 | | 38,133 |
| Amortization | 42,396 | 134 | 23,024 | 65,000 (L) | 130,554 | \$(83,458) | 47,096 |
| | | | | | | (83,458) | |
| | 427,847 | 131,243 | 81,072 | 60,790 | 700,952 | | 617,494 |
| Operating (loss) | (296,321) | (20,426) | (25,565) | (60,790) | (403,102) | 83,458 | (319,644) |
| Other income | | | | | | | |
| (expense) | | | | | | | |
| Interest income | | | | | | | |
| and other, | | | | | | | |
| net | 1,134 | 76 | 712 | | 1,922 | (394) (Q) | 1,528 |
| Interest expense | (5,929) | | (2,273) | (10,177) (M) | (18,379) | 1,210 (P) | (17,169) |
| (Loss) before | | | | | | | |
| income taxes | | | | | | | |
| and extraordinary | | | | | | | |
| item | (301,116) | (20,350) | (27,126) | (70,967) | (419,559) | 84,274 | (335,285) |
| Income tax | | | | | | | |
| provision | (125) | | | | (125) | | (125) |
| (Loss) before | | | | | | | |
| extraordinary | | | | | | | |
| item | \$ (301,241) | \$ (20,350) | \$ (27,126) | \$ (70,967) | \$ (419,684) | \$ 84,274 | \$ (335,410) |
| Basic and diluted | | | | | | | |
| (loss) | | | | | | | |
| per share before | | | | | | | |
| extra-ordinary | | | | | | | |
| item | \$ (31.66) | | | | \$ (44.11) | | \$ (33.54) |
| Weighted average | | | | | | | |
| shares | 9,514 | | | | 9,514 | (O) | 10,000 |

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NOTES TO UNAUDITED PRO FORMA FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE DATA)

Pro Forma Adjustments for Holdco Recapitalization and Other

(A)

HOLDCO RECAPITALIZATION CORECOMM HOLDCO

| | |
|-------------------|-------------------|
| 10.75% UNSECURED | 10.75% UNSECURED |
| CONVERTIBLE NOTES | CONVERTIBLE NOTES |
| DUE 2011 | DUE 2010 |

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| | | |
|---------------------------------------|----------|----------|
| Note payable | \$10,502 | |
| Notes payable to related parties | | \$17,494 |
| Shares issued | 400 | 640 |
| Value of CoreComm Holdco common stock | \$3.00 | \$3.00 |
| | \$1,200 | \$1,920 |
| Extraordinary gain | \$9,302 | \$15,574 |

(B)

HOLDCO RECAPITALIZATION CORECOMM LIMITED NOTES & P

| | SENIOR UNSECURED NOTES DUE 2003 AND SERIES B PREFERRED STOCK | 6% CONVERTIBLE SUBORDINATED NOTES | SERIES A AND PREFERRED S |
|---------------------------------------|---|--------------------------------------|-----------------------------|
| Shares issued | 5,560 | 486 | 1,600 |
| Value of CoreComm Holdco common stock | \$3.00 | \$3.00 | \$3.00 |
| Investment in CoreComm Limited | \$16,680 | \$1,457 | \$4,800 |

An aggregate of 8,200 of the shares issued in (A) and (B) were contributed by CoreComm Limited.

(C)

OTHER DEBT

| | |
|--|----------|
| Current portion of debt and capital leases | \$29,607 |
| Accrued interest | 45 |
| Reclassify to noncurrent debt, net of discount | (8,050) |
| Fixed assets, net returned | (7,222) |
| Cash paid | (3,200) |
| Extraordinary gain | \$11,180 |

Other transactions included above to eliminate additional amounts of our indebtedness that were negotiated away or settled for a reduced amount paid in cash and through the return of assets. All were entered into by December 31, 2001.

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(D) Adjustment to record the estimated result of the analysis of the fair value of our net tangible assets as if a purchase business combination occurred

| | |
|---|------------|
| Goodwill and shareholders' equity reduction | \$ 249,688 |
| | ===== |

(E) CORECOMM LIMITED EXCHANGE 6% CONVERTIBLE SUB

| | |
|--|--------|
| Cash to be paid for accrued interest | |
| \$4,750 principal amount 6% for 1/2 year | \$ 143 |
| | ===== |

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NOTES TO UNAUDITED PRO FORMA FINANCIAL DATA (CONTINUED)
(IN THOUSANDS, EXCEPT PER SHARE DATA)

(F) EXCHANGE OFFER 6% CONVERTIBLE SUBORDIN

| | |
|---|--------|
| Shares to be issued for \$4,750 principal amount of 6% Convertible subordinated notes | 14 |
| Value of CoreComm Holdco common stock | \$3.00 |
| | ----- |
| Investment in CoreComm Limited | \$43 |
| | ===== |

(G) ELIMINATION TO CONSOLIDATE CORECOMM HOLDCO AN
LIMITED AFTER THE HOLDCO RECAPIT

| | |
|---|------------|
| Cash and cash equivalents: | Total |
| Cash paid for 6% convertible subordinated notes - exchanged | \$ (4,800) |
| Other, net: | |
| Deferred financing costs on exchanged | |

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| | | |
|--|---------|-----------|
| debt | | (5,041) |
| Current portion of debt and capital leases: | | |
| Senior unsecured notes due 2003 - current portion | | 2,739 |
| Other current liabilities: | | |
| Accrued interest 6% convertible subordinated notes | 4,813 | |
| Accrued interest senior unsecured notes due 2003 | 3,405 | |
| Series A preferred dividend payable | 3,326 | |
| Series B preferred dividend payable | 11,524 | 23,068 |
| Debt and capital leases: | | |
| 6% convertible subordinated notes payable | 164,750 | |
| Senior unsecured notes due 2003 | 92,936 | 257,686 |
| Shareholders' equity: | | |
| Series A preferred stock | 50,000 | |
| Series B preferred stock | 67,298 | 117,298 |
| | | ----- |
| | | 390,950 |
| CoreComm Holdco investment in: | | |
| CoreComm Limited 6% convertible subordinated notes to be exchanged | | (43) |
| CoreComm Limited notes & preferred stock from recapitalization | | (22,937) |
| | | ----- |
| Adjustment to investment in and receivable from CoreComm Limited | | (22,980) |
| | | ----- |
| | | \$367,970 |
| | | ===== |

(H)

HOLDCO RECAPITALIZATION AND OT

| | |
|--|---------|
| Legal, accounting and other | \$685 |
| Employee incentives | 2,000 |
| | ----- |
| Cash paid (offset to extraordinary gain) to record estimated cost of transactions. | \$2,685 |
| | ===== |

To record estimated cost of transactions.

NOTES TO UNAUDITED PRO FORMA FINANCIAL DATA (CONTINUED)
(IN THOUSANDS, EXCEPT PER SHARE DATA)

(I) Adjustment to record consolidation of CoreComm Limited's negative net assets, and shares of CoreComm

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Holdco held by CoreComm Limited (98 shares at \$3.00
per share or \$294)

\$29,155
=====

YEAR ENDED
DECEMBER 31, 2000

PRO FORMA ADJUSTMENTS FOR COMPLETED
ACQUISITIONS

| | | | |
|-----|--|------------|--|
| (J) | <p>Phantom Unit Compensation Upon a change in control of ATX, ATX recorded a compensation charge equal to the fair value of its currently outstanding phantom units under its Phantom Unit Plan less amounts previously recorded</p> | \$ 13,600 | |
| | <p>The expense related to the Phantom Unit Plan has been excluded from the pro forma condensed statement of operations since it is a non-recurring charge</p> | (15,000) | |
| | Net statement of operations impact | \$ (1,400) | |
| | To adjust ATX Phantom Unit costs which are non-recurring | | |
| (K) | Nonrecurring merger related charges | \$ (2,810) | |
| (L) | <p>Amortization</p> <p>ATX goodwill \$397,796</p> <p>Number of months 60</p> <p>Pro forma period 9</p> | 59,669 | |
| | Historical amortization in ATX | (134) | |
| | Historical amortization in CoreComm Holdco | (208) | |
| | | 59,327 | |
| | <p>Voyager goodwill \$190,682</p> <p>Number of months 60</p> <p>Pro forma period 9</p> | 28,602 | |
| | Historical amortization in Voyager | (22,826) | |
| | Historical amortization in CoreComm Holdco | (103) | |
| | Amortization adjustment | \$65,000 | |

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(IN THOUSANDS, EXCEPT PER SHARE DATA)

| | YEAR ENDED DECEMBER 31, 2000 | |
|--|------------------------------------|-------|
| | ----- | ----- |
| (M) To record additional interest costs associated with financing the ATX and Voyager acquisitions for periods prior to their acquisitions in September 2000 | | |
| Interest expense | | |
| Senior secured credit facility \$75,000 at 11.04% for nine months | \$ 6,210 | |
| Senior unsecured notes due 2003 \$108,700 at 6.47% for nine months | 5,273 | |
| Amortization of fees on borrowing recorded as deferred financing costs (eight year term) for nine months | 473 | |
| | ----- | |
| | 11,956 | |
| Historical interest expense on Voyager debt(1) | (1,641) | |
| Historical interest expense on CoreComm Holdco | (138) | |
| | ----- | |
| Interest expense adjustment | \$10,177 | |
| | ===== | |

(1) This facility was repaid at the closing of the Voyager merger

| | | |
|---|--------------|--------------|
| (N) Purchase Price Adjustment | | |
| Goodwill write-down March 2001 | \$ (167,599) | \$ (167,599) |
| Useful life (months) | | 60 |
| Pro forma period | (33,520) | 3 |
| | ----- | ----- |
| Purchase price allocation write-down - pro forma | (249,688) | (249,688) |
| Useful life (months) | | 60 |
| Pro forma period | (49,938) | 9 |
| | ----- | ----- |
| amortization adjustment | \$ (83,458) | |
| | ===== | ===== |
| (O) Shares issued for 6% convertible subordinated notes | 486 | |
| | === | |

PRO FORMA ADJUSTMENTS FOR HOLDCO
RECAPITALIZATION AND OTHER

(P) To decrease interest expense for debt that has been exchanged for shares of CoreComm

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| | |
|--|---------|
| Holdco common stock | |
| Interest expense | |
| 10.75% unsecured convertible notes due 2011 | |
| 10.75% senior unsecured convertible notes due 2010 | 70 |
| Equipment payable | |
| Senior secured credit facility | |
| Working capital promissory note | 216 |
| Capital lease | 223 |
| Note payable for equipment | 701 |
| | ----- |
| | \$1,210 |
| | ===== |

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NOTES TO UNAUDITED PRO FORMA FINANCIAL DATA (CONTINUED)
(IN THOUSANDS, EXCEPT PER SHARE DATA)

| | YEAR ENDED DECEMBER 31, 2000 | NINE MO ENDE SEPTEMB 2000 |
|--|---------------------------------|------------------------------------|
| | ----- | ----- |
| (Q) Interest income adjustment | | |
| Cash paid | 10,685 | 10 |
| Interest rate | 3.68% | |
| Pro forma period | 12 | |
| | ----- | ----- |
| | \$394 | |
| | ===== | ===== |
| (R) To record amortization on the additional goodwill as a result of the consolidation of CoreComm Limited | \$29,155 | \$29 |
| Useful life (months) | 60 | |
| Pro forma period | 12 | |
| | ----- | ----- |
| | \$5,831 | \$4 |
| | ===== | ===== |
| (S) Interest income adjustment | | |
| Cash to be paid for 6% convertible subordinated notes | \$143 | |
| Interest rate | 3.68% | |
| Pro forma period | 12 | |
| | ----- | ----- |
| | \$5 | |
| | ===== | ===== |
| (T) Interest expense - CoreComm Limited recapitalization | | |
| 6% convertible subordinated notes | \$10,500 | \$7 |

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| | | |
|--|----------|-------|
| Amortization of fees on borrowing recorded as deferred financing costs | 1,006 | |
| Senior unsecured notes due 2003 | 3,018 | 8 |
| | ----- | ----- |
| | \$14,524 | \$16 |
| | ===== | ===== |
| (U) Shares held by CoreComm Limited that become treasury shares | (98) | |
| | ===== | ===== |

UNAUDITED PRO FORMA FINANCIAL DATA OF LIMITED

In October 2001, CoreComm Limited entered into agreements with numerous holders of its public notes whereby the holders agreed, among other things, to exchange their notes for approximately \$5 million in cash (the amount of the October 1, 2001 interest payment) and shares of our common stock as part of the Holdco Recapitalization. The exchange was completed in December 2001, including the payment of the approximately \$5 million by CoreComm Limited.

On December 28, 2001, we completed the exchange of shares of our common stock for substantial amounts of the outstanding indebtedness of CoreComm Limited, substantial amounts of our outstanding indebtedness as co-obligors with CoreComm Limited and all of the outstanding preferred stock of CoreComm Limited. This exchange was completed pursuant to an exchange agreement with CoreComm Limited and

(1) holders of 10.75% Unsecured Convertible PIK Notes due 2011 and 10.75% Senior Unsecured Convertible PIK Notes due 2010, which were a joint obligation of CoreComm Holdco and CoreComm Limited, in the initial principal amounts of \$10,000,000 and \$16,100,000, respectively, together with any interest paid thereon,

(2) the holders of Senior Unsecured Notes due September 29, 2003 of CoreComm Limited in the principal amount of \$105.7 million, and

(3) the holders of all of the preferred stock of CoreComm Limited in the initial principal amount of \$300 million together with any dividends paid thereon.

The following summarizes the indebtedness and preferred stock that was exchanged for shares of our common stock in December 2001:

| DESCRIPTION | DATE ISSUED | ISSUER | PRINCIPAL AMOUNT LIQUIDATED |
|--|---------------|--------------------------------------|--------------------------------|
| 10.75% Unsecured Convertible PIK Notes due 2011 | April 2001 | CoreComm Limited and CoreComm Holdco | \$10.0 million |
| 10.75% Senior Unsecured Convertible PIK Notes due 2010 | December 2000 | CoreComm Limited and CoreComm Holdco | \$16.1 million |

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| | | | |
|--|----------------|------------------|------------|
| Senior Unsecured Notes due September 29, 2003 | September 2000 | CoreComm Limited | \$108.7 mi |
| 6% Convertible Subordinated Notes due 2006 | October 1999 | CoreComm Limited | \$175.0 mi |
| Series A and Series A-1 Preferred Stock | September 2000 | CoreComm Limited | \$51.1 mi |
| Series B Preferred Stock | September 2000 | CoreComm Limited | \$250.0 mi |

(1) \$164.75 million was outstanding as of September 30, 2001, of which \$160 million was exchanged.

As a result of the exchanges completed in December 2001, approximately 87% of our outstanding shares, or 8,685,602 shares, are owned by the former holders of indebtedness of CoreComm Holdco and CoreComm Limited and the former holders of preferred stock of CoreComm Limited, and approximately 13% of our outstanding shares, or 1,314,416 shares, continue to be held by CoreComm Limited. We hold \$160 million principal amount of public notes, approximately \$105.7 million principal amount of CoreComm Limited's Senior Unsecured Notes due September 29, 2003, approximately \$10.8 million principal amount and accrued interest of 10.75% Unsecured Convertible PIK Notes due 2011, approximately \$18 million principal amount and accrued interest of 10.75% Senior Unsecured Convertible PIK Notes due 2010, approximately 51,000 shares of CoreComm Limited's Series A and Series A-1 preferred stock and 250,000 shares of CoreComm Limited's Series B preferred stock as a result of the exchanges.

In September 2000, we acquired ATX in exchange for cash, notes, convertible preferred stock and common stock and we acquired Voyager in exchange for cash and common stock.

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The unaudited pro forma financial data presented below gives effect to the completed acquisitions of ATX and Voyager as well as the recapitalization and exchange transactions completed in December 2001. The pro forma financial data is based on our historical financial statements and the historical financial statements of ATX, Voyager, CoreComm Limited and CoreComm Holdco. The ATX and Voyager acquisitions have been accounted for using the purchase method of accounting, in which the assets acquired and liabilities assumed have been recorded at their fair values.

The unaudited pro forma condensed statements of operations for the nine months ended September 30, 2001 and the year ended December 31, 2000 give effect to the completed recapitalization and exchange transactions as if they had occurred on January 1, 2000. The unaudited pro forma condensed balance sheet at September 30, 2001 gives effect to the completed recapitalization and exchange transactions as if they had occurred on September 30, 2001. The effect of the Holdco Recapitalization completed to date is to reduce CoreComm Limited's ownership in CoreComm Holdco from 100% to approximately 13%. Therefore CoreComm Limited would account for CoreComm Holdco on the equity method where as it was previously consolidated. The CoreComm Limited unaudited condensed consolidated pro forma financial statements do not give effect to the exchange offers.

The pro forma adjustments are based upon available information and assumptions that we believe are reasonable. The unaudited pro forma condensed statements of operations do not purport to present the results of operations of

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CoreComm Limited had the various transactions or acquisitions occurred on the dates specified, nor are they necessarily indicative of the results of operations that may be achieved in the future. The unaudited pro forma financial statements should be read in conjunction with our financial statements and related notes, and with the financial statements and related notes of CoreComm Limited, ATX and Voyager appearing elsewhere in this prospectus.

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CORECOMM LIMITED

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
SEPTEMBER 30, 2001
(IN THOUSANDS)

| | CORECOMM LIMITED HISTORICAL | TO ELIMINATE CORECOMM HOLDCO HISTORICAL | ADJUSTMENTS |
|--------------------------------|-----------------------------------|--|-------------|
| | ----- | ----- | ----- |
| Assets | | | |
| Cash and cash equivalents..... | \$46,953 | \$ 46,713 | \$- |
| Other current assets..... | 41,085 | 40,510 | |
| | ----- | ----- | ----- |
| Total current assets..... | 88,038 | 87,223 | - |
| | | | |
| Fixed assets, net..... | 120,532 | 120,464 | |
| Goodwill, net..... | 355,448 | 355,448 | |
| Intangible assets, net..... | 5,790 | 5,790 | |
| Investment in CoreComm Holdco | | | |
| Other, net..... | 22,700 | 14,105 | |
| | ----- | ----- | ----- |
| | \$592,508 | \$583,030 | \$3,900 |
| | ===== | ===== | ===== |
| Liabilities and | | | |
| shareholders' equity | | | |
| Current liabilities | | | |
| Current portion of debt | | | |
| and capital leases..... | \$43,511 | \$40,772 | \$- |
| Other current liabilities..... | 171,222 | 144,690 | |
| | ----- | ----- | ----- |
| Total current liabilities. | 214,733 | 185,462 | - |
| | | | |
| Debt and capital leases | 404,810 | 147,124 | |
| Notes payable to related | | | |
| parties..... | 32,869 | 32,869 | |
| | | | |
| Shareholders' equity..... | (59,904) | 217,575 | 3,900 |
| | ----- | ----- | ----- |
| | \$592,508 | \$583,030 | \$3,900 |
| | ===== | ===== | ===== |

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CORECOMM LIMITED

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PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001
(IN THOUSANDS, EXCEPT PER SHARE DATA)

| | CORECOMM LIMITED HISTORICAL ----- | TO ELIMINATE CORECOMM HOLDCO HISTORICAL ----- | ADJUSTMENTS ----- |
|---|--|---|----------------------|
| Revenues..... | \$220,487 | \$ 220,055 | \$ - |
| Costs and expenses | | | |
| Operating..... | 175,942 | 175,942 | |
| Selling, general and administrative..... | 75,847 | 75,021 | |
| Corporate | 6,714 | 3,854 | |
| Non-cash compensation | 9,702 | 9,702 | |
| Other charges | 37,395 | 37,395 | |
| Write-down of intangibles | 167,599 | 167,599 | |
| Depreciation | 34,652 | 34,626 | |
| Amortization | 75,392 | 75,390 | |
| | ----- | ----- | ----- |
| | 583,243 | 579,529 | - |
| | ----- | ----- | ----- |
| Operating (loss) | (362,756) | (359,474) | - |
| Other income (expense) | | | |
| Interest income and other, net | 2,026 | 1,875 | |
| Equity in net (loss) of CoreComm Holdco. | | | (42,233) |
| Interest expense | (35,422) | (18,467) | |
| | ----- | ----- | ----- |
| (Loss) before income taxes and extraordinary item | (396,152) | (376,066) | (42,233) |
| Income tax benefit | 234 | 33 | |
| | ----- | ----- | ----- |
| (Loss) before extraordinary item | \$ (395,918) | \$ (376,033) | \$ (42,233) |
| | ===== | ===== | ===== |
| Basic and diluted (loss) per share before extraordinary item (1) | \$ (4.72) | | |
| | ===== | ===== | ===== |
| Weighted average shares | 87,390 | | |
| | ===== | ===== | ===== |

(1) After deduction for preferred stock dividends and accretion of \$16,728.

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CORECOMM LIMITED

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)

FOR THE YEAR ENDED DECEMBER 31, 2000
(IN THOUSANDS, EXCEPT PER SHARE DATA)

TO ELIMINATE

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| | CORECOMM LIMITED HISTORICAL | CORECOMM HOLDCO HISTORICAL | ADJUSTMENTS |
|---|--------------------------------|----------------------------------|-------------|
| | ----- | ----- | ----- |
| Revenues | \$132,122 | \$ 131,526 | \$- |
| Costs and expenses | | | |
| Operating | 142,323 | 142,323 | |
| Selling, general and administrative | 111,010 | 109,197 | |
| Corporate | 12,884 | 11,224 | |
| Non-cash compensation | 43,440 | 43,440 | |
| Other charges | 12,706 | 12,706 | |
| Write-down of intangibles | 35,920 | 35,920 | |
| Depreciation | 30,746 | 30,641 | |
| Amortization | 42,420 | 42,396 | - |
| | ----- | ----- | ----- |
| | 431,449 | 427,847 | - |
| | ----- | ----- | ----- |
| Operating (loss) | (299,327) | (296,321) | - |
| Other income (expense) | | | |
| Interest income and other, net | 6,223 | 1,134 | |
| Equity in net (loss) of CoreComm Holdco | | | (43,603) |
| Interest expense | (20,457) | (5,929) | |
| | ----- | ----- | ----- |
| (Loss) before income taxes and extraordinary item | (313,561) | (301,116) | (43,603) |
| Income tax provision | (250) | (125) | |
| | ----- | ----- | ----- |
| (Loss) before extraordinary item | \$ (313,811) | \$ (301,241) | (43,603) |
| | ===== | ===== | ===== |
| Basic and diluted (loss) per share before extraordinary item (1) | \$ (6.73) | | |
| | ===== | | |
| Weighted average shares | 47,480 | | |
| | ===== | | |

(1) After deduction for preferred dividends and accretion of \$5,590.

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CORECOMM LIMITED

NOTES TO UNAUDITED PRO FORMA FINANCIAL DATA
(IN THOUSANDS)

(A) To record equity investment in CoreComm Holdco on September 30, 2001 at 13% of the equity of CoreComm Holdco after the transactions:

| | |
|--|-----------|
| CoreComm Holdco net assets pro forma for the completed portion of the Holdco Recapitalization and other transactions | \$ 30,000 |
| CoreComm Limited ownership percentage | 13% |
| | ----- |
| | \$ 3,900 |
| | ===== |

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(B) To record equity in net loss of CoreComm Holdco on a pro forma basis as if the recapitalization and other transactions occurred on January 1, 2000:

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001

Historical (loss) before extraordinary item of