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2006 WAS ANOTHER RECORD YEAR FOR HIGH-SPEED INTERNET

Over 10.2 Million Added Broadband from Top Cable and Telephone Companies in 2006

Durham, NH – March 7, 2007 – Leichtman Research Group, Inc. (LRG) found that the twenty largest cable and telephone providers in the US – representing about 94% of the market – achieved record net high-speed Internet additions in 2006. Combined net additions for the year totaled over 10.2 million subscribers – a total that exceeded the previous record set in 2005 by about 500,000 subscribers.

Other key findings include:

- As of the end of 2006, the top broadband providers accounted for over 53.3 million high-speed Internet subscribers
- The top cable broadband providers now have a 55% share of the overall market versus telephone companies, with 29.3 million high-speed Internet subscribers compared to 24.0 million for phone companies
- The top telephone providers netted 54% of the broadband additions in 2006
- The top telephone providers added a record 5.5 million broadband subscribers in 2006 – about 230,000 more than in 2005
- Cable operators added a record 4.75 million broadband subscribers in 2006 – about 275,000 more than in 2005
- In the fourth quarter of 2006, cable and telephone providers added nearly 2.5 million broadband subscribers – with telephone companies capturing 53% of the net additions in the quarter.

“Despite an increasingly penetrated broadband market, both cable and telephone companies were able to add more broadband subscribers in 2006 than in any previous year,” said Bruce Leichtman, president and principal analyst for Leichtman Research

Group, Inc. “With over 53 million broadband subscribers in the US, it is increasingly important for providers to focus on gaining profitable subscribers, rather than attempting to set a new record in 2007 for net broadband additions.”

Broadband Internet	Subscribers at end of 4Q 2006	Net Adds in 2006
Cable Companies		
Comcast	11,487,000	1,868,000
Time Warner	6,644,000	1,149,000
Cox*	3,335,000	450,000
Charter	2,402,200	304,500
Cablevision	2,039,000	344,666
Insight	615,000	144,600
Mediacom	578,000	100,000
Cable One	289,010	54,910
RCN*	276,000	32,000
Other major private cable companies**	1,645,000	300,000
Total Top Cable	29,310,210	4,747,676
Telephone Companies^		
AT&T***	8,533,000	1,612,000
Verizon	6,982,000	1,838,000
Bell South	3,632,000	750,000
Qwest	2,138,000	658,000
Embarq	1,017,000	324,000
Windstream	656,132	205,757
Covad	519,105	(48,070)
CenturyTel	369,000	120,294
Cincinnati Bell	198,300	35,800
Total Top Telephone Companies	24,044,537	5,495,781
Total Broadband	53,354,747	10,243,457

Sources: The Companies and Leichtman Research Group, Inc.

* LRG estimate

** Includes LRG estimates for Bright House Networks and Suddenlink

*** AT&T and Bell South results for 2006 are presented separately

^ Total includes DSL and wireline broadband connections

Totals reflect pro forma results from system sales and acquisitions

Top cable and telephone companies represent approximately 94% of all subscribers

Company subscriber counts may not represent solely residential households

In related broadband research, LRG’s analysis of the Federal Communications Commission’s (FCC) recently released report “High Speed Services for Internet Access: Status as of June 30, 2006” found that:

- The top five states in residential broadband penetration as of mid-2006 were New Jersey, Connecticut, Hawaii, Massachusetts and California
- The bottom five states in residential broadband penetration were Mississippi, North Dakota, South Dakota, Arkansas and Alabama

- 88% of cable broadband lines had speeds of over 2.5 mbps in the fastest direction – compared to 27% of DSL lines

These findings are included LRG's updated report, *Broadband Across the US*, that analyzes state-by-state penetration of high-speed Internet. The report is based on recent information culled from a variety of sources, including the FCC and others.

About Leichtman Research Group, Inc.

Leichtman Research Group, Inc. (LRG) specializes in research and analysis on broadband, media and entertainment industries. LRG combines on-going surveys and analysis with years of hands-on industry experience to provide companies with a richer understanding of the potential impact and adoption of new products and services. For more information about LRG, please call (603) 397-5400 or visit www.LeichtmanResearch.com.

Broadband Across the US compiles and analyzes state-by-state and nationwide statistics related to high-speed Internet and Direct Broadcast Satellite (DBS) television services. The tables and charts in this report are based on recent information culled from FCC data and other sources. This report is produced by LRG twice a year.

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