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LEADING U.S. PROVIDERS GAIN NEARLY 1.4 MILLION BROADBAND INTERNET SUBSCRIBERS IN THE SECOND QUARTER

Cable Continues to Add Almost Twice as Many Subscribers as DSL

Durham, NH – August 12, 2002 – Leichtman Research Group’s on-going analysis of broadband markets in the United States finds that the nation’s leading cable and DSL providers added a combined 1.37 million high speed Internet subscribers in the second quarter of 2002. As of the end of the second quarter of 2002, the major US cable and DSL providers had a total of over 13.5 million broadband Internet subscribers, with cable continuing to hold a commanding 65% share of the growing broadband market.

Other key findings include:

- In the past quarter, the top cable companies added over 900,000 broadband Internet subscribers compared to 460,000 broadband subscribers added by the major DSL providers over the same time period.
- In the past year, the top cable companies added over 3.5 million broadband Internet subscribers, while DSL providers added 1.9 million.
- Also in the second quarter, every major cable provider saw declines in Basic video subscribers, with the top ten providers reporting a cumulative decline of nearly 250,000 subscribers.

“High speed Internet growth was clearly a bright spot in an otherwise very challenging quarter for the cable industry,” said Bruce Leichtman, president and principal analyst for

Leichtman Research Group

Leichtman Research Group, Inc. "Cable continues to grow its high speed Internet base, and strongly outpaces DSL providers in adding new subscribers."

<i>Second Quarter 2002</i>	<i>Broadband Internet Subs</i>	<i>Net 2Q Adds</i>
Cable Modem		
Time Warner	2,466,000	271,000
AT&T	1,762,000	137,000
Comcast	1,168,900	128,400
Cox	1,115,000	113,689
Charter	905,500	157,800
Cablevision	610,505	50,740
Adelphia	377,500	NA
RCN (overbuilder)	149,602	12,807
Mediacom	145,000	18,000
Insight	103,400	8,900
CableOne	56,000	11,600
TOTAL TOP CABLE	8,859,407	909,936
DSL		
SBC	1,700,000	213,000
Verizon	1,500,000	150,000
Bell South	803,000	74,000
Qwest	508,000	24,000
Covad (CLEC)*	179,000	(1,000)
TOTAL TOP DSL	4,690,000	460,000
TOTAL Broadband	13,549,407	1,369,936

Sources: *The Companies and Leichtman Research Group, Inc.*

All data from Q2 2002, except Adelphia from Q4 2001 (last reported information)

Subscriber counts may not represent solely residential households. For example, Charter Communications notes that commercial accounts are calculated on an equivalent modem unit (EMU) basis, and represent about 8% of its modem subscribers.

* Covad subscriber counts reflect residential users only. Total subscribers (including business) are 357,000.

About Leichtman Research Group, Inc.

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

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