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Leichtman Research Group

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MAJOR PAY-TV PROVIDERS LOST ABOUT 665,000 SUBSCRIBERS IN 2Q 2016

Top Pay-TV Providers Had More Net Losses in 2Q 2016 Than in any Previous Quarter

Durham, NH – August 15, 2016 – Leichtman Research Group, Inc. (LRG) found that the eleven largest pay-TV providers in the US – representing about 95% of the market – lost about 665,000 net video subscribers in 2Q 2016, compared to a loss of about 545,000 subscribers in 2Q 2015.

The top pay-TV providers account for 93.75 million subscribers – with the top six cable companies having 48.9 million video subscribers, satellite TV companies having 34.0 million subscribers (including about 710,000 from DISH's Internet-delivered Sling TV), and the top telephone companies having 10.8 million subscribers.

Other key findings for the quarter include:

- The top six cable companies lost about 225,000 video subscribers in 2Q 2016 – compared to a loss of about 340,000 subscribers in 2Q 2015
 - Top cable MSOs losses were the fewest in any second quarter since 2006
- Satellite TV providers added 61,000 subscribers in 2Q 2016 (including gains from Sling TV) – compared to a loss of 214,000 in 2Q 2015
 - DirecTV's net adds of 342,000 in 2Q 2016 were more than in any quarter since 1Q 2009
- The top phone providers lost about 500,000 video subscribers in 2Q 2016 – compared to a gain of about 10,000 subscribers in 2Q 2015
 - AT&T U-verse's 391,000 net losses in 2Q 2016 were the most losses ever in a quarter by any provider (for the second consecutive quarter)

"The top pay-TV providers lost about 665,000 subscribers in the traditionally weak second quarter, with net losses in 2Q 2016 surpassing the previous quarterly low set in last year's second quarter," said Bruce Leichtman, president and principal analyst for Leichtman

Research Group, Inc. “Over the past year, the top pay-TV providers (including DISH’s Sling TV) lost about 705,000 subscribers – compared to a loss of about 380,000 over the prior year.”

Pay-TV Providers	Subscribers at the end of 2Q 2016	Net Adds in 2Q 2016
Cable Companies		
Comcast	22,396,000	(4,000)
Charter*	17,312,000	(143,000)
Altice**	3,639,000	(25,000)
Mediacom	842,000	(11,000)
Cable ONE	338,974	(11,602)
Other major private companies***	4,330,000	(30,000)
Total Top Cable	48,857,974	(224,602)
Satellite TV Companies (DBS)		
DirecTV	20,454,000	342,000
DISH^	13,593,000	(281,000)
Total DBS	34,047,000	61,000
Phone Companies		
AT&T U-verse	4,869,000	(391,000)
Verizon FiOS	4,637,000	(41,000)
Frontier^	1,340,000	(70,000)
Total Top Phone	10,846,000	(502,000)
Total Top Pay-TV Providers	93,750,974	(665,602)

Sources: The Companies and Leichtman Research Group, Inc.

* Charter completed the acquisition of Time Warner Cable and Bright House Networks in 2Q 2016

** Altice includes Cablevision (acquisition completed in 2Q 2016) and Suddenlink

*** Includes LRG estimate for Cox

^ DISH totals and net adds in 2Q 2016 include its Internet-delivered Sling TV service (which began in 1Q 2015)

^ Frontier is an LRG estimate (following the Verizon transaction completed in 2Q 2016) and does not include DBS subscribers

Company subscriber counts may not solely represent residential households

Top pay-TV providers represent approximately 95% of all subscribers

Top cable companies do not include overbuilder WOW with 524,300 subscribers

Net additions reflect pro forma results from system sales and acquisitions, and reporting adjustments – therefore, comparing totals in this release to prior releases may not produce accurate findings

About Leichtman Research Group, Inc.

Leichtman Research Group, Inc. (LRG) specializes in research and analysis on the broadband, media and entertainment industries. LRG combines ongoing consumer research studies with industry tracking and analysis, to provide companies with a richer understanding of current market conditions, and the adoption and impact of new products and services. For more information about LRG, please call (603) 397-5400 or visit www.LeichtmanResearch.com.

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