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BROADBAND INTERNET GROWS TO 29 MILLION IN THE U.S.

Second Quarter of 2004 Generates Fewest Net Subscriber Additions in a Year

Durham, NH – August 17, 2004 – Leichtman Research Group, Inc. (LRG) found that, as of the end of the second quarter of 2004, the twenty largest cable and DSL providers in the US – representing about 95% of the market – accounted for over 28.6 million high-speed Internet subscribers. Combined net additions for the second quarter of 2004 totaled 1.7 million subscribers – the fewest net additions of any quarter in the past year.

Other key findings include:

- The top DSL providers added nearly 900,000 subscribers, representing 52% of the net broadband additions for the quarter versus cable – marking the first quarter ever that DSL has had a greater share of net additions than cable
- The top cable broadband providers maintain a 6.4 million subscriber advantage over DSL and have a 61% share of the total market versus DSL
- The top cable broadband providers now have over 17% cumulative penetration of all those who could receive service. This quarter, however, yielded their lowest net additions since the fourth quarter of 2001
- Each of the top 20 broadband providers, except Qwest and Mediacom, had lower net adds this quarter than last quarter

“In the past year the top cable and DSL providers have combined to add over 8 million net new broadband subscribers,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “While the results from this quarter should not necessarily be interpreted as the beginning of a slowdown, broadband providers clearly

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need to focus on retaining the customers they already have in addition to acquiring new ones.”

Broadband Internet	Subscribers at end of Q2 2004	Net adds in Q2 2004
Cable		
Comcast***	6,005,000	326,000
Time Warner	3,548,000	127,000
Cox***	2,246,109	97,517
Charter	1,711,400	58,400
Cablevision	1,179,040	50,110
Adelphia**	1,167,802	95,864
Bright House Networks*	675,000	25,000
Mediacom	327,000	25,000
Insight	273,900	15,900
RCN*	210,000	5,000
Cable One	152,300	5,000
Total Top Cable	17,495,551	830,791
DSL		
SBC	4,277,000	315,000
Verizon	2,944,000	280,000
Bell South	1,738,000	120,000
Qwest	853,000	109,000
Covad	514,345	(1,437)
Sprint	383,000	34,000
ALLTEL	194,534	20,045
Cincinnati Bell	117,000	7,000
CenturyTel	108,820	11,728
Total Top DSL	11,129,699	895,336
Total Broadband	28,625,250	1,726,127

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

* *Bright House Networks and RCN subscriber counts are estimates*

** *Adelphia subscriber counts do not include properties owned by the Rigas family*

*** *Comcast and Cox totals are adjusted from last quarter reflecting the closing of some minor transactions*

Top cable and DSL providers represent approximately 95% of all subscribers

Company subscriber counts may not represent solely residential households. Based on FCC data, about 6% of DSL subscribers, and 0.2% of cable subscribers are classified as non-residential or small business.

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.LleichtmanResearch.com.

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