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Leichtman Research Group

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OVER 48 MILLION SUBSCRIBE TO BROADBAND FROM TOP CABLE AND DSL PROVIDERS

Two Million Add Broadband in the Second Quarter of 2006

Durham, NH – August 17, 2006 – Leichtman Research Group, Inc. (LRG) found that the twenty-one largest cable and DSL providers in the US – representing about 94% of the market – acquired nearly 2.1 million net additional subscribers in the second quarter of 2006. These top broadband providers now account for about 48.3 million high-speed Internet subscribers – with cable having 26.9 million broadband subscribers, and DSL having 21.3 million subscribers.

Other key findings for the quarter include:

- The top DSL providers added 1.16 million subscribers, representing 56% of the net broadband additions for the quarter versus cable
- DSL providers have added more broadband subscribers than cable providers in each of the last seven quarters, acquiring about 1.2 million more subscribers than cable during this period, but the top cable broadband providers still have a 5.6 million subscriber advantage over DSL and command a 56% share of the market versus DSL
- Total broadband additions in the quarter were about a million fewer than in the first quarter of 2006, but were greater than in any previous second quarter

Broadband Internet	Subscribers at end of 2Q 2006	Net Adds in 2Q 2006
Cable		
Comcast*	9,344,000	305,000
Time Warner	5,398,000	230,000
Charter	2,375,100	52,700
Cablevision	1,891,442	84,819
Adelphia**	1,856,009	48,005
Insight	534,500	19,700
Mediacom	516,000	12,000
Cable One	261,262	8,203
RCN	257,000	8,000
Major private cable companies***	4,500,000	150,000
Total Top Cable	26,933,313	918,427
DSL		
AT&T	7,774,000	342,000
Verizon^	6,125,000	440,000
Bell South	3,273,000	128,000
Qwest	1,798,000	120,000
Embarq (formerly Sprint)	849,000	72,000
Covad	547,989	(8,961)
All Tel^^	481,684	40,209
CenturyTel	312,853	27,062
Cincinnati Bell	176,500	5,500
Total Top DSL	21,338,026	1,165,810
Total Broadband	48,271,339	2,084,237

Sources: The Companies and Leichtman Research Group, Inc.

* Comcast's total is adjusted from last quarter to reflect the closing of the acquisition of Susquehanna Communications

** Totals were prior to the completion of the sale of Adelphia to Time Warner and Comcast

*** Includes estimates for Cox, Bright House and Suddenlink (Suddenlink was not included in prior releases)

^ Total includes FiOS wireline broadband connections along with DSL

^^ All Tel's broadband subscribers became part of Windstream Communications in July

Top cable and DSL providers 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 December 31, 2005" found that:

- The FCC's report appears to be missing filings from two of the top ten cable operators. These filings accounted for approximately 950,000 broadband subscribers at the time. The corrected totals for cable and DSL in the second half of 2005 would be 3.2 million for DSL and about 2.6 million for cable
- Including LRG estimates to account for the missing filings, the top five states in residential broadband penetration at the end of 2005 were New Jersey, Hawaii, Connecticut, Massachusetts and California – each with over 44% of all households subscribing to broadband service

- The bottom five states in residential broadband penetration were Mississippi, South Dakota, North Dakota, Kentucky and Louisiana – each with under 22% of all households subscribing to broadband service
- Approximately 11% of DSL subscribers and 3% of cable subscribers were non-residential

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.

“While broadband additions were down in the now traditionally slower second quarter from the record setting first quarter of the year, in the first half of 2006 the top DSL and cable providers added over five million broadband subscribers,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “Given recent broadband market trends, we are likely to see a greater number of net additions in the third quarter of the year.”

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 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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