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UNDER 650,000 ADD BROADBAND IN THE SECOND QUARTER OF 2009

Quarterly Net Broadband Adds the Fewest in Years

Durham, NH – August 17, 2009 – Leichtman Research Group, Inc. (LRG) found that the nineteen largest cable and telephone providers in the US – representing about 93% of the market – acquired 634,000 net additional high-speed Internet subscribers in the second quarter of 2009. Net broadband additions in the quarter were the fewest of any quarter in the eight years LRG has been tracking the industry.

Other broadband findings for the quarter include:

- The top phone companies added about 385,000 subscribers, representing 61% of the net broadband additions for the quarter versus the top cable companies
- Overall, broadband additions in 2Q 2009 amounted to 71% of those in 2Q 2008 – with Telcos having 178% as many additions as a year ago, and cable 37% as many adds as a year ago
- The top broadband providers now account for 69.9 million subscribers – with cable companies having 38 million broadband subscribers, and telephone companies having about 31.9 million subscribers
- The top cable broadband providers have a 54% share of the overall market

“The second quarter has proven to be traditionally weak for broadband growth, but with the market becoming more mature, broadband adds further waned in 2Q 2009,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “In a reverse of last year’s second quarter, when cable operators got three-quarters of the net broadband adds, Telcos earned over 60% of the broadband net adds in 2Q 2009.”

Broadband Internet	Subscribers at end of 2Q 2009	Net Adds in 2Q 2009
Cable Companies		
Comcast	15,322,000	64,000
Time Warner	9,046,000	94,000
Cox*	4,110,000	30,000
Charter	2,957,700	10,600
Cablevision	2,503,000	18,000
Mediacom	754,000	6,000
Insight	481,500	3,000
Cable ONE	386,472	371
RCN	307,000	1,000
Other major private cable companies**	2,137,500	22,500
Total Top Cable	38,005,172	249,471
Telephone Companies		
AT&T	15,548,000	112,000
Verizon	9,111,000	186,000
Qwest	2,923,000	34,000
CenturyLink^	2,145,200	28,200
Windstream	1,024,600	14,900
Frontier	613,810	13,763
FairPoint	296,107	(4,775)
Cincinnati Bell	235,400	400
Total Top Telephone Companies	31,897,117	384,488
Total Broadband	69,902,289	633,959

Sources: The Companies and Leichtman Research Group, Inc.

* LRG estimate

** Includes LRG estimates for Bright House Networks and Suddenlink

^ On July 1, 2009 CenturyTel and Embarq merged to form CenturyLink

Totals reflect pro forma results from system sales and acquisitions

Top cable and telephone companies represent approximately 93% 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) July 2009 report "High Speed Services for Internet Access: Status as of June 30, 2008" found that:

- The top five states in residential broadband penetration as of mid-2008 were New Jersey, Connecticut, Maryland, Hawaii, and California
- The bottom five states in residential broadband penetration were Mississippi, West Virginia, Alabama, New Mexico, and Montana
- 89% of cable broadband lines had speeds of over 2.5 mbps in the fastest direction – compared to 46% of Telco's combined DSL and fiber lines

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.

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