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Leichtman Research Group

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1.3 MILLION ADD BROADBAND IN THE THIRD QUARTER OF 2008

66.7 Million Get Broadband from Top Cable and Telephone Companies

Durham, NH – November 17, 2008 – Leichtman Research Group, Inc. (LRG) found that the twenty largest cable and telephone providers in the US – representing about 94% of the market – acquired approximately 1.3 million net additional high-speed Internet subscribers in the third quarter of 2008. These top broadband providers now account for nearly 66.7 million subscribers – with cable companies having 36.5 million broadband subscribers, and telephone companies having about 30.2 million subscribers.

Other broadband findings for the quarter include:

- The top cable companies added over 870,000 subscribers, representing 67% of the net broadband additions for the quarter versus the top telephone companies
- Overall, broadband additions in 3Q 2008 amounted to 61% of those in 3Q 2007 – with cable having 82% as many additions as a year ago, and Telcos 40%
- The top cable broadband providers have a 55% share of the overall market, with a 6.3 million subscriber advantage over the top telephone companies

“Over the past two quarters the top cable providers accounted for 71% of the net broadband additions, adding over 900,000 more broadband subscribers than the top telcos,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “Cable’s recent success compared to the telcos should not necessarily be interpreted as consumers suddenly choosing cable’s speed advantage over that of the telcos’ DSL service. It is more a function of the telcos’ shift in focus towards higher value subscribers while cable has been consistent in marketing broadband as part of its nearly ubiquitously available Triple Play bundles.”

Broadband Internet	Subscribers at end of 3Q 2008	Net Adds in 3Q 2008
Cable Companies		
Comcast	14,738,000	381,000
Time Warner [^]	8,634,000	222,000
Cox*	3,945,000	60,000
Charter	2,858,200	70,900
Cablevision	2,427,000	32,000
Mediacom	726,000	24,000
Insight	445,100	20,500
Cable ONE	368,614	7,345
RCN	301,000	6,000
Other major private cable companies**	2,050,000	50,000
Total Top Cable	36,492,914	873,745
Telephone Companies		
AT&T	14,841,000	148,000
Verizon	8,459,000	129,000
Qwest	2,793,000	61,000
Embarq	1,388,000	24,000
Windstream	962,700	28,400
CenturyTel	628,000	21,000
Frontier	571,946	12,646
FairPoint	294,134	(278)
Cincinnati Bell	231,100	2,100
Total Top Telephone Companies	30,168,880	425,868
Total Broadband	66,661,794	1,299,613

Sources: The Companies and Leichtman Research Group, Inc.

* LRG estimate

** Includes LRG estimates for Bright House Networks and Suddenlink

Company subscriber counts may not represent solely residential households

[^] Time Warner totals now include commercial subscribers in order to be consistent with other providers

3.4% of Time Warner total are non-residential, compared to 14.2% for AT&T, and about 9% for Verizon

Totals reflect pro forma results from system sales and acquisitions

Top cable and telephone companies represent approximately 94% of all subscribers

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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