



## Mediacom Communications Announces Record Results for Fourth Quarter and Fiscal Year 1999

February 28, 2000

MIDDLETOWN, N.Y.--(BUSINESS WIRE)--Feb. 28, 2000--MEDIACOM COMMUNICATIONS CORPORATION (Nasdaq: MCCC) today reported results for the fourth quarter and fiscal year ended December 31, 1999--setting new records for revenues and EBITDA.

For the three months ended December 31, 1999, the Company reported revenues of \$62.8 million, a 79.9% increase from the \$34.9 million reported in the corresponding period of 1998. EBITDA (operating loss before depreciation, amortization, and non-cash stock charges) increased by 89.4% to \$28.4 million from the \$15.0 million recorded in the comparable 1998 period. For the twelve months ended December 31, 1999, revenues increased by 36.2% to \$176.1 million from the \$129.3 million reported in the same period of 1998 and EBITDA increased by 44.5% to \$78.1 million from the \$54.1 million recorded in the same period of the prior year.

The increases in revenues and EBITDA resulted in part from the Company's significant acquisition activities since January 1, 1998. On a pro forma basis, excluding the results of the Triax and Zylstra acquisitions which closed in the fourth quarter of 1999, but assuming the 1998 acquisitions had been consummated on January 1, 1998, for the three months ended December 31, 1999, the Company's revenues and EBITDA would have risen by 13.7% and 21.5%, respectively, over the corresponding quarter in the prior year. On the same pro forma basis, for the twelve months ended December 31, 1999, revenues and EBITDA would have increased by 12.3% and 21.6%, respectively, over 1998. On the same pro forma basis, internal subscriber growth was 1.9% in 1999.

"1999 was a phenomenal year for our Company," said Rocco B. Commisso, Chairman and CEO of Mediacom. "We doubled our size to 719,000 basic subscribers through the completion of two strategic acquisitions, continued to achieve industry-leading operating results, and began offering digital cable television and two-way, high-speed Internet access services to our customers. We started 2000 with our successful initial public offering in early February, raising gross proceeds of \$380 million."

"For the eighth consecutive fiscal quarter, Mediacom has delivered internal EBITDA growth rates exceeding the performance of our peers in the cable industry. These outstanding results are a tribute to the operating expertise of our management team and the effectiveness of our strategies in integrating acquisitions and rapidly upgrading the cable network to offer our customers an expanding array of broadband products and services."

"During 1999, we demonstrated once again our value-driven discipline of opportunistically acquiring underperforming cable systems. Within the rapidly escalating cable transaction marketplace of 1999, we were successful in acquiring 358,000 basic subscribers at a purchase price of less than \$2,150 per basic subscriber, considerably below the 1999 industry average of \$3,900."

"Looking forward to 2000, we plan to integrate the 1999 acquisitions into Mediacom's style of management, and continue to aggressively upgrade the cable network in order to establish Mediacom as the broadband leader in the smaller markets we serve. The IPO strengthens our balance sheet giving us the financial flexibility to invest in our network technology and to capitalize on opportunities available in the acquisition market," Mr. Commisso concluded.

The Company's capital expenditures totaled \$86.7 million in 1999, of which \$26.5 million was spent in the fourth quarter. As a result of the Company's accelerated cable network upgrade program, at year end 1999, 79% of the Company's customers (excluding those customers served by the Triax and Zylstra systems) were served by systems with 550MHz -750MHz bandwidth capacity. Inclusive of the Triax and Zylstra systems, 57% of the Company's customers were served by upgraded systems at year-end 1999.

The Company commenced offering digital cable service in June 1999. By year-end 1999, digital cable was deployed in systems serving 168,000 basic subscribers, of whom 5,300 or 3.2%, subscribed to the digital service. In addition, the Company began upgrading its systems with two-way communications capability during the second half of 1999 and launched its first two-way, high-speed Internet access service in December 1999. At year-end 1999, two-way communications capability was available to 11% of the Company's homes passed, and 5,100 customers were subscribing to the Company's dial-up or cable modem service.

The Company expects to spend \$140 million in 2000 to continue upgrading the cable network and to launch digital cable and cable modem services in a greater number of systems. By December 2000, the Company anticipates that 72% of the cable network will be at 550MHz -750MHz bandwidth capacity and that digital television and cable modem services will be available to 400,000 basic subscribers and 450,000 homes passed, respectively.

In the fourth quarter of 1999, the Company acquired, for approximately \$759.6 million, the Triax and Zylstra cable systems that served 358,400 basic subscribers as of December 31, 1999. The Company also signed three letters of intent and entered into two definitive asset purchase agreements to acquire 28,000 basic subscribers for \$47.7 million, before closing adjustments. Completion of these acquisitions is expected to occur in the second quarter of 2000, subject to the negotiation of definitive documentation for those acquisitions under letters of intent and the receipt of necessary regulatory approvals for all transactions. All the pending acquisitions are in close proximity to Mediacom's existing cable systems, thereby complementing the Company's operating clusters.

In November 1999, the Company completed a strategic agreement with SoftNet Systems Inc. (Nasdaq: SOFN) to deploy its two-way, high-speed Internet access services throughout Mediacom's cable systems. The service is marketed under SoftNet's branded name, ISP Channel. Through the agreement with SoftNet, the Company is required to upgrade the cable network to provide two-way communications capability to 900,000 homes passed by December 2002. As consideration for giving SoftNet access to the Company's customers, SoftNet issued to Mediacom 3.5 million shares of its common stock, representing a market value of \$119 million as of February 25, 2000.

To finance the Company's acquisitions and capital expenditures in 1999 and to provide liquidity for future capital needs, the Company completed an offering of \$125. million of 7 7/8% Senior Notes due in 2011 in February 1999, executed two separate 9-year bank facilities with aggregate credit commitments of \$1.1 billion in the second half of 1999, and raised \$10.5 million private equity capital from its members in November 1999. In February 2000, the Company completed an initial public offering of its Class A common stock, generating net proceeds of \$354.4 million.

At December 31, 1999, the Company's total debt was \$1.139 billion. After giving effect to the application of the net proceeds from the IPO, the Company's total debt would have been \$784.6 million and the unused credit commitments under its existing credit facilities would have been \$640.4 million on December 31, 1999. On a pro forma basis, including the pro forma results of the 1999 acquisitions and reflecting the post IPO pro forma total debt of \$784.6 million, for the three months ended December 31, 1999, the Company's total debt leverage ratio would have been 5.7x and the total interest coverage ratio would have been 2.3x.

Any statements in this press release that are not historical facts are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from historical results or those the Company anticipates. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "RISK FACTORS" in the Company's prospectus, dated February 3, 2000, filed with the Securities and Exchange Commission.

Mediacom Communications Corporation is the 9th largest cable television company in the United States based on customers served by wholly-owned systems after giving effect to its pending acquisitions and recently announced industry transactions. Mediacom's cable systems pass approximately 1.1 million homes and serve approximately 747,000 basic subscribers in 21 states, including its pending acquisitions. Mediacom was founded in July 1995 by Rocco B. Commisso, its Chairman and Chief Executive Officer, to acquire and develop cable television systems serving principally non-metropolitan markets in the United States.

More information about Mediacom Communications Corporation can be accessed on the Internet at: [www.mediacomcc.com](http://www.mediacomcc.com). -0-

#### (1) Historical Results

The following tables present the actual results for the fourth quarters and the fiscal years of 1999 and 1998.

##### MEDIACOM COMMUNICATIONS CORPORATION

(Dollars in thousands)

(Unaudited)

|                    | Three Months Ended        |                           |                            | Twelve Months Ended       |                           |                            |
|--------------------|---------------------------|---------------------------|----------------------------|---------------------------|---------------------------|----------------------------|
|                    | Dec. 31,<br>-----<br>1999 | Dec. 31,<br>-----<br>1998 | Percent<br>-----<br>Change | Dec. 31,<br>-----<br>1999 | Dec. 31,<br>-----<br>1998 | Percent<br>-----<br>Change |
| Revenues           | \$ 62,822                 | \$34,923                  | 79.9%                      | \$176,052                 | \$129,297                 | 36.2%                      |
| Service costs      | 21,486                    | 10,972                    | 95.8                       | 58,058                    | 43,849                    | 32.4                       |
| SG&A expenses      | 11,133                    | 7,498                     | 48.5                       | 32,949                    | 25,596                    | 28.7                       |
| System cash flow   | 30,203                    | 16,453                    | 83.6                       | 85,045                    | 59,852                    | 42.1                       |
| Corporate expenses | 1,800                     | 1,458                     | 23.5                       | 6,951                     | 5,797                     | 19.9                       |
| EBITDA             | \$ 28,403                 | \$14,995                  | 89.4%                      | \$ 78,094                 | \$ 54,055                 | 44.5%                      |

#### (2) Pro Forma Results without Triax and Zylstra

The following tables present pro forma results for the fourth quarters and the fiscal years of 1999 and 1998 for systems owned by the Company as of January 1, 1999, excluding the results of the Triax and Zylstra acquisitions which were closed in the fourth quarter of 1999.

##### MEDIACOM COMMUNICATIONS CORPORATION

(Dollars in thousands)

(Unaudited)

|               | Three Months Ended        |                           |                            | Twelve Months Ended       |                           |                            |
|---------------|---------------------------|---------------------------|----------------------------|---------------------------|---------------------------|----------------------------|
|               | Dec. 31,<br>-----<br>1999 | Dec. 31,<br>-----<br>1998 | Percent<br>-----<br>Change | Dec. 31,<br>-----<br>1999 | Dec. 31,<br>-----<br>1998 | Percent<br>-----<br>Change |
| Revenues      | \$ 39,690                 | \$34,923                  | 13.7%                      | \$152,920                 | \$136,185                 | 12.3%                      |
| Service costs | 12,854                    | 10,972                    | 17.2                       | 49,426                    | 46,652                    | 5.9                        |
| SG&A expenses | 7,405                     | 7,498                     | (1.2)                      | 29,221                    | 27,870                    | 4.8                        |

|                    |        |        |        |        |        |      |
|--------------------|--------|--------|--------|--------|--------|------|
| System cash flow   | 19,431 | 16,453 | 18.1   | 74,273 | 61,663 | 20.4 |
| Corporate expenses | 1,212  | 1,458  | (16.9) | 6,363  | 5,804  | 9.6  |

|        |           |          |       |           |           |       |
|--------|-----------|----------|-------|-----------|-----------|-------|
| EBITDA | \$ 18,219 | \$14,995 | 21.5% | \$ 67,910 | \$ 55,859 | 21.6% |
|--------|-----------|----------|-------|-----------|-----------|-------|

(3) 1999 Pro Forma Results with Triax and Zylstra

The following tables present pro forma results for the fourth quarter and the fiscal year of 1999, including the results of the Triax and Zylstra acquisitions as if such acquisitions had occurred at the beginning of the periods presented.

MEDIACOM COMMUNICATIONS CORPORATION  
(Dollars in thousands)  
(Unaudited)

Three Months Ended December 31, 1999    Twelve Months Ended December 31, 1999

|                       |           |            |
|-----------------------|-----------|------------|
| Revenues              | \$ 76,446 | \$ 297,313 |
| Service costs         | 25,998    | 99,152     |
| SG&A expenses         | 13,561    | 53,301     |
| System cash flow      | 36,887    | 144,860    |
| Corporate expenses(a) | 2,242     | 11,175     |
| EBITDA                | \$ 34,645 | \$ 133,685 |

(a) Pro forma for the initial public offering reorganization, corporate expenses for fiscal year 1999 would have been approximately \$6.0 million.

(4) Summary Operating Data

MEDIACOM COMMUNICATIONS CORPORATION  
(As of December 31)

|                       | Mediacom<br>(without Triax<br>and Zylstra) |         | Triax /<br>Zylstra |           | Total<br>Company |
|-----------------------|--|---------|--------------------|-----------|------------------|
|                       | 1998                                       | 1999    | 1999               | 1999      |                  |
| Homes Passed          | 520,000                                    | 526,000 | 545,500            | 1,071,500 |                  |
| Basic Subscribers     | 354,000                                    | 360,600 | 358,400            | 719,000   |                  |
| Basic Penetration     | 68.1%                                      | 68.6%   | 65.7%              | 67.1%     |                  |
| Premium Service Units | 407,100                                    | 407,900 | 179,100            | 587,000   |                  |
| Premium Penetration   | 115.0%                                     | 113.1%  | 50.0%              | 81.6%     |                  |

|  |         |         |         |         |
|--|---------|---------|---------|---------|
| Average Monthly Revenues per Basic Subscriber(a) | \$32.99 | \$36.82 | \$34.20 | \$35.52 |
|--|---------|---------|---------|---------|

Digital Cable

|                                 |   |         |        |         |
|---------------------------------|---|---------|--------|---------|
| Digital-Ready Basic Subscribers | - | 147,000 | 21,000 | 168,000 |
| Digital Customers               | - | 5,100   | 200    | 5,300   |

Digital Penetration - 3.5% 1.0% 3.2%

Data

-----  
Data-Ready Homes Passed 16,700 97,000 23,000 120,000  
Dial-up Customers 4,700 4,600 - 4,600  
Cable Modem Customers 200 500 - 500  
-----  
Total Data Customers 4,900 5,100 - 5,100  
Data Penetration 29.3% 5.3% 0.0% 4.3%

Percentage of Basic Subscribers

at 550MHz - 750MHz 50% 79% 34% 57%

- (a) Represents average monthly revenues for the last three months of the period divided by average basic subscribers for such period.

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