



For Immediate Release

Mediacom Communications Reports Combined Results for Third Quarter 2020

Mediacom Park, NY – November 5, 2020 – MEDIACOM COMMUNICATIONS CORPORATION today released combined unaudited financial and operating highlights for the three months ended September 30, 2020.

Mediacom Combined Results for Third Quarter 2020*

- Revenues were \$538.6 million, a 5.5% increase from the prior year period
- Adjusted OIBDA was \$228.9 million, a 15.4% increase from the prior year period
- Free cash flow was \$138.9 million, a 41.0% increase from the prior year period
- High-speed data (“HSD”) customers were 1,425,000, an 8.3% increase from September 30, 2019
- Net debt of \$1,857.5 billion, a \$427.0 million reduction from September 30, 2019
- Net leverage ratio of 2.03x, compared to 2.88x at September 30, 2019
- Interest coverage ratio of 27.08x, compared to 8.28x at September 30, 2019
- Average borrowing costs of 1.7%, compared to 4.1% for the prior year period
- Available cash and unused revolving credit lines exceeded \$673 million at September 30, 2020

“Despite challenges posed by the coronavirus pandemic and the devastating windstorms and hurricanes impacting certain markets we serve, our dedicated and hard-working frontline employees rose to the task of helping Mediacom deliver outstanding results this quarter, both operationally and financially,” stated Rocco B. Commisso, Mediacom’s founder, Chairman and CEO.

“With Adjusted OIBDA growth of 15.4%, Mediacom registered the best quarterly performance in its 25-year history, driven in large part by record high-speed data customer gains. Our investment-grade balance sheet strengthened even more, with the net leverage ratio reducing to 2.0x. Moreover, we expect to generate at least \$525 million of free cash flow in 2020, representing an all-time high.

“Looking longer term, with CBRS spectrum rights acquired in the recent FCC auction, we are excited about the opportunity to provide fixed wireless broadband to hundreds of thousands of unserved or underserved households in close proximity to our existing footprint beginning in the second half of 2021, furthering our deliberate transition to a data-centric business model,” concluded Mr. Commisso.

* See Table 4 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow and Table 5 for footnotes.

TABLE 1*
Mediacom Communications Corporation
Selected Combined Financial and Operating Data
(Dollars in thousands, except per unit data)
(Unaudited)

	Three Months Ended September 30,		YoY% Change
	2020	2019	
High-speed data (“HSD”)	\$ 238,724	\$ 213,058	12.0%
Video	177,620	184,027	(3.5%)
Phone	29,396	29,876	(1.6%)
Business services	75,997	72,053	5.5%
Advertising	16,838	11,566	45.6%
Total revenues	\$ 538,575	\$ 510,580	5.5%
Service costs	(216,825)	(216,201)	0.3%
SG&A expenses	(80,541)	(84,926)	(5.2%)
Management fees	(13,000)	(11,500)	13.0%
OIBDA ^(a)	\$ 228,209	\$ 197,953	15.3%
Non-cash, share based compensation	707	384	84.1%
Adjusted OIBDA ^(a)	\$ 228,916	\$ 198,337	15.4%
Cash interest expense ^(a)	(8,454)	(23,960)	(64.7%)
Capital expenditures	(81,555)	(75,890)	7.5%
Free cash flow ^(a)	\$ 138,907	\$ 98,487	41.0%
Adjusted OIBDA margin ^(b)	42.5%	38.8%	

	September 30, 2020	September 30, 2019	YoY% Change
HSD customers	1,425,000	1,316,000	8.3%
Video customers	663,000	729,000	(9.1%)
Phone customers	599,000	616,000	(2.8%)
Primary service units (“PSUs”)	2,687,000	2,661,000	1.0%
HSD customer increases	29,000	13,000	
Video customer declines	(13,000)	(18,000)	
Phone customer declines	(3,000)	—	
Quarterly PSU increases (declines)	13,000	(5,000)	
Customer relationships ^(c)	1,429,000	1,367,000	4.5%
Average total monthly revenue per:			
PSU ^(d)	\$ 66.97	\$ 63.90	4.8%
Customer relationship ^(e)	\$ 126.74	\$ 124.46	1.8%

	September 30, 2020	September 30, 2019
Bank credit facility	\$ 1,890,000	\$ 2,265,000
5½% senior notes due 2021	—	50,000
Total debt ^(f)	\$ 1,890,000	\$ 2,315,000
Cash	(32,484)	(30,476)
Net debt	\$ 1,857,516	\$ 2,284,524
Net leverage ratio ^(g)	2.03x	2.88x
Interest coverage ratio ^(h)	27.08x	8.28x

* See Table 4 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow and Table 5 for footnotes.

TABLE 2*
Mediacom Communications Corporation
Selected Combined Financial and Operating Data
(Dollars in thousands, except per unit data)
(Unaudited)

	Three Months Ended September 30, 2020			
	Mediacom Broadband	Mediacom LLC	Eliminations	Mediacom Combined
High-speed data (“HSD”)	\$ 126,820	\$ 111,904	—	\$ 238,724
Video	94,438	83,182	—	177,620
Phone	15,684	13,712	—	29,396
Business services	45,541	30,456	—	75,997
Advertising	14,542	2,296	—	16,838
Total revenues	\$ 297,025	\$ 241,550	—	\$ 538,575
Service costs	(115,756)	(101,069)	—	(216,825)
SG&A expenses	(48,215)	(32,326)	—	(80,541)
Management fees	(7,800)	(5,200)	—	(13,000)
OIBDA ^(a)	\$ 125,254	\$ 102,955	—	\$ 228,209
Investment income from affiliate	—	4,500	(4,500)	—
Non-cash share-based compensation	374	333	—	707
Adjusted OIBDA ^(a)	\$ 125,628	\$ 107,788	(4,500)	\$ 228,916
Cash interest expense ^(a)	(4,037)	(4,417)	—	(8,454)
Capital expenditures	(41,255)	(40,300)	—	(81,555)
Dividend to preferred members	(4,500)	—	4,500	—
Free cash flow ^(a)	\$ 75,836	\$ 63,071	—	\$ 138,907

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
HSD customers	781,000	644,000	1,425,000
Video customers	361,000	302,000	663,000
Phone customers	328,000	271,000	599,000
Primary service units (“PSUs”)	1,470,000	1,217,000	2,687,000
HSD customer increases	14,000	15,000	29,000
Video customer declines	(9,000)	(4,000)	(13,000)
Phone customer declines	(3,000)	—	(3,000)
Quarterly PSU increases	2,000	11,000	13,000
Customer relationships ^(c)	784,000	645,000	1,429,000
Average total monthly revenue per:			
PSU ^(d)	\$ 67.40	\$ 66.46	\$ 66.97
Customer relationship ^(e)	\$ 127.10	\$ 126.30	\$ 126.74

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Bank credit facility	\$ 911,875	\$ 978,125	\$ 1,890,000
5½% senior notes due 2021	—	—	—
Total debt ^(f)	\$ 911,875	\$ 978,125	\$ 1,890,000
Cash	(14,884)	(17,600)	(32,484)
Net debt	\$ 896,991	\$ 960,525	\$ 1,857,516
Net leverage ratio ^(g)	1.79x	2.23x	2.03x
Interest coverage ratio ^(h)	31.12x	24.40x	27.08x

* See Table 4 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow and Table 5 for footnotes. Due to rounding of Mediacom Broadband and Mediacom LLC results, slight differences may exist with actual Mediacom Combined results.

TABLE 3*
Mediacom Communications Corporation
Selected Combined Financial and Operating Data
(Dollars in thousands, except per unit data)
(Unaudited)

	Three Months Ended September 30, 2019			
	Mediacom Broadband	Mediacom LLC	Eliminations	Mediacom Combined
High-speed data (“HSD”)	\$ 115,238	\$ 97,820	—	\$ 213,058
Video	99,538	84,489	—	184,027
Phone	16,150	13,726	—	29,876
Business services	43,878	28,175	—	72,053
Advertising	9,706	1,860	—	11,566
Total revenues	\$ 284,510	\$ 226,070	—	\$ 510,580
Service costs	(116,634)	(99,567)	—	(216,201)
SG&A expenses	(51,257)	(33,669)	—	(84,926)
Management fees	(6,900)	(4,600)	—	(11,500)
OIBDA ^(a)	\$ 109,719	\$ 88,234	—	\$ 197,953
Investment income from affiliate	—	4,500	(4,500)	—
Non-cash share-based compensation	204	180	—	384
Adjusted OIBDA ^(a)	\$ 109,923	\$ 92,914	(4,500)	\$ 198,337
Cash interest expense ^(a)	(12,919)	(11,041)	—	(23,960)
Capital expenditures	(39,987)	(35,903)	—	(75,890)
Dividend to preferred members	(4,500)	—	4,500	—
Free cash flow ^(a)	\$ 52,517	\$ 45,970	—	\$ 98,487

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
HSD customers	726,000	590,000	1,316,000
Video customers	400,000	329,000	729,000
Phone customers	340,000	276,000	616,000
Primary service units (“PSUs”)	1,466,000	1,195,000	2,661,000
HSD customer increases	5,000	8,000	13,000
Video customer declines	(12,000)	(6,000)	(18,000)
Phone customer (declines) increases	(1,000)	1,000	—
Quarterly PSU (declines) increases	(8,000)	3,000	(5,000)
Customer relationships ^(c)	757,000	610,000	1,367,000
Average total monthly revenue per:			
PSU ^(d)	\$ 64.51	\$ 63.14	\$ 63.90
Customer relationship ^(e)	\$ 125.03	\$ 123.74	\$ 124.46

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Bank credit facility	\$ 1,147,250	\$ 1,117,750	\$ 2,265,000
5½% senior notes due 2021	50,000	—	50,000
Total debt ^(f)	\$ 1,197,250	\$ 1,117,750	\$ 2,315,000
Cash	(15,588)	(14,888)	(30,476)
Net debt	\$ 1,181,662	\$ 1,102,862	\$ 2,284,524
Net leverage ratio ^(g)	2.69x	2.97x	2.88x
Interest coverage ratio ^(h)	8.51x	8.42x	8.28x

* See Table 4 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow and Table 5 for footnotes. Due to rounding of Mediacom Broadband and Mediacom LLC results, slight differences may exist with actual Mediacom Combined results.

TABLE 4
Use of Non-GAAP Financial Measures

“OIBDA,” “Adjusted OIBDA,” “cash interest expense” and “free cash flow” are not financial measures calculated in accordance with generally accepted accounting principles (“GAAP”) in the United States. We define OIBDA as operating income before depreciation and amortization and Adjusted OIBDA as OIBDA plus investment income from affiliate and excluding non-cash share-based compensation. OIBDA and Adjusted OIBDA may not be comparable to similarly titled measures used by other companies, which may have different depreciation and amortization policies, and are key components in our covenant calculations.

We define cash interest expense as interest expense, net, less amortization of deferred financing costs. Cash interest expense excludes the amortization of financing costs which were paid upon the financing of the relevant debt.

For Mediacom Broadband LLC, we define free cash flow as Adjusted OIBDA less capital expenditures, cash interest expense and dividends to preferred members. For Mediacom LLC, we define free cash flow as Adjusted OIBDA less capital expenditures and cash interest expense. Free cash flow may not be comparable to similarly titled measures reported by other companies.

Reference to “Mediacom Combined” reflects the combined results of Mediacom Broadband LLC and Mediacom LLC, eliminating intercompany amounts.

TABLE 5
Footnotes

- (a) See Table 4 for information regarding our use of non-GAAP financial measures.
- (b) Represents Adjusted OIBDA as a percentage of total revenues.
- (c) Represents the total number of customers that take at least one service, without regard to which service(s) customers purchase.
- (d) Represents average total monthly revenues for the period divided by average PSUs for such period.
- (e) Represents average total monthly revenues for the period divided by average customer relationships for such period.
- (f) Total debt excludes the effect of deferred financing costs, net.
- (g) Represents net debt at period end divided by annualized Adjusted OIBDA for the period.
- (h) Represents Adjusted OIBDA divided by cash interest expense for the period.

About Mediacom

Mediacom Communications Corporation is the 5th largest cable operator in the U.S. serving over 1.4 million customers in smaller markets primarily in the Midwest and Southeast. Mediacom offers a wide array of information, communications and entertainment services to households and businesses, including video, high-speed data, phone, and home security and automation. Through Mediacom Business, the company provides innovative broadband solutions to commercial and public sector customers of all sizes, and sells advertising and production services under the OnMedia brand. More information about Mediacom is available at www.mediacomcable.com.

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