



Mediacom Communications Reports Combined Results for Second Quarter 2016

August 2, 2016

MEDIACOM PARK, N.Y.--(BUSINESS WIRE)--MEDIACOM COMMUNICATIONS CORPORATION today released combined unaudited financial and operating highlights for the three months ended June 30, 2016.

Mediacom Combined Results for Second Quarter 2016*

- Revenues were \$450.8 million, reflecting a 4.4% increase from the prior year period
- OIBDA was \$172.7 million, reflecting a 4.0% increase from the prior year period
- Capital expenditures were \$86.4 million, compared to \$76.9 million in the prior year period
- Free cash flow was \$55.6 million, compared to \$51.9 million in the prior year period
- Ending primary service units ("PSUs") of 2,424,000, a 3.4% increase from June 30, 2015
- Ending customer relationships of 1,336,000, a 2.5% increase from June 30, 2015
- Total leverage ratio of 4.19x, compared to 4.69x at June 30, 2015
- Interest coverage ratio of 5.61x, compared to 4.46x for the prior year period
- Ending total debt of \$2,895.0 million, a \$220.0 million reduction from June 30, 2015

Reference to "Mediacom Combined" reflects the combined results of Mediacom Broadband LLC and Mediacom LLC, eliminating intercompany amounts. The Mediacom Combined information is being provided for convenience and informational purposes only, and does not modify or supplement the previously released separate financial results of Mediacom Broadband LLC and Mediacom LLC. Holders of Mediacom Broadband LLC or Mediacom LLC debt should refer to the separate financial and operating results for each company, which were previously released and furnished with the Securities and Exchange Commission on Form 8-K on August 2, 2016.

About Mediacom

Mediacom Communications Corporation is the 5th largest cable operator in the U.S. serving over 1.3 million customers in smaller markets primarily in the Midwest and Southeast through its wholly-owned subsidiaries, Mediacom Broadband LLC and Mediacom LLC. 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.mediacomcc.com.

* 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 | | | YoY% | Change |
|-----------------------|--------------------|-------------------|----------|------------|----------|
| | 2016 | 2015 | June 30, | | |
| Video | \$ 203,257 | \$ 204,175 | | (0.4 | %) |
| High-speed data | 149,357 | 132,595 | | 12.6 | % |
| Phone | 27,581 | 28,708 | | (3.9 | %) |
| Business services | 57,367 | 51,851 | | 10.6 | % |
| Advertising | 13,259 | 14,422 | | (8.1 | %) |
| Total revenues | \$ 450,821 | \$ 431,751 | | 4.4 | % |
| Service costs | (190,606) | (182,681) | | 4.3 | % |
| SG&A expenses | (79,540) | (75,002) | | 6.1 | % |
| Management fees | (8,000) | (8,000) | | — | |

| | | | | |
|---|----------------------|----------------------|-------------|---------------|
| OIBDA (a) | \$ 172,675 | \$ 166,068 | 4.0 | % |
| Cash interest expense (a) | (30,760) | (37,274) | (17.5 | %) |
| Capital expenditures (b) | (86,353) | (76,850) | 12.4 | % |
| Free cash flow (a) | \$ 55,562 | \$ 51,944 | 7.0 | % |
| OIBDA margin (c) | 38.3 | % 38.5 | % | |
| | June 30, 2016 | June 30, 2015 | YoY% | Change |
| Video customers | 842,000 | 879,000 | (4.2 | %) |
| High-speed data ("HSD") customers | 1,128,000 | 1,051,000 | 7.3 | % |
| Phone customers | 454,000 | 415,000 | 9.4 | % |
| Primary service units ("PSUs") | 2,424,000 | 2,345,000 | 3.4 | % |
| Video customer declines | (11,000) | (12,000) | | |
| HSD customer increases | 14,000 | 10,000 | | |
| Phone customer increases | 10,000 | 4,000 | | |
| Quarterly PSU increases | 13,000 | 2,000 | | |
| Customer relationships (d) | 1,336,000 | 1,304,000 | 2.5 | % |
| Average total monthly revenue per: | | | | |
| PSU (e) | \$ 62.16 | \$ 61.40 | 1.2 | % |
| Customer relationship (f) | \$ 112.61 | \$ 110.66 | 1.8 | % |
| | June 30, 2016 | June 30, 2015 | | |
| Bank credit facility | \$ 2,145,000 | \$ 2,365,000 | | |
| 5½% senior notes due 2021 | 200,000 | 200,000 | | |
| 7¼% senior notes due 2022 | 250,000 | 250,000 | | |
| 6¾% senior notes due 2023 | 300,000 | 300,000 | | |
| Total debt (g) | \$ 2,895,000 | \$ 3,115,000 | | |
| Total leverage ratio (h) | 4.19x | 4.69x | | |
| Interest coverage ratio (i) | 5.61x | 4.46x | | |

* 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 June 30, 2016 | | | |
|----------------------------------|-------------------------------------|-------------------|-----------------|----------------------|
| | Mediacom Broadband | Mediacom LLC | Eliminations | Mediacom Combined |
| Video | \$ 114,148 | \$ 89,109 | — | \$ 203,257 |
| High-speed data | 82,307 | 67,050 | — | 149,357 |
| Phone | 14,655 | 12,926 | — | 27,581 |
| Business services | 34,950 | 22,417 | — | 57,367 |
| Advertising | 10,308 | 2,951 | — | 13,259 |
| Total revenues | \$ 256,368 | \$ 194,453 | — | \$ 450,821 |
| Service costs | (105,413) | (85,193) | — | (190,606) |
| SG&A expenses | (48,133) | (31,407) | — | (79,540) |
| Management fees | (4,750) | (3,250) | — | (8,000) |
| OIBDA (a) | \$ 98,072 | \$ 74,603 | — | \$ 172,675 |
| Investment income from affiliate | — | 4,500 | (4,500) | — |
| Adjusted OIBDA (a) | \$ 98,072 | \$ 79,103 | (4,500) | \$ 172,675 |

| | | | | |
|--------------------------------------|------------------|------------------|----------|------------------|
| Cash interest expense ^(a) | (18,461) | (12,299) | — | (30,760) |
| Capital expenditures ^(b) | (45,013) | (41,340) | — | (86,353) |
| Dividend to preferred members | (4,500) | — | 4,500 | — |
| Free cash flow ^(a) | \$ 30,098 | \$ 25,464 | — | \$ 55,562 |

| | Mediacom Broadband | Mediacom LLC | | Mediacom Combined |
|---|-------------------------------|-------------------------|--|------------------------------|
| Video customers | 472,000 | 370,000 | | 842,000 |
| HSD customers | 628,000 | 500,000 | | 1,128,000 |
| Phone customers | 250,000 | 204,000 | | 454,000 |
| Primary service units ("PSUs") | 1,350,000 | 1,074,000 | | 2,424,000 |
| Video customer declines | (7,000) | (4,000) | | (11,000) |
| HSD customer increases | 7,000 | 7,000 | | 14,000 |
| Phone customer increases | 5,000 | 5,000 | | 10,000 |
| Quarterly PSU increases | 5,000 | 8,000 | | 13,000 |
| Customer relationships ^(d) | 741,000 | 595,000 | | 1,336,000 |
| Average total monthly revenue per: | | | | |
| PSU ^(e) | \$ 63.42 | \$ 60.58 | | \$ 62.16 |
| Customer relationship ^(f) | \$ 115.40 | \$ 109.12 | | \$ 112.61 |

| | Mediacom Broadband | Mediacom LLC | | Mediacom Combined |
|--|-------------------------------|-------------------------|--|------------------------------|
| Bank credit facility | \$ 1,188,000 | \$ 957,000 | | \$ 2,145,000 |
| 5½% senior notes due 2021 | 200,000 | — | | 200,000 |
| 7¼% senior notes due 2022 | — | 250,000 | | 250,000 |
| 6%% senior notes due 2023 | 300,000 | — | | 300,000 |
| Total debt ^(g) | \$ 1,688,000 | \$ 1,207,000 | | \$ 2,895,000 |
| Total leverage ratio ^(h) | 4.30x | 3.81x | | 4.19x |
| Interest coverage ratio ⁽ⁱ⁾ | 5.31x | 6.43x | | 5.61x |

* 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 3*

Mediacom Communications Corporation

Selected Combined Financial and Operating Data

(Dollars in thousands, except per unit data)

(Unaudited)

| | Three Months Ended June 30, 2015 | | | |
|-----------------------|---|-------------------------|---------------------|------------------------------|
| | Mediacom Broadband | Mediacom LLC | Eliminations | Mediacom Combined |
| Video | \$ 115,310 | \$ 88,865 | — | \$ 204,175 |
| High-speed data | 73,095 | 59,500 | — | 132,595 |
| Phone | 15,260 | 13,448 | — | 28,708 |
| Business services | 31,819 | 20,032 | — | 51,851 |
| Advertising | 10,648 | 3,774 | — | 14,422 |
| Total revenues | \$ 246,132 | \$ 185,619 | — | \$ 431,751 |
| Service costs | (101,305) | (81,376) | — | (182,681) |
| SG&A expenses | (44,863) | (30,139) | — | (75,002) |
| Management fees | (4,750) | (3,250) | — | (8,000) |

| | | | | |
|----------------------------------|------------------|------------------|---------|-------------------|
| OIBDA (a) | \$ 95,214 | \$ 70,854 | — | \$ 166,068 |
| Investment income from affiliate | — | 4,500 | (4,500) | — |
| Adjusted OIBDA (a) | \$ 95,214 | \$ 75,354 | (4,500) | \$ 166,068 |
| Cash interest expense (a) | (22,094) | (15,180) | — | (37,274) |
| Capital expenditures (b) | (40,820) | (36,030) | — | (76,850) |
| Dividend to preferred members | (4,500) | — | 4,500 | — |
| Free cash flow (a) | \$ 27,800 | \$ 24,144 | — | \$ 51,944 |

| | Mediacom | Mediacom | | Mediacom |
|---|------------------|------------------|---|------------------|
| | Broadband | LLC | | Combined |
| Video customers | 494,000 | 385,000 | | 879,000 |
| HSD customers | 585,000 | 466,000 | | 1,051,000 |
| Phone customers | 228,000 | 187,000 | | 415,000 |
| Primary service units ("PSUs") | 1,307,000 | 1,038,000 | | 2,345,000 |
| Video customer declines | (8,000) | (4,000) |) | (12,000) |
| HSD customer increases | 4,000 | 6,000 | | 10,000 |
| Phone customer increases | 3,000 | 1,000 | | 4,000 |
| Quarterly PSU (declines) increases | (1,000) | 3,000 | | 2,000 |
| Customer relationships (d) | 723,000 | 581,000 | | 1,304,000 |
| Average total monthly revenue per: | | | | |
| PSU (e) | \$ 62.75 | \$ 59.69 | | \$ 61.40 |
| Customer relationship (f) | \$ 113.79 | \$ 106.77 | | \$ 110.66 |

| | Mediacom | Mediacom | | Mediacom |
|-----------------------------|---------------------|---------------------|--|---------------------|
| | Broadband | LLC | | Combined |
| Bank credit facility | \$ 1,397,000 | \$ 968,000 | | \$ 2,365,000 |
| 5½% senior notes due 2021 | 200,000 | — | | 200,000 |
| 7¼% senior notes due 2022 | — | 250,000 | | 250,000 |
| 6¾% senior notes due 2023 | 300,000 | — | | 300,000 |
| Total debt (g) | \$ 1,897,000 | \$ 1,218,000 | | \$ 3,115,000 |
| Total leverage ratio (h) | 4.98x | 4.04x | | 4.69x |
| Interest coverage ratio (i) | 4.31x | 4.96x | | 4.46x |

* 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 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. 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 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.

TABLE 5

Footnotes

(a) See Table 4 for information regarding our use of non-GAAP financial measures.

(b) Capital expenditures for the three months ended June 30, 2016 exclude changes in accrued property, plant and equipment, which represented a cash use of \$2.7 million and a cash source of \$3.7 million at Mediacom Broadband LLC and Mediacom LLC, respectively.

Capital expenditures for the three months ended June 30, 2015 exclude changes in accrued property, plant and equipment, which represented cash sources of \$2.3 million and \$2.9 million for Mediacom Broadband LLC and Mediacom LLC, respectively.

- (c) Represents OIBDA as a percentage of total revenues.
- (d) Represents the total number of customers that take at least one service, without regard to which service(s) customers purchase.
- (e) Represents average total monthly revenues for the quarter divided by average PSUs for such quarter.
- (f) Represents average total monthly revenues for the quarter divided by average customer relationships for such quarter.
- (g) Total debt excludes the effect of deferred financing costs, net.
- (h) For Mediacom Combined and Mediacom Broadband LLC, represents total debt at quarter end divided by annualized OIBDA for the quarter. For Mediacom LLC, represents total debt at quarter end divided by annualized Adjusted OIBDA for the quarter.
- (i) For Mediacom Combined and Mediacom Broadband LLC, represents OIBDA divided by cash interest expense for the quarter. For Mediacom LLC, represents Adjusted OIBDA divided by cash interest expense for the quarter.

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