



For Immediate Release

Mediacom Communications Reports Combined Results for Fourth Quarter and Full Year 2018

Mediacom Park, NY – February 21, 2019 – MEDIACOM COMMUNICATIONS CORPORATION today released combined unaudited financial and operating highlights for the three months and full year ended December 31, 2018.

Mediacom Combined Results for Fourth Quarter 2018*

- Revenues were \$496.4 million, reflecting a 5.2% increase from the prior year period
- Adjusted OIBDA was \$196.2 million, reflecting a 6.6% increase from the prior year period
- Capital expenditures were \$96.3 million, compared to \$82.7 million in the prior year period
- Free cash flow was \$76.6 million, compared to \$75.6 million in the prior year period
- Ending primary service units (“PSUs”) of 2,654,000, a 2.3% increase from December 31, 2017
- Ending customer relationships of 1,357,000, a 0.4% decline from December 31, 2017
- Net leverage ratio of 2.91x, compared to 3.50x at December 31, 2017
- Interest coverage ratio of 8.41x, compared to 7.14x at December 31, 2017

Mediacom Combined Results for Full Year 2018*

- Revenues were \$1,956.4 million, reflecting a 4.2% increase from the prior year
- Adjusted OIBDA was \$745.0 million, reflecting a 4.6% increase from the prior year
- Capital expenditures were \$333.7 million, compared to \$341.8 million in the prior year
- Free cash flow was \$319.5 million, compared to \$264.4 million in the prior year
- Net leverage ratio of 3.07x, compared to 3.62x at December 31, 2017
- Interest coverage ratio of 8.12x, compared to 6.73x at December 31, 2017
- Ending net debt of \$2,286.3 million, a \$293.5 million reduction from December 31, 2017

Reference to “Mediacom Combined” reflects the combined results of Mediacom Broadband LLC and Mediacom LLC, eliminating intercompany amounts. Mediacom Combined information is being provided for convenience and informational purposes, and does not modify or supplement the previously released separate financial results of Mediacom Broadband LLC. Holders of Mediacom Broadband LLC debt should refer to its separate financial and operating results, which were previously released and furnished with the SEC on Form 8-K on February 21, 2019.

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

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

	Three Months Ended December 31,		YoY% Change
	2018	2017	
Video	\$ 185,974	\$ 193,703	(4.0%)
High-speed data	196,024	170,940	14.7%
Phone	29,244	28,041	4.3%
Business services	68,639	64,477	6.5%
Advertising	16,551	14,623	13.2%
Total revenues	\$ 496,432	\$ 471,784	5.2%
Service costs	(208,846)	(199,786)	4.5%
SG&A expenses	(82,388)	(78,925)	4.4%
Management fees	(10,500)	(9,000)	16.7%
OIBDA ^(a)	\$ 194,698	\$ 184,073	5.8%
Non-cash, share based compensation	1,543	—	—
Adjusted OIBDA ^(a)	\$ 196,241	\$ 184,073	6.6%
Cash interest expense ^(a)	(23,338)	(25,783)	(9.5%)
Capital expenditures	(96,272)	(82,715)	16.4%
Free cash flow ^(a)	\$ 76,631	\$ 75,575	1.4%
Adjusted OIBDA margin ^(b)	39.5%	39.0%	

	December 31, 2018	December 31, 2017	YoY% Change
Video customers	776,000	821,000	(5.5%)
High-speed data (“HSD”) customers	1,264,000	1,209,000	4.5%
Phone customers	614,000	564,000	8.9%
Primary service units (“PSUs”)	2,654,000	2,594,000	2.3%
Video customer declines	(17,000)	(2,000)	
HSD customer increases	4,000	15,000	
Phone customer increases	5,000	22,000	
Quarterly PSU (declines) increases	(8,000)	35,000	
Customer relationships ^(c)	1,357,000	1,363,000	(0.4%)
Average total monthly revenue per:			
PSU ^(d)	\$ 62.26	\$ 61.04	2.0%
Customer relationship ^(e)	\$ 121.59	\$ 115.42	5.3%

	December 31, 2018	December 31, 2017	
Bank credit facility	\$ 2,158,250	\$ 2,105,000	
5½% senior notes due 2021	200,000	200,000	
6¾% senior notes due 2023	—	300,000	
Total debt ^(f)	\$ 2,358,250	\$ 2,605,000	
Cash	(71,994)	(25,270)	
Net debt ^(f)	\$ 2,286,256	\$ 2,579,730	
Net leverage ratio ^(g)	2.91x	3.50x	
Interest coverage ratio ^(h)	8.41x	7.14x	

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

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

	Year Ended December 31,		
	2018	2017	YoY% Change
Video	\$ 768,271	\$ 794,018	(3.2%)
High-speed data	748,403	670,734	11.6%
Phone	114,491	111,439	2.7%
Business services	270,493	249,714	8.3%
Advertising	54,783	51,647	6.1%
Total revenues	\$ 1,956,441	\$ 1,877,552	4.2%
Service costs	(844,022)	(806,978)	4.6%
SG&A expenses	(328,941)	(322,074)	2.1%
Management fees	(40,000)	(36,500)	9.6%
OIBDA ^(a)	\$ 743,478	\$ 712,000	4.4%
Non-cash, share based compensation	1,543	—	—
Adjusted OIBDA ^(a)	\$ 745,021	\$ 712,000	4.6%
Cash interest expense ^(a)	(91,763)	(105,857)	(13.3%)
Capital expenditures	(333,726)	(341,765)	(2.4%)
Free cash flow ^(a)	\$ 319,532	\$ 264,378	20.9%
Adjusted OIBDA margin ^(b)	38.1%	37.9%	

	December 31, 2018	December 31, 2017	YoY% Change
Video customers	776,000	821,000	(5.5%)
High-speed data (“HSD”) customers	1,264,000	1,209,000	4.5%
Phone customers	614,000	564,000	8.9%
Primary service units (“PSUs”)	2,654,000	2,594,000	2.3%
Video customer declines	(45,000)	(14,000)	
HSD customer increases	55,000	47,000	
Phone customer increases	50,000	84,000	
Annual PSU increases ⁽ⁱ⁾	60,000	117,000	
Customer relationships ^(c)	1,357,000	1,363,000	(0.4%)
Average total monthly revenue per:			
PSU ^{(d)(i)}	\$ 62.13	\$ 61.71	0.7%
Customer relationship ^{(e)(i)}	\$ 119.88	\$ 114.88	4.4%

	December 31, 2018	December 31, 2017
Bank credit facility	\$ 2,158,250	\$ 2,105,000
5½% senior notes due 2021	200,000	200,000
6¾% senior notes due 2023	—	300,000
Total debt ^(f)	\$ 2,358,250	\$ 2,605,000
Cash	(71,994)	(25,270)
Net debt ^(f)	\$ 2,286,256	\$ 2,579,730
Net leverage ratio ^(g)	3.07x	3.62x
Interest coverage ratio ^(h)	8.12x	6.73x

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

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

	Three Months Ended December 31, 2018			
	Mediacom Broadband	Mediacom LLC	Eliminations	Mediacom Combined
Video	\$ 102,322	\$ 83,652	—	\$ 185,974
High-speed data	106,564	89,460	—	196,024
Phone	15,687	13,557	—	29,244
Business services	41,879	26,760	—	68,639
Advertising	13,397	3,154	—	16,551
Total revenues	\$ 279,849	\$ 216,583	—	\$ 496,432
Service costs	(112,437)	(96,409)	—	(208,846)
SG&A expenses	(49,016)	(33,372)	—	(82,388)
Management fees	(6,325)	(4,175)	—	(10,500)
OIBDA ^(a)	\$ 112,071	\$ 82,627	—	\$ 194,698
Investment income from affiliate	—	4,500	(4,500)	—
Non-cash share-based compensation	818	725	—	1,543
Adjusted OIBDA ^(a)	\$ 112,889	\$ 87,852	(4,500)	\$ 196,241
Cash interest expense ^(a)	(12,608)	(10,730)	—	(23,338)
Capital expenditures	(49,490)	(46,782)	—	(96,272)
Dividend to preferred members	(4,500)	—	4,500	—
Free cash flow ^(a)	\$ 46,291	\$ 30,340	—	\$ 76,631

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Video customers	428,000	348,000	776,000
HSD customers	699,000	565,000	1,264,000
Phone customers	339,000	275,000	614,000
Primary service units (“PSUs”)	1,466,000	1,188,000	2,654,000
Video customer declines	(9,000)	(8,000)	(17,000)
HSD customer increases	5,000	(1,000)	4,000
Phone customer increases	3,000	2,000	5,000
Quarterly PSU declines	(1,000)	(7,000)	(8,000)
Customer relationships ^(c)	753,000	604,000	1,357,000
Average total monthly revenue per:			
PSU ^(d)	\$ 63.61	\$ 60.59	\$ 62.26
Customer relationship ^(e)	\$ 123.64	\$ 119.03	\$ 121.59

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Bank credit facility	\$ 1,024,375	\$ 1,133,875	\$ 2,158,250
5½% senior notes due 2021	200,000	—	200,000
6¾% senior notes due 2023	—	—	—
Total debt ^(f)	\$ 1,224,375	\$ 1,133,875	\$ 2,358,250
Cash	(29,964)	(42,030)	(71,994)
Net debt ^(f)	\$ 1,194,411	\$ 1,091,845	\$ 2,286,256
Net leverage ratio ^(g)	2.65x	3.11x	2.91x
Interest coverage ratio ^(h)	8.95x	8.19x	8.41x

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

TABLE 4*
Mediacom Communications Corporation
Selected Combined Financial and Operating Data
(Dollars in thousands, except per unit data)
(Unaudited)

	Three Months Ended December 31, 2017			
	Mediacom Broadband	Mediacom LLC	Eliminations	Mediacom Combined
Video	\$ 107,097	\$ 86,606	—	\$ 193,703
High-speed data	93,222	77,718	—	170,940
Phone	14,986	13,055	—	28,041
Business services	39,357	25,120	—	64,477
Advertising	11,974	2,649	—	14,623
Total revenues	\$ 266,636	\$ 205,148	—	\$ 471,784
Service costs	(109,113)	(90,673)	—	(199,786)
SG&A expenses	(48,235)	(30,690)	—	(78,925)
Management fees	(5,350)	(3,650)	—	(9,000)
OIBDA ^(a)	\$ 103,938	\$ 80,135	—	\$ 184,073
Investment income from affiliate	—	4,500	(4,500)	—
Non-cash share-based compensation	—	—	—	—
Adjusted OIBDA ^(a)	\$ 103,938	\$ 84,635	(4,500)	\$ 184,073
Cash interest expense ^(a)	(16,168)	(9,615)	—	(25,783)
Capital expenditures	(40,223)	(42,492)	—	(82,715)
Dividend to preferred members	(4,500)	—	4,500	—
Free cash flow ^(a)	\$ 43,047	\$ 32,528	—	\$ 75,575

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Video customers	455,000	366,000	821,000
HSD customers	668,000	541,000	1,209,000
Phone customers	312,000	252,000	564,000
Primary service units (“PSUs”)	1,435,000	1,159,000	2,594,000
Video customer declines	—	(2,000)	(2,000)
HSD customer increases	9,000	6,000	15,000
Phone customer increases	12,000	10,000	22,000
Quarterly PSU increases	21,000	14,000	35,000
Customer relationships ^(c)	755,000	608,000	1,363,000
Average total monthly revenue per:			
PSU ^(d)	\$ 62.39	\$ 59.36	\$ 61.04
Customer relationship ^(e)	\$ 117.80	\$ 112.47	\$ 115.42

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Bank credit facility	\$ 1,077,000	\$ 1,028,000	\$ 2,105,000
5½% senior notes due 2021	200,000	—	200,000
6¾% senior notes due 2023	300,000	—	300,000
Total debt ^(f)	\$ 1,577,000	\$ 1,028,000	\$ 2,605,000
Cash	(12,606)	(12,644)	(25,270)
Net debt ^(f)	\$ 1,564,394	\$ 1,015,336	\$ 2,579,730
Net leverage ratio ^(g)	3.76x	3.00x	3.50x
Interest coverage ratio ^(h)	6.43x	8.80x	7.14x

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

TABLE 5*
Mediacom Communications Corporation
Selected Combined Financial and Operating Data
(Dollars in thousands, except per unit data)
(Unaudited)

	Year Ended December 31, 2018			
	Mediacom Broadband	Mediacom LLC	Eliminations	Mediacom Combined
Video	\$ 422,485	\$ 345,786	—	\$ 768,271
High-speed data	406,922	341,481	—	748,403
Phone	61,647	52,844	—	114,491
Business services	165,665	104,828	—	270,493
Advertising	43,957	10,826	—	54,783
Total revenues	\$ 1,100,676	\$ 855,765	—	\$ 1,956,441
Service costs	(456,527)	(387,495)	—	(844,022)
SG&A expenses	(197,594)	(131,347)	—	(328,941)
Management fees	(24,000)	(16,000)	—	(40,000)
OIBDA ^(a)	\$ 422,555	\$ 320,923	—	\$ 743,478
Investment income from affiliate	—	18,000	(18,000)	—
Non-cash share-based compensation	818	725	—	1,543
Adjusted OIBDA ^(a)	\$ 423,373	\$ 339,648	(18,000)	\$ 745,021
Cash interest expense ^(a)	(52,890)	(38,873)	—	(91,763)
Capital expenditures	(178,061)	(155,665)	—	(333,726)
Dividend to preferred members	(18,000)	—	18,000	—
Free cash flow ^(a)	\$ 174,422	\$ 145,110	—	\$ 319,532

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Video customers	428,000	348,000	776,000
HSD customers	699,000	565,000	1,264,000
Phone customers	339,000	275,000	614,000
Primary service units (“PSUs”)	1,466,000	1,188,000	2,654,000
Video customer declines	(27,000)	(18,000)	(45,000)
HSD customer increases	31,000	24,000	55,000
Phone customer increases	27,000	23,000	50,000
Annual PSU increases	31,000	29,000	60,000
Customer relationships ^(c)	753,000	604,000	1,357,000

Average total monthly revenue per:			
PSU ^(d)	\$ 63.24	\$ 60.77	\$ 62.13
Customer relationship ^(e)	\$ 121.65	\$ 117.68	\$ 119.88

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Bank credit facility	\$ 1,024,375	\$ 1,133,875	\$ 2,158,250
5½% senior notes due 2021	200,000	—	200,000
6¾% senior notes due 2023	—	—	—
Total debt ^(f)	\$ 1,224,375	\$ 1,133,875	\$ 2,358,250
Cash	(29,964)	(42,030)	(71,994)
Net debt ^(f)	\$ 1,194,411	\$ 1,091,845	\$ 2,286,256

Net leverage ratio ^(g)	2.82x	3.21x	3.07x
Interest coverage ratio ^(h)	8.00x	8.74x	8.12x

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

TABLE 6*
Mediacom Communications Corporation
Selected Combined Financial and Operating Data
(Dollars in thousands, except per unit data)
(Unaudited)

	Year Ended December 31, 2017			
	Mediacom Broadband	Mediacom LLC	Eliminations	Mediacom Combined
Video	\$ 439,716	\$ 354,302	—	\$ 794,018
High-speed data	366,012	304,722	—	670,734
Phone	59,350	52,089	—	111,439
Business services	152,481	97,233	—	249,714
Advertising	41,527	10,120	—	51,647
Total revenues	\$ 1,059,086	\$ 818,466	—	\$ 1,877,552
Service costs	(439,990)	(366,988)	—	(806,978)
SG&A expenses	(194,629)	(127,445)	—	(322,074)
Management fees	(21,665)	(14,835)	—	(36,500)
OIBDA ^(a)	\$ 402,802	\$ 309,198	—	\$ 712,000
Investment income from affiliate	—	18,000	(18,000)	—
Non-cash share-based compensation	—	—	—	—
Adjusted OIBDA ^(a)	\$ 402,802	\$ 327,198	(18,000)	\$ 712,000
Cash interest expense ^(a)	(66,250)	(39,607)	—	(105,857)
Capital expenditures	(181,477)	(160,288)	—	(341,765)
Dividend to preferred members	(18,000)	—	18,000	—
Free cash flow ^(a)	\$ 137,075	\$ 127,303	—	\$ 264,378

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Video customers	455,000	366,000	821,000
HSD customers	668,000	541,000	1,209,000
Phone customers	312,000	252,000	564,000
Primary service units (“PSUs”)	1,435,000	1,159,000	2,594,000
Video customer declines	(8,000)	(6,000)	(14,000)
HSD customer increases	25,000	22,000	47,000
Phone customer increases	48,000	36,000	84,000
Annual PSU increases ⁽ⁱ⁾	65,000	52,000	117,000
Customer relationships ^(c)	755,000	608,000	1,363,000

Average total monthly revenue per:			
PSU ^{(d)(i)}	\$ 62.93	\$ 60.20	\$ 61.71
Customer relationship ^{(e)(i)}	\$ 116.97	\$ 112.27	\$ 114.88

	Mediacom Broadband	Mediacom LLC	Mediacom Combined
Bank credit facility	\$ 1,077,000	\$ 1,028,000	\$ 2,105,000
5½% senior notes due 2021	200,000	—	200,000
6¾% senior notes due 2023	300,000	—	300,000
Total debt ^(f)	\$ 1,577,000	\$ 1,028,000	\$ 2,605,000
Cash	(12,606)	(12,644)	(25,270)
Net debt ^(f)	\$ 1,564,394	\$ 1,015,336	\$ 2,579,730
Net leverage ratio ^(g)	3.88x	3.10x	3.62x
Interest coverage ratio ^(h)	6.08x	8.26x	6.73x

* See Table 7 for information about our use of non-GAAP measures and definitions of OIBDA and free cash flow, Table 8 for information regarding recent changes to certain accounting standards on our revenue recognition and Table 9 for footnotes.

TABLE 7
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.

TABLE 8
Changes in Accounting Standards – Revenue Recognition

As of January 1, 2018, we adopted Accounting Standards Update No. 2014-09 – *Revenues from Contracts with Customers* and related guidance (collectively, “revenue recognition”), which was issued by the Financial Accounting Standards Board. Adoption of this accounting standard affected both the timing of revenue recognition (the “timing change”) and the allocation of revenues among video, HSD and phone within our multi-product offerings, in which we offer product bundles at a discount (the “allocation change”). We adopted this accounting standard using a modified retrospective transition, and accordingly, the impact of such adoption was reflected in our financial results only for the three months and full year ended December 31, 2018 and prior period results were not restated. The adoption of the new standard did not have a material impact on the results of operations of Mediacom Combined for the three months and full year ended December 31, 2018. Excluding the impact of the timing change on Mediacom Combined, total revenues and OIBDA for the three months ended December 31, 2018, would have increased 5.2% and 7.4%, respectively. Excluding the impact of the timing change on Mediacom Combined, total revenues and OIBDA for the full year ended December 31, 2018, would have increased 4.2% and 4.4%, respectively. Because of the allocation change, we recorded a decrease in our video revenues and corresponding increases in our HSD and phone revenues. Excluding the overall impact of the timing change and the allocation change for Mediacom Combined, video revenues would have decreased 0.1%, HSD revenues would have increased 11.6% and phone revenues would have decreased 4.8% for the three months ended December 31, 2018. Excluding the overall impact of the timing change and the allocation change for Mediacom Combined, video revenues would have decreased 0.5%, HSD revenues would have increased 9.1% and phone revenues would have decreased 1.3% for the full year ended December 31, 2018.

TABLE 9
Footnotes

- (a) See Table 7 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) For Mediacom Combined and Mediacom Broadband LLC, represents total debt minus cash at period end divided by annualized Adjusted OIBDA for the period. For Mediacom LLC, represents total debt minus cash at period end divided by annualized Adjusted OIBDA for the period.
- (h) For Mediacom Combined and Mediacom Broadband LLC, represents Adjusted OIBDA divided by cash interest expense for the period. For Mediacom LLC, represents Adjusted OIBDA divided by cash interest expense for the period.
- (i) Annual customer changes and average total monthly revenue metrics for the full year ended December 31, 2017 have been adjusted to reflect Mediacom LLC’s January 2017 acquisition of 7,000 video customers, 6,000 HSD customers and 1,000 phone customers, aggregating 14,000 PSUs and 9,000 customer relationships as if it had occurred on December 31, 2016.

About Mediacom

Mediacom Communications Corporation is the 5th largest cable operator in the U.S. serving almost 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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