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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 10-Q

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Quarterly Report Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

For the quarterly period ended March 31, 2011

Commission File Numbers: 333-57285-01  
333-57285

**Mediacom LLC**  
**Mediacom Capital Corporation\***

(Exact names of Registrants as specified in their charters)

New York  
New York  
(State or other jurisdiction of  
incorporation or organization)

06-1433421  
06-1513997  
(I.R.S. Employer  
Identification Numbers)

100 Crystal Run Road  
Middletown, New York 10941  
(Address of principal executive offices)

(845) 695-2600  
(Registrants' telephone number)

Indicate by check mark whether the Registrants (1) have filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. o Yes  No

Note: As a voluntary filer, not subject to the filing requirements, the Registrants have filed all reports under Section 13 or 15(d) of the Exchange Act during the preceding 12 months.

Indicate by check mark whether the Registrants have submitted electronically and posted on their respective corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrants were required to submit and post such files). o Yes o No

Indicate by check mark whether the Registrants are large accelerated filers, accelerated filers, non-accelerated filers, or smaller reporting companies. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filers       Accelerated filers       Non-accelerated filers       Smaller reporting companies

Indicate by check mark whether the Registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act). o Yes  No

Indicate the number of shares outstanding of the Registrants' common stock: Not Applicable

\* Mediacom Capital Corporation meets the conditions set forth in General Instruction H (1) (a) and (b) of Form 10-Q and is therefore filing this form with the reduced disclosure format.

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**MEDIACOM LLC AND SUBSIDIARIES**  
**FORM 10-Q**  
**FOR THE PERIOD ENDED MARCH 31, 2011**  
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This Quarterly Report on Form 10-Q is for the three months ended March 31, 2011. Any statement contained in a prior periodic report shall be deemed to be modified or superseded for purposes of this Quarterly Report to the extent that a statement contained herein modifies or supersedes such statement. The Securities and Exchange Commission allows us to “incorporate by reference” information that we file with them, which means that we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this Quarterly Report. Throughout this Quarterly Report, we refer to Mediacom LLC as “Mediacom LLC,” and Mediacom LLC and its consolidated subsidiaries as “we,” “us” and “our.”

### Cautionary Statement Regarding Forward-Looking Statements

You should carefully review the information contained in this Quarterly Report and in other reports or documents that we file from time to time with the SEC.

In this Quarterly Report, we state our beliefs of future events and of our future financial performance. In some cases, you can identify those so-called “forward-looking statements” by words such as “anticipates,” “believes,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “should” or “will,” or the negative of those and other comparable words. These forward-looking statements are not guarantees of future performance or results, and are subject to risks and uncertainties that could cause actual results to differ materially from historical results or those we anticipate as a result of various factors, many of which are beyond our control. Factors that may cause such differences to occur include, but are not limited to:

- increased levels of competition from existing and new competitors;
- lower demand for our video, high-speed data and phone services;
- our ability to successfully introduce new products and services to meet customer demands and preferences;
- changes in laws, regulatory requirements or technology that may cause us to incur additional costs and expenses;
- greater than anticipated increases in programming costs and delivery expenses related to our products and services;
- changes in assumptions underlying our critical accounting policies;
- the ability to secure hardware, software and operational support for the delivery of products and services to our customers;
- disruptions or failures of network and information systems upon which our business relies;
- our reliance on certain intellectual property;
- our ability to generate sufficient cash flow to meet our debt service obligations;
- our ability to refinance future debt maturities or provide future funding for general corporate purposes and potential strategic transactions, on similar terms as we currently experience; and
- other risks and uncertainties discussed in this Quarterly Report, our Annual Report on Form 10-K for the year ended December 31, 2010 and other reports or documents that we file from time to time with the SEC.

Statements included in this Quarterly Report are based upon information known to us as of the date that this Quarterly Report is filed with the SEC, and we assume no obligation to update or alter our forward-looking statements made in this Quarterly Report, whether as a result of new information, future events or otherwise, except as required by applicable federal securities laws.

**PART I****ITEM 1. FINANCIAL STATEMENTS****MEDIACOM LLC AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS**

(All dollar amounts in thousands)  
(Unaudited)

	<b>March 31, 2011</b>	<b>December 31, 2010</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 8,621	\$ 22,014
Restricted cash and cash equivalents	—	8,853
Accounts receivable, net of allowance for doubtful accounts of \$823 and \$1,228	34,305	35,318
Prepaid expenses and other current assets	11,706	8,079
Total current assets	54,632	74,264
Preferred equity investment in affiliated company (Note 8)	150,000	150,000
Property, plant and equipment, net of accumulated depreciation of \$1,237,689 and \$1,211,315	679,620	688,883
Franchise rights	616,807	616,807
Goodwill	24,046	24,046
Subscriber lists, net of accumulated amortization of \$117,891 and \$117,781	385	495
Other assets, net of accumulated amortization of \$5,260 and \$4,240	29,772	29,613
Total assets	<u>\$ 1,555,262</u>	<u>\$ 1,584,108</u>
<b>LIABILITIES AND MEMBERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable, accrued expenses and other current liabilities	\$ 160,057	\$ 150,648
Deferred revenue	26,165	25,674
Current portion of long-term debt	12,000	12,000
Total current liabilities	198,222	188,322
Long-term debt, less current portion	1,593,500	1,507,000
Other non-current liabilities	18,343	23,616
Total liabilities	1,810,065	1,718,938
Commitments and contingencies (Note 10)		
<b>MEMBERS' DEFICIT</b>		
Capital contributions	342,473	478,973
Accumulated deficit	(597,276)	(613,803)
Total members' deficit	\$ (254,803)	\$ (134,830)
Total liabilities and members' deficit	<u>\$ 1,555,262</u>	<u>\$ 1,584,108</u>

The accompanying notes to the unaudited financial statements are an integral part of these statements.

**MEDIACOM LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(All dollar amounts in thousands)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2011</b>	<b>2010</b>
Revenues	\$ 166,306	\$ 159,900
Costs and expenses:		
Service costs (exclusive of depreciation and amortization)	76,560	71,260
Selling, general and administrative expenses	27,541	26,414
Management fee expense	3,082	2,968
Depreciation and amortization	<u>29,231</u>	<u>26,901</u>
Operating income	29,892	32,357
Interest expense, net	(25,011)	(21,846)
Gain (loss) on derivatives, net	7,702	(6,462)
Investment income from affiliate	4,500	4,500
Other expense, net	<u>(556)</u>	<u>(751)</u>
Net income	<u>\$ 16,527</u>	<u>\$ 7,798</u>

The accompanying notes to the unaudited financial statements are an integral part of these statements.

**MEDIACOM LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(All dollar amounts in thousands)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2011</b>	<b>2010</b>
<b>OPERATING ACTIVITIES:</b>		
Net income	\$ 16,527	\$ 7,798
Adjustments to reconcile net loss to net cash flows provided by operating activities:		
Depreciation and amortization	29,231	26,901
(Gain) loss on derivatives, net	(7,702)	6,462
Amortization of deferred financing costs	1,020	772
Share-based compensation	—	142
Changes in assets and liabilities, net of effects from acquisitions:		
Accounts receivable, net	1,013	5,608
Prepaid expenses and other assets	(3,946)	(1,803)
Accounts payable, accrued expenses and other current liabilities	11,111	(29,528)
Deferred revenue	491	274
Other non-current liabilities	(64)	(63)
Net cash flows provided by operating activities	<u>\$ 47,681</u>	<u>\$ 16,563</u>
<b>INVESTING ACTIVITIES:</b>		
Capital expenditures	(19,541)	(24,777)
Redemption of restricted cash and cash equivalents	8,853	—
Net cash flows used in investing activities	<u>\$ (10,688)</u>	<u>\$ (24,777)</u>
<b>FINANCING ACTIVITIES:</b>		
New borrowings under the bank credit facility	101,500	62,875
Repayment of borrowings under the bank credit facility	(15,000)	(57,875)
Capital contributions from parent	—	25,000
Capital distributions to parent	(136,500)	(20,000)
Other financing activities — book overdrafts	(386)	417
Net cash flows (used in) provided by financing activities	<u>\$ (50,386)</u>	<u>\$ 10,417</u>
Net (decrease) increase in cash	(13,393)	2,203
CASH, beginning of period	22,014	8,868
CASH, end of period	<u>\$ 8,621</u>	<u>\$ 11,071</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
Cash paid during the period for interest, net of amounts capitalized	<u>\$ 32,296</u>	<u>\$ 28,207</u>

The accompanying notes to the unaudited financial statements are an integral part of these statements.

**MEDIACOM LLC AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. ORGANIZATION**

***Basis of Preparation of Unaudited Consolidated Financial Statements***

Mediacom LLC (“Mediacom LLC” and collectively with its subsidiaries, “we,” “our” or “us”), a New York limited liability company wholly-owned by Mediacom Communications Corporation (“MCC”), is involved in the acquisition and operation of cable systems serving smaller cities and towns in the United States. Our principal operating subsidiaries conduct all of our consolidated operations and own substantially all of our consolidated assets. Our operating subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to make funds available to us.

We have prepared these unaudited consolidated financial statements in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”). In the opinion of management, such statements include all adjustments, consisting of normal recurring accruals and adjustments, necessary for a fair presentation of our consolidated results of operations and financial position for the interim periods presented. The accounting policies followed during such interim periods reported are in conformity with generally accepted accounting principles in the United States of America and are consistent with those applied during annual periods. For a summary of our accounting policies and other information, refer to our Annual Report on Form 10-K for the year ended December 31, 2010. The results of operations for the interim periods are not necessarily indicative of the results that might be expected for future interim periods or for the full year ending December 31, 2010.

Mediacom Capital Corporation (“Mediacom Capital”), a New York corporation wholly-owned by us, co-issued, jointly and severally with us, public debt securities. Mediacom Capital has no operations, revenues or cash flows and has no assets, liabilities or stockholders’ equity on its balance sheet, other than a one-hundred dollar receivable from an affiliate and the same dollar amount of common stock. Therefore, separate financial statements have not been presented for this entity.

Franchise fees imposed by local governmental authorities are collected on a monthly basis from our customers and are periodically remitted to the local governmental authorities. Because franchise fees are our obligation, we present them on a gross basis with a corresponding operating expense. Franchise fees reported on a gross basis amounted to approximately \$3.2 million for each of the three months ended March 31, 2011 and 2010, respectively.

***Restricted cash and cash equivalents***

Restricted cash and cash equivalents represent funds pledged to insurance carriers as security under a master pledge and security agreement. Pledged funds are invested in short-term, highly liquid investments. We retain ownership of the pledged funds, and under the terms of the pledge and security agreement, we can withdraw any of the funds, with the restrictions removed from such funds, provided comparable substitute collateral is pledged to the insurance carriers.

***Reclassifications***

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

**2. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

In December 2010, FASB issued Accounting Standards Update 2010-28 (“ASU 2010-28”) — *When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts (a consensus of the FASB Emerging Issues Task Force)*. The amendments to ASC 350 - *Intangibles—Goodwill and Other* in ASU 2010-28 affect all entities that have recognized goodwill and have one or more reporting units whose carrying amount for purposes of performing Step 1 of the goodwill impairment test is zero or negative. The amendments modify Step 1 so that for those reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. In determining whether it is more likely than not that a goodwill impairment exists, an entity should consider whether there are any adverse qualitative factors indicating that an impairment may exist. The qualitative factors are consistent with existing guidance, which requires that goodwill of a reporting unit be tested for impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. We adopted ASU 2010-28 as of January 1, 2011. The adoption of ASU 2010-28 did not have a material impact on our financial statements.

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In January 2010, the FASB issued Accounting Standards Update (“ASU”) No. 2010-06, *Improving Disclosures about Fair Value Measurements*, which amends Accounting Standards Codification (“ASC”) No. 820 — *Fair Value Measurements and Disclosures* (“ASC 820”) to add new requirements for disclosures about transfers into and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. The ASU also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. The ASU is effective for the first reporting period (including interim periods) beginning after December 15, 2009, except for the requirement to provide the Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. Early adoption is permitted. We do not expect that this ASU will have a significant impact on the consolidated financial statements or related disclosures.

### 3. FAIR VALUE

The tables below set forth our financial assets and liabilities measured at fair value on a recurring basis using a market-based approach at March 31, 2011. These assets and liabilities have been categorized according to the three-level fair value hierarchy established by ASC 820, which prioritizes the inputs used in measuring fair value, as follows:

- Level 1 — Quoted market prices in active markets for identical assets or liabilities.
- Level 2 — Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3 — Unobservable inputs that are not corroborated by market data.

As of March 31, 2011, our interest rate exchange agreement liabilities, net, were valued at \$30.2 million using Level 2 inputs, as follows:

(dollars in thousands)	Fair Value as of March 31, 2011			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Interest rate exchange agreements	\$ —	\$ 3,357	\$ —	\$ 3,357
<b>Liabilities</b>				
Interest rate exchange agreements	\$ —	\$ 33,574	\$ —	\$ 33,574
Interest rate exchange agreements — liabilities, net	\$ —	\$ 30,217	\$ —	\$ 30,217

As of December 31, 2010, our interest rate exchange agreement liabilities, net, were valued at \$37.9 million using Level 2 inputs, as follows:

(dollars in thousands)	Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Interest rate exchange agreements	\$ —	\$ 2,180	\$ —	\$ 2,180
<b>Liabilities</b>				
Interest rate exchange agreements	\$ —	\$ 40,099	\$ —	\$ 40,099
Interest rate exchange agreements — liabilities, net	\$ —	\$ 37,919	\$ —	\$ 37,919

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The fair value of our interest rate exchange agreements is the estimated amount that we would receive or pay to terminate such agreements, taking into account market interest rates and the remaining time to maturities. As of March 31, 2011, based upon mark-to-market valuation, we recorded on our consolidated balance sheet, a long-term asset of \$3.4 million, an accumulated current liability of \$19.2 million and an accumulated long-term liability of \$14.4 million. As of December 31, 2010, based upon mark-to-market valuation, we recorded on our consolidated balance sheet a long-term asset of \$2.2 million, an accumulated current liability of \$20.5 million and an accumulated long-term liability of \$19.6 million. As a result of the mark-to-market valuations on these interest rate exchange agreements, we recorded a net gain on derivatives of \$7.7 million for the three months ended March 31, 2011, and a net loss on derivatives of \$6.5 million for the three months ended March 31, 2010.

#### 4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following (dollars in thousands):

	March 31, 2011	December 31, 2010
Cable systems, equipment and subscriber devices	\$ 1,833,628	\$ 1,817,314
Vehicles	35,098	35,098
Furniture, fixtures and office equipment	31,171	30,374
Buildings and leasehold improvements	15,877	15,877
Land and land improvements	1,535	1,535
	1,917,309	1,900,198
Accumulated depreciation	(1,237,689)	(1,211,315)
Property, plant and equipment, net	<u>\$ 679,620</u>	<u>\$ 688,883</u>

#### 5. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accounts payable, accrued expenses and other current liabilities consisted of the following (dollars in thousands):

	March 31, 2011	December 31, 2010
Accounts payable — affiliates	\$ 46,793	\$ 35,154
Liabilities under interest rate exchange agreements	19,167	20,481
Accrued programming costs	18,246	17,699
Accrued taxes and fees	14,850	15,329
Accrued payroll and benefits	12,407	10,753
Accounts payable	9,506	5,986
Accrued service costs	9,327	8,232
Subscriber advance payments	6,729	6,105
Accrued interest	5,922	13,737
Accrued property, plant and equipment	5,918	5,158
Book overdrafts (1)	2,499	2,885
Accrued telecommunications costs	1,147	1,486
Other accrued expenses	7,546	7,643
Accounts payable, accrued expenses and other current liabilities	<u>\$ 160,057</u>	<u>\$ 150,648</u>

(1) Book overdrafts represent outstanding checks in excess of funds on deposit at our disbursement accounts. We transfer funds from our depository accounts to our disbursement accounts upon daily notification of checks presented for payment. Changes in book overdrafts are reported as part of net cash flows from financing activities in our Consolidated Statements of Cash Flows.

## 6. DEBT

Debt consisted of the following (dollars in thousands):

	March 31, 2011	December 31, 2010
Bank credit facility	\$ 1,255,500	\$ 1,169,000
9 1/8% senior notes due 2019	350,000	350,000
	<u>\$ 1,605,500</u>	<u>\$ 1,519,000</u>
Less: current portion	12,000	12,000
Total long-term debt	<u>\$ 1,593,500</u>	<u>\$ 1,507,000</u>

### *Bank Credit Facility*

As of March 31, 2011, we maintained a \$1.470 billion bank credit facility (the “credit facility”), comprised of:

- \$304.2 million of revolving credit commitments, which expire in the amounts of \$79.0 million and \$225.2 million on September 30, 2011 and December 31, 2014, respectively;
- \$622.4 million of outstanding Term Loan C borrowings, which mature on January 31, 2015;
- \$295.5 million of outstanding Term Loan D borrowings, which mature on March 31, 2017; and
- \$248.1 million of outstanding Term Loan E borrowings, which mature on October 23, 2017.

As of March 31, 2011, \$205.3 million of our revolving credit commitments was unused and available to be borrowed and used for general corporate purposes after giving effect to \$89.5 million of outstanding loans and \$9.4 million of letters of credit issued to various parties as collateral.

As of March 31, 2011, our senior leverage ratio and interest coverage ratio (as each term is defined in the credit agreement) were 4.7 to 1.0 and 2.5 to 1.0, respectively. As of the same date, the credit agreement required us to maintain a senior leverage ratio of no more than 6.0 to 1.0 and an interest coverage ratio of no less than 2.0 to 1.0. For all periods through March 31, 2011, we were in compliance with all of the covenants under the credit agreement.

### *Interest Rate Exchange Agreements*

We use interest rate exchange agreements, or interest rate swaps, with various banks that fixes the variable portion of borrowings under the credit facility. We believe this reduces the potential volatility in our interest expense that would otherwise result from changes in market interest rates. Our interest rate swaps have not been designated as hedges for accounting purposes, and have been accounted for on a mark-to-market basis as of, and for, the three months ended March 31, 2011, and 2010. As of March 31, 2011:

- We had current interest rate swaps which fix the variable portion of \$900 million of borrowings under the credit facility at a rate of 3.0%. Our current interest rate swaps are scheduled to expire in the amounts of \$300 million, \$400 million and \$200 million during the years ending December 31, 2011, 2012 and 2014, respectively; and
- Forward-starting interest rate swaps which will fix the variable portion of \$400 million of borrowings under the credit facility at a rate of 3.1%. Our forward-starting interest rate swaps are scheduled to commence in the amounts of \$100 million and \$300 million during the years ending December 31, 2011 and 2012, respectively.

As of March 31, 2011, the average interest rate on outstanding borrowings under the credit facility, including the effect of our interest rate swaps, was 5.3%, as compared to 4.7% as of the same date last year.

**Senior Notes**

As of March 31, 2011, we had \$350 million of outstanding senior notes, and our total leverage ratio (as defined in the indenture) was 6.3 to 1.0. As of the same date, the indenture required a total leverage ratio of no more than 8.5 to 1.0. For all periods through March 31, 2011, we were in compliance with all of the covenants under the indenture to our senior notes.

**Debt Ratings**

Our future access to the debt markets and the terms and conditions we receive are influenced by our debt ratings. Our corporate credit ratings are B1, with a stable outlook, by Moody's, and B+, with a stable outlook, by Standard and Poor's. Any future downgrade to our credit ratings could result in higher interest rates on future debt issuance than we currently experience, or adversely impact our ability to raise additional funds.

There are no covenants, events of default, borrowing conditions or other terms in our credit agreement or senior note indenture that are based on changes in our credit rating assigned by any rating agency.

**Fair Value**

As of March 31, 2011, the fair values of our senior notes and outstanding debt under our credit facility are as follows (dollars in thousands):

9 1/8% senior notes due 2019	<u>\$ 372,750</u>
Bank credit facility	<u>\$ 1,226,278</u>

**7. MEMBERS' DEFICIT**

*Going Private Transaction*

On November 12, 2010, MCC entered into an Agreement and Plan of Merger (the "Merger Agreement"), by and among MCC, JMC Communications LLC ("JMC") and Rocco B. Commisso, MCC's founder, Chairman and Chief Executive Officer, who was also the sole member and manager of JMC, for the purpose of taking MCC private (the "Going Private Transaction").

At a special meeting of stockholders on March 4, 2011, MCC's stockholders voted to adopt the Merger Agreement. On the same date, JMC was merged with and into MCC, with MCC continuing as the surviving corporation, a private company that is wholly-owned by Mr. Commisso (the "Merger").

As a result of the Merger, (i) each outstanding share of MCC's common stock (other than shares held by Mr. Commisso and his affiliates) was converted into the right to receive promptly after the Merger \$8.75 in cash and (ii) each vested option held by an employee of MCC (other than Mr. Commisso) and each vested option and each unvested option and restricted stock unit held by a non-employee director of MCC was converted into the right to receive promptly after the Merger a cash payment calculated in accordance with the terms of the Merger Agreement. In addition, each unvested option and restricted stock unit held by an employee of MCC (other than Mr. Commisso) was converted into the right to receive upon vesting a cash payment calculated in accordance with the terms of the Merger Agreement. As a result of the Merger, MCC terminated all of its share-based compensation plans including its employee stock purchase plan and other plans which granted stock options and restricted stock units.

The Going Private Transaction required funding of approximately \$381.5 million, including related transaction expenses, and was funded, in part, by capital distributions to MCC from us, consisting of \$100.0 million of borrowings under our revolving credit facility and \$36.5 million of cash on hand. The balance was funded by Mediacom Broadband LLC, another wholly-owned subsidiary of MCC.

For the three months ended March 31, 2011, we recorded \$0.2 million in deferred compensation expense (formerly share-based compensation expense). This represents the recognition of expenses incurred (based upon terms of the Merger Agreement) for (i) the unvested options and restricted stock units under the former share-based compensation plans at their original grant-date fair value and (ii) adjustments to recognize the right to receive \$8.75 in cash. In addition, this amount includes the recognition of new, cash-based deferred compensation awarded in 2011 which has vesting attributes similar to former share-based awards.

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Total share-based compensation for the three months ended March 31, 2010 (prior to the Going Private Transaction) was as follows (dollars in thousands):

	<b>Three Months Ended March 31, 2010</b>
Share-based compensation expense by type of award:	
Employee stock options	\$ 7
Employee stock purchase plan	17
Restricted stock units	118
	<hr/>
Total share-based compensation expense	<u>\$ 142</u>

### ***Employee Stock Purchase Plan***

Under MCC's former employee stock purchase plan, all employees were allowed to participate in the purchase of shares of MCC's Class A common stock at a 15% discount on the date of the allocation. As a result of the Going Private Transaction, the employee stock purchase plan terminated in March 2011. The net proceeds from our employees were approximately \$0.1 million for each of the three months ended March 31, 2011 and 2010.

### **8. INVESTMENT IN AFFILIATED COMPANY**

We have a \$150 million preferred equity investment in Mediacom Broadband LLC ("Mediacom Broadband"), a wholly owned subsidiary of MCC. The preferred equity investment has a 12% annual cash dividend, payable quarterly. During each of the three months ended March 31, 2011 and 2010, we received \$4.5 million in cash dividends on the preferred equity.

### **9. RELATED PARTY TRANSACTIONS**

See Note 7 for more information about the Going Private Transaction between MCC and MCC's Chairman and Chief Executive Officer, Rocco B. Commisso.

### **10. COMMITMENTS AND CONTINGENCIES**

#### ***Legal Proceedings***

We are named as a defendant in a putative class action, captioned *Gary Ogg and Janice Ogg v. Mediacom LLC*, pending in the Circuit Court of Clay County, Missouri, originally filed in April 2001. The lawsuit alleges that we, in areas where there was no cable franchise, failed to obtain permission from landowners to place our fiber interconnection cable notwithstanding the possession of agreements or permission from other third parties. While the parties continue to contest liability, there also remains a dispute as to the proper measure of damages. Based on a report by their experts, the plaintiffs claim compensatory damages of approximately \$14.5 million. Legal fees, prejudgment interest, potential punitive damages and other costs could increase that estimate to approximately \$26.0 million. Before trial, the plaintiffs proposed an alternative damage theory of \$42.0 million in compensatory damages. Notwithstanding the verdict in the trial described below, we remain unable to reasonably determine the amount of our final liability in this lawsuit. Prior to trial our experts estimated our liability to be within the range of approximately \$0.1 million to \$2.3 million. This estimate did not include any estimate of damages for prejudgment interest, attorneys' fees or punitive damages.

On March 9, 2009, a jury trial commenced solely for the claim of Gary and Janice Ogg, the designated class representatives. On March 18, 2009, the jury rendered a verdict in favor of Gary and Janice Ogg setting compensatory damages of \$8,863 and punitive damages of \$35,000. The Court did not enter a final judgment on this verdict and therefore the amount of the verdict cannot at this time be judicially collected. Although we believe that the particular circumstances of each class member may result in a different measure of damages for each member, if the same measure of compensatory damages was used for each member, the aggregate compensatory damages would be approximately \$16.2 million plus the possibility of an award of attorneys' fees, prejudgment interest, and punitive damages.

On April 22, 2011, the Circuit Court of Clay County, Missouri issued an opinion and order decertifying the class in this putative class action. A notice of appeal was filed by the plaintiff on May 2, 2011 regarding the court's decertification of the class and the court's refusal to award prejudgment interest on the Gary and Janice Ogg judgment. We will vigorously defend this appeal as well as any claims made by the other members of the purported class.

We believe that the amount of actual liability would not have a significant effect on our consolidated financial position, results of operations, cash flows or business. There can be no assurance, however, if the decision of the Circuit Court of Clay County, Missouri is reversed, that the actual liability ultimately determined for all members of the class would not exceed our estimated range or any amount derived from the verdict rendered on March 18, 2009. We have tendered the lawsuit to our insurance carrier for defense and indemnification. The carrier has agreed to defend us under a reservation of rights, and a declaratory judgment action is pending regarding the carrier's defense and coverage responsibilities.

A purported class action in the United States District Court for the Southern District of New York entitled *Jim Knight v. Mediacom Communications Corp.*, in which MCC is named as the defendant, was filed on March 4, 2010. The complaint asserts that the potential class is comprised of all persons who purchased premium cable services from MCC and rented a cable box distributed by MCC. The plaintiff alleges that MCC improperly "ties" the rental of cable boxes to the provision of premium cable services in violation of Section 1 of the Sherman Antitrust Act. The plaintiff also alleges a claim for unjust enrichment and seeks injunctive relief and unspecified damages. MCC was served with the complaint on April 16, 2010. MCC believes they have substantial defenses to the claims asserted in the complaint, and they intend to defend the action vigorously. MCC filed a Motion to Dismiss the action and the

court recently ruled adversely to MCC. The case is now in the discovery/trial phase. If MCC is not successful in this litigation, we may have to distribute cash to MCC in order for MCC to pay any damages in regard to this litigation.

Between June 3, 2010 and June 10, 2010, three purported class actions lawsuits were filed against Mediacom and its individual directors, including Mr. Commisso, all in the Court of Chancery of the State of Delaware (which we refer to as the "Delaware Court"), under the captions *Colleen Witmer v. Mediacom Communications Corporation, et al.*, *J. Malcolm Gray v. Mediacom Communications Corporation, et al.* and *Haverhill Retirement System v. Mediacom Communications Corporation, et al.* The lawsuits were subsequently consolidated for all purposes in the Delaware Court of Chancery under the caption *In Re Mediacom Communications Corporation Shareholders Litigation*. On January 4, 2011, a Second Verified Consolidated Amended Class Action Complaint was filed that alleges, among other things, that the defendant directors breached their fiduciary duties to the stockholders of Mediacom in connection with Mr. Commisso's proposal to take Mediacom private, including among other things their fiduciary duty of disclosure, and that Mediacom, Mr. Commisso and JMC Communications LLC aided and abetted such breaches. The plaintiffs seek injunctive relief, rescission of the transaction or rescissory damages, and an accounting of all damages.

On November 18, 2010, another purported class action lawsuit was filed against Mediacom and its individual directors, including Mr. Commisso, in the Supreme Court of the State of New York, Orange County, under the caption *Wendy Kwait v. Mediacom Communications Corporation, et al.* The lawsuit alleges, among other things, that the director defendants breached their fiduciary duties to the stockholders of Mediacom in connection with Mr. Commisso's proposal to take Mediacom private and that Mediacom and Mr. Commisso aided and abetted such breaches. The plaintiffs seek injunctive relief, rescission of the transaction or rescissory damages.

On November 29, 2010, another purported class action lawsuit was filed against Mediacom and its individual directors, including Mr. Commisso, in the United States District Court for the Southern District of New York, under the caption *Thomas Turberg v. Mediacom Communications Corporation, et al.* The lawsuit alleges, among other things, that the director defendants breached their fiduciary duties to the stockholders of Mediacom in connection with Mr. Commisso's proposal to take Mediacom private and that Mediacom and JMC Communications LLC aided and abetted such breaches. The plaintiffs seek injunctive relief and damages.

On December 10, 2010, another purported class action lawsuit was filed against Mediacom and its individual directors, including Mr. Commisso, in the United States District Court for the Southern District of New York, under the caption *Ella Mae Pease v. Rocco Commisso, et al.* The lawsuit alleges, among other things, that the director defendants breached their fiduciary duties to the stockholders of Mediacom in connection with Mr. Commisso's proposal to take Mediacom private; that Mediacom, Mr. Commisso and JMC Communications LLC aided and abetted such breaches; and that the defendants violated Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder. The plaintiffs seek declaratory and injunctive relief, rescission of the transaction or rescissory damages, and an accounting of all damages, profits and special benefits.

The director defendants, Mediacom, JMC Communications LLC and Mr. Commisso, as defendants in the foregoing actions, have reached an agreement in principle with the plaintiffs in all of the foregoing actions providing for the settlement of the actions on the terms and subject to the conditions set forth in a memorandum of understanding (the "MOU"), which terms include, but are not limited to, a settlement payment made by Mediacom on behalf of and for the benefit of the parties to the actions in the amount of \$0.25 per share for each share of Mediacom common stock held by the plaintiff class as of March 4, 2011. If the settlement becomes effective, the settlement payment to the plaintiff class will be reduced by any attorneys' fees and expenses awarded to plaintiffs' counsel. The settlement is subject to, among other things, the execution of definitive settlement documentation and the approval of the Delaware Court. A court date has been set for June 6, 2011 to review the terms and conditions of settlement in the MOU. We may have to distribute cash to MCC to partially fund this settlement. Upon effectiveness of the settlement, the actions will be dismissed with prejudice and all claims under federal and state law that were or could have been asserted in the actions or which arise out of or relate to the Going Private Transaction will be released.

The defendants have denied and continue to deny any wrongdoing or liability with respect to all claims, events and transactions complained of in the aforementioned actions or that they have engaged in any wrongdoing. The defendants have entered into the MOU to eliminate the uncertainty, burden, risk, expense and distraction of further litigation.

We are also involved in various other legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these other matters will not have a material adverse effect on our consolidated financial position, results of operations, cash flows or business.

## 11. GOODWILL AND OTHER INTANGIBLE ASSETS

In accordance with ASC 350 — *Intangibles — Goodwill and Other* (“ASC 350”) (formerly SFAS No. 142, “*Goodwill and Other Intangible Assets*”), the amortization of goodwill and indefinite-lived intangible assets is prohibited and requires such assets to be tested annually for impairment, or more frequently if impairment indicators arise. We have determined that our cable franchise rights and goodwill are indefinite-lived assets and therefore not amortizable.

We directly assess the value of cable franchise rights for impairment under ASC 350 by utilizing a discounted cash flow methodology. In performing an impairment test in accordance with ASC 350, we make assumptions, such as future cash flow expectations, customer growth, competition, industry outlook, capital expenditures, and other future benefits related to cable franchise rights, which are consistent with the expectations of buyers and sellers of cable systems in determining fair value. If the determined fair value of our cable franchise rights is less than the carrying amount on the financial statements, an impairment charge would be recognized for the difference between the fair value and the carrying value of such assets.

Goodwill impairment is determined using a two-step process. The first step compares the fair value of a reporting unit with our carrying amount, including goodwill. If the fair value of a reporting unit exceeds our carrying amount, goodwill of the reporting unit is considered not impaired and the second step is unnecessary. If the carrying amount of a reporting unit exceeds our fair value, the second step is performed to measure the amount of impairment loss, if any. The second step compares the implied fair value of the reporting unit’s goodwill, calculated using the residual method, with the carrying amount of that goodwill. If the carrying amount of the goodwill exceeds the implied fair value, the excess is recognized as an impairment loss. We have determined that we have one reporting unit for the purpose of applying ASC 350, Mediacom LLC. Our most recently completed annual impairment test was conducted as of October 1, 2010, and we will be conducting our next annual impairment test as of October 1, 2011.

In accordance with ASU 2010-28, we have evaluated the qualitative factors surrounding our Mediacom LLC reporting unit with its negative equity carrying value. We do not believe that it is “more likely than not” that a goodwill impairment exists. As such, we have not performed Step 2 of the goodwill impairment test.

The economic conditions currently affecting the U.S. economy and the long-term impact on the fundamentals of our business may have a negative impact on the fair values of the assets in our reporting units. This may result in the recognition of an impairment loss in the future.

Because we believe there has not been a meaningful change in the long-term fundamentals of our business during the first three months of 2011, we have determined that there has been no triggering event under ASC 350, and as such, no interim impairment test was required as of March 31, 2011.

## 12. SUBSEQUENT EVENTS

We have evaluated subsequent events through May 12, 2011 (the date the financial statements were issued).

### *Legal Proceedings*

On April 22, 2011, the Circuit Court of Clay County, Missouri issued an opinion and order decertifying the class in the putative class action captioned *Gary Ogg and Janice Ogg v. Mediacom LLC*. A notice of appeal was filed by the plaintiff on May 2, 2011 regarding the court’s decertification of the class and the court’s refusal to award prejudgment interest on the Ogg judgment. See also Note 10.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our unaudited consolidated financial statements as of, and for the three months ended March 31, 2011 and 2010, and with our annual report on Form 10-K for the year ended December 31, 2010.

### Overview

We are a wholly-owned subsidiary of Mediacom Communications Corporation ("MCC"). MCC is the nation's eighth largest cable company based on the number of customers who purchase one or more video services, also known as basic subscribers. Through our interactive broadband network, we provide our customers with a wide variety of advanced products and services, including video services such as video-on-demand, high-definition television ("HDTV") and digital video recorders ("DVRs"), high-speed data ("HSD") and phone service. We offer our primary services of video, HSD and phone, which we refer to as our "triple-play bundle," over a single communications platform, a significant advantage over most competitors in our service areas.

As of March 31, 2011, we offered our triple-play bundle to approximately 92% of our estimated 1.29 million homes passed in twenty states. As of the same date, we served approximately 521,000 basic subscribers, 319,000 digital video customers, 386,000 HSD customers and 158,000 phone customers, aggregating 1.38 million revenue generating units ("RGUs").

Our basic and digital video services compete principally with direct broadcast satellite ("DBS") companies, and we continue to face significant levels of price competition from these providers, who offer video programming substantially similar to ours. We compete with these providers by offering our triple-play bundle and interactive video services that are unavailable to DBS customers due to the limited two-way interactivity of DBS service. Our HSD service competes primarily with digital subscriber line ("DSL") services offered by local telephone companies; based upon the speeds we offer, we believe our HSD product is superior to comparable DSL offerings in our service areas. Our phone service mainly competes with substantially comparable phone services offered by local telephone companies and with cellular phone services offered by national wireless providers. We believe our customers prefer the cost savings of the bundled products and services we offer, as well as the convenience of having a single provider contact for ordering, provisioning, billing and customer care.

Our ability to continue to grow our customer base and revenues depends on several factors, including the competition we face and general economic conditions. Continuing weak economic conditions for customers, and significant video price competition from DBS providers, have contributed to lower demand for our video, HSD and phone services, which has led to a reduction in basic subscribers and slower growth rates of digital, HSD and phone customers. A continuation or broadening of such effects may adversely impact our results of operations, cash flows and financial position.

### Recent Developments

#### *Going Private Transaction*

On November 12, 2010, MCC entered into an Agreement and Plan of Merger (the "Merger Agreement"), by and among MCC, JMC Communications LLC ("JMC") and Rocco B. Commisso, MCC's founder, Chairman and Chief Executive Officer, who was also the sole member and manager of JMC, for the purpose of taking MCC private (the "Going Private Transaction").

At a special meeting of stockholders on March 4, 2011, MCC's stockholders voted to adopt the Merger Agreement. On the same date, JMC was merged with and into MCC, with MCC continuing as the surviving corporation, a private company that is wholly-owned by Mr. Commisso (the "Merger"). As a result of the Merger, among other things, each share of MCC's common stock (other than shares held by Mr. Commisso and his affiliates) was converted into the right to receive promptly after the Merger \$8.75 in cash.

The Going Private Transaction required funding of approximately \$381.5 million, including related transaction expenses, and was funded, in part, by capital distributions to MCC from us, consisting of \$100.0 million of borrowings under our revolving credit facility and \$36.5 million of cash on hand. The balance was funded by Mediacom Broadband LLC, another wholly-owned subsidiary of MCC.

## Revenues, Costs and Expenses

Video revenues primarily represent monthly subscription fees charged to customers for our core cable products and services (including basic and digital cable programming services, wire maintenance, equipment rental and services to commercial establishments), pay-per-view charges, installation, reconnection and late payment fees, franchise fees and other ancillary revenues. HSD revenues primarily represent monthly fees charged to customers (including small to medium sized commercial establishments) for our HSD products and services and equipment rental fees, as well as fees charged to large-sized businesses for our scalable, fiber-based enterprise network products and services. Phone revenues primarily represent monthly fees charged to customers (including small to medium sized commercial establishments) for our phone service. Advertising revenues represent the sale of advertising placed on our video services.

If we continue to lose video customers as a result of competition and weak economic conditions, our video revenues could continue to decline for the foreseeable future. However, we believe this will be mostly offset through increased gains in penetration of our advanced video services as well as rate increases. We expect further growth in HSD and phone revenues, as we believe we will continue to expand our penetration of our HSD and phone services. However, future growth in HSD and phone customers may be adversely affected by intensifying competition, weakened economic conditions and, specific to phone, wireless substitution. We believe advertising revenues may decline in 2011, given that 2010 was an election year.

Service costs consist primarily of video programming costs and other direct costs related to providing and maintaining services to our customers. Significant service costs include: programming expenses; wages and salaries of technical personnel who maintain our cable network, perform customer installation activities and provide customer support; HSD costs, including costs of bandwidth connectivity and customer provisioning and costs related to our enterprise networks business and our network operations center; phone service costs, including delivery and other expenses; and field operating costs, including outside contractors, vehicle, utilities and pole rental expenses. These costs generally rise because of customer growth, contractual increases in video programming rates and inflationary cost increases for personnel, outside vendors and other expenses. Costs relating to personnel and their support may increase as the percentage of our expenses that we can capitalize declines due to lower levels of new service installations. Service delivery related costs may also fluctuate with the level of investment we make, and corresponding operational efficiencies achieved by such investments. We anticipate that our service costs will continue to grow, but should remain fairly consistent as a percentage of our revenues, with the exception of programming costs, which we discuss below.

Video programming expenses, which are generally paid on a per subscriber basis, have historically been our largest single expense item, and in recent years we have experienced substantial increases in the cost of our programming, particularly sports and local broadcast programming, well in excess of the inflation rate or the change in the consumer price index. We believe that these expenses will continue to grow due to the increasing demands of sports and other large programmers for contract renewals and television broadcast station owners for retransmission consent fees, including certain large programmers who also own major market television broadcast stations. While such growth in programming expenses can be partially offset by rate increases, it is expected that our video gross margins will continue to decline, as increases in programming costs outpace any growth in video revenues.

Significant selling, general and administrative expenses include: wages and salaries for our call centers, customer service and support and administrative personnel; franchise fees and taxes; marketing; bad debt; billing; advertising; and office costs related to telecommunications and office administration. These costs typically rise because of customer growth and inflationary cost increases for employees and other expenses, but we expect such costs should remain fairly consistent as a percentage of revenues.

Management fee expenses reflect compensation paid to MCC for the performance of services it provides our operating subsidiaries in accordance with management agreements between MCC and our operating subsidiaries.

**Use of Non-GAAP Financial Measures**

“OIBDA” is not a financial measure calculated in accordance with generally accepted accounting principles (“GAAP”) in the United States. We define OIBDA as operating income before depreciation and amortization. OIBDA has inherent limitations as discussed below.

OIBDA is one of the primary measures used by management to evaluate our performance and to forecast future results. We believe OIBDA is useful for investors because it enables them to assess our performance in a manner similar to the methods used by management, and provides a measure that can be used to analyze, value and compare the companies in the cable industry. A limitation of OIBDA, however, is that it excludes depreciation and amortization, which represents the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in our business. Management uses a separate process to budget, measure and evaluate capital expenditures. In addition, OIBDA may not be comparable to similarly titled measures used by other companies, which may have different depreciation and amortization policies.

OIBDA should not be regarded as an alternative to operating income or net income (loss) as indicators of operating performance, or to the statement of cash flows as measures of liquidity, nor should it be considered in isolation or as a substitute for financial measures prepared in accordance with GAAP. We believe that operating income is the most directly comparable GAAP financial measure to OIBDA.

In previous Quarterly and Annual Reports filed with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2010, we have presented OIBDA as adjusted for non-cash stock based compensation, or “Adjusted OIBDA.” As a result of the Going Private Transaction, such compensation plans have been terminated, and we believe OIBDA is the most appropriate measure to evaluate our performance and forecast future results. See Note 7 in our Notes to Consolidated Financial Statements for more information.

**Actual Results of Operations*****Three Months Ended March 31, 2011 compared to Three Months Ended March 31, 2010***

The table below sets forth our consolidated statements of operations and OIBDA for the three months ended March 31, 2011 and 2010 (dollars in thousands and percentage changes that are not meaningful are marked NM):

	<b>Three Months Ended</b>		<b>\$ Change</b>	<b>% Change</b>
	<b>March 31,</b>			
	<b>2011</b>	<b>2010</b>		
Revenues	\$ 166,306	\$ 159,900	\$ 6,406	4.0%
Costs and expenses:				
Service costs (exclusive of depreciation and amortization)	76,560	71,260	5,300	7.4%
Selling, general and administrative expenses	27,541	26,414	1,127	4.3%
Management fee expense	3,082	2,968	114	3.8%
Depreciation and amortization	29,231	26,901	2,330	8.7%
Operating income	29,892	32,357	(2,465)	(7.6%)
Interest expense, net	(25,011)	(21,846)	(3,165)	14.5%
Gain (loss) on derivatives, net	7,702	(6,462)	14,164	NM
Investment income from affiliate	4,500	4,500	—	NM
Other expense, net	(556)	(751)	195	(26.0%)
Net income	<u>\$ 16,527</u>	<u>\$ 7,798</u>	<u>\$ 8,729</u>	<u>NM</u>
OIBDA	<u>\$ 59,123</u>	<u>\$ 59,258</u>	<u>\$ (135)</u>	<u>(0.2%)</u>

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The table below represents a reconciliation of OIBDA to operating income, which is the most directly comparable GAAP measure (dollars in thousands):

	<b>Three Months Ended</b>		<b>\$ Change</b>	<b>% Change</b>
	<b>March 31,</b>			
	<b>2011</b>	<b>2010</b>		
OIBDA	\$ 59,123	\$ 59,258	\$ (135)	(0.2%)
Depreciation and amortization	(29,231)	(26,901)	(2,330)	8.7%
Operating income	<u>\$ 29,892</u>	<u>\$ 32,357</u>	<u>\$ (2,465)</u>	<u>(7.6%)</u>

**Revenues**

The tables below set forth our revenues and selected subscriber, customer and average monthly revenue statistics as of, and for the three months ended, March 31, 2011 and 2010 (dollars in thousands, except per subscriber data):

	<b>Three Months Ended</b>		<b>\$ Change</b>	<b>% Change</b>
	<b>March 31,</b>			
	<b>2011</b>	<b>2010</b>		
Video	\$ 101,345	\$ 98,912	2,433	2.5%
HSD	46,592	42,882	3,710	8.7%
Phone	15,125	14,303	822	5.7%
Advertising	3,244	3,803	(559)	(14.7%)
Total Revenues	<u>\$ 166,306</u>	<u>\$ 159,900</u>	<u>6,406</u>	<u>4.0%</u>

	<b>March 31,</b>		<b>Increase/ (Decrease)</b>	<b>% Change</b>
	<b>2011</b>	<b>2010</b>		
Basic subscribers	521,000	546,000	(25,000)	(4.6%)
Digital customers	319,000	309,000	10,000	3.2%
HSD customers	386,000	362,000	24,000	6.6%
Phone customers	158,000	141,000	17,000	12.1%
RGUs <sup>(1)</sup>	<u>1,384,000</u>	<u>1,358,000</u>	<u>26,000</u>	<u>1.9%</u>
Average total monthly revenue per basic subscriber <sup>(2)</sup>	\$ 105.49	\$ 97.44	\$ 8.05	8.3%

(1) RGUs represent the total of basic subscribers and digital, HSD and phone customers.

(2) Represents total average monthly revenues for the quarter divided by total average basic subscribers for such period.

Revenues increased 4.0%, primarily due to higher HSD and, to a lesser extent, video revenues. Average total monthly revenue per basic subscriber increased 8.3% to \$105.49.

Video revenues increased 2.5%, as video rate increases and higher revenues from our digital, DVR and HDTV services were offset in part by a lower number of basic subscribers. During the three months ended March 31, 2011, we lost 9,000 basic subscribers and 3,000 digital customers, as compared to a loss of 2,000 basic subscribers and an increase of 9,000 digital customers in the prior year period. As of March 31, 2011, we served 521,000 basic subscribers, or 40.3% of our estimated homes passed, and 319,000 digital customers, or 61.2% of our basic subscribers. As of March 31, 2011, 46.8% of our digital customers were taking our DVR and/or HDTV services, as compared to 39.2% as of the same date last year.

HSD revenues rose 8.7%, primarily due to a 6.6% increase in HSD customers and, to a much lesser extent, greater revenues from our enterprise networks business. During the three months ended March 31, 2011, we gained 7,000 HSD customers, as compared to an increase of 12,000 in the prior year period. As of March 31, 2011, we served 386,000 HSD customers, or 29.9% of our estimated homes passed.

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Phone revenues were 5.7% higher, principally due to a 12.1% increase in phone customers, offset in part by greater levels of discounted pricing. During the three months ended March 31, 2011, we gained 1,000 phone customers, as compared to an increase of 6,000 in the prior year period. As of March 31, 2011, we served 158,000 phone customers, or 13.3% of our estimated marketable phone homes.

Advertising revenues were 14.7% lower, mainly due to lower national sales, with significant declines in the political and automotive categories.

### ***Costs and Expenses***

Service costs grew 7.4%, primarily due to higher programming and, to a lesser extent, field and employee operating expenses. Programming expenses were 6.3% higher, principally due to higher contractual rates and fees charged by our programming vendors, offset in part by a lower number of basic subscribers. Field operating costs rose 16.5%, largely as a result of increased vehicle fuel and repair, fiber lease and electricity costs. Employee operating costs increased 11.0%, primarily due to greater employee compensation and an unfavorable shift in employee benefit expenses. Service costs as a percentage of revenues were 46.0% and 44.6% for the three months ended March 31, 2011 and 2010, respectively.

Selling, general and administrative expenses increased 4.3%, mainly a result of higher marketing and, to a lesser extent, bad debt expenses, offset in part by lower customer service employee costs. Marketing expenses grew 14.7%, largely as a result of a greater use of telemarketing and print advertising. Bad debt expense rose 17.1%, largely due to increased reserves for terminated customer contracts that were not applicable in the prior year period. Customer service employee costs fell 9.3%, largely due to greater productivity in our call centers. Selling, general and administrative expenses as a percentage of revenues were 16.6% and 16.5% for the three months ended March 31, 2011 and 2010, respectively.

Management fee expense was 3.8% higher, reflecting slightly higher overhead charges at MCC. Management fee expense as a percentage of revenues were 1.9% for each of the three months ended March 31, 2011 and 2010.

Depreciation and amortization increased 8.7%, largely resulting from greater deployment of shorter-lived customer premise equipment and our transition to an internal phone service platform.

### ***OIBDA***

OIBDA declined 0.2%, primarily due to higher service costs and, to a lesser extent, selling general and administrative expenses, mostly offset by greater revenues.

### ***Operating Income***

Operating income decreased 7.6%, principally due to higher depreciation and amortization, offset in part by greater OIBDA.

### ***Interest Expense, Net***

Interest expense, net, increased 14.5%, mainly due to greater average indebtedness and a higher cost of debt on borrowings used under our bank credit facility (the "credit facility").

### ***Gain (Loss) on Derivatives, Net***

As of March 31, 2011, we had interest rate exchange agreements, or interest rate swaps, with an aggregate notional amount of \$1.3 billion, of which \$400 million are forward-starting interest rate swaps. These interest rate swaps have not been designated as hedges for accounting purposes, and the changes in their mark-to-market values are derived primarily from changes in market interest rates and the decrease in their time to maturity. As a result of the quarterly mark-to-market valuation of these interest rate swaps based upon information provided by our counterparties, we recorded a net gain on derivatives of \$7.7 million for the three months ended March 31, 2011, and a net loss on derivatives of \$6.5 million for the three months ended March 31, 2010.

### ***Investment Income from Affiliate***

Investment income from affiliate was \$4.5 million for each of the three months ended March 31, 2011 and 2010. This amount represents the investment income on our \$150.0 million preferred equity investment in Mediacom Broadband LLC.

### ***Other Expense, Net***

Other expense, net, was \$0.6 million and \$0.8 million for the three months ended March 31, 2011 and 2010, respectively. During the three months ended March 31, 2011, other expense, net, consisted of \$0.5 million of revolving credit facility commitment fees and \$0.1 million of other fees. During the three months ended March 31, 2010, other expense, net, consisted of \$0.5 million of revolving credit facility commitment fees and \$0.3 million of other fees.

### ***Net Income***

As a result of the factors described above, we recognized net income of \$16.5 million for the three months ended March 31, 2011, compared to \$7.8 million in the prior year period.

## **Liquidity and Capital Resources**

### ***Overview***

Our net cash flows provided by operating activities are primarily used to fund network investments to accommodate customer growth and the further deployment of our advanced products and services, as well as scheduled repayments of our external financing and contributions to MCC. We expect that cash generated by us, and available to us, will meet our anticipated capital and liquidity needs for the foreseeable future, including scheduled term loan maturities during the remainder of 2011 in the aggregate amount of \$9.0 million and in each of the years ending December 31, 2012 through December 31, 2014 in the aggregate amount of \$12.0 million. As of March 31, 2011, our sources of liquidity included \$8.6 million of cash on hand and \$205.3 million of unused and available lines under our revolving credit facility.

In the longer term, specifically 2015 and beyond, we do not expect to generate sufficient net cash flows from operations to fund our maturing term loans and senior notes. If we are unable to obtain sufficient future financing on similar terms as we currently experience, or at all, we may need to take other actions to conserve or raise capital that we would not take otherwise. However, we have accessed the debt markets for significant amounts of capital in the past, and expect to continue to be able to access these markets in the future as necessary.

### ***Net Cash Flows Provided by Operating Activities***

Net cash flows provided by operating activities were \$47.7 million for the three months ended March 31, 2011, primarily due to OIBDA of \$59.1 million and, to a lesser extent, the net change in our operating assets and liabilities of \$8.6 million, offset in part by interest expense of \$25.0 million. The net change in our operating assets and liabilities was substantially due to an increase in accounts payable, accrued expenses and other current liabilities of \$11.1 million and a decrease in accounts receivable, net, of \$1.0 million, offset in part by an increase in prepaid expenses and other assets of \$3.9 million.

Net cash flows provided by operating activities were \$16.6 million for the three months ended March 31, 2010, primarily due to OIBDA of \$59.3 million, offset in part by the net change in our operating assets and liabilities of \$25.5 million and interest expense of \$21.8 million. The net change in our operating assets and liabilities was largely as a result of a decrease in accounts payable, accrued expenses and other liabilities of \$29.5 million, offset in part by a decrease in accounts receivable, net, of \$5.6 million.

### ***Net Cash Flows Used in Investing Activities***

Capital expenditures continue to be our primary use of capital resources and the majority of our net cash flows used in investing activities. Net cash flows used in investing activities were \$10.7 million for the three months ended March 31, 2011, as compared to \$24.8 million in the prior year period. The \$14.1 million decline in net cash flows used in investing activities was due to an \$8.9 million redemption of restricted cash and cash equivalents and, to a lesser extent, a \$5.2 million reduction in capital spending. The decrease in capital spending largely reflects reduced outlays related to our transition to an internal phone service platform.

### ***Net Cash Flows (Used in) Provided By Financing Activities***

Net cash flows used in financing activities were \$50.4 million for the three months ended March 31, 2011, primarily due to capital distributions to MCC of \$136.5 million, which were mainly funded by net borrowings of \$86.5 million under the credit facility. The capital distributions to MCC included a distribution to partially fund the Going Private Transaction (see “— *Recent Developments* — *Going Private Transaction*”).

Net cash flows provided by financing activities were \$10.4 million for the three months ended March 31, 2010, primarily due to capital contributions from MCC of \$25.0 million and, to a lesser extent, net borrowings of \$5.0 million under the credit facility, offset in part by capital distributions to MCC of \$20.0 million.

### **Capital Structure**

As of March 31, 2011, our outstanding total indebtedness was \$1.606 billion, of which approximately 78% was at fixed interest rates or subject to interest rate protection. During the three months ended March 31, 2011, we paid cash interest of \$32.3 million, net of capitalized interest.

### ***Bank Credit Facility***

As of March 31, 2011, we had a \$1.470 billion credit facility, of which \$1.256 billion was outstanding. As of the same date, we had \$205.3 million of unused lines under our \$304.2 million revolving credit facility, after giving effect to \$89.5 million of outstanding loans and \$9.4 million of letters of credit issued to various parties as collateral. As of the same date, based on the terms and conditions of our debt arrangements, all of our unused revolving credit lines were available to be borrowed and used for general corporate purposes. Our revolving credit commitments are scheduled to expire in the amounts of \$79.0 million and \$225.2 million on September 30, 2011 and December 31, 2014, respectively.

We use interest rate exchange agreements, or interest rate swaps, in order to fix the variable portion of debt under the credit facility to reduce the potential volatility in our interest expense that would otherwise result from changes in market interest rates. As of March 31, 2011, we had interest rate swaps with various banks pursuant to which the rate on \$900 million of floating rate debt was fixed at a weighted average rate of 3.0%. As of the same date, we also had \$400 million of forward starting interest rate swaps with a weighted average fixed rate of approximately 3.1%. Including the effects of such interest rate swaps, the average interest rates on outstanding debt under the credit facility as of March 31, 2011 and 2010 were 5.3% and 4.7%, respectively.

### ***Senior Notes***

As of March 31, 2011, we had \$350.0 million of outstanding senior notes.

### ***Covenant Compliance and Debt Ratings***

For all periods through March 31, 2011, we were in compliance with all of the covenants under the credit facility and senior note arrangements. We do not believe that we will have any difficulty complying with any of the applicable covenants in the near future.

Our future access to the debt markets and the terms and conditions we receive are influenced by our debt ratings. Our corporate credit ratings are B1, with a stable outlook, by Moody's, and B+, with a stable outlook, by Standard and Poor's. Any future downgrade to our credit ratings could result in higher interest rates on future debt issuance than we currently experience, or adversely impact our ability to raise additional funds. However, there are no covenants, events of default, borrowing conditions or other terms in the credit facility or senior note arrangements that are based on changes in our credit rating assigned by any rating agency.

### **Contractual Obligations and Commercial Commitments**

There have been no material changes to our contractual obligations and commercial commitments as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2010.

### **Critical Accounting Policies**

The preparation of our financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Periodically, we evaluate our estimates, including those related to doubtful accounts, long-lived assets, capitalized costs and accruals. We base our estimates on historical experience and on various other assumptions that we believe are reasonable. Actual results may differ from these estimates under different assumptions or conditions. We believe that the application of the critical accounting policies requires significant judgments and estimates on the part of management. For a summary of our critical accounting policies, please refer to our annual report on Form 10-K for the year ended December 31, 2010.

### ***Goodwill and Other Intangible Assets***

In accordance with the Financial Accounting Standards Board's Accounting Standards Codification No. 350 *Intangibles — Goodwill and Other* ("ASC 350"), the amortization of goodwill and indefinite-lived intangible assets is prohibited and requires such assets to be tested annually for impairment, or more frequently if impairment indicators arise. We have determined that our cable franchise rights and goodwill are indefinite-lived assets and therefore not amortizable.

We directly assess the value of cable franchise rights for impairment under ASC 350 by utilizing a discounted cash flow methodology. In performing an impairment test in accordance with ASC 350, we make assumptions, such as future cash flow expectations, unit growth, competition, industry outlook, capital expenditures, and other future benefits related to cable franchise rights, which are consistent with the expectations of buyers and sellers of cable systems in determining fair value. If the determined fair value of our cable franchise rights is less than the carrying amount on the financial statements, an impairment charge would be recognized for the difference between the fair value and the carrying value of such assets.

Goodwill impairment is determined using a two-step process. The first step compares the fair value of a reporting unit with our carrying amount, including goodwill. If the fair value of a reporting unit exceeds our carrying amount, goodwill of the reporting unit is considered not impaired and the second step is unnecessary. If the carrying amount of a reporting unit exceeds our fair value, the second step is performed to measure the amount of impairment loss, if any. The second step compares the implied fair value of the reporting unit's goodwill, calculated using the residual method, with the carrying amount of that goodwill. If the carrying amount of the goodwill exceeds the implied fair value, the excess is recognized as an impairment loss. We have determined that we have one reporting unit for the purpose of applying ASC 350, Mediacom LLC. Our most recently completed annual impairment test was conducted as of October 1, 2010, and we will be conducting our next annual impairment test as of October 1, 2011.

In accordance with Accounting Standards Update 2010-28 ("ASU 2010-28") — *When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts (a consensus of the FASB Emerging Issues Task Force)*, we have evaluated the qualitative factors surrounding our Mediacom LLC reporting unit with its negative equity carrying value. We do not believe that it is "more likely than not" that a goodwill impairment exists. As such, we have not performed Step 2 of the goodwill impairment test.

The economic conditions currently affecting the U.S. economy and the long-term impact on the fundamentals of our business may have a negative impact on the fair values of the assets in our reporting units. This may result in the recognition of an impairment loss in the future. Because we believe there has not been a meaningful change in the long-term fundamentals of our business during the first three months of 2011, we have determined that there has been no triggering event under ASC 350, and as such, no interim impairment test was required as of March 31, 2011.

### **Inflation and Changing Prices**

Our costs and expenses are subject to inflation and price fluctuations. Such changes in costs and expenses can generally be passed through to subscribers. Programming costs have historically increased at rates in excess of inflation and are expected to continue to do so. We believe that under the Federal Communications Commission's existing cable rate regulations we may increase rates for cable television services to more than cover any increases in programming. However, competitive conditions and other factors in the marketplace may limit our ability to increase our rates.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

There have been no significant changes to the information required under this Item from what was disclosed in Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2010.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### **Mediacom LLC**

Under the supervision and with the participation of the management of Mediacom LLC, including Mediacom LLC's Chief Executive Officer and Chief Financial Officer, Mediacom LLC evaluated the effectiveness of Mediacom LLC's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based upon that evaluation, Mediacom LLC's Chief Executive Officer and Chief Financial Officer concluded that Mediacom LLC's disclosure controls and procedures were effective as of March 31, 2011.

There has not been any change in Mediacom LLC's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2011 that has materially affected, or is reasonably likely to materially affect, Mediacom LLC's internal control over financial reporting.

#### **Mediacom Capital Corporation**

Under the supervision and with the participation of the management of Mediacom Capital Corporation ("Mediacom Capital"), including Mediacom Capital's Chief Executive Officer and Chief Financial Officer, Mediacom Capital evaluated the effectiveness of Mediacom Capital's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based upon that evaluation, Mediacom Capital's Chief Executive Officer and Chief Financial Officer concluded that Mediacom Capital's disclosure controls and procedures were effective as of March 31, 2011.

There has not been any change in Mediacom Capital's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2011 that has materially affected, or is reasonably likely to materially affect, Mediacom Capital's internal control over financial reporting.

**PART II**

**ITEM 1. LEGAL PROCEEDINGS**

See Note 10 in our Notes to Consolidated Financial Statements.

**ITEM 1A. RISK FACTORS**

There have been no material changes in our risk factors from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2010.

**ITEM 6. EXHIBITS**

<b>Exhibit Number</b>	<b>Exhibit Description</b>
31.1	Rule 15d-14(a) Certifications of Mediacom LLC
31.2	Rule 15d-14(a) Certifications of Mediacom Capital Corporation
32.1	Section 1350 Certifications of Mediacom LLC
32.2	Section 1350 Certifications of Mediacom Capital Corporation

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**MEDIACOM LLC**

May 12, 2011

By: /s/ Mark E. Stephan

**Mark E. Stephan**

Executive Vice President and Chief Financial Officer

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**MEDIACOM CAPITAL CORPORATION**

May 12, 2011

By: /s/ Mark E. Stephan  
**Mark E. Stephan**  
Executive Vice President and Chief Financial Officer

**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Exhibit Description</b>
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32.1	Section 1350 Certifications of Mediacom LLC
32.2	Section 1350 Certifications of Mediacom Capital Corporation

## CERTIFICATIONS

I, Rocco B. Commisso, certify that:

- (1) I have reviewed this report on Form 10-Q of Mediacom LLC;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 12, 2011

By: /s/ ROCCO B. COMMISSO

**Rocco B. Commisso**

Chairman and Chief Executive Officer

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## CERTIFICATIONS

I, Mark E. Stephan, certify that:

- (1) I have reviewed this report on Form 10-Q of Mediacom LLC;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 12, 2011

By: /s/ MARK E. STEPHAN

**Mark E. Stephan**

Executive Vice President and Chief Financial Officer

**CERTIFICATIONS**

I, Rocco B. Commisso, certify that:

- (1) I have reviewed this report on Form 10-Q of Mediacom Capital Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 12, 2011

By: /s/ ROCCO B. COMMISSO

**Rocco B. Commisso**

Chairman and Chief Executive Officer

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## CERTIFICATIONS

I, Mark E. Stephan, certify that:

- (1) I have reviewed this report on Form 10-Q of Mediacom Capital Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 12, 2011

By: /s/ MARK E. STEPHAN

**Mark E. Stephan**

Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Mediacom LLC (the "Company") on Form 10-Q for the period ended March 31, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Rocco B. Commisso, Chairman and Chief Executive Officer and Mark E. Stephan, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 12, 2011

By: /s/ ROCCO B. COMMISSO  
**Rocco B. Commisso**  
Chairman and Chief Executive Officer

By: /s/ MARK E. STEPHAN  
**Mark E. Stephan**  
Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Mediacom Capital Corporation (the "Company") on Form 10-Q for the period ended March 31, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Rocco B. Commisso, Chairman and Chief Executive Officer and Mark E. Stephan, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 12, 2011

By: /s/ ROCCO B. COMMISSO  
**Rocco B. Commisso**  
Chairman and Chief Executive Officer

By: /s/ MARK E. STEPHAN  
**Mark E. Stephan**  
Executive Vice President and Chief Financial Officer