



Network Overview

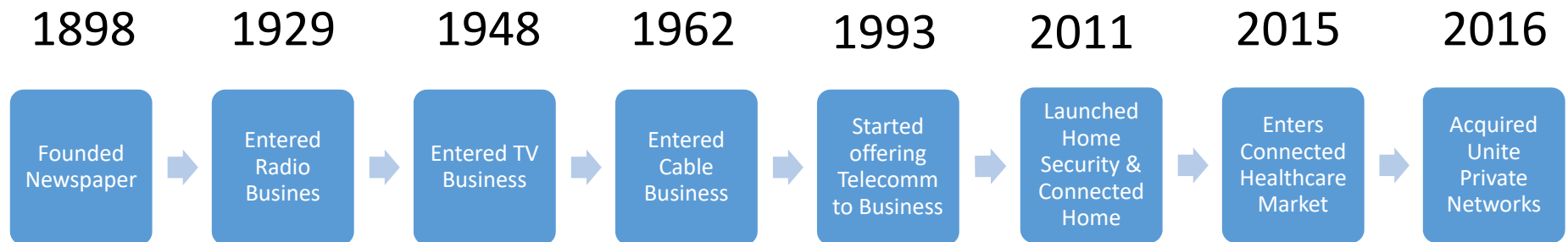
TFI Communications Technology & Asset Valuation Conference
January 26-27, 2017, Austin, Texas

Company Overview



- Company Started as a newspaper company in 1898
- Cable Division Formed in 1962
- Third largest Cable Provider
- Serves \approx \$6.2M Subs
- History of adopting new technology

Notable Milestones



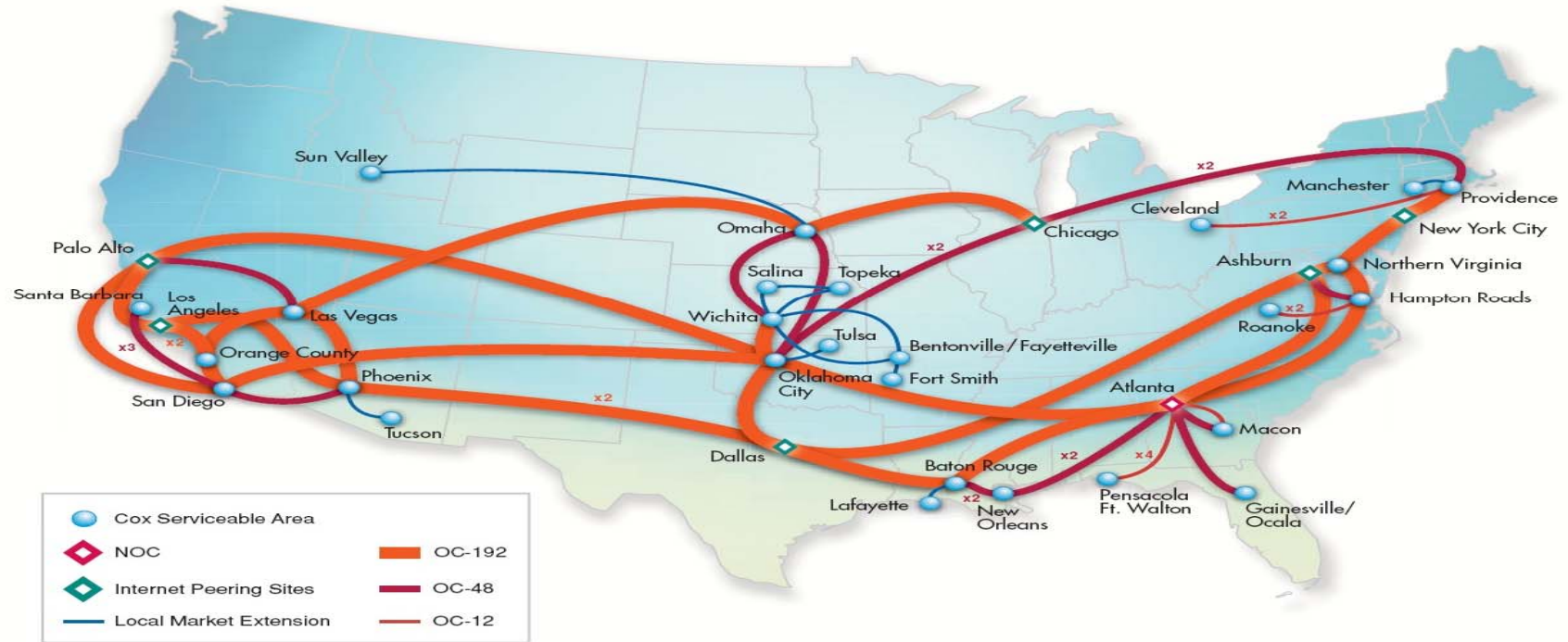
❑ Strategy: Leverage the capacity and capability of Nationwide IP Network to deliver array of services and create multiple revenue streams:

- ❑ Connected Home gaining market share
- ❑ Entered Connected Medical Market via Trapollo acquisition
- ❑ Focused on growing commercial customer base



SERVICE AREA MAP

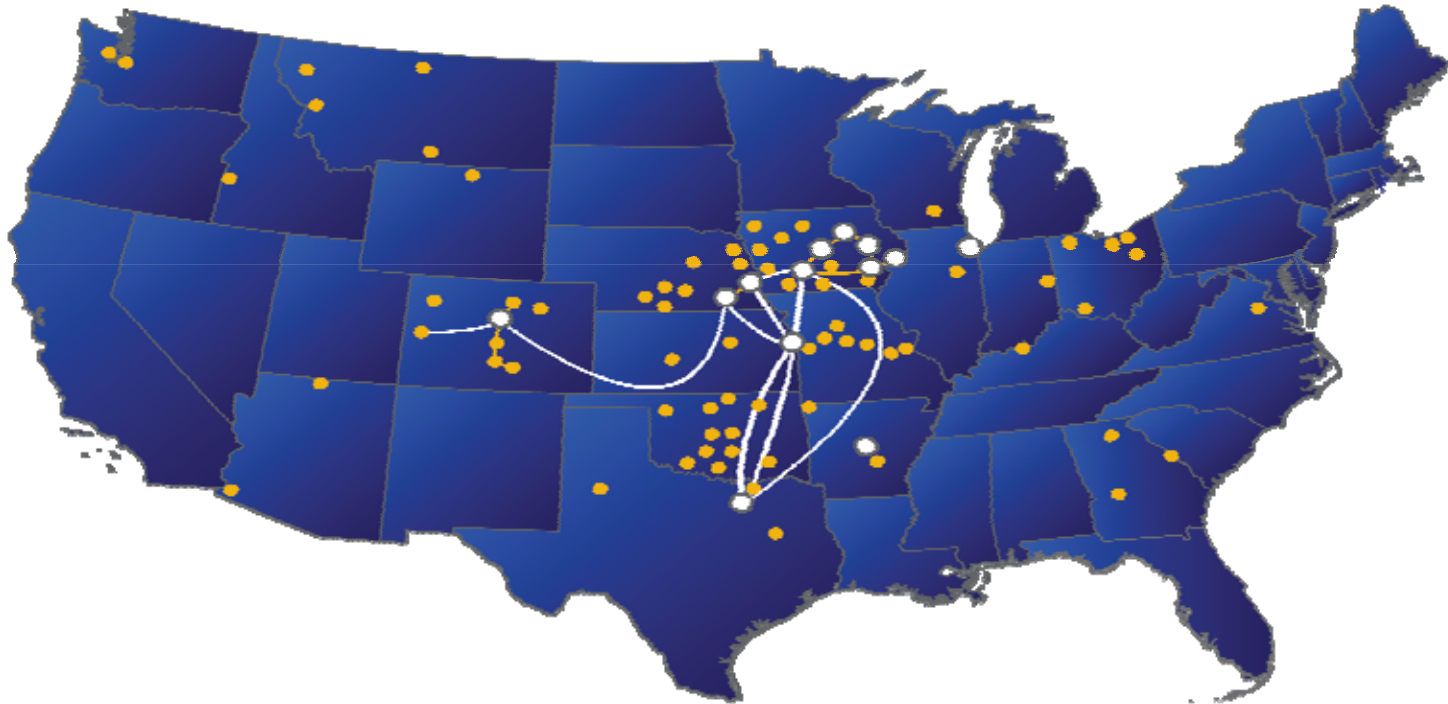
Cox National IP Backbone - Pre Unite Private Networks Acquisition



- Serves approx. 20 Markets in 12 States
- Approximately 20% of Revenues from Commercial Customers

UNITE PRIVATE NETWORK'S SERVICE AREA MAP

- Acquired 10/31/16
- 6,200 Route Mile Fiber Network
- Located in 20 states
- Complimentary Fiber Network that serves larger commercial customers than CBS in partially overlapping network



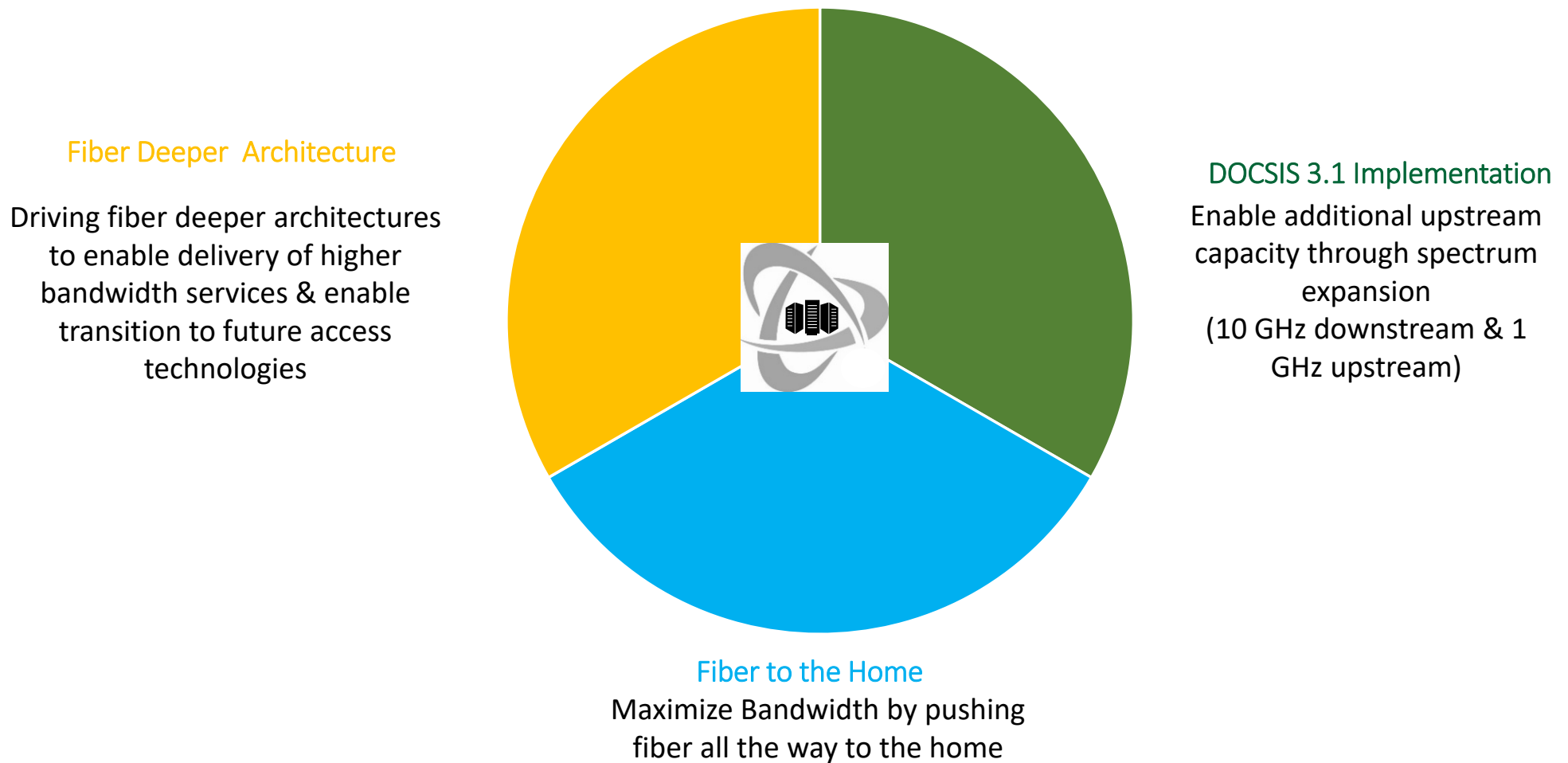
BIGGEST INFRASTRUCTURE CHALLENGE:



Support Bandwidth Demand

- ❖ Demand is doubling every 18 months. Primary driver?
- ❖ Streaming Video - Streaming video accounts for approximately 70% percent of peak period downstream traffic on North American fixed networks
- ❖ Every night for us is busy season as demand as usage takes up most of available bandwidth

Strategies to Increase Bandwidth



BANDWIDTH MAXIMIZATION STRATEGIES

All Digital

- Removed analog channels from line-up in 2014-2016
- This freed-up approximately 35% of existing spectrum

Switched digital

- Only push programming to a customers home when program requested
- Migration occurred in 2016
- Allows bandwidth to be shared among channels with low viewership

Now What?



DOCSIS 3.1 IMPLEMENTATION



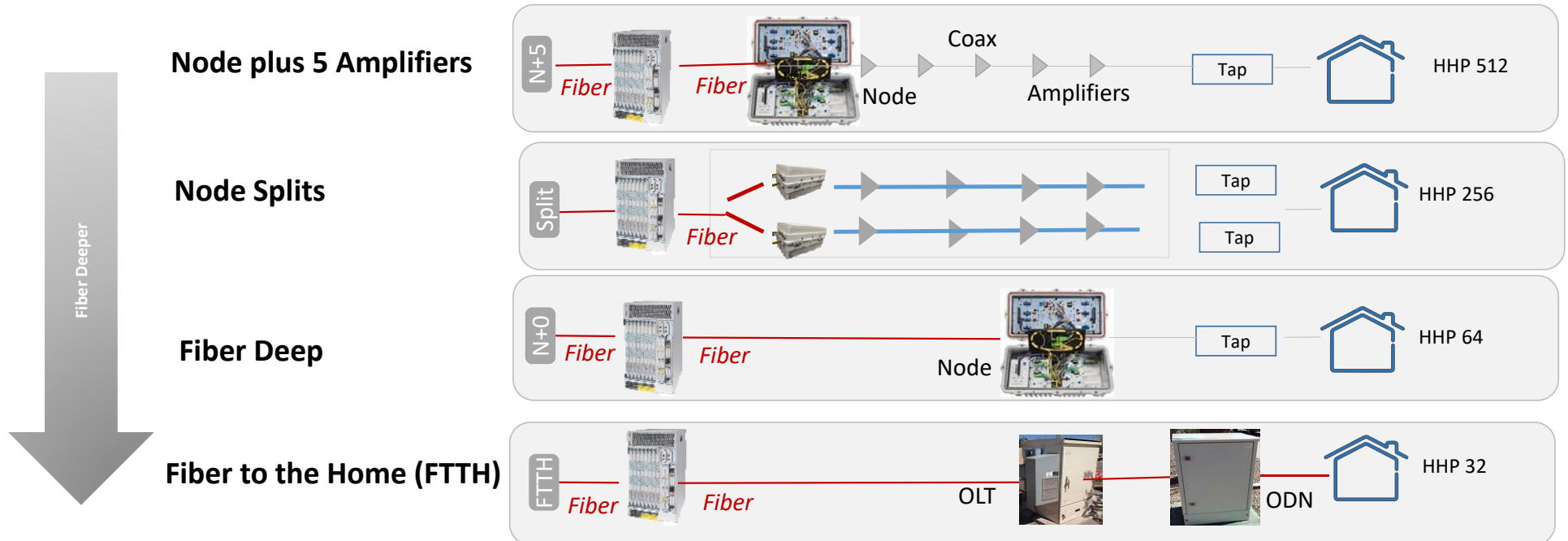
Background

- DOCSIS is The international standard used for transferring data over cable TV systems
- DOCSIS 3.1 is latest version of this standard
- Starting market trials in Q1 2017

Why is 3.1 significant?

- D3.1 deploys a new modulation method that allows for higher bandwidth availability and faster speeds (10G downstream & 1G upstream)
- Deployment results in Cox doubling available bandwidth in market

FIBER DEEPER & FIBER TO THE HOME ARCHITECTURE



- Currently one node covers approx. 500 homes
- Node Splits reduces homes passed to 256/Fiber Deep reduces to 64
- Running Fiber all the way to homes reduces homes passed to 32

Expensive to run FTTH → Push fiber deeper increases current bandwidth availability, and makes it easier to continue extending fiber at a later date

IMPLEMENTATION PLAN

New Projects:

- Build all greenfield projects using FTTH

In Competitive Markets:

- Start migrating to fiber deep
- Extend fiber, but continue to leverage HFC network. Transition to DOCSIS 3.1

All other Markets:

- Continue with node splits with a focus on Fiber Deep end state

