

Digital Deployment Update

Presented for PBS Technology Conference,
Michael T. Hayashi, Time Warner Cable,
April 20, 2001

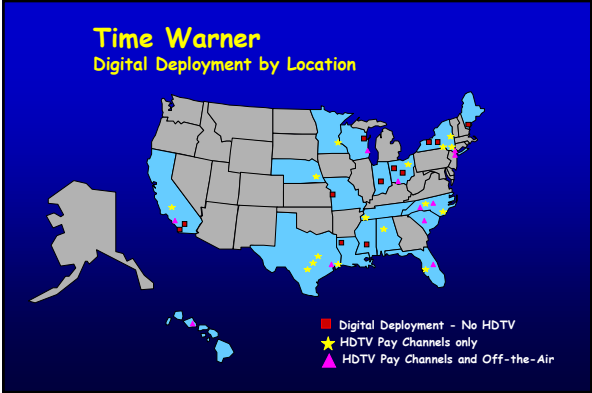


Agenda

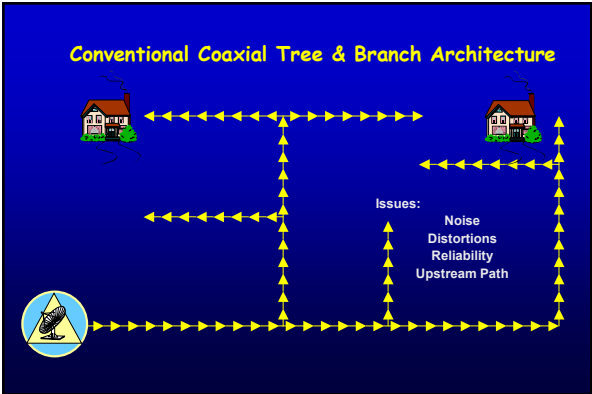
- Deployment Statistics
- Cable System Architecture
- Technology Initiatives

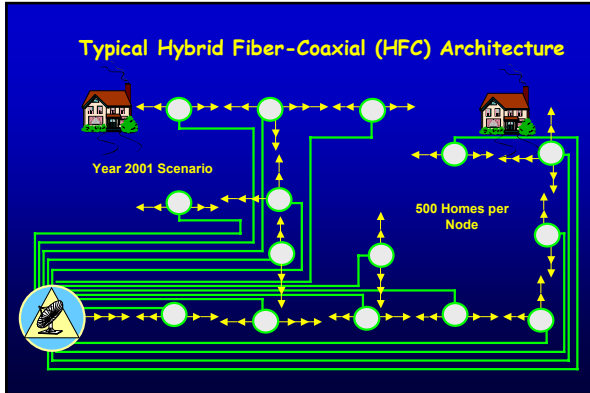
Deployment Statistics

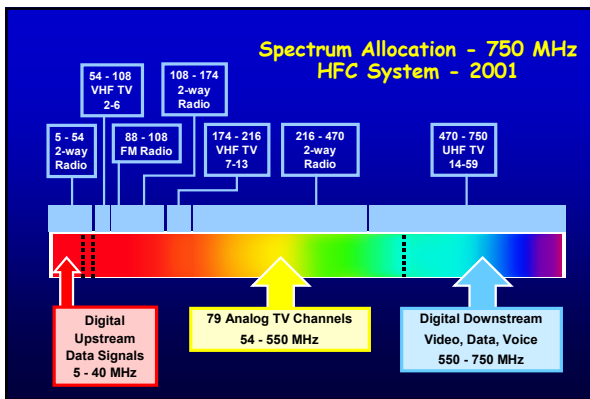
- 20+ Million Homes Passed, 40 Operating Divisions
- 90% Upgraded
- ALL Digital TV Ready
 - Pegasus (90%)
 - Motorola (10%)
 - 2.5 million "boxes" per year, 50% digital subs by EOY 2003
- DOCSIS (High Speed Cable Modem) Ready - 90%
 - 15% cable modem subs by EOY 2003

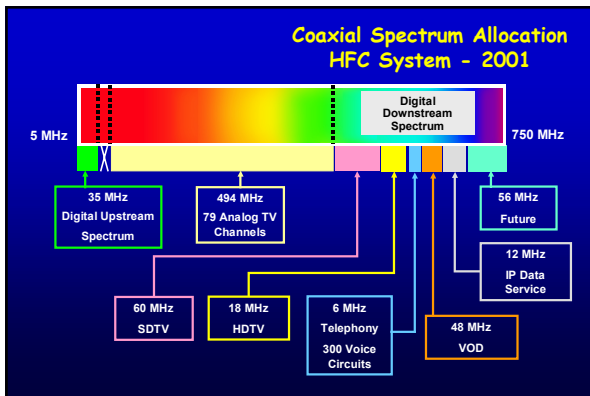


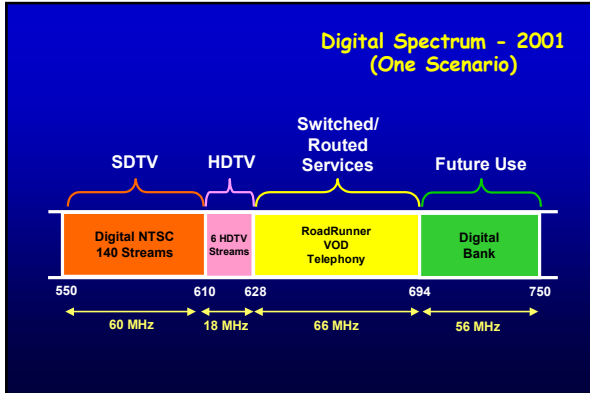
- ### Cable System Architecture
- HFC
 - Spectrum Planning

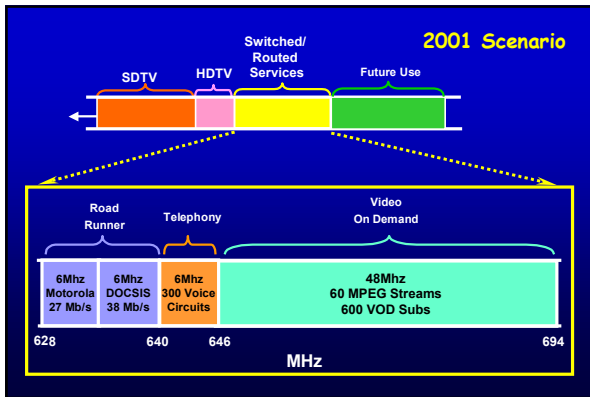


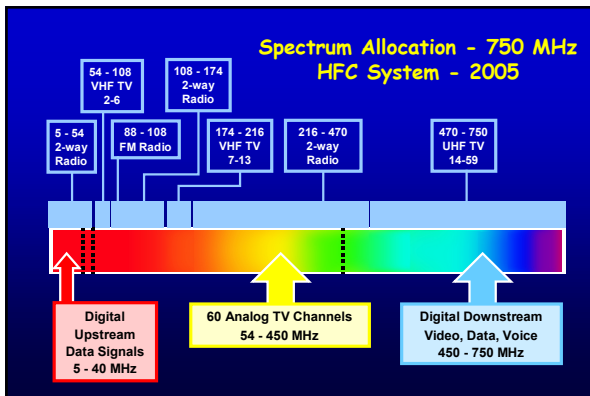


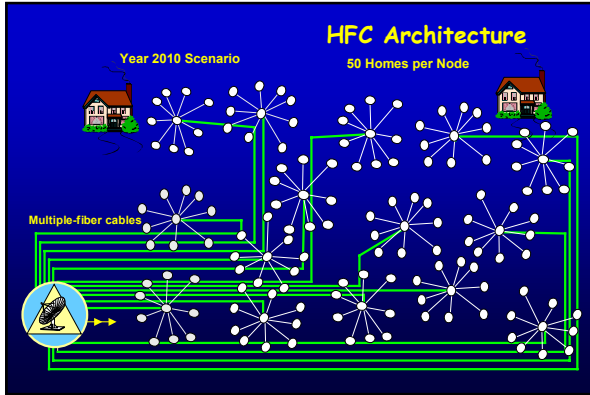


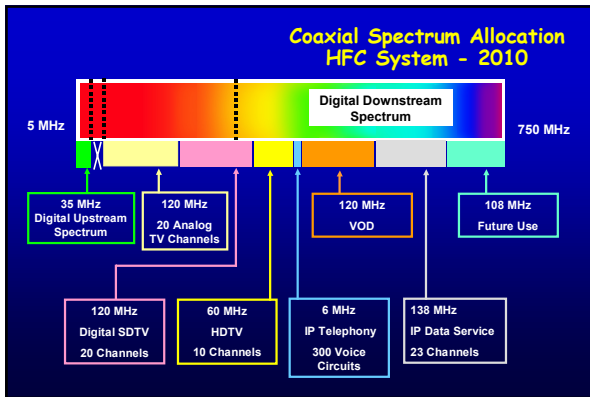


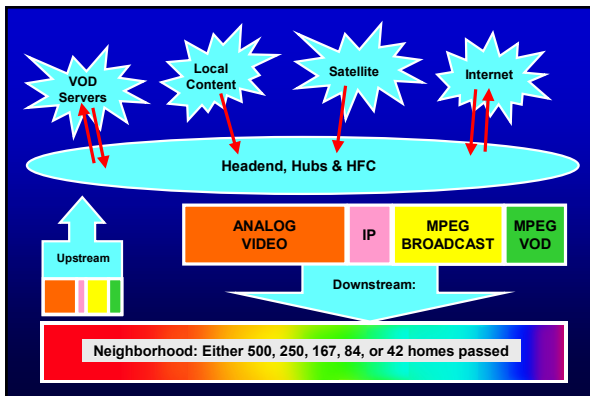












Digital Set-tops: Pegasus

- Born from FSN experiment, circa 1994
- MPEG-2, DVS and DAVIC standards based real-time two-way system
- Deployed in 38 out of 40 divisions
- Current services are:
 - More channels, more channels, more channels
 - On screen digital navigator

Coming Very Soon

- Movies-On-Demand (MOD)
 - Need to resolve title availability
- Subscription VOD
- Enhanced TV
 - ATVEF triggers

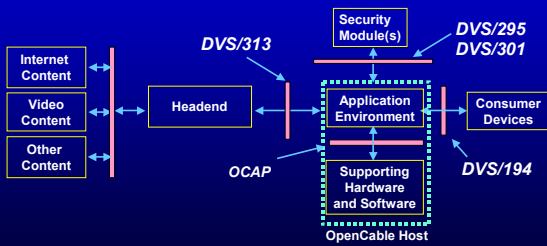
Coming Soon

- Personal video recording service
 - Phase I - via set-top boxes with hard disc drives
 - Phase II - via network services
- Higher level integration of:
 - Data and voice services
 - Home networking

Industry Developments

- OpenCable: Cable's Retail Initiative
 - OpenCable Application Platform: aka middleware
 - Separation of Security and Navigation: POD Module
 - Standards based

OpenCable Architecture



Opportunities

- Cable needs more HD content to differentiate itself from its competitors
 - Spectrum advantages
 - Local advantages
- Cable is a local infrastructure...enhanced services to increase local presence
