

TIME WARNER CABLE INC

NYSE: TWC
Industry: Media

SABRIENT

SELL

RATING

Stock Fundamentals as of May 11, 2009

Sabrient Rating	Sell
Ticker	TWC
Market Cap Designation	Large-cap
Market Capitalization (Billions)	\$11.9
Price	\$33.80
52-Week High/Low	\$94.68/20.19
EPS (TTM)	-\$22.83
P/E Ratio (TTM)	N/A
Dividend Yield	N/A
S&P 500 P/E Ratio	18.7
Price/Book Ratio	1.6
Price/Sales Ratio	0.7
30-Day Average Volume (Millions)	5.7
Beta	0.44
Current Ratio	0.5
Short Interest Ratio	1.7
Shares Outstanding (Millions)	352.3

Sabrient Ratings

Sabrient's Buy/Hold/Sell ratings are based on a combination of dynamic filters that determine which attributes of a stock are most predictive in the prevailing market and which stocks best reflect those attributes but are not yet rewarded.

Sabrient starts with an "extraction" process that uses the best performing filters to identify stocks having certain compelling attributes currently sought by the market. Then, a composite scoring process uses a weighted average of several key scores to quantify the relative likelihood of upside or downside price action. As a result, the Buy/Hold/Sell rating may, in certain cases, seem inconsistent with a simple average of the scores cited in this analysis.

A BUY rating means the stock is expected to outperform its relevant benchmark substantially over the next 6 months. A SELL rating means the stock is expected to underperform its relevant benchmark substantially over the next 6 months. A HOLD rating means the stock is expected to perform in line with its relevant benchmark over the next 6 months.

If a stock is rated HOLD, the investor should review the stock's history of Sabrient ratings to see if it has recently changed to HOLD from BUY or SELL. If so, this indicates one of the following: (1) there has been a significant change in the stock's fundamentals, (2) the stock is already appropriately rewarded or punished by the market, or (3) there simply has been some recent price consolidation that warrants attention. A reading of Sabrient's analysis should identify which it is.

More about Sabrient on Page 4

Sabrient's Market Cap Designations

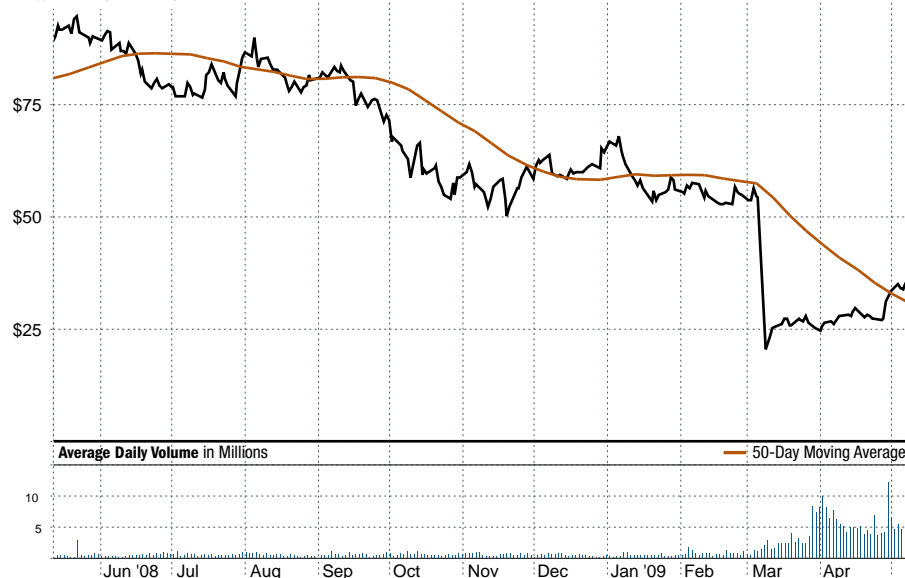
Large Cap	> \$5.0 Billion
Mid Cap	\$1.0 - \$5.0 Billion
Small Cap	\$150 Million - \$1.0 Billion
Micro Cap	< \$150.0 Million

Report prepared on **May 12, 2009** Page 1

Please see important disclaimer on page 5 of this report.

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TIME WARNER CABLE INC



Company Profile

Time Warner Cable Inc. provides video, data, and voice service to residential and commercial customers in the United States.

Earnings and Revenue Update: For the quarter ended March 31, 2009, Time Warner Cable Inc reported earnings of \$164.0 million or \$0.48 per share compared with \$-8.2 billion or \$-25.08 per share for the prior quarter and \$242.0 million or \$0.75 per share for the same quarter one year ago. Revenues were \$4.4 billion for the quarter ended March 31, 2009 compared with \$4.4 billion for the prior quarter and \$4.2 billion for the same quarter one year ago. Last twelve months' earnings were \$-22.83 per share compared with \$3.33 per share a year ago. Last twelve months' revenues were \$17.4 billion compared with \$16.3 billion a year ago.

Sabrient Analysis

Despite a respectable showing for Sabrient's key growth measures, TWC is rated a Sell because it exhibits characteristics that are currently being punished by the market.

- **Momentum:** A Sabrient Momentum Score of 26.2 places TWC among the weakest public companies with regard to momentum. The score is a reflection of earnings growth, price improvement, and group strength.
- **Value:** The stock is likely to be considered fully valued or possibly overvalued based on its Sabrient Value Score of 40.6.
- **Growth:** A score of 69.3 for the Sabrient Growth Score suggests that TWC has good growth potential.
- **Timeliness:** This stock has a Sabrient Timeliness Score of 52.2. This is a composite measure of short-term and long-term price performance and long-term group performance.

Sabrient Analysis continued on Page 3

Sabrient

Leaders In Investment Research

TIME WARNER CABLE INC

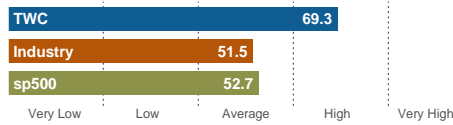
NYSE: TWC
Industry: Media

SABRIENT
SELL
RATING

Current Sabrient Scores Compared with Industry and Relevant Benchmark

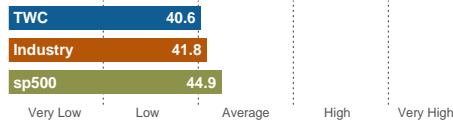
These Sabrient scores compare various aspects of TIME WARNER CABLE INC with its industry and relevant benchmarks. The scores are percentile rankings from 0 to 99.9. Higher scores are better. We use a weighted average of several key scores to quantify the relative likelihood of upside or downside price action. Therefore, the Sabrient rating may seem inconsistent with a simple average of the scores cited in this analysis.

Growth Score: 69.3



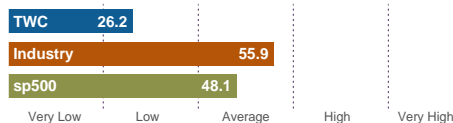
The Sabrient Growth Score reflects a company's historical and projected earnings growth, revenue and sales growth, projected cash flow, analyst activity, and changes in earnings estimates, each over various time periods. The higher the score, the better the combined performance of these key measures. With a Sabrient Growth Score of 69.3, Time Warner Cable Inc is moderately higher than the average of its industry group, which has a Sabrient Growth Score of 51.5.

Value Score: 40.6



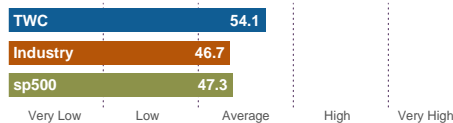
The Sabrient Value Score measures the relationship between a company's stock price and its intrinsic value, as indicated by earnings and balance sheet attributes, with an emphasis on earnings. Also considered are cash flow measures and fundamental valuation ratios. With a Sabrient Value Score of 40.6, Time Warner Cable Inc is in line with the average of its industry group, which has a Sabrient Value Score of 41.8.

Momentum Score: 26.2



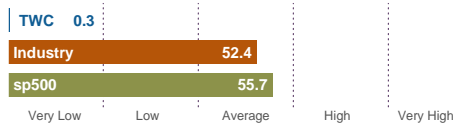
The Sabrient Momentum Score measures a company's earnings and price momentum, evenly weighted, and augmented by group strength, money flow, and relative volume. Core technical factors include current price relative to periodic highs and moving averages. With a Sabrient Momentum Score of 26.2, Time Warner Cable Inc is considerably lower than the average of its industry group, which carries a Sabrient Momentum Score of 55.9.

Earnings Score: 54.1



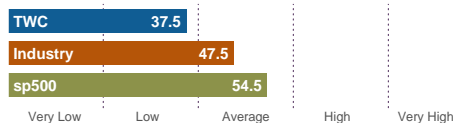
The Sabrient Earnings Score assesses a company's overall earnings performance and projected outlook. Time periods include an average look-back of three years with an emphasis on the past four quarters and a forward look of one to five years. With a Sabrient Earnings Score of 54.1, Time Warner Cable Inc is marginally higher than the average of its industry group, which has a Sabrient Earnings Score of 46.7.

Balance Sheet Score: 0.3



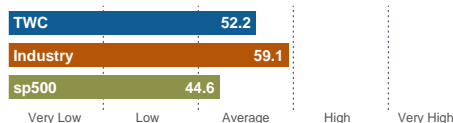
The Sabrient Balance Sheet Score measures a company's liquidity and debt issues, as well as receivables and inventory quality. This score is used to assess relative risk associated with a stock: the lower the score, most likely the higher the inherent risk. With a Sabrient Balance Sheet Score of 0.3, Time Warner Cable Inc is dramatically lower than the average of its industry group, which carries a Sabrient Balance Sheet Score of 52.4.

Fundamental Score: 37.5



The Sabrient Fundamental Score is the broad measure of a company's financial health, including its balance sheet, cash flow, revenue, and earnings quality. With a Sabrient Fundamental Score of 37.5, Time Warner Cable Inc is moderately lower than the average of its industry group, which carries a Sabrient Fundamental Score of 47.5.

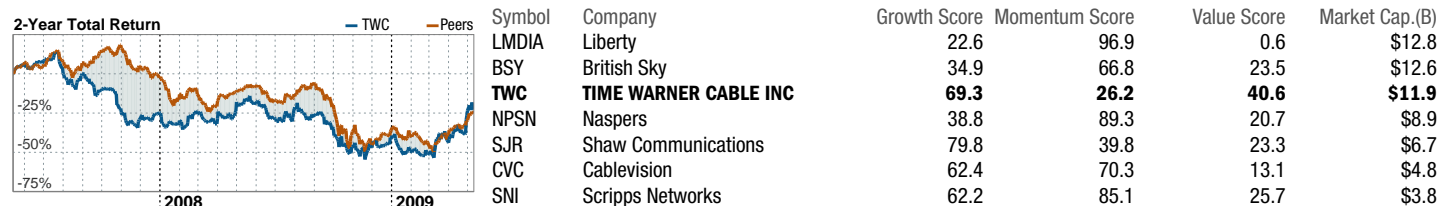
Timeliness Score: 52.2



The Sabrient Timeliness Score is an assessment of a stock's short and long-term price strength as determined by various chart-based indicators and measures of group momentum and relative price performance. With a Sabrient Timeliness Score of 52.2, Time Warner Cable Inc is marginally lower than the average of its industry group, which carries a Sabrient Timeliness Score of 59.1.

Peer Analysis

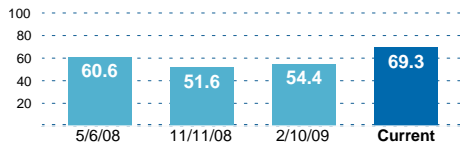
This table compares TWC with other similar-sized companies in the same industry group, focusing on Sabrient's growth, momentum and value scores, which represent the three main investing styles. The Peer Analysis chart compares TWC's 2-year total return with the average 2-year total return of these companies.



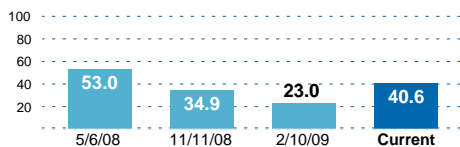
Historical Sabrient Scores

The recent histories of key Sabrient scores provide insight into the stock's trends -- whether they are increasing or decreasing in strength in a particular area or simply holding steady. The Sabrient scores are percentile rankings from 0 to 99.9, with higher scores better. Keep in mind that Sabrient ratings may seem inconsistent with a simple average of these key scores because a weighted average of several key scores is used to quantify the relative likelihood of upside or downside price action.

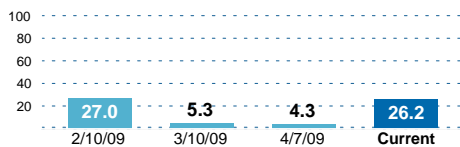
Growth Score: 69.3



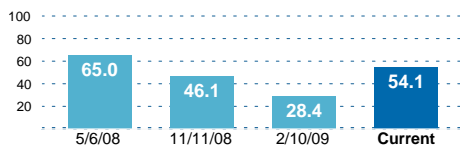
Value Score: 40.6



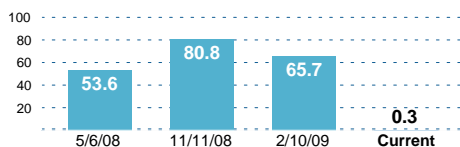
Momentum Score: 26.2



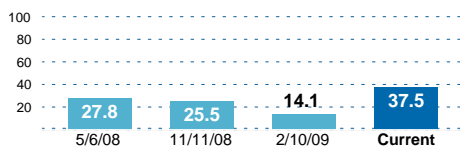
Earnings Score: 54.1



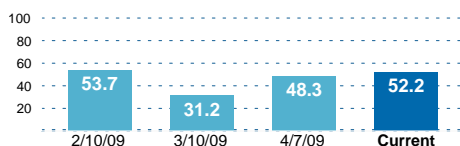
Balance Sheet Score: 0.3



Fundamental Score: 37.5



Timeliness Score: 52.2



Sabrient Analysis continued from Page 1

- **Best Performing Filters:** To determine the likelihood of near-term performance, Sabrient builds and backtests "Smart Filters" to establish which caps, styles and attributes are drawing a premium in today's market. Currently, the three most predictive filters for the relevant segment are:

Turnaround Filter: The Turnaround Filter gives high scores to stocks that exhibit low relative valuations and relatively stagnant EPS growth over the last three years, but have favorable EPS projections that have not yet been rewarded by the market. The filter dramatically outperformed its large-cap benchmark during the last three months. TWC scores 42.5 for this filter.

Primary Value Filter: The Primary Value Filter measures key growth and valuation ratios, both long-term and short-term. It is currently one of our best-performing filters, showing a significant premium to its large-cap benchmark for the past three months. TWC scores 34.5 for this filter.

Price Trend Filter: The Price Trend Filter uses a sophisticated statistical analysis to evaluate a stock's current price with respect to its long-term trend and to compare the result to the stock's core growth characteristics. A high score means the stock is below its long-term trend, especially in light of its earnings performance. A low score means the stock is above its long-term trend and may likely fall back to or below the mean. As of last month, this filter showed a substantial premium to its large-cap benchmark. TWC scores 20.0 for this filter.

In summary, TWC's Sell rating reflects a profile of metrics shown to be under selling pressure in the current market. This analysis should be considered in light of the recent behavior of the market, discussed below.

What the Market Wants: May 2009

[Note: 'What the Market Wants' is based on the market behavior and Sabrient's filter backtesting results for the previous month.]

THE BEAR IS DEAD . . . LONG LIVE THE BULL?

By David Brown, Chief Market Strategist

(May 4, 2009 5:45 pm PST)

Perhaps not. Many don't consider the birth of the bull until the S&P 500 index crosses its 200-day moving average, and that milestone is still a short distance away. So perhaps we have a baby bull and a very wounded bear, but keep in mind that this is one of the most ferocious bears in history. One swipe of his claw can knock a baby bull off his feet.

That said, April was a glorious month, with the market blooming almost every week. The Russell Midcap Value was up an awesome 19.1% for the month, and the Nasdaq was up 12.35%. Indeed, every index was up double-digits, except for the Dow, up 7.4%, and the S&P 500, barely missing two digits at 9.4%.

Similarly, the last three months show everybody in the black, led by Mid-cap Growth (+15.6%) and the Nasdaq (+16.3%). The majority of the six-month numbers are still in the red, as are the 12-months numbers. The year-to-date performance is mixed between positive and negative, but is led by Mid-cap Growth.

With regard to styles, over the past month value slightly outperformed growth in most caps, but still trails over the past quarter by fairly wide margins.

For the most part, corporate earnings have surprised to the positive for the first quarter. Especially surprising were a number of banks that significantly beat their numbers and posted fairly handsome levels of profit.

Leading indicators, in general, have been better than expected, while lagging indicators such as employment statistics remain in dismal territory.

We should still be wary of economic pitfalls because technically, we are still in a recession. There could be negative economic surprises from the upcoming bank stress tests results and from future problems related to consumer debt levels, including credit cards.

Nonetheless, the near-term outlook for the market remains positive as money continues to flow back into equities, and short-covering fuels strong rallies among previously weak stocks. It is interesting to note, however, that despite the strong market rally over the last three months, market valuations in general remain slightly below the bottom of the 1987 crash.

Growth metrics remain the clear favorite, but the market's rise has fueled more interest in reasonable valuations, as evidenced by the improving results of the value style over the past month. The prudent investor will carefully build his portfolio from among the strong valuations that remain available.

Next update: First week of June.

Company Description

Time Warner Cable Inc. provides video, data, and voice service to residential and commercial customers in the United States. The company offers video service through analog transmissions; a combination of digital and analog transmissions; or in systems, as well as video service via digital transmissions. It provides on-demand services, enhanced television services, high-definition television, and set-top boxes equipped with digital video recorders. Time Warner Cable also offers video programming; data services, including Internet access, Web site hosting, and managed security; and Business Class Phone, a business-grade phone service geared to small- and medium-sized businesses, as well as commercial networking and transport services. As of December 31, 2008, it served approximately 14.6 million customers primarily in New York state, the Carolinas, Ohio, southern California, and Texas. The company is based in New York, New York. Time Warner Cable Inc. formerly operated as a subsidiary of Time Warner Inc. Time Warner Cable Inc. (NYSE:TWC) operate independently of Time Warner Inc. as of March 12, 2009.

About Sabrient

Sabrient Systems is an independent research firm providing statistical analysis of a company's fundamental data to investment professionals. We use a computer-driven, quantitative methodology to identify stocks that appear poised to outperform or underperform the market.

The Sabrient methodology was developed by an experienced research team led by David Brown, a former NASA scientist and retired CEO of Telescan and designer of its premier stock search program, ProSearch. The research team employs a scientific approach to the creation and testing of multi-factor filters. Each filter targets a key area of traditional stock analysis, including value, growth, momentum, fundamentals, earnings, balance sheet, and group strength. Using an adaptive process, filters are continually tested and monitored to ensure that only the best performing filters are at work.

Sabrient's ratings begin with an extraction process in which each of the few best-performing filters scans the universe of equities to identify stocks having certain compelling attributes sought, but not sufficiently rewarded, by the current market. Then, a composite scoring system employs a broader set of "weighting" filters to rank the extracted stocks. To support individual investors, Sabrient uses the same sophisticated methodology to provide individual stock reports on a universe of approximately 5,600 stocks.

Sabrient regularly tests the performance of its stock selections, using its primary list of published rankings and statistical techniques it believes appropriate. These recommendations have consistently outperformed relevant benchmarks across a broad range of investing styles, market caps, time frames and market conditions, demonstrating the robustness of Sabrient's proprietary methodology. While past performance is no guarantee of future results, Sabrient believes it can maintain its strong performance through its rigorous, scientific approach to filter construction and ongoing backtesting within a dynamic and adaptive composite scoring system.

For more information on Sabrient and its performance, go to www.sabrient.com

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