



## Comcast Reports Second Quarter 2008 Results

- Consolidated Revenue Increased 11%; Pro Forma Growth of 8%
- Consolidated Operating Cash Flow Increased 11%; Pro Forma Growth of 8%
- Consolidated Operating Income Increased 19%
- EPS Increased 11% to \$0.21
- Free Cash Flow Increased 216% to \$1.2 Billion
- Repurchased 48 Million Common Shares for \$1.0 Billion

PHILADELPHIA, July 30 /PRNewswire-FirstCall/ -- Comcast Corporation (Nasdaq: CMCSA, CMCSK) today reported results for the quarter ended June 30, 2008. The following table highlights financial results (dollars in millions, except per share amounts):

Consolidated	2nd Quarter			Six Months		
	2008	2007	Growth	2008	2007	Growth
Revenue	\$8,553	\$7,712	11%	\$16,942	\$15,100	12%
Operating Cash Flow	\$3,351	\$3,012	11%	\$6,525	\$5,775	13%
Operating Income	\$1,750	\$1,468	19%	\$3,305	\$2,729	21%
Net Cash Provided by Operating Activities	\$2,669	\$1,942	37%	\$4,928	\$3,907	26%
Free Cash Flow	\$1,163	\$368	216%	\$1,865	\$810	130%
Net Income	\$632	\$588	8%	\$1,364	\$1,425	(4%)
Earnings per Share	\$0.21	\$0.19	11%	\$0.46	\$0.45	2%
Adjusted Net Income(1)	\$632	\$588	8%	\$1,220	\$1,125	9%
Adjusted Earnings per Share(1)	\$0.21	\$0.19	11%	\$0.41	\$0.36	14%
Pro Forma Revenue(2)	\$8,553	\$7,939	8%	\$16,942	\$15,541	9%
Pro Forma Operating Cash Flow(2)	\$3,351	\$3,106	8%	\$6,525	\$5,951	10%

See notes below

Brian L. Roberts, Chairman and CEO of Comcast Corporation, said, "We delivered solid results in the second quarter of 2008, highlighting the strength of our businesses even in a challenging economic environment. We continue to manage the business for profitable growth, resulting in healthy revenue, operating cash flow, earning per share, and free cash flow generation. Importantly, we remain very focused on delivering superior products and services to our customers, and continue to aggressively invest in projects to extend our long-term competitive advantage and to improve the customer experience."

### Consolidated Results

Revenue increased 11% in the second quarter of 2008 to \$8.6 billion while Operating Cash Flow (as defined in Table 7) increased 11% to \$3.4 billion and Operating Income increased 19% to \$1.8 billion. This growth was due to solid operating results at Comcast Cable and in the Programming segment, as well as the positive impact of cable acquisitions. For the six months ended June 30, 2008, revenue increased 12% to \$16.9 billion, Operating Cash Flow increased 13% to \$6.5 billion, and Operating Income increased 21% to \$3.3 billion, all compared to the same time period in 2007.

On a pro forma basis(2), Consolidated Revenue increased 8% to \$8.6 billion in the second quarter of 2008, while Consolidated Operating Cash Flow increased 8% to \$3.4 billion. For the six months ended June 30, 2008, pro forma Consolidated Revenue increased 9% and pro forma Consolidated Operating Cash Flow increased 10%.

Net Income in the second quarter of 2008 was \$632 million, or \$0.21 per share compared to \$588 million or \$0.19 per share in the prior year. Earnings per Share for the quarter increased 11%. Net income for the six months ended June 30, 2008, decreased 4% from last year to \$1.4 billion. Net income in the first half of 2008 and 2007 includes gains from the dissolution of cable partnerships. Excluding these one-time gains in both periods and as reconciled in Table 7-B, Adjusted Earnings per Share for the six months ended June 30, 2008 increased 14% to \$0.41 compared to \$0.36 in the first six months of 2007.

Net Cash Provided by Operating Activities increased 37% to \$2.7 billion in the second quarter of 2008 and increased 26% to \$4.9 billion for the six months ended June 30, 2008, due primarily to solid operating results, as well as the positive impact from the Economic Stimulus package in the second quarter.

Free Cash Flow (as defined in Table 7) totaled \$1.2 billion in the second quarter of 2008 as compared to \$368 million in 2007, a 216% increase. Free Cash Flow for the six months ended June 30, 2008 increased 130% to \$1.9 billion. The definition of Free Cash Flow remains unchanged and excludes any impact from the Economic Stimulus package (see Table 4). The increase in Free Cash Flow is due primarily to growth in consolidated Operating Cash Flow and lower capital expenditures. During the second quarter of 2008, consolidated capital expenditures decreased 19% from the prior year to \$1.3 billion, or 15.2% of total revenue, reflecting lower spending across all residential categories at Comcast Cable.

#### Pro Forma Cable Segment Results(2)

Revenue increased 7% to \$8.1 billion for the second quarter of 2008 as compared to \$7.6 billion in the second quarter of 2007 reflecting revenue increases across all product lines, except for advertising and pay per view (PPV). The monthly average total revenue per basic subscriber increased 9% from \$101 to \$110, reflecting an increase in the number of customers taking multiple products. As of June 30, 2008, 20% of subscribers were three-product customers as compared to 12% at the end of last year's second quarter. For the six months ended June 30, 2008, cable revenue increased 8% to \$16.0 billion.

Operating Cash Flow grew 8% to \$3.4 billion in the second quarter of 2008 from \$3.1 billion in the second quarter of 2007. Operating Cash Flow margin was 41.5%, a slight increase from the 41.3% reported in the second quarter of 2007, reflecting a continued focus on controlling operating expenses, partially offset by investments in marketing and Business Services. Operating Cash Flow increased 8% to \$6.5 billion for the six months ended June 30, 2008, reflecting a margin of 40.6%.

#### Video

- Basic video subscribers declined 138,000 or 0.6% during the second quarter.
- Added 320,000 digital cable subscribers during the second quarter - 67% or 16.3 million video subscribers have digital service.(1)
- 7.0 million or 43% of digital cable subscribers have advanced services such as digital video recorders (DVR) and/or high-definition television service (HDTV).

Video revenue increased 3% to \$4.7 billion in the second quarter of 2008 from \$4.6 billion in 2007. The revenue increase reflects price increases for video services and growth in digital video customers, offset in part by an increasing number of customers in bundles and promotional offers, as well as a decline in basic video customers.

Basic cable subscribers decreased by 138,000 to 24.6 million during the seasonally-weak second quarter. This compares to a 101,000 subscriber decline in the second quarter of 2007. Year to date through June 30, 2008, basic subscribers decreased 195,000.

Comcast added 320,000 digital cable customers in the second quarter of 2008, below the 823,000 digital cable customers added in the same period one year ago. This deceleration was anticipated and reflects the significant deployment of digital boxes in the second quarter of 2007 in advance of a July 1st regulatory deadline. Year to date through June 30, 2008, Comcast added 814,000 digital cable customers. PPV revenue decreased 3% in the second quarter of 2008 primarily reflecting the absence of 2 major live events that contributed approximately \$33 million to last year's second quarter. In the six months ended June 30, 2008, PPV revenue grew 9% compared to the same period in 2007.

#### High-Speed Internet

- o Added 278,000 high-speed Internet subscribers during the second quarter -- penetration reached 29% of homes passed or 14.4 million customers.

High-speed Internet revenue increased 10% to \$1.8 billion in the second quarter of 2008 from \$1.6 billion in 2007 reflecting a 12% increase in subscribers and a 3% decline in average monthly revenue per subscriber to \$42.01, reflecting the impact of additional bundling and the recent introduction of new offers and speed tiers.

#### Phone

- o Added 555,000 Comcast Digital Voice (CDV) customers during the second quarter -- penetration reached 12.5% of homes passed or 5.6 million customers.

Phone revenue increased 50% from \$425 million to \$640 million in the second quarter of 2008, reflecting significant growth in CDV subscribers and a decrease in average revenue per subscriber to \$39.48, resulting from an increase in the number of customers receiving service as part of a promotional offer or in a new product package. The increase in CDV revenue was also partially offset by a \$64 million or 96% decline in circuit-switched phone revenue as Comcast exits that product offering.

Year to date through June 30, 2008, phone revenue increased 57% from \$781 million to \$1.2 billion, reflecting significant growth in CDV customers, partially offset by a \$133 million decline in circuit-switched phone revenue.

#### Advertising

Advertising revenue decreased 2% to \$399 million in the second quarter of 2008 from \$410 million in 2007, reflecting continued softness in the advertising marketplace, particularly in auto and housing-related categories, partially offset by an increase in political advertising. Year to date through June 30, 2008, ad sales increased 2% to \$743 million from \$732 million, which includes one additional week in the broadcast advertising calendar compared to the first six months of 2007.

#### Programming Segment Results

Comcast's Programming segment consists of national programming networks E! Entertainment Television, Style Network, The Golf Channel, VERSUS, and G4.

The Programming segment reported second quarter 2008 revenue of \$366 million, a 10% increase from \$334 million in 2007, reflecting higher viewership, higher advertising and distribution revenue, as well as strong international revenue growth. Operating Cash Flow increased to \$89 million, an increase of 17% from the same period last year.

Year to date through June 30, 2008, Programming segment revenue increased 15% to \$729 million from \$636 million in the six months ended June 30, 2007. During the same period, Operating Cash Flow increased 44% to \$202 million in 2008, reflecting strong revenue growth, as well as the favorable impact of the timing of certain marketing and programming expenses which are expected to be incurred in the second half of the year.

#### Corporate and Other

Corporate and Other includes corporate overhead, Comcast-Spectacor, Comcast Interactive Media (CIM), and other operations and eliminations between Comcast's businesses. For the second quarter of 2008, Corporate and Other revenue increased to \$87 million from \$48 million in the second quarter of 2007 due to the strong post-season performance by Comcast-Spectacor's professional sports teams as well as strong results at CIM from internet advertising, search revenue and the inclusion of Fandango. The Operating Cash Flow loss for the second quarter of 2008 increased to \$100 million compared to a loss of \$94 million for the same period in 2007.

Year to date through June 30, 2008, Corporate and Other revenue increased 45% to \$197 million from \$136 million in the same period of 2007. Operating Cash Flow loss for Corporate and Other decreased 4% to \$181 million for the six months ended June 30, 2008 compared to a loss of \$189 million in 2007.

#### Share Repurchases and Dividends

In the second quarter of 2008, Comcast repurchased 48.1 million of its common shares for \$1.0 billion, reducing the number of total shares outstanding by 1.6%. Year to date, Comcast repurchased 101.2 million of its common shares for \$2.0 billion. As of June 30, 2008, Comcast had approximately \$4.9 billion of availability remaining under its share repurchase authorization, which the company intends to fully utilize by the end of 2009.

Comcast paid a quarterly cash dividend of \$185 million on April 30, 2008 and \$182 million on July 30, 2008.

## 2008 Financial Outlook

For 2008, Comcast reaffirms the following previously issued guidance:

- Consolidated Revenue and Operating Cash Flow growth of 8% to 10%(2)
- Consolidated Capital Expenditures as a percent of revenue expected to decline to approximately 18%
- Consolidated Free Cash Flow growth of at least 20% from the \$2.3 billion reported in 2007

The outlook above does not reflect the impact of any tax law changes, including the U.S. Government Economic Stimulus package or any future sales or acquisitions of businesses or operating assets (or related tax effects).

### Notes:

- (1) Net income and earnings per share are adjusted for one-time gains, net of tax, related to the dissolution of the Texas/Kansas City Cable Partnership in 2007 and the dissolution of the Insight Midwest Partnership in 2008. Please refer to Table 7-B for a reconciliation of adjusted net income and earnings per share. Earnings per share amounts are presented on a diluted basis.
- (2) Pro forma results adjust only for certain cable segment acquisitions and dispositions, including the acquisitions of Comcast SportsNet Bay Area/Comcast SportsNet New England (June 2007), the cable system acquired from Patriot Media (August 2007), and the dissolution of the Insight Midwest Partnership (January 2008). Consolidated and cable pro forma results are presented as if the transactions noted above were effective on January 1, 2007. The net impact of these transactions increased the number of basic cable subscribers by 765,000. Please refer to Table 7-A for a reconciliation of pro forma financial data.

## Conference Call Information

Comcast Corporation will host a conference call with the financial community today, July 30, 2008 at 8:30 a.m. Eastern Time (ET). The conference call will be broadcast live on Comcast's Investor Relations website at <http://www.cmcsa.com> or <http://www.cmcsk.com>. A recording of the call will be available on the Investor Relations website starting at 12:30 p.m. ET on July 30, 2008. Those parties interested in participating via telephone should dial (800) 263-8495 with the conference ID number 39992756. A telephone replay will begin immediately following the call until Friday, August 1, 2008 at midnight ET. To access the rebroadcast, please dial (800) 642-1687 and enter passcode number 39992756. To automatically receive Comcast financial news by email, please visit <http://www.cmcsa.com> or <http://www.cmcsk.com> and subscribe to email alerts.

This press release contains forward-looking statements. Readers are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual events or our actual results to differ materially from those expressed in any such forward-looking statements. Readers are directed to Comcast's periodic and other reports filed with the Securities and Exchange Commission (SEC) for a description of such risks and uncertainties. We undertake no obligation to update any forward-looking statements.

In this discussion, we sometimes refer to financial measures that are not presented according to generally accepted accounting principles in the U.S. (GAAP). Certain of these measures are considered "non-GAAP financial measures" under the SEC regulations; those rules require the supplemental explanations and reconciliations provided in Table 7 of this release. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

## About Comcast Corporation

Comcast Corporation (Nasdaq: CMCSA, CMCSK) (<http://www.comcast.com>) is the nation's leading provider of entertainment, information and communications products and services. With 24.6 million cable customers, 14.4 million high-speed Internet customers, and 5.6 million Comcast Digital Voice customers, Comcast is principally involved in the development, management and operation of broadband cable systems and in the delivery of programming content.

Comcast's content networks and investments include E! Entertainment Television, Style Network, The Golf Channel,

VERSUS, G4, PBS KIDS Sprout, TV One, ten Comcast SportsNet networks and Comcast Interactive Media, which develops and operates Comcast's Internet business. Comcast also has a majority ownership in Comcast-Spectacor, whose major holdings include the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and two large multipurpose arenas in Philadelphia.

SOURCE Comcast Corporation

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