



Comcast Reports Third Quarter 2007 Results

- **Strong Growth Continues**
- **11% growth in Cable Revenue and**
- **13% growth in Cable Operating Cash Flow**
- **Board of Directors authorizes \$7 billion increase to Share Repurchase**
- **Program - total now \$8.2 billion**
- **Repurchased \$1.9 billion year to date or 70 million Comcast shares**

PHILADELPHIA, Oct. 25 /PRNewswire-FirstCall/ -- Comcast Corporation (Nasdaq: CMCSA, CMCSK) today reported results for the quarter ended September 30, 2007. The following table highlights financial and operational results (dollars in millions, except per share amounts; units in thousands):

Consolidated	3rd Quarter			Nine Months		
	2007	2006	Growth	2007	2006	Growth
Revenue	\$7,781	\$6,432	21%	\$22,881	\$17,935	28%
Operating Cash Flow	\$2,929	\$2,437	20%	\$8,704	\$6,848	27%
Operating Income	\$1,391	\$1,224	14%	\$4,120	\$3,401	21%
Net Income	\$560	\$1,217	-54%	\$1,985	\$2,143	-7%
Earnings per Share	\$0.18	\$0.38	-53%	\$0.63	\$0.67	-6%
Adjusted Net Income(1)	\$560	\$548	2%	\$1,685	\$1,474	14%
Adjusted Earnings per Share(1)	\$0.18	\$0.17	6%	\$0.54	\$0.46	17%
Pro Forma Cable(2)						
Revenue	\$7,419	\$6,668	11%	\$21,856	\$19,555	12%
Operating Cash Flow	\$2,983	\$2,640	13%	\$8,852	\$7,800	13%
Revenue Generating Unit Additions	1,398	1,492	-6%	4,777	3,418	40%

Brian L. Roberts, Chairman and CEO of Comcast Corporation, said, "Our business continues to perform well both operationally and financially. We once again posted double-digit growth in revenue and operating cash flow, our two most important metrics. In addition, continued strong demand for our products powered our ability to reach 56 million RGUs at the end of the third quarter.

We have transformed our company from a one-product provider of video to become the only company in the world able to offer video, high-speed Internet and phone services to over 40 million households. This provides us with a competitive advantage and will fuel our growth well into the future.

Reflecting our strong confidence in the cash flow generation of our business, our Board of Directors has authorized a \$7 billion increase to our stock repurchase program, bringing the total available to \$8.2 billion. Our buyback program reflects our continuing commitment to returning capital to shareholders while preserving our financial flexibility and putting us in the best possible position to achieve our strategic and financial goals."

Cable Segment Results(2)

Revenue increased 11% to \$7.4 billion for the third quarter of 2007 as compared to \$6.7 billion in the third quarter of 2006. The growth in revenue reflects continued consumer demand for Comcast's services and the success of the Comcast Triple Play. Cable revenue increased 12% to \$21.9 billion for the nine months ended September 30, 2007 as compared to \$19.6

billion in the prior year.

Revenue generating units (RGUs)(3) increased 1.4 million in the third quarter of 2007, a decrease from the 1.5 million additions reported in the third quarter of 2006. The Company ended the third quarter of 2007 with 55.8 million RGUs, a 13% increase from the 49.4 million reported one year ago. Year to date through September 30, 2007, Comcast added 4.8 million RGUs, a 40% increase in the number of additions from the same period last year.

Operating Cash Flow (as defined in Table 7) grew 13% to \$3.0 billion in the third quarter of 2007 from \$2.6 billion in the third quarter of 2006. Operating Cash Flow margin reached 40.2%, an increase from the 39.6% reported in the third quarter of 2006. The margin improvement reflects strong double-digit revenue growth and our continuing success in controlling the rate of growth of operating costs even as we experience an extraordinary level of activity from the growth in RGUs.

Year to date through September 30, 2007, Operating Cash Flow increased 13% to \$8.9 billion from the \$7.8 billion reported in the same period last year. Operating Cash Flow margin increased to 40.5% for the nine months ended September 30, 2007 from 39.9% in the prior year period.

Video

- Added 489,000 new digital cable subscribers during the third quarter of 2007 - reached 14.7 million digital customers or 61% of basic cable subscribers compared to 50% one year ago
- 5.8 million or 40% of our digital cable subscribers take advanced services such as digital video recorders (DVR) and high-definition television (HDTV) compared to 4.0 million or 33% one year ago

Video revenue increased 6% to \$4.4 billion in the third quarter of 2007 from \$4.2 billion in 2006, reflecting growth in digital cable customers and increased demand for digital features including ON DEMAND, DVR and HDTV, as well as higher basic cable pricing.

Over the last twelve months, the number of basic cable subscribers remained relatively unchanged. As of September 30, 2007, Comcast reported nearly 24.2 million basic cable subscribers as compared to more than 24.1 million in September 2006, an increase of 24,000 basic cable subscribers over the past year. During the third quarter of 2007, basic cable subscribers decreased by 65,000 as compared to an 11,000 subscriber increase during the same period of the prior year. Year to date through the nine months ended September 30, 2007, basic subscribers decreased 86,000 compared to a decrease of 29,000 in the same period last year.

Comcast added 489,000 digital cable customers during the third quarter of 2007 compared to 559,000 digital cable customers added in the same quarter of 2006. Year to date through September 30, 2007, Comcast added nearly 2.0 million digital cable subscribers, an increase of 56% from the 1.3 million added during the same period one year ago reflecting Comcast's success with accelerating digital set-top box deployments ahead of a July 1, 2007 regulatory deadline.

The digital cable customer additions in the third quarter of 2007 include 113,000 full digital cable and 376,000 digital starter subscribers. During the quarter, 325,000 digital cable customers added advanced services, like DVR and HDTV, to their digital service either by upgrading or as new customers. As of September 30, 2007, 40% of our digital cable customers receive advanced services, 38% receive full digital cable, and 22% are digital starter subscribers.

High-Speed Internet

- Added 450,000 high-speed Internet subscribers during the third quarter
- penetration reaches 27%

High-speed Internet revenue increased 17% to \$1.6 billion in the third quarter of 2007 from \$1.4 billion in 2006. The strong growth reflects a 1.8 million or 17% increase in subscribers from the prior year and stable average monthly revenue per subscriber of approximately \$43. Year to date through September 30, 2007, Comcast added more than 1.3 million high-speed Internet subscribers compared to the nearly 1.4 million added in the same period last year. Comcast ended the third quarter of 2007 with 12.9 million high-speed Internet subscribers.

Phone

- Added 662,000 Comcast Digital Voice (CDV) customers during the quarter
- penetration now exceeds 9%
- CDV service now marketed to 40 million homes representing 83% of Comcast's footprint

Phone revenue increased 86% to \$472 million in the third quarter of 2007 from \$253 million in 2006. The strong growth reflects a nearly three fold or \$276 million increase in CDV revenue from the prior year as a result of the significant growth in CDV subscribers. The increase in phone revenue was partially offset by a \$57 million or 53% decline in circuit-switched phone revenue as Comcast transitions to marketing only CDV in most areas.

Year to date through September 30, 2007, phone revenue increased 91% to \$1.2 billion from \$652 million in 2006, reflecting a 1.9 million increase in CDV customers, and partially offset by a \$164 million decline in circuit-switched phone revenue.

Advertising revenue increased 7% to \$407 million in the third quarter of 2007 from \$382 million in 2006, due primarily to the impact of an additional broadcast week in the current quarter compared to the same period in 2006, offset by a decline in political advertising. Year to date through September 30, 2007 advertising revenue increased 1% to \$1.1 billion reflecting continued weakness across the television advertising market and a decline in political advertising. Comcast reported political advertising revenue of more than \$90 million in the 2006 election year.

Capital expenditures increased 19% to \$1.5 billion in the third quarter of 2007 compared to \$1.3 billion in the same period a year ago. Year-to-date cable capital expenditures increased 39% to \$4.5 billion from \$3.3 billion in the same period a year ago, reflecting a 40% or 1.4 million increase in RGU additions and a 20% increase in the number of digital customers added with advanced digital services (HD and/or DVR service).

Programming Segment Results

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

The Programming segment reported third quarter 2007 revenue of \$330 million, a 27% increase from the \$259 million in 2006. Operating Cash Flow increased to \$97 million or 11%, from the \$87 million in 2006, reflecting higher viewership and higher advertising and distribution revenue.

Year to date through September 30, 2007, Programming segment revenue increased 25% to \$966 million from \$771 million in the same period one year ago. During the same period, Operating Cash Flow increased 20% to \$237 million in 2007 from \$196 million one year ago.

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 third quarter of 2007, Corporate and Other revenue increased to \$51 million from \$27 million in the third quarter of 2006 primarily due to CIM, including recent acquisitions at that group. The Operating Cash Flow loss for the third quarter of 2007 was \$143 million compared to a loss of \$96 million for the same period in 2006. The third quarter of 2007 includes a \$55 million expense related to the anticipated cost and settlement of previously disclosed At Home litigation.

Year to date through September 30, 2007, Corporate and Other revenue increased 24% to \$187 million from \$151 million in the same period of 2006. The Operating Cash Flow loss for Corporate and Other was \$331 million for the nine months ended September 30, 2007 compared to a loss of \$226 million in 2006.

Consolidated Results

Operating Income increased 14% to \$1.4 billion in the third quarter of 2007 from \$1.2 billion in 2006, reflecting strong results at Comcast Cable and the impact of cable system acquisitions. Similarly, consolidated operating income increased 21% to \$4.1 billion for the nine months ended September 30, 2007 from \$3.4 billion in 2006.

Net Income decreased 54% to \$560 million, or \$0.18 per share, in the third quarter of 2007, compared to net income of \$1.2 billion or \$0.38 per share in the third quarter of 2006. As noted above, the third quarter of 2007 includes an expense related to the anticipated cost and settlement of previously disclosed At Home litigation. Included in the third quarter of 2006 was a one-time gain, included in investment income, of \$694 million (\$435 million net of tax) related to the Adelphia/Time Warner transactions and a one-time gain of \$234 million, net of tax, on discontinued operations related to the transfer of cable systems to Time Warner. Excluding these gains and as reconciled in Table 7-B, Adjusted Net Income for the third quarter of 2007 increased to \$560 million, or \$0.18 per share, compared to \$548 million or \$0.17 per share in 2006.

Year to date September 30, 2007, net income decreased 7% to \$2.0 billion or \$0.63 per share compared to net income of \$2.1 billion, or \$0.67 per share, in the prior year. As noted above, the third quarter of 2007 includes an expense related to the anticipated cost and settlement of previously disclosed At Home litigation. In addition to strong operating results at Comcast Cable, year-to-date 2007 net income includes a one-time gain, included in other income, of \$500 million (or \$300 million net of

tax) related to the dissolution of our Texas/Kansas City Cable Partnership in the first quarter of 2007. Year-to-date net income for 2006 includes the one-time gains recorded in the third quarter of 2006 described above. Excluding these gains and as reconciled in Table 7-B, Adjusted Net Income for the first nine months of 2007 increased to \$1.7 billion, or \$0.54 per share, compared to \$1.5 billion, or \$0.46 per share, in the same period a year ago.

Net Cash Provided by Operating Activities increased to \$6.1 billion for the nine months ended September 30, 2007 from \$5.2 billion in 2006 due primarily to strong year-to-date operating results and \$603 million related to the proceeds from sales of trading securities in 2007.

Free Cash Flow (described further on Table 4) totaled \$524 million for the quarter and \$1.3 billion for the nine months ended September 30, 2007 as compared to \$1.0 billion and \$2.3 billion, respectively, in the same periods of 2006. Free Cash Flow reflects growth in consolidated Operating Cash Flow offset by increased capital expenditures driven by the record-setting 4.8 million RGUs added in the first nine months of 2007.

Share Repurchase Program

Comcast's Board of Directors has authorized a \$7 billion addition to the existing share repurchase program. As a result, availability under the Company's share repurchase program is \$8.2 billion. Comcast expects share repurchases to occur from time to time in the open market or in private transactions, subject to market conditions.

Comcast repurchased \$600 million of its Class A Special Common Stock, or 22.9 million shares, during the third quarter of 2007. Year to date through September 30, 2007, Comcast repurchased \$1.85 billion of its common stock or 69.6 million shares.

Since the inception of the repurchase program in December 2003, the Company has invested \$9.2 billion in its common stock and related securities, reducing the number of shares outstanding by 13%. These investments include repurchasing \$7.8 billion or 373.0 million shares of its common stock and paying \$1.4 billion to redeem several debt issues exchangeable into 70.9 million shares of Comcast common stock.

2007 Financial Outlook

For 2007, Comcast previously issued the following guidance:

- Cable revenue growth of at least 12%(2)
- Cable Operating Cash Flow growth of at least 14%(2)
- Cable RGU net additions of approximately 6.5 million, 30% above 2006 RGU net additions(2) of 5 million
 - RGU outlook includes an expected decrease of 500,000 circuit-switched phone RGUs
- Cable capital expenditures of approximately \$5.7 billion, including commercial services capital expenditures of approximately \$250 million
- Corporate and other capital expenditures of approximately \$250 million primarily due to the relocation of Comcast's headquarters
- Consolidated revenue growth of at least 11%(4)
- Consolidated Operating Cash Flow growth of at least 13%(4)
- Consolidated Free Cash Flow approximately the same as 2006

While we remain focused on achieving our guidance, the more competitive environment and less-robust economy may have a slight impact on our full year operating results. Current forecasts indicate that consolidated Free Cash Flow will be at least 90% of 2006.

Notes:

- (1) Net income and earnings per share are adjusted for one-time gains, net of tax, related to the Adelphia/Time Warner transactions in 2006 and the dissolution of the Texas/Kansas City Cable Partnership in 2007. Please refer to Table 7-B for a reconciliation of adjusted net income and earnings per share.
- (2) Cable results are presented on a pro forma basis. Pro forma results adjust only for certain acquisitions and dispositions, including Susquehanna Communications (April 2006), Adelphia/Time Warner transactions (July 2006), the dissolution of the Texas/Kansas City Cable Partnership (January 2007), SportsNet Bay Area/Sports Channel New England (June 2007) and the cable system acquired from Patriot Media (August 2007). Cable results are presented as if the

transactions noted above were effective on January 1, 2006. The net impact of these transactions was to increase the number of basic cable subscribers by 2.7 million. Please refer to Table 7-A for a reconciliation of pro forma financial data.

- (3) Represents the sum of basic and digital cable, high-speed Internet and net phone subscribers, excluding additional outlets. Subscriptions to DVR and/or HDTV services do not result in additional RGUs.
- (4) Presented on a pro forma basis as described in note 2.

Conference Call Information

Comcast Corporation will host a conference call with the financial community today October 25, 2007 at 8:30 a.m. Eastern Time (ET). The conference call will be broadcast live on the Company's Investor Relations website at www.cmcsa.com or www.cmcsk.com. A recording of the call will be available on the Investor Relations website starting at 12:30 p.m. ET on October 25, 2007. Those parties interested in participating via telephone should dial (800) 263-8495 with the conference ID number 18381176. A telephone replay will begin immediately following the call until October 26, 2007 at midnight ET. To access the rebroadcast, please dial (800) 642-1687 and enter passcode number 18381176. To automatically receive Comcast financial news by email, please visit www.cmcsa.com or 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.

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 cable, entertainment and communications products and services. With 24.2 million cable customers, 12.9 million high-speed Internet customers, and 4.1 million 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, AZN Television, PBS KIDS Sprout, TV One, Comcast SportsNet 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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