Good morning. Thank you for joining us for the Sanford Bernstein strategic decisions conference. And thank you for joining us on the Web, for the webcast this morning. It is my pleasure to introduce Brian Roberts of Comcast. And I thought as an introduction, rather than going through the standard can, here is how many basic and digital and high-speed data subscribers, I would introduce Brian as the CEO, not just of a company, but as a CEO of a network. This is a network that is already built, and it's a network that is connected to 45 million homes in the US. That is more than one out of every three homes in America. And in terms of capacity, that network is delivering the equivalent of 40 megabits per second into each of 125 channels on the network. So it is the equivalent of 5 gigabits per second into one out of every three homes in America today.

For reference that is about 3000 times the capacity of the average DSL connection in this country. That is about 830 times the capacity of the average high-speed DSL connection at 6 megabits per second; it is about 200 times the capacity of what AT&T is planning with its Universe network. And obviously many times the capacity of any wireless network that is planned or even imagined in our lifetime. So Brian let's start with that. Talk to me about the state of your crown jewel, which is your network.

I have not heard you exactly articulate it that way before, but in essence that captures a lot of what our strategy has been, which is have the best network, world-class network, whatever words you want to use and that that on the consumer to find applications that want to fill that pipe. And I think that is what is interesting; we were talking about some statistics coming up here. 43% of last quarter’s revenues were not from traditional cable TV video. And that is a huge transformation of our Company in the last four or five years. And much of that is using that big pipe for other applications, be they high-speed data, phone, advertising and many of the commercial services and things we have planned for the future.

So the health of our network I think is excellent. We actually have made a priority this year to improve that. At the beginning of the year we laid out a couple of priorities at the Consumer Electronics show, one of which was the network reliability, customer service we know we have to improve the perception and that is a very complicated, long-term project, but very critical. But the actual health of the network has taken great strides. We created a project called node health scores, and I think in the last 12 months a 50% improvement across all of our nodes. And what that means is the amount of those bips that are filling the pipe, how much are you stressing and how much are you not.

There is a whole another way of managing the Company. We've seen our customer contact rates in April were the lowest that they've ever been. Our phone and data products have made great strides. We continue to be transitioning customers to digital. There is a lot more activity in the video side of business, but we expect great progress in that, as well. So I think pretty good.

A year ago you were -- your business was really firing on all cylinders. Six months ago I think you used the word that it was a challenging environment, and then things seemed to improve in the first quarter, whether it is the macro economy having less of an impact or just the strength of your business; but where are things today? How do you see the strength of the business today?
Brian Roberts - Comcast Corporation - Chairman, CEO

I think, can’t help but pick up the newspaper and have your concerns about the world that we live in, whether it’s inflation, recession, whatever macroeconomic times. I’m sure every company that has coming to this conference will have some turbulence as a result of the world we live in. I think we continue to be extremely fortunate that the products we have encourage you to enjoy your home, whether that is your computer, your television, your communications, your Internet, your On Demand, high-definition, the new device you just want to buy. And so I think we are very fortunate that in that macro world we do better than most.

So I can’t say that it doesn’t -- fuel prices affect our trucks, and you’re going to have things that affect you but we had a solid quarter. We got out of the blocks very well. The second quarter, we don’t report for a while, but its seasonality I think for all the distributors is always -- we said that at the first quarter, so there is no change. But I am very pleased with how well the year got started, and we’ve set goals that I believe we can achieve. Broadband was a surprise in the first quarter. I think it surprised a lot of people with how healthy the market is.

Unidentified Participant

Is that really that the market is turning out to be healthier or is it that you are taking share at this point?

Brian Roberts - Comcast Corporation - Chairman, CEO

It is a little bit of a variety of things. We made adjustments as you know. We started the market in high-speed data, more tiers of service. We didn't feel up till now that that was necessarily something we wanted to do, but we've introduced the higher speed and a lower speed tier. We are selling more of the higher speed tier than we are the lower speed tier, so I think we're getting the mix right. I think we also changed our marketing from purely Triple Play. The single biggest thing we changed at the beginning of the year was rather than just the same Triple Play $99 story that we've been very, very successful with, we needed to refresh that. We needed to react in different areas to different competitor reactions.

And so we have a single play, a double play, two product and a lot of that includes high-speed data and phone. And so all that activity I think helped a very nice resurgence of the high-speed data business. That said, we always felt it is slowing down quarter-over-quarter, year-over-year, we are running at a slightly slower rate. But we are getting 68% of our net adds are coming from DSL.

Unidentified Participant

Is that a function, by the way, of speed do you think? Or is that a function of the bundled pricing?

Brian Roberts - Comcast Corporation - Chairman, CEO

I think it is, you know, yes. Some of it is pricing. But a lot of it has to be, just has to be that we all -- think of your own personal Web usage, how much are you using video where before it was a once in a while thing. And now it is just coming in and just shows up, whether it is someone sending you something or using it as a link or just that is the primary news source that you are getting. Obviously services like Fancast are encouraging video behavior. And all of those applications are going to work better with better speed.

And so I think the consumers figured this out; by now taking one of our bundles you can get the fastest Internet but not have to pay the highest price. So it is the combination of both. And so part of our strategy here is we are only 11% or 12% penetrated on phone. And we have a technological evolution to an even faster broadband with DOCSIS 3.0 with wideband where we can go from 10 megabits, 12, 16 megabits a second up to 50, 100 and beyond. And without a large investment.
So our strategy is pretty clear. Over the next several years we want to be the fastest connection and retain that leadership. And we've taken steps to do that this year, but we also want now if you take one of our bundles, and something like of all the customers who take our phone service, we now -- the fourth largest phone company, 5 million phone customers -- 80 some percent take Triple Play. So you are getting the value, and you're getting the best product. That is a great strategy, I think.

Unidentified Participant

What about -- I talked about 45 million homes that you passed in my opening remarks, and there is about half of those that you don't have a relationship with at all today or close to it. You talked about a double play and I think in the first quarter you said the single play was actually -- I'm getting more traction maybe in those markets than the double play -- but how is the initiative coming to try to build relationships with the other half of the 45 million?

Brian Roberts - Comcast Corporation - Chairman, CEO

Clearly over the next many years that is a huge opportunity -- that is one of the objectives of the Company. Right at this particular moment it is being masked or retarded by the fact that we do have many new competitors spending a lot of money to go at the half that we've already got. Using your video analogy or your video point. So we've got to work on the attractiveness of the product. There is going to be a digital transition in this country. We estimate many of the homes that don't have any multichannel provider are up for grabs because they've got to do something. These aren't necessarily the best television customers. They are probably the worst television customers but they may be great phone customers and many of them may be great Internet customers.

So you are right. We have a network waiting to serve more people. We've got to do that. That said, there are people who are going to defect from us right now with new offers from new competitors. To put that in perspective and why we haven't focused solely on that opportunity which I think it is clearly there, in the last quarter -- let me get my stats in my head -- but basically we had at least for every video customer we lost 60,000 video customers or so -- we added over one million and change RGUs in the quarter. In phone we were over 600,000 in the quarter. So we've got so many RGUs coming in that our focus has been to take advantage of this low phone penetration, relatively speaking low high-speed data at 28%, a lot more growth we think there, maybe slower growth but still a lot of growth.

And you're right, you've got half the homes not buying anything from you, let's make sure you are marketing them, as well. And as we may be are inching and making some small progress there, unfortunately we have people just lighting up a video competition in a market. And so the net is we are going backwards on video and going way forward on data and phone and digital.

Unidentified Participant

Let's talk about some of that competition for a minute, if we could. I think the one that people are the most interested in is always Verizon's FiOS, which is the most comparable network to yours. Let's drill down in the FiOS markets, for example; what are you seeing when you go up against Verizon FiOS in an individual market?

Brian Roberts - Comcast Corporation - Chairman, CEO

It's interesting. Let's look at -- I'll try to answer that question, but if I might, let's look at last quarter both Verizon and AT&T combined and just see if the strategy makes a lot of sense for them. They have a stat -- I don't want to get this wrong -- I think Verizon -- take a cheat sheet here -- has spent in the last couple years, 2004 to 2008, $81 billion in capital spending, and AT&T spent $55 billion. Obviously this is wireless and wired. So between the two of them they spent $136 billion.
Comcast spent $24 billion in the same '04 to '08 based on everyone’s guidance. In the last four quarters we've added 4.3 million just Comcast, this is their nationwide spending, voice and high-speed data customers. And at the same time we’ve lost about 300,000 video. So we’ve netted 4 million to the good. If you take their data and their video businesses, they are basically 100,000 positive between the two of them. And so I don’t see any -- if the goal of spending all the money was to get many video customers and get many data customers, more data customers, and you look at Verizon versus AT&T last quarter, AT&T who doesn’t really have video the way Verizon does at this time, added way more data customers, including FiOS and DSL put together versus just DSL for AT&T.

So and together they both lost more phone customers than their data business and their video business combined or right around breakeven. Look over on cable land and you put Time Warner in there and Cablevision and others -- in our industry if you take the phone and the high-speed data, you have a tremendously different story as to how we are growing the business. So they are going to get some customers. They have a product. I don't see any real product differentiation. It clearly makes us compete more. I think we've done a good job of not having to spend the kind of money that they've spent. I'm not sure that we can do anything about it. It is here. It is about less than 10% of our Company.

You come to New York it is the talk because we live in New York; it is true in the East Coast, but it is a big country out there. We are still as focused on satellite as we are on that, and what we don’t see to just make sure make the point, we don’t think that it has changed that there is some success being built by this wireline package, that is any different than anybody else who spends a lot of money marketing just going to kind of product. They don't have more video or data success than their other Bell who hasn’t taken that strategy (multiple speakers) spent a lot of capital.

Unidentified Participant

Cablevision talked about the kind of penetration level that they are seeing from Verizon in their footprint. Can you comment on what kind of penetration levels they are getting in your markets where they have been marketing for a year or so?

Brian Roberts - Comcast Corporation - Chairman, CEO

I think it is industry -- I mean I do not think there is anything different in our story. I don't off the top of my head know that I've got that stat here.

Unidentified Participant

And what about internally? Are you doing anything different than you were a year ago in those markets? Have you learned anything going up against them for a year that says, when we do -- we now do this that we hadn't thought of last year?

Brian Roberts - Comcast Corporation - Chairman, CEO

Yes, I would say there is an answer to that and it kind of goes back to your previous question, because I don't think it has made a significant change than any other over builder. They are going to get 10% to 20% I think generally speaking when we've had wireline, whether it was RCN or Knology or Ameritech; all the other projects that didn't make a lot of money. And so you look at this one and you say okay, well, it is a well-funded competitor. They are advertising. They've got a bundle. And so what we had to do is say when their markets we've got to react differently than just one Triple Play pricing for the whole company. So we've had different offers in the markets.

My New England market has done pretty well and some of their newer territories they've had a good year last year. But net-net last year we were a couple hundred thousand basic subs on a 24 plus million base, and we added 5 million RGUs, I believe. We were very pleased with how that competitive battle was going. But the business has changed, and we have adjusted how we
market competitor by competitor, location by location with different offers and not one size fits all. And that really was part of
the change and I think got off to a good start; seems to be working. We’ve also increased our marketing expense.

Unidentified Participant
You mentioned somebody else that has increased their marketing spend is DIRECTV, and they’ve had a very successful run with
HDTV. Talk about your competitiveness versus your old nemesis, the satellite guys.

Brian Roberts - Comcast Corporation - Chairman, CEO
I think tends to be askew a little bit in the street as to – and understandably, the Bells are spending that kind of money; I think
it is very legitimate. But day in day out, the footprint of satellite is a real competitor everywhere. So we focus heavily on them.
And again I think one satellite company did better than street consensus. The other did a little worse on subscribers. So maybe
they are fighting amongst each other and it is kind of the same. So I don’t think any dramatic change but clearly it is -- our
competitive focus is to have the best television product, the best Internet product and the best value phone offering and then
we will talk about wireless and commercial and advertising other areas and content. But that is the core of the Company.

So in the video space, high-definition television, people started to make a claim that they had a superior product. Can’t let that
stay very long. So we are doing a number of things to address that, and I think they are off to a good start. One is we announced
last week every one of our high-def markets we have 500 choices of high-def programming right now, and that will be 1000 by
the end of this year. What does that mean? Well, we may have in some cases, in all cases, less channels in high-def, but we are
over 200 movies at anytime you want in high-def and 500 shows; that is part one.

So we wanted to immediately have a campaign that we could credibly say we have more than anyone else and more than
satellite. And that is our more, more, more campaign which you may have seen which is similar to the Slowsky Turtles. It’s got
very good fun and I think excellent advertising.

Second, we need a plan to have more channels, or as many channels; any programmer that has a channel that we think deserves
to be in high-def and use up that bandwidth we want to make sure we have that bandwidth. So we’ve begun the process to
reclaim some of the analog bandwidth and redeploy it to do really three things. One is more high-def channels -- or four things
-- more high-def channels. Two is more multi-cultural programming and foreign international programming. And three is faster
Internet. And four is more On Demand with a project we call Project Infinity. So we are on a path to reclaim much of our analog
and redeploy it so that we have an unquestioned superior video product and an unquestioned superior data product.

Unidentified Participant
The market, for whatever reason, has very little patience with the idea of more choices versus more channels. The market I think
in talking to investors, investors will say overwhelmingly that it is channels, not choices that matter. But it’s less clear that
customers actually see it that way. But has been your experience with the more, more, more campaign and what you are hearing
from customers?

Brian Roberts - Comcast Corporation - Chairman, CEO
Look at last quarter. I think if you had -- look, and we would be the first to admit, we love to always at every moment in time
have no controversy and no question and that is the plan of the Company. So rather than debate it, first of all I think that in the
end customers vote and our digital sales and our revenue growth, our average revenue per customer, all had very healthy signs.
Our high-def usage, is unbelievable. We are closing in on 30 views a month. So somebody may not think On Demand matters,
but the consumer does. They are using it.
What did we do last month? Over 300 million views and On Demand programming and we are now trying to make as much of that high-def as possible. So I'm not worried about that issue, but we certainly over the next couple years, we intend to have more channels and more choices and close that debate and then of course --

Unidentified Participant
Can you put a stake in the ground for us and say when?

Brian Roberts - Comcast Corporation - Chairman, CEO
No, because I think we've got to make sure that the consumers like this transition, and we've got to pace it and make sure that the early markets show real success, real payback and a real win. And then we can speed it up, slow it down, stretch it out. The Americas is converting next year; unique, onetime opportunity to ride that conversion for all televisions. But as a stake in the ground I will tell you that we need to be superior at all times and if that -- if consumers were rejecting our products, then we would want to go even faster or we'd want to go faster if it's got a great payback. And I think it may very well have a great payback to offer more high-speed data at a higher tier, to offer Project Infinity with many, many more choices than On Demand, maybe thousands of high-def movies and clearly more channels.

Unidentified Participant
You mentioned a couple of times, so let's turn to February 18th of next year. By our estimate maybe 14 million households that are going to wake up in the morning and say woops, no more TV. What are you doing internally? What have you tasked your organization to do to be ready for that opportunity, and how big is that opportunity?

Brian Roberts - Comcast Corporation - Chairman, CEO
Well, obviously nobody knows for sure. Don't see a lot of downside for us. We will first and foremost, any cable customer we're going to take care of you. So that is the pledge we've made to the FCC and the Congress, and we will take care of our own customers. We've been pretty well resolved a lot of those issues. There is a few smaller issues on the edges that litigated, how much of every station in duplicate, and overlap and things that may have affect to companies that you track. But on the big picture cable customers are going to be able to seamlessly transition.

So then the question is what can you do offensively. And I think it provides real opportunity to go to whatever that number is -- nobody knows for sure -- in our footprint, 6, 7, 8 million homes of that count. We have different -- as high as up to 8 million, and go to them and say here is a something. And we have tasked our organization to try out a bunch of somethings. One of the issues is how many people have been worrying about digital transition in their home. Nobody is going to worry about this until a lot later than May of '08. And I think there will be a rush at the end, for sure. And that chaos will play to our strength because we are a local organization. We can send people to your home right now. We can -- here we are.

And there is I think going to be some unhappiness at some level. We were in Korea a couple months ago with CableLabs, and they pointed out all those wireless TVs that people take to football games and every one of those doesn't work the next day. So there is something like 200 million of those that have been bought over time that nobody has even -- they are just going to go into the trash heap. So there is going to be people out there searching, well what do I do and it doesn't directly relate, but everybody will be more affected than I think people have pondered and I think that creates an opportunity.

At the same time coming right on the heels of that saying well, we're going to change the way we program our cable and here is a little device we would like you to attach to your second and third set. It doesn't cost you anything or it costs next to nothing and we can reclaim that analog bandwidth in the midst of that confusion, and come out the other side with a clearly superior
flexible bandwidth redeployment plan, I think is a great opportunity. So I think it is part of the -- we've got to all see. It has never happened before in this country. They are going to do a test in one market. We will learn something there, perhaps in Wilmington. But we said this is an opportunity. Let's try to think out of the box.

Unidentified Participant

Another opportunity you've got is your small medium enterprise initiative. I think you really sort of ramped that up in a big way in March. So this is very new. Can you give us any update on what you are seeing?

Brian Roberts - Comcast Corporation - Chairman, CEO

I think we've set a good bar. I think Steve Burke, one of our earnings calls, I think two calls ago said I am not pleased that we are not going even faster, but we are starting to see real life. I think 80% of our markets now have multiline phone and high-speed data. We have a 40% revenue growth last quarter, year-over-year. This is going to be the next growth area for the Company. We feel very confident about that. It is a very good size opportunity. It is not as big as residential, but it is at least for the market we've targeted it is about a $12 billion to $15 billion opportunity, if we had 100% of the market in our footprint.

So if you could get 20% to 30% of that over the next three to five years, it is a very significant contributor to the growth rate of the Company. Some of the competitive things that might be happening, some of the economic things, macroeconomic things, maturation of high-speed data. Sometimes we get asked what is next, what is going to keep the engine going to give these kind of superior growth rates? And I think this is the one we are now deploying. We've hired 1000 people. We are selling, and like you said, we will continue to see I think steady improvement month over month.

Unidentified Participant

We just came back from the cable show in New Orleans last week, and if there was a theme of the cable show it seemed to be addressable advertising. It seemed like everybody was talking about the ability to address ads, to individual set-top boxes in individual households. But I personally was left with a big question mark of, is this a big enough or bigger than a bread box in 2010 or is this a a 2015 before you can find it on the income statement.

Brian Roberts - Comcast Corporation - Chairman, CEO

Well, I don't know the answer to that today. Obviously I know what I would like it to be, but I remember trying to convince investors that one of the great things you get when you buy Comcast is the franchise value. The network right where you began the questioning is you've got this incredible asset, took you 40 years to assemble it, what all can it do and what all will it become; sometimes gets underestimated and this is one of those.

We've got a lot of people. We've started a project, I know most people have heard of it, Canoe. It is really saying how do we maximize that opportunity, how do we go out and reach out to advertisers, to ad agencies, to technologists and do it as a group of cable companies so we have a platform. Broadcasters can ride the platform; cable programmers could ride the platform. What exactly is it, and how fast can it get here, we just have to stay tuned. We have made real progress on that front. It is a high priority for both Steve Burke and Landel Hobbs at Time Warner, and for us at Comcast.

Why is it we are excited? Well, look at On Demand. We've done over -- I think 5 billion some number On Demand orders in the last couple years. It is not hard for us to deliver an individualized experience to the television. Well, what is the power of Internet advertising? Why is it creating such disruption in the traditional advertising space of which we are feeling some of that disruption in our thankfully small part of our Company, but still in all a real amount of money in our advertising locally?
People want targeted ads. They want to know who they are advertising to, and they will pay a premium, and they want to give that person opportunity to interact, not just be talked to but push a button and ask some more questions. Well, we can do all that as a technical matter, and we need to figure out how to deliver that in a ratings way, in a consistent way that advertisers want. But we can do it at the Holy Grail medium of television, not the PC.

And so I remember years saying, don't worry one of these days VoIP technology will make a difference here. And we have a phone business we can clearly harvest when we are ready to do so off our cable platform. And I feel the same way about targeted ads. It is there. Nobody else can do it. Nobody else is going to be able to do it because nobody touches the majority of American television sets. So if some small company comes along and has a way to do it but they can do it in 10 homes, that doesn't do anything for General Motors.

So one of the lessons we all learned as broadcast ratings went down for 20 straight years and CPM's went up, was they were still the largest aggregator of eyeballs. So even though somebody had a nice niche audience, they still captured more money than maybe they should have because they still were the best game in town, even if it was less good than the year before. In our case we can make our game better, and we have these large eyeballs.

So satellite or phone company or somebody else that just has a few, touches a few televisions is not where the action is going to be. The action is going to be the cable industry creating this platform. And when it is there, it comes with the stock. So we got to make it happen. We got to go as fast as possible but it is our opportunity and nobody else's, in my opinion.

Unidentified Participant

There is another aspect of online advertising that you have sort of quietly built your CIM business, or Comcast interactive media. Into a fairly sizable business at least if you judge it by the activity and the number of visitors. Last week you bought Plaxo. Can you talk about your vision for where that is going and how we think about that as investors?

Brian Roberts - Comcast Corporation - Chairman, CEO

So we have opportunities to continue to be leaders and in, got a startup company wants to work with somebody like Comcast and says okay, take Plaxo, for instance, they do community and they do address book management. Well, we have 10 million address books that people have on our Internet. We have a community of 24 million people who watch television. We see a convergence coming. These are leaders in that space and innovators. We saw the same thing with Fandango which is doing really well in the movie ticket space and entertainment. So there are certain companies occasionally that tend to be very small who can help innovate inside our Company and who can help take us and lead in the innovation that we need to do in a competitive business.

And so that is the plan. We look at Comcast interactive media, to your point, we have Comcast.net is one of the top ten most used sites in our homes. It, we then went out to monetize it with Yahoo and Google deals last year and we got $1 billion over the next five years total coming in. And we spend less than $100 million to build it. Okay, this is a pretty good model, let's do that again. Let's not just concede Web design, Web creation, monetary gains to every startup. Why don't we try to in a modest way go about this and we took one of our best couple folks in Amy Banse and Sam Schwartz who had done other things for the Company and very successful. And we've been building quietly, like you say, around that notion each one has been very profitable.

Fancast, our latest, we have anybody who wants to consume video on the net, well we have video relationships with every content company, why not make sure that they can do so in Comcast homes through our own website. And Fancast got great reviews, got millions of users and relatively speaking didn't cost very much to create. And I bet will create real value for the Company in the years ahead.
Unidentified Participant
Another big strategic initiative is wireless. And you just announced a deal with Clearwire, Intel, Google, Time Warner, Sprint -- who am I forgetting? Home Depot.

Brian Roberts - Comcast Corporation - Chairman, CEO
Advance/Newhouse, Sanford Bernstein (multiple speakers)

Unidentified Participant
Starbucks, McDonald's.

Brian Roberts - Comcast Corporation - Chairman, CEO
Wireless have not.

Unidentified Participant
Is that the last word on wireless for a while?

Brian Roberts - Comcast Corporation - Chairman, CEO
I hope so, and I think so. I am very excited about the potential of what we've done, and your description we've taken seven companies who all have a stake at wanting to create a wow, better than, not a me-too, high-speed experience for a variety of applications. And so simply put in a complicated deal, could you take those wireless and except for Sprint for the most part -- the have-nots, Google doesn't have a wireless platform. Comcast doesn't have one. Intel doesn't have one. But we all have a stake in wanting to create one. And so the structure of this was I think one of the most creative deals and I am very pleased with how it turned out, is to say could everybody feel good at the end.

So Sprint is sitting with an incredible asset in their 4G spectrum or in their BRS spectrum, and Clearwire, and they've been trying to put the two together. Because once you do that, you then have some like 150 megahertz per market virgin spectrum; unprecedented opportunity. Then you say okay, but if you are a new build, how do you roam? One of the problems with any of the models we've looked at -- and we've looked at a lot for several years -- whether we do it ourselves or some other party wanting to build, then what happens? How do you make the product work?

I came from Philadelphia today, it may work here and it may work in Philly, but what about the rest of the time in between? Sprint says we will contribute a roaming deal to all of our products for this Newco. So back down to 3G from 4G or 2G. So if you are on a phone, the phone stays on. If you are on a computer laptop, the computer stays on and the speed may vary, but the connectivity remains there.

And then just as a bridge until you've built Newco, then you say okay, how does -- what should be the technology? Well, those folks, Craig McCaw and the team at Clearwire as well Sprint felt that the here and now play to play offense, to have the fastest first to market wireless broadband was WiMAX. I will defer to everyone to have their own opinion, but there is no reason you have to -- that has to work and if it doesn't you will evolve. But we went on some test drives that were very exciting where you are driving 50 miles an hour and three-way videoconference calls were happening; we weren't driving and doing the video
conference call but the bus was driving at 50 miles an hour and it was astonishing, it was pretty cool. And then we were able to watch live video at 50 miles an hour.

This was not -- this was a forty-five minute drive randomly done in a town and that they had recently built this next generation. So a lot of smart people are convinced that this will work and evolve toward eventually maybe some standards around the world. But a real head start. Then you say okay, well Comcast, how much do you want to build here? How much do you want to fund this? We're 7%, so of a nationwide build with all that spectrum, with all that potential we have a defined amount of money, $1 billion. $150 billion. And then what do you get? How do you not run this by committee? One thing I can say we are expert at is joint ventures. The good, the bad, and the ugly of joint ventures and took all the lessons learned from 50 joint ventures in cableland over the last 40 years, and said what works best? Like pretty safely can say what is best that works is not management by committee.

So how do you not have management by committee? What you do is you say everybody who is a partner, a founder who helped make this happen, who enabled this gets a founder's deal that gives you a wholesale relationship in effect forever, as if you are an owner. Owner's economics and a wholesale relationship. So Clearwire will go and compete, and will build and do whatever it wants to do and its management team will run the business and do the best they can. And the members, the founders will have a wholesale relationship to bill, sell, market, authenticate, bundle, brand, however they so choose. And having Google there and the innovation capabilities of Google, to have the cable operators many of them, and hopefully more down the road if they so desire to come on as customers. To have a platform that wants to get as much business and the roaming deal right out of the box, so it has both voice and data roaming, there was no other opportunity quite that elegant. And we think we have a very good economic opportunity to be an MB&O, and a wholesale provider, whatever words you want to call it how it will evolve.

And in our mind wireless is a feature for our customers. It is an ability to take this relationship and go anywhere you want and get what you want, if we can find a way to get the rights to do that. It is not a fourth product that we are so finding that we need to have a fourth bundle where we can't be in business. And I think we found a moment in time when the two of them wanted to come together, needed to get going and needed our capital to make it possible as well as all the other partners. And so it is pretty perfect, I think, and I am optimistic.

Unidentified Participant

I'm going to change topics a little bit because we are running a little short on time. A year ago we sat on this stage and we talked about capital return to shareholders. I think we even talked about trying to go private.

Brian Roberts - Comcast Corporation - Chairman, CEO

You may have talked about that.

Unidentified Participant

I talked about that. Earlier this year you decided to pay a dividend. You've announced a $7 billion share repurchase program. What was it that made you decide now is the time?

Brian Roberts - Comcast Corporation - Chairman, CEO

Well, first of all we had been buying the stock throughout the period. We bought $10 billion of stock since '05 I think it is, '04, -- thank you, keep me honest. So we've been buying and we've been using it north of 100% of our free cash flow to buy back the shares for several years. So number one; number two, we hired a wonderful new CFO, Mike Angelakis, who came in and
was doing a financial review of his own as to how he felt and he recommend to myself and the board, what is the right allocation
to capital and return of shareholder capital, whether that is best done through dividend or by buyback. We talked to many
shareholders. They have very passionate opinions. They are not always the same. Some absolutely love dividends. Some
absolutely love buyback. Some love leverage. Some hate leverage in today’s world. You just to get – so ultimately we tried to
figure out, what is the right long-term strategy, what is the right balance and what is the right mix.

And so we were kind of thinking the beginning of the year was a good time to start a dividend. We’ve had a dividend in the
past. A number of shareholders say their fund can’t buy the stock if they don’t have a dividend. Others say it is just the permanency
to it, the near permanency. We wanted to get through that -- what do you call it -- second half of last year, where there was
some big changes in both competitive and the economy that were unexpected and we wanted to make sure we felt we were
going to do good things in 2008. And continue the track record that we’ve had and all that came together and we were able
to make a commitment that the past practice we had $6.9 billion remaining in our buyback that we do that over the next couple
years. There was about 130% of our free cash flow or some number and a run rate that we had thought that ’07 was a year
where free cash flow was stepping backwards slightly, down 10% for the year, 9%. Because we had an acceleration in RGUs and
because we are investing in the network and because we had new products but that we felt that capital spending as a percentage
of revenue had peaked, and that we were going to therefore resume a growth in free cash flow.

And as you know in the first quarter we said we would do 20% growth in free cash flow at least for 2008; in the first quarter we
were up over 65%. So all those things were coming together, and as we saw that, that was Mike’s plan, my plan, and that is what
we announced.

Unidentified Participant

You said you think that investors can expect the dividend to increase over time. Are there milestones that we ought to look for,
for the dividend? (multiple speakers)

Brian Roberts - Comcast Corporation - Chairman, CEO

I think as we continue to increase the free cash flow of the Company and the success of the Company that is something we
knew then and I’d say now that we hope to look at periodically. We only paid our first dividend, so I am not surprised, too early.
But it’s a high-class question and I hope to have a good answer to that in the years ahead.

Unidentified Participant

Now Time Warner, I think it was last week maybe the week before, Time Warner and its parent company announced their
separation agreement. And they have a leveraging transaction now with a special dividend that is going to leave them significantly
more leveraged than Comcast. Has what Time Warner has done and been willing to take on, does that change your perspective
at all on the appropriate leverage ratio for your Company?

Brian Roberts - Comcast Corporation - Chairman, CEO

I think if you actually look at what Dave said, I’m not sure who did what to whom on the way out the door, so I am not even
going to touch that. I’ll let you guys speculate on how that went down but they sort of said that their target is not where they
are starting, that they are going to target 3.25 times leverage, start out higher than that. The bridge financing, other things. So
I’m not sure that it is a permanent structure where they are starting.

So if you look at what we sort of said we want to be between 2.5 to 3 and then we have a dividend, they haven’t said anything
about that, so if you add back the dividend that was back to what I was saying, we are well north of 3 if you factor in the after-tax
cost of the dividend or the pretax cost of the dividend to the leverage that we've got. So I think we are probably more comparable than first blush in my opinion. And I think we are very comfortable where we're at. I think we are off to, we are getting leverage in our returns and at the same time permanency with the dividend and these are interesting economic times. And I have always said that if the main criticism of Comcast is we are a little too conservative, that is something I think you can live with. The world has shown those who have strength take advantage of opportunities. I will, for instance, tell you that I think the wireless deal, I think previous management at Sprint has always said I wish we didn't have to do a Newco structure. We would like to fund it all ourselves, and this opportunity came along because we could write a check. And I think that that is the ying and the yang of how much leverage versus how much strength. And these things change and we will constantly reevaluate it.

Unidentified Participant
I have one last question, then I will let you make a wrap up remark. And that is you mentioned before that capital intensity peaked last year or at least that was the -- as a percentage of revenue.

Brian Roberts - Comcast Corporation - Chairman, CEO
We think so.

Unidentified Participant
Where does that eventually get to? And I know Mike is digging into the capital investment budget and trying to find some things; but where does capital intensity get to for this Company? Do you know?

Brian Roberts - Comcast Corporation - Chairman, CEO
You have to make sure you don't throw the good out with the bad in asking the way you asked that question; so is lower better? For maybe this year lower is better, but it depends what your return on invested capital is for the next dollar of capital. And there is no question we are focused on the next dollar of capital, what is our return. For high-def DVRs we are at 30% after-tax IRR, and Mike has put up that analysis at prior conferences to show how we calculate that.

So frankly, I wish we could do lots and lots of that. Box costs are coming down with more competition, but you can look at Cablevision and who is got much higher penetrations than Comcast in phone and in data and say that their percentage of CapEx, percentage of revenue is down here. So you can see a glide path over time, and you may have some lumpiness along the way as we do digital transition and things of that nature. I think this industry, if I might broaden the question, to say do you see any major projects, save digital transition, bandwidth reclamation and the conversion of digital in this country, do you see any major new initiatives that are mega changes to the direction we are heading. And the answer is I don't. (multiple speakers) sorry if I could.

Unidentified Participant
Projects no, okay.

Brian Roberts - Comcast Corporation - Chairman, CEO
If we had something come along where it is a new business, I hope we can go out and build something that would create a new platform. But again, I don't see it as that material and the kind of numbers that we are talking about.
Unidentified Participant
Are there any things that you want to say to your investors before we wrap up that we haven’t talked about? Some closing remarks?

Brian Roberts - Comcast Corporation - Chairman, CEO
No. I think we feel good about the start to the year. Appreciate the support, and we will do a breakout session and take some more questions from you all.

Unidentified Participant
Thank you very much. I appreciate your -- very nicely done.

Brian Roberts - Comcast Corporation - Chairman, CEO
Thank you.