



# 3<sup>rd</sup> Quarter 2020 Results

OCTOBER 29, 2020

# Important Information

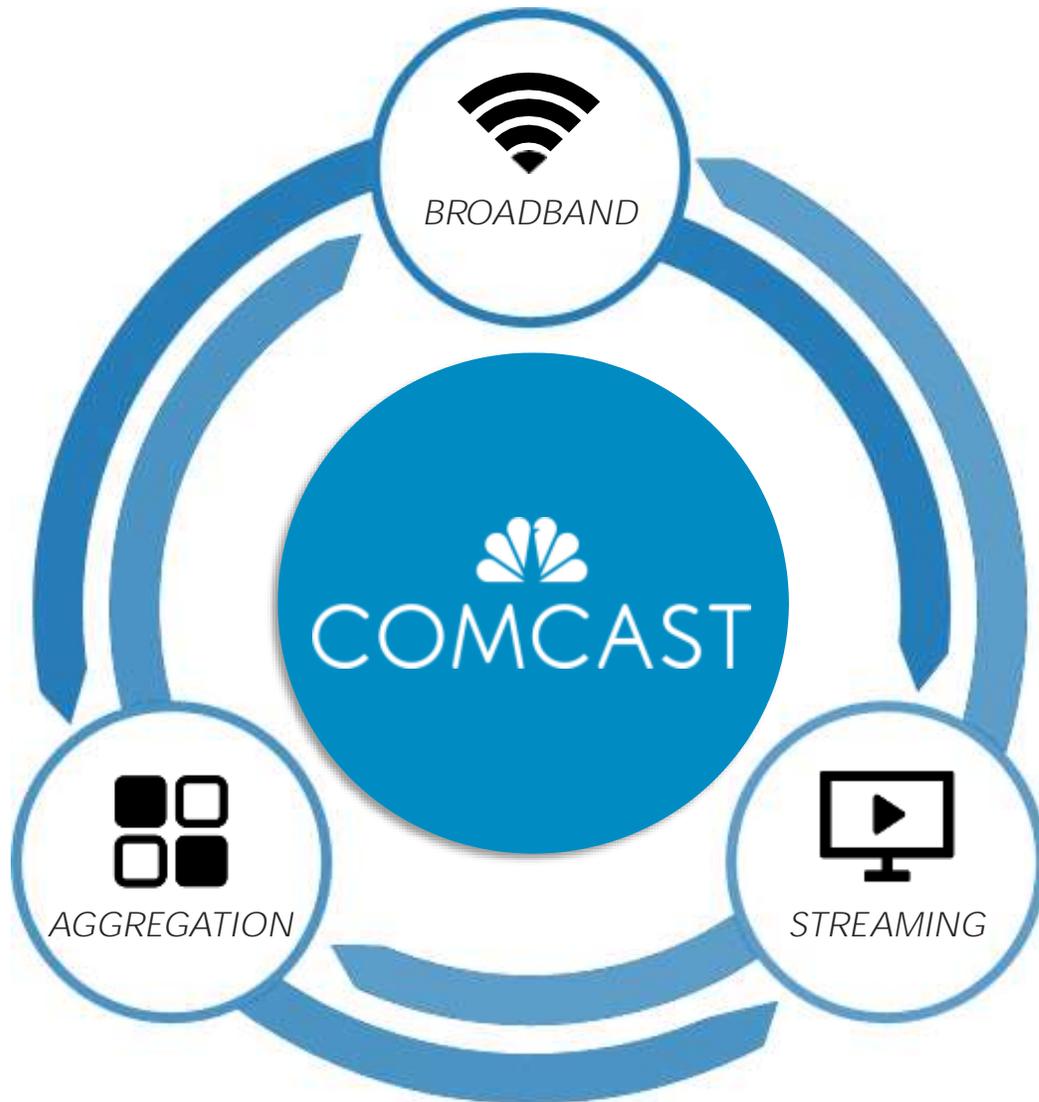
## Caution Concerning Forward-looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify these so-called “forward-looking statements” by words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue,” or the negative of these and other comparable words. We wish to take advantage of the “safe harbor” provided for by this Act, and we caution you that actual events or results may differ materially from the expectations we express in our forward-looking statements as a result of various risks and uncertainties, many of which are beyond our control. Factors that could cause our actual results to differ materially from these forward-looking statements include: (1) impacts from the COVID-19 pandemic, (2) changes in the competitive environment, (3) changes in business and economic conditions, (4) changes in our programming costs, (5) changes in laws and regulations, (6) changes in technology, (7) loss of key vendors, (8) adverse decisions in litigation matters, (9) risks associated with strategic initiatives, including the development of Peacock, and acquisitions such as Sky, (10) changes in assumptions underlying our critical accounting judgments and estimates, and (11) other risks described from time to time in reports and other documents we file with the Securities and Exchange Commission. We undertake no obligation to update any forward-looking statements. The amount and timing of share repurchases and dividends is subject to business, economic and other relevant factors.

## Non-GAAP Financial Measures

This presentation also includes certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EPS and Free Cash Flow. Refer to the Notes following this presentation for a description of our non-GAAP measures and we also provide reconciliations to the most directly comparable GAAP financial measures in our Form 8-K (Quarterly Earnings Release) announcing our quarterly earnings and in our trending schedules, which can be found on the SEC’s website at [www.sec.gov](http://www.sec.gov) and on our website at [www.cmcsa.com](http://www.cmcsa.com).

# Building Long-Term Shareholder Value: 3 Core Tenets of Our Strategy



Comcast strives to provide the **best consumer proposition** across all three tenets by using each one to support the other two

1. *Providing our customers with fast and reliable*  
**Broadband**

2. *Offering the content consumers want through*  
**Aggregation**

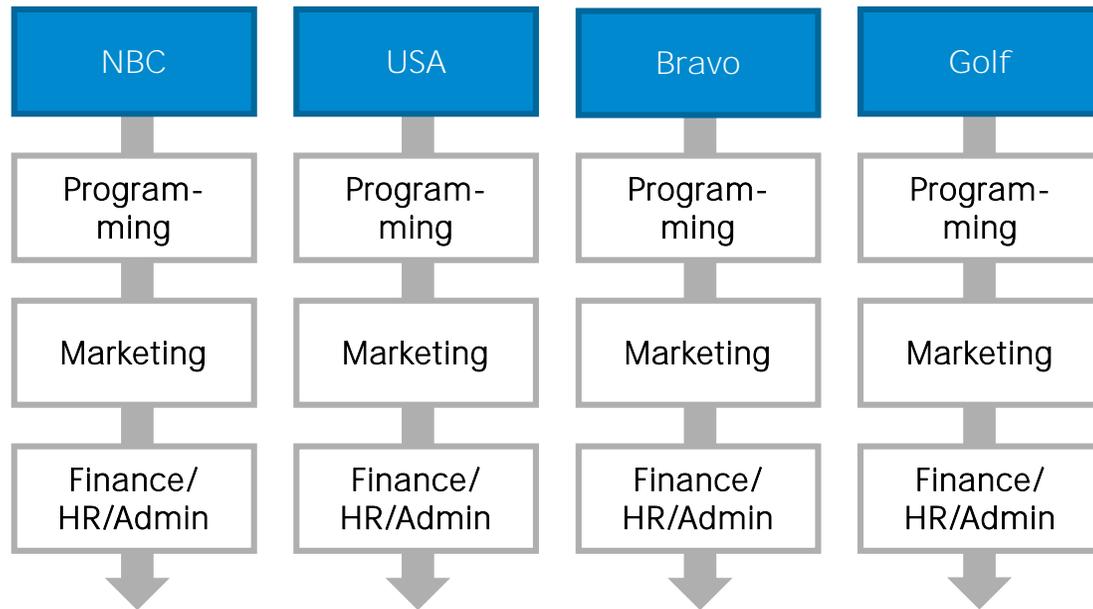
3. *Using the scale and reach of our platforms to succeed in*  
**Streaming**

As the market continues to evolve, **an integrated strategy** across these 3 tenets will drive growth across our businesses

# Evolved Our TV & Streaming Businesses to Deliver Long-Term Value

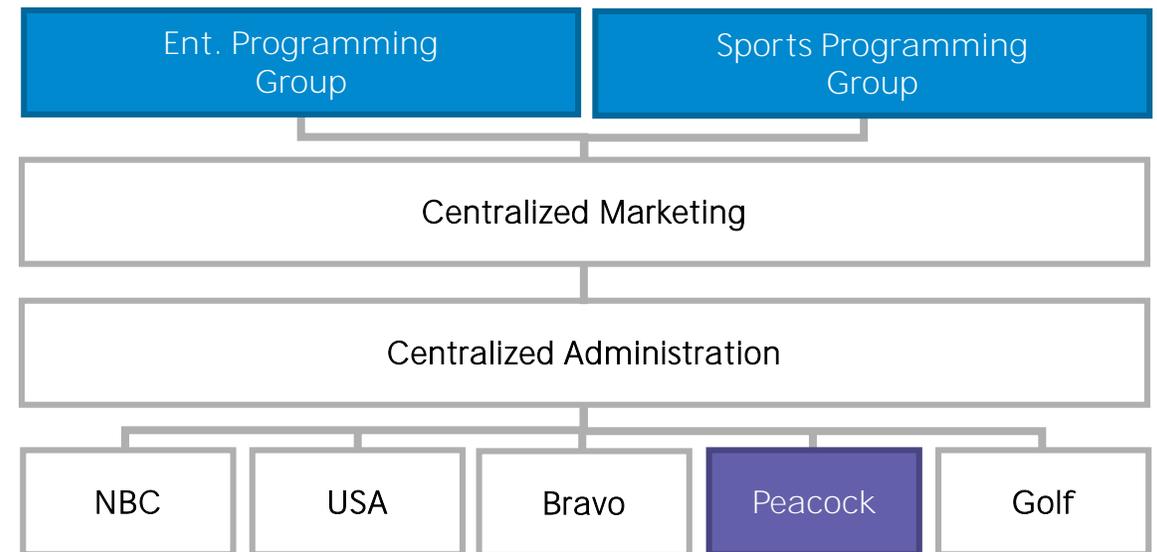
## Prior Organizational Structure

- Fragmented, with individual network executive teams
- Optimizes specific networks and brands
- Modest scale benefits
- Reflects traditional Pay TV environment



## New Organizational Structure

- Centralized, with small programming executive team
- Optimizes full portfolio of linear and digital outlets
- Enables scale and program sharing
- Aligns with current omni-channel digital and linear market



# 3<sup>rd</sup> Quarter 2020 Highlights



- ✓ \$25.5B in Revenue
- ✓ \$7.6B in Adjusted EBITDA
- ✓ \$0.65 in Adjusted EPS
- ✓ \$2.3B in Free Cash Flow

Revenue (\$B)      Adj. EBITDA (\$B)

**xfinity** COMCAST  
BUSINESS

\$15.0

\$6.4

- Added +556K customer relationships, best quarter on record
- Adjusted EBITDA +10.5% driven by strength in high-speed internet

**NBCUniversal**

\$6.7

\$1.3

- Peacock has nearly 22M sign-ups to date and recently secured distribution on the Roku platform
- Reorganized TV and streaming businesses with a centralized structure optimizing content creation, distribution and monetization

**sky**

\$4.8

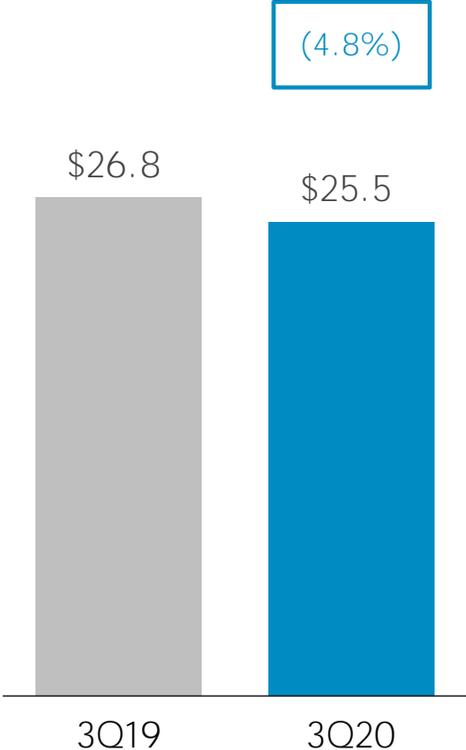
\$0.5

- Customer trends improved sequentially and included net additions in the U.K.
- Record levels of Premier League viewership on Sky Sports, including the highest average season viewership for the 2019/20 season and the highest daily U.K. viewership for the 2020/21 season to date

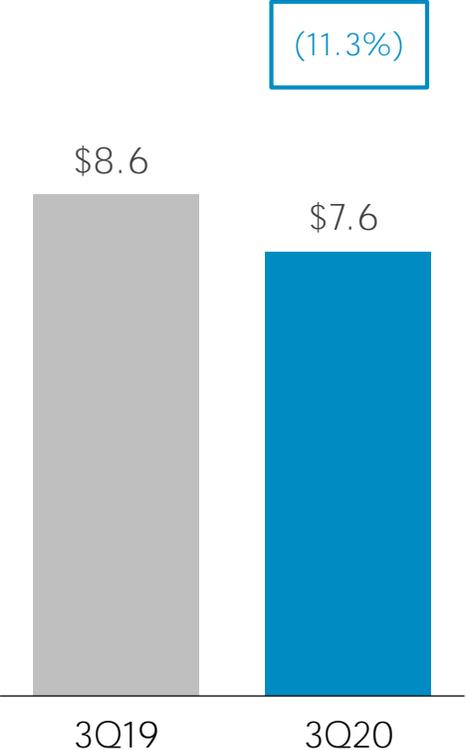
# Consolidated 3<sup>rd</sup> Quarter 2020 Financial Results

(\$ in billions, except per share data)

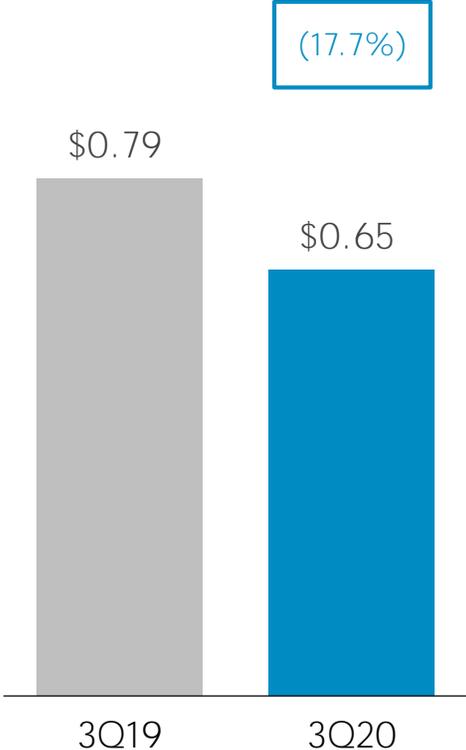
Revenue



Adjusted EBITDA



Adjusted EPS



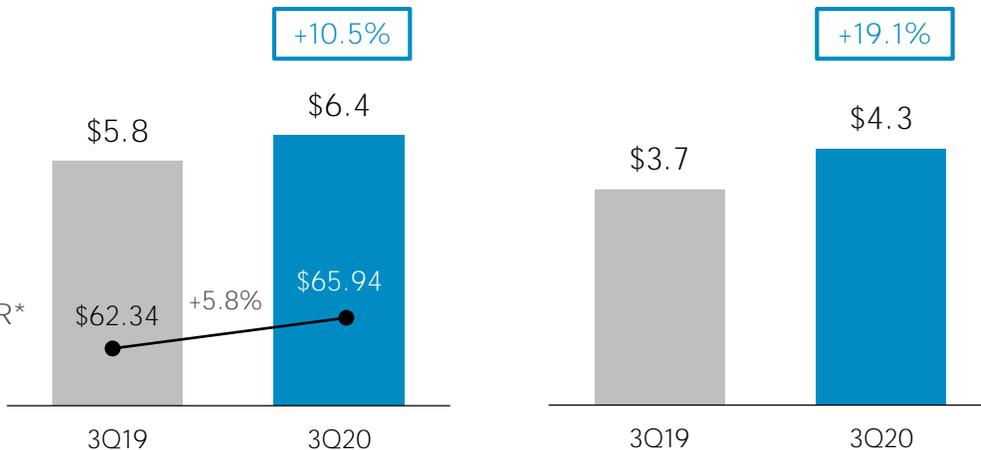
Free Cash Flow Generation: \$2.3 Billion in 3Q20; \$11.6 Billion YTD

# Cable Communications 3<sup>rd</sup> Quarter 2020 Overview

Customer Relationships (M) Revenue (\$B)



Adjusted EBITDA (\$B) Net Cash Flow (\$B)



## Commentary

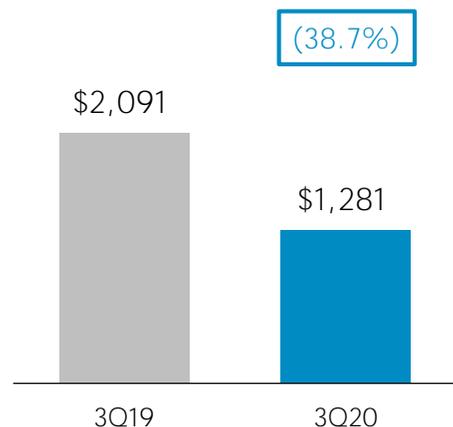
- Customer relationships: +4.9% to 32.7M
  - Total customer relationship net adds of 556K; best quarterly result on record
  - Added 633K HSI customers; best quarterly result on record
  - Added 187K wireless lines, ending the quarter with 2.6M total lines
- Revenue: +2.9% to \$15.0B; +3.9% excl. accrued customer RSN fee adjustments<sup>\*\*</sup>
  - HSI: +10.1% to \$5.2B; +11.2% excl. accrued customer RSN fee adjustments<sup>\*\*</sup>
  - Business Services: +4.0% to \$2.0B
  - Wireless: +22.8% to \$400M
  - Advertising: +11.8% to \$674M, -6.8% excl. political
  - Video: -2.1% to \$5.4B; -0.8% excl. accrued customer RSN fee adjustments<sup>\*\*</sup>
- Adjusted EBITDA: +10.5% to \$6.4B; +5.8% per customer relationship
  - Adj. EBITDA was not impacted by accrued RSN fee adjustments
  - Programming expense -0.6%, +4.0% excl. accrued RSN fee adjustments<sup>\*\*</sup>
  - Non-programming expense -3.2%
  - Adj. EBITDA margin improved 290bps y/y to 42.7%; +250bps excl. the impact of accrued RSN fee adjustments<sup>\*\*</sup>
- Net Cash Flow: +19.1% to \$4.3B
  - Capital Expenditures -2.5% to \$1.8B; represents 11.8% of Cable revenue, an improvement of 60bps y/y

# NBCUniversal 3<sup>rd</sup> Quarter 2020 Overview

## Revenue (\$M)



## Adjusted EBITDA (\$M)

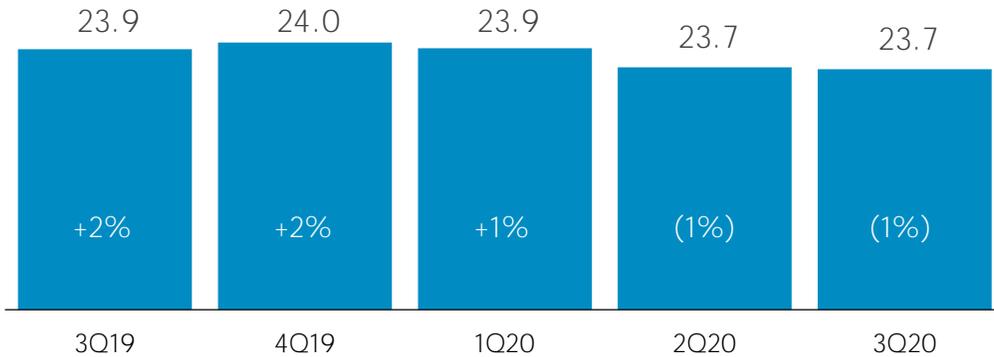


	Revenue y/y %	Adj. EBITDA y/y %	Commentary
Cable Networks	\$2,736 (1.3%)	\$870 (8.9%)	<ul style="list-style-type: none"> <li>Distribution revenue -3.8% reflecting a slight acceleration in sub declines, the absence of programming renewals, and the impact of accrued RSN credits</li> <li>Advertising revenue -2.1% reflects a sequential improvement driven by the benefit of broadcasts of rescheduled sporting events in 3Q</li> <li>Adj. EBITDA impacted by higher programming &amp; production expenses due to the shift of sports rights into 3Q</li> </ul>
Broadcast TV	\$2,414 +8.3%	\$436 +28.7%	<ul style="list-style-type: none"> <li>Content licensing +65.6%, which includes transactions with Peacock</li> <li>Advertising revenue -11.5% due to continued ratings declines, partially offset by higher pricing and local political</li> <li>Adj. EBITDA reflects higher revenue and lower costs associated with the delayed start of new fall season, partially offset by higher programming expenses related to content licensing sales</li> </ul>
Filmed Entertainment	\$1,280 (25.0%)	\$300 +53.4%	<ul style="list-style-type: none"> <li>Revenue declined due to theater closures, which more than offset higher content licensing and home entertainment revenue</li> <li>Adj. EBITDA reflects lower revenue, more than offset by a decline in operating costs due to the absence of current period releases, which have been delayed to 2021</li> </ul>
Theme Parks	\$311 (80.9%)	(\$203) (127.7%)	<ul style="list-style-type: none"> <li>Results reflect the impact of our parks in Orlando and Osaka operating at limited capacity, the closure of Universal Studios Hollywood, and ~\$20M of pre-opening costs for our upcoming park in Beijing</li> </ul>

# Sky 3<sup>rd</sup> Quarter 2020 Overview

## Customer Relationships

(M)



## Revenue

(\$M)



## Adjusted EBITDA

(\$M)



## Commentary

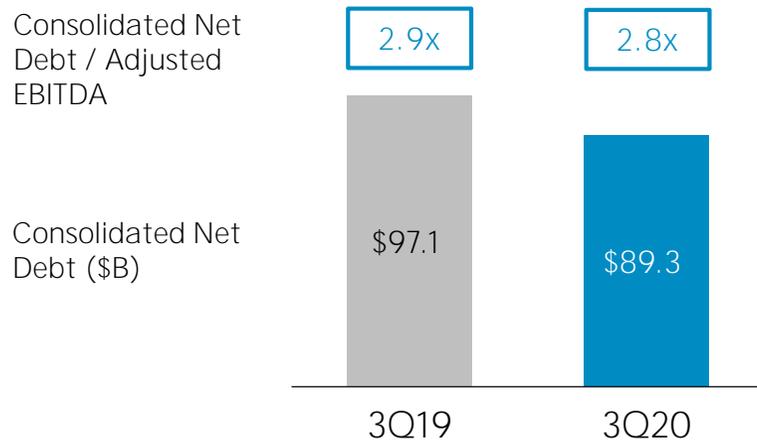
- Customer relationships: -0.9% to 23.7M
  - Total net losses of -21K, a sequential improvement from -214K net losses in 2Q20; includes net additions in the UK
- Revenue: +0.3% to \$4.8B
  - Content +17.5% to \$388M: reflects higher wholesale revenue from sports programming as European football leagues resumed sporting events that were previously postponed due to COVID-19
  - Direct-to-Consumer -1.0% to \$3.9B: the significant sequential improvement vs. 2Q20 resulted from the return of sports and healthy underlying trends in the UK including customer growth and low-single-digit y/y ARPU growth
  - Advertising -1.2% to \$462M: reflects a sequential improvement from -41.2% in 2Q, driven by strong advanced advertising and broadcasts of rescheduled sporting events that were previously postponed
- Adjusted EBITDA: -45.4% to \$515M
  - Driven by higher programming & production expenses related to sporting events that were previously postponed as a result of COVID-19

# Free Cash Flow and Capital Allocation

## Capital Allocation Priorities

- Maintaining a Strong Balance Sheet
- Investing Organically for Profitable Growth
- Returning Capital to Shareholders

## Balance Sheet Statistics



## Consolidated Capital\*

- Consolidated capital: -5.8% to \$2.9B in 3Q20

## Return of Capital

- 3Q20: Paid \$1.1B in dividends
- 2020: Raised dividend by \$0.08 to \$0.92 per share on an annualized basis, +10% y/y
  - 12<sup>th</sup> consecutive annual increase

*Dividends per share (split-adjusted):*



Free Cash Flow Generation: \$2.3 Billion in 3Q20; \$11.6 Billion YTD

# Appendix



# Our Response to COVID-19



## SUPPORTING OUR PEOPLE

We have committed \$500 million to support our employees where operations have been closed or impacted, made work from home options as broadly available as possible, and enhanced safety measures for customer-facing employees.



## KEEPING CUSTOMERS CONNECTED

Keeping the internet accessible and reliable is more important than ever. Our technology and engineering teams are working tirelessly to support our network operations 24/7 to ensure network performance and reliability. Eligible new customers will receive 60 days of Internet Essentials service, the nation's largest, most comprehensive internet adoption program for low-income households, without charge.



## CONNECTING STUDENTS & FAMILIES

Through our Internet Essentials Partnership Program, we're providing the opportunity for school districts and other organizations to fund and connect large numbers of students to broadband access at home. We're also partnering with non-profit partners and city leaders to create safe spaces for students to connect and learn, creating more than 1,000 Lift Zones in community centers to provide internet connectivity and a safe place for students and families to get online.



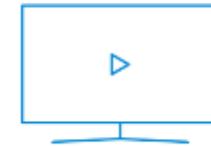
## INCREASING ACCESS TO NEWS & INFORMATION

Our NBC and Sky news teams are working around the clock to keep the world informed and we're bringing that news and information to more people than ever.



## SUPPORTING SMALL BUSINESSES

Comcast RISE was designed to help thousands of small businesses impacted by COVID-19. The program will help BIPOC businesses in the coming months and over time we will broaden the program to include other disadvantaged small businesses.



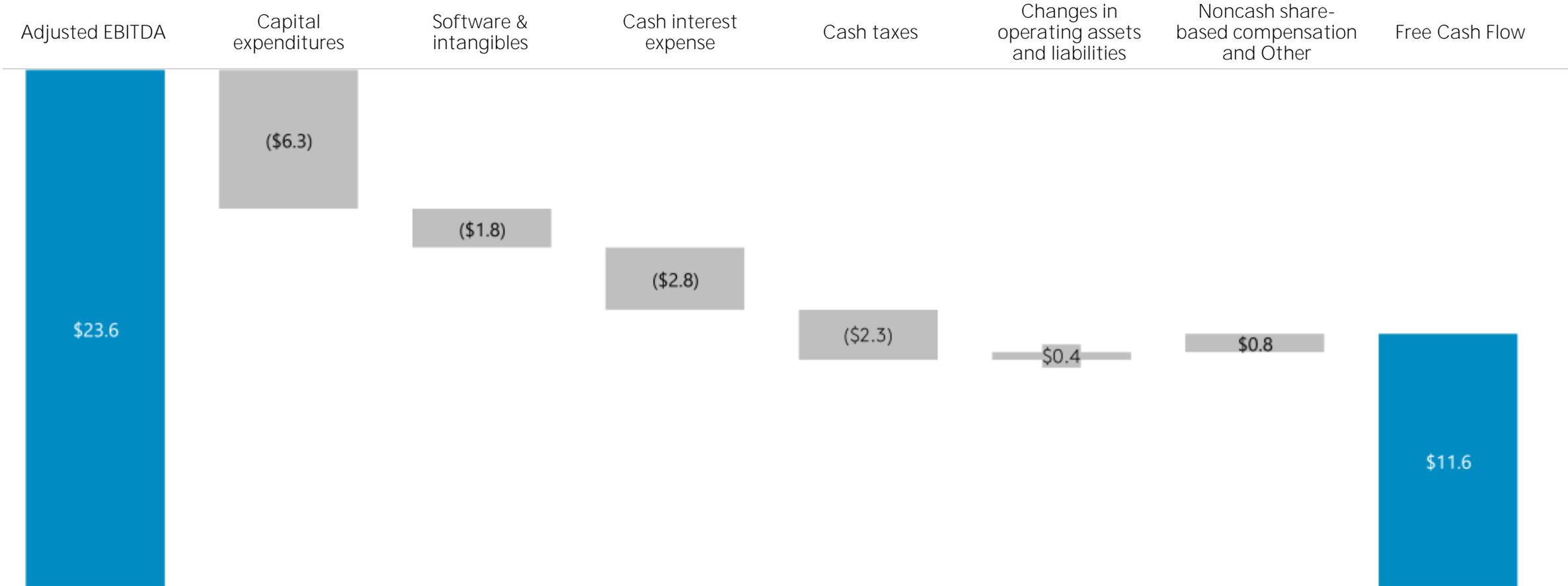
## DELIVERING MORE ENTERTAINMENT

We are bringing great entertainment home to consumers in new ways – offering a growing collection of movies available on demand within days of their theatrical releases and continuing to offer a massive library of free content to both X1 and Flex customers.

# Free Cash Flow Generation

## Adjusted EBITDA to Free Cash Flow Walk

YTD 3Q20 (\$B)



# Notes

We define Adjusted EBITDA as net income attributable to Comcast Corporation before net income (loss) attributable to noncontrolling interests and redeemable subsidiary preferred stock, income tax expense, investment and other income (loss), net, interest expense, depreciation and amortization expense, and other operating gains and losses (such as impairment charges related to fixed and intangible assets and gains or losses on the sale of long-lived assets), if any. From time to time, we may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other charges (such as significant legal settlements) that affect the period-to-period comparability of our operating performance. Refer to our Form 8-K (Quarterly Earnings Release) for a reconciliation and further details.

We define Adjusted EPS as our diluted earnings per common share attributable to Comcast Corporation shareholders adjusted to exclude the effects of the amortization of acquisition-related intangible assets, investments that investors may want to evaluate separately (such as based on fair value) and the impact of certain events, gains, losses or other charges that affect period-over-period comparisons. Refer to our Form 8-K (Quarterly Earnings Release) for a reconciliation and further details.

We define Free Cash Flow as net cash provided by operating activities (as stated in our Consolidated Statement of Cash Flows) reduced by capital expenditures and cash paid for intangible assets. From time to time, we may exclude from Free Cash Flow the impact of certain cash receipts or payments (such as significant legal settlements) that affect period-to-period comparability. Cash payments for acquisitions and construction of real estate properties and the construction of Universal Beijing Resort are presented separately in our Consolidated Statement of Cash Flows and are therefore excluded from capital expenditures for Free Cash Flow. Refer to our Form 8-K (Quarterly Earnings Release) for a reconciliation and further details.

Cable Communications reported results for 3Q20 include the impacts of RSN related adjustments, affecting period-to-period comparability of our operating performance. Refer to our Form 8-K (Quarterly Earnings Release) for a reconciliation and further details.

We define Cable Communications Net Cash Flow as Cable Communications Adjusted EBITDA reduced by capital expenditures and cash paid for capitalized software and other intangible assets. Refer to our trending schedules for a reconciliation and further details.

Sky constant currency growth rates are calculated by comparing the current period results to the comparative period results in the prior year adjusted to reflect the average exchange rates from the current year period rather than the actual exchange rates in effect during the respective prior year periods. Refer to our Form 8-K (Quarterly Earnings Release) for a reconciliation and further details.

As of September 30, 2020 – Consolidated net debt of \$89.3 billion represents long-term debt, including current portion (as stated in our Consolidated Balance Sheet), adjusted to exclude \$2.1 billion of Universal Beijing Resort debt, plus \$725 million of NBCUniversal Enterprise, Inc. preferred stock, less cash and cash equivalents (as stated in our Consolidated Balance Sheet). Amounts owed under a collateralized obligation are presented separately in our Consolidated Balance Sheet and are therefore excluded from consolidated net debt. Consolidated net debt/Adjusted EBITDA is calculated based on trailing twelve month Adjusted EBITDA. Adjusted EBITDA for the twelve months ended September 30, 2020 was \$32.1 billion, as presented in our trending schedules.

As of September 30, 2019 – Consolidated net debt of \$97.1 billion represents long-term debt, including current portion (as stated in our Consolidated Balance Sheet), adjusted to exclude \$1.0 billion of Universal Beijing Resort debt, plus \$725 million of NBCUniversal Enterprise, Inc. preferred stock, less cash and cash equivalents (as stated in our Consolidated Balance Sheet). Consolidated net debt/Adjusted EBITDA is calculated based on trailing twelve month Pro Forma Adjusted EBITDA. Pro Forma Adjusted EBITDA for the twelve months ended September 30, 2019 was \$34.1 billion, as presented in our trending schedules, and is presented as if the acquisition of Sky occurred on January 1, 2017.



COMCAST