

FINAL TRANSCRIPT

Thomson StreetEventsSM

CMCSA - Comcast Corporation at Bear, Stearns & Co. Inc. Media Conference

Event Date/Time: Mar. 10. 2008 / 11:40AM ET

Mar. 10. 2008 / 11:40AM, CMCSA - Comcast Corporation at Bear, Stearns & Co. Inc. Media Conference

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PRESENTATION

Spencer Wang - *Bear Stearns - Analyst/Moderator*

We're going to get started with our next presentation. First off, I'm Spencer Wang, the cable and entertainment analyst at Bear Stearns. We are very pleased to introduce Mike Angelakis today, CFO-Comcast. He joined the Company in 2007.

Before I get started, there are some disclosures to read. Comcast Corp. is or during the past twelve months has been an investment banking client and a noninvestment banking client for securities-related services of Bears Stearns. Bear Stearns or one of its affiliates has performed, or is performing investment banking services for which it has received a fee from the Company. Within the past 12 months, Bear Stearns or one of its affiliates has received noninvestment bank income compensation from Comcast. Bear Stearns or one of its affiliates (inaudible) significant financial interest in the total outstanding debt instruments of Comcast.

I now know how Marleen feels on the quarterly conference calls.

Unidentified Speaker

Probably the most interesting thing today!

Spencer Wang - *Bear Stearns - Analyst/Moderator*

Okay, great. Okay, well, Mike, let's just jump right into it. If there's probably one prevalent theme in communications services today, it's probably increased competition across the board. So with that in mind, let's first talk about the telephone companies and their entry into the video markets. I know it's nascent and fairly early-stage, but if you could just talk about what you're seeing from Verizon (inaudible) in the market or territories where they have rolled out.

Mike Angelakis - *Comcast Communications - CFO*

You know, the competitive dynamic has changed a lot over the last year or so. What I think is most existing is, in some markets, we actually have five video competitors, including ourselves. We have obviously the two satellite companies; you have an overbuilder, somebody like our RCN; and you may have Verizon there, too.

I think we are holding our own incredibly well, against the Verizons of the world. We've been very consistent over the time that we will lose basic customers to those competitors. The reality is when somebody builds a new network, an overbuilder, no matter what overbuilder they are, they will gain share on that video service. Verizon in particular, who's been very aggressive in terms of building their FIOS network as well as on the marketing side, they will take some share from us.

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The way we're monitoring that situation is really twofold. We know there's going to be a bit of a share shift on the wireline side when you think about voice, video and data. We are seeing a greater share on our side, particularly on the voice side and to some degree on the data side. So we feel very good about it. We know that, in Massachusetts where there's some public data that's been released because (inaudible) PUC, that is a good indication of how we are performing. We did very well in Massachusetts last year, and I think we will continue to do very well. So we think there's a little bit of loss when they first announced, and then there is a stabilization after.

Spencer Wang - Bear Stearns - Analyst/Moderator

Then you offset some of those basic customer losses with growth in (multiple speakers)?

Mike Angelakis - Comcast Communications - CFO

I would say we offset them by a multiple, in terms of what that share shift looks like.

Spencer Wang - Bear Stearns - Analyst/Moderator

Let's talk a maybe little bit about DVS satellite operators. They continue to actually add new customers, albeit at a slower rate, even as the telephone companies enter the video market. So maybe you can talk a little good about your video service versus their video service, what they're doing versus where you have areas to improve.

Mike Angelakis - Comcast Communications - CFO

I mean, we have -- '07 for us and to some degree '06 was really a focus on the triple play, which was voice, video and data. I've said before, I take my hats off to the DirecTV folks who have really a single product focus and who have done a very good job of creating a perception that they have a better high-definition particular product than we have. I think they've executed very well on that.

I think, as we left '07 in the fourth quarter and into '08, we have I think readjusted some of our marketing to readjust that reality versus perception asset. I think we are being more nimble in terms of going after -- we are having a great high-definition product. We have a great OnDemand product in how we think about our video customers in addition to either the dual play or the triple play, which is or if -- particularly the dual play is a little bit newer for us.

We think bundling is still very important, and we think that's really how the future is going to go. We continually see our bundling get better and better. We know that, given the amount of marketing and efforts being done by folks, that we're going to try to keep all of our video customers but we will lose a few.

Spencer Wang - Bear Stearns - Analyst/Moderator

So in this context of (inaudible) before we get to your broadband and a broader bundling question, can you talk a little bit about what you need to do from a bandwidth perspective to get up to DirecTV's 100-channel offering? Can you talk a little bit about going all-digital in some markets in '08? In your last comment, you talked about that.

Mike Angelakis - Comcast Communications - CFO

Well, I think there's a couple of ways that we look at high-definition. You know, first we look at it with regards to choices, both in terms of linear channels and also on the OnDemand aspect. We're doing a number of things on the linear side where we have

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digital reclamation efforts in terms of analog-to-digital, and we continue to launch high-definition channels every day in certain markets. We also have a very aggressive effort on the on-demand side in terms of putting more and more high-definition choices on on-demand.

So as we continue to move forward and make progress, we will continue to put more content on both aspects of our platform, high-definition on demand as well as regular on demand, as well as we will continue to reclaim or expand bandwidth, whether it's through all-digital or just regular analog-to-digital reclamation.

Spencer Wang - *Bear Stearns - Analyst/Moderator*

So now let's maybe jump to the broadband side of real quick. Based on [most] numbers, broadband penetration is probably around 75% of [QC] households in the country. How do you think about being able to grow that customer base, given where penetration levels are? You touched on the new doubleplay bundle where you package broadband with voice services. Maybe if you could touch on what you're seeing there in the early markets and maybe also your [tier] initiatives, too.

Mike Angelakis - *Comcast Communications - CFO*

Well, I think you've got to look at broadband from a couple of perspectives. Broadband utilization continues to expand rapidly. We are seeing what the bandwidth utilization is. If you spend time with children like I have and how actively they use it, it is clearly a core component of one's household. We are in -- us, we are in the high 20s in terms of penetration. Some of our peers actually have a higher penetration than us.

We think the trajectory will level off a bit, but we are continuing to grow that business. We think that business has a lot of legs left in terms of growth. What we have done really in reaction to two constituencies -- one is people are demanding more bandwidth, so we have launched what we call a premium service or a grass product that we charge more for. That's doing very well with -- we're really starting to actively market it. In one of the markets where we have had it a little bit longer, we have literally a 10% penetration on a higher-tier services.

We also, because there's some realities around dial-up conversion and realities around financial pressures in households, we've created a lower-tier \$24.95 service as well, which has much lower bandwidth; it's lower-priced. We're using that really for twofold. One is for retention due to households when they have some financial stress, as well as from a dial-up perspective is a conversion aspect that people may get a little bit of sticker shock moving to our flagship \$40 service.

Spencer Wang - *Bear Stearns - Analyst/Moderator*

So two just follow-up questions on that topic. First is can you give us a sense maybe how many -- what percentage of your customers are shoring up versus maybe going to lower-tier? Just rough numbers --?

Mike Angelakis - *Comcast Communications - CFO*

Yes, it's too early to tell because literally just started this. I can tell you we're having -- I think it's positive from both sides, from our personal perspective. The utilization of the lower-priced tier is very low. It's low single digits in terms of what we're seeing in very early stages.

The higher one is also too early to tell, but it's in the sort of single digits. We're utilizing them for high-usage folks, but we also have our flagship folks. Then we are also using -- this is important when we're talking about competition -- from a competitive retention standpoint.

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One thing that we noted last year is if there is a household that has some financial pressure and we only had a \$40 flagship service, their alternatives weren't very good within our product portfolio. Their alternative was really to go to a competitor at a lower price. So we are utilizing that as a retention effort, and we're not getting a lot of traction. That's the good news in terms of what the percentages are.

Spencer Wang - *Bear Stearns - Analyst/Moderator*

That's probably a good segue into my second question, which is, in the past, most investors I think have felt cable is fairly recession-resistant, or at least more insulated during times of an economic downturn, but both you and some your peers in 2007 talked about the impact of both the housing market as well as the overall economy. So you know, has something changed in the business over the past ten years that makes the business perhaps more open to economic weakness or is there something else going on?

Mike Angelakis - *Comcast Communications - CFO*

Well, you know, recession-resistant means you can do relatively well during a downturn. I think that still, as a theory, remains true. However, we also now are generating well over \$100 per month, per customer. That's just a reality of the economy in terms of what people can afford and what they can't afford.

In addition, you know, we were one of the first companies to actually come out and say we are starting to see softness. I think we have a number of real leading indicators within our business.

We had advertising, which is a large part. We have a \$1.5 billion advertising business. We think that's a pretty interesting indicator.

A lot of our business is also based on housing, whether it's vacancies or whether it's housing growth, in terms of how they play. We started seeing a bit of that as well.

So I think our company will do well during -- not as well as we might have hoped from a growth perspective, but I think we will ride out this downturn and move on.

Spencer Wang - *Bear Stearns - Analyst/Moderator*

So we've talked about like so far about subscriber growth and net additions, but I think most cable investors also understand that, from an equity value perspective, also it's probably just as important if not more important from a valuation standpoint. So how do you address investors' concerns that, with more competition, that perhaps pricing ultimately becomes irrational and if that does happen, what is Comcast's competitive response?

Mike Angelakis - *Comcast Communications - CFO*

Well, I think what you are alluding to is the possible price for among competitors. And no one can really guide irrational behavior. There's a number of indicators. You've really got a look at it, I think, by product category. When you think about the video product, I think our company has the best cost advantage from scale and cost than any actual video provider out there. So I think we're very well-positioned, if that were to happen, from an irrational perspective.

Spencer Wang - *Bear Stearns - Analyst/Moderator*

(multiple speakers) the cost structure?

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Mike Angelakis - Comcast Communications - CFO

In terms of our cost structure, whether we're talking about volumes on programming or labor force, or efficiencies and insell and training, or the overall scale that we have, we are pretty confident that our cost structure is superior to other competitors, from that perspective. But what we've actually seen is actions speak more than words. You've seen the Bell Companies as well as you seen to satellite companies actually raise prices pretty historically. I think the Verizon folks did a double-digit rate increase this year (multiple speakers) and they did one last are as well, not double-digit, and the satellite folks have all raised rates.

When you move to the next product category of pricing data, I would argue we've been the price leader for a long time. We've clearly maintained more than our market share. We now have seen ATT&T raise their price on their DSL product. So we've seen \$19.99 DSL where we are double the price, and I think that we've done extraordinarily well there.

When you think about voice, we are the price leader on voice. The IT aspect of our product is a terrific cost advantage. I think one of our selling features on our voice product is really value. So I think that, again, no one can think about irrational behavior but I think, right now, we are pretty well positioned to absorb that.

Spencer Wang - Bear Stearns - Analyst/Moderator

Right, and you haven't seen any further --?

Mike Angelakis - Comcast Communications - CFO

All of the leading indicators point a little bit differently.

Spencer Wang - Bear Stearns - Analyst/Moderator

Let's maybe jump to the other perhaps investor concern, which is the state of cable (inaudible) in the context of faster broadband speeds from Verizon, more HD channels from the satellite operators. Maybe talk a little bit about how you're thinking about (inaudible). You mentioned earlier that you are going all-digital in some instances, (inaudible) video in other instances. Ultimately, is this a combination of both that you need to do to remain competitive?

Mike Angelakis - Comcast Communications - CFO

Well, I think the plan is really a great plan. When you think about -- and you brought up Verizon. You know, I'll be honest; they have good plans as well, but they are also pretty limited in coverage market.

The reality is we think there's a couple of ways that -- you were talking about bandwidth management.

Spencer Wang - Bear Stearns - Analyst/Moderator

Correct.

Mike Angelakis - Comcast Communications - CFO

We're talking about using wideband and DOCSIS 3.0 on the data side. That's not a very expensive effort; it's more evolutionary. Literally, the bandwidth speeds can go up to 160 Mb, and that's something we will spend more time and do later this year in some markets. The cost is, again, it's not very much and we've budgeted that in our capital plan for '08.

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The other bandwidth management aspect is around particularly high-definition and additional channels, whether it be ethnic channels or so forth. We are utilizing two features for that. We are utilizing in specific markets where we have high digital penetration, going all-digital. We did that in Chicago last year.

Just so people understand, we are not going all-digital where every single channel is digital. To give an example, just a general example, if there were 80 channels of analog on a system, we will probably go -- leave 30 at the end of the day. So we will actually reclaim roughly 50 channels, which is around 300 MHz, which is a tremendous amount of capacity to allow us for things like wideband, more high-definition channels, if we think that's appropriate, as well as probably some ethnic tiers and those kinds of efforts.

Spencer Wang - Bear Stearns - Analyst/Moderator

Logistically, how disruptive is this for your subscriber to go all-digital (multiple speakers)?

Mike Angelakis - Comcast Communications - CFO

Yes, the reality is, right now, we are about two-thirds digital. There is a segment of our customer base that is broadcast basic, and let's just put a round number of 8% to 10%. So you're really dealing with the difference between sort of 65% and 90%. Our view is we will continue to deploy digital, and that's across our entire footprint, so in many markets, we have more than 65% penetrated.

There will be a disruption to those people between sort of that 75% and 90%. We did this in Chicago and I think we (inaudible) too much about that. So it's going to be something that happens over the next couple of years on selective markets.

Spencer Wang - Bear Stearns - Analyst/Moderator

Great. Switching, in terms --?

Mike Angelakis - Comcast Communications - CFO

Switching we're doing a couple of markets as well. That's working well. I think, right now, given that there is a digital transition going on in a little bit less than a year, about eleven months from now, we're very focused on moving our digital penetrations up, moving some markets all-digital, dealing with the digital transition, which will happen in February of next year, and then continuing our effort on an all-digital. In some markets, we will decide to use switch.

Spencer Wang - Bear Stearns - Analyst/Moderator

I got it. So that's probably a good transition to the other question that we get a lot about cable, which is CapEx and where we are in the capital cycle.

Cable as an industry has talked about historically 70% of capital being roughly variable successfully. Our view is net adds has obviously slowed for the industry, yet CapEx has yet to kind of mirror that. So maybe you can help us think about what parts of CapEx are going up that are perhaps offsetting that from new business opportunities as well as fixed plant upgrades.

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Mike Angelakis - Comcast Communications - CFO

Right. One thing we did this year is we're trying to provide more transparency around capital. Some data points are residential capital for 2008 is actually coming down year-on-year as an absolute amount. That includes an increase, by the way, in average cost of set-top box compared to '07. There's a big mix issue in there with some of these [statutes] that -- why is that happening. The real issue is around the regulatory effort of last July with separable securities and cable cards. That has boosted the cost of our box from '07 to '08 up.

Now, HD DVRs and those (inaudible) coming down a little bit, but we spend between 65% and 70% of our dollars are in recall growth capital. Within that growth capital, there's an element of (inaudible) and capitalized labor. So what we're seeing is residential CapEx come down a little bit; commercial CapEx has actually gone up. That's really what -- you know, there's some offsets there. One thing we've been very focused on is that, as a percentage of our revenue base, we are seeing CapEx from '07 to '08 come down a bit and we're hopeful that trend continues in '09 and so forth.

Spencer Wang - Bear Stearns - Analyst/Moderator

So ultimately, you've talked about CapEx as a percent of revenues (inaudible) from about 20% to 18% I think is the rough target you talked about for '08. Ultimately, over the next couple of years, over your planning cycle, can you give us a sense of how low that could possibly get when the pure (inaudible) is around 13 and change?

Mike Angelakis - Comcast Communications - CFO

You know, I don't want to give any numbers of where that can go. You know, Cablevision does a wonderful job on (inaudible) who is much higher penetrated on voice in particular and on data than we are has lower numbers. But we think that trend will continue to move down.

Now, I think what we're seeing also is a bit of a shift in this year. Again, we talk about some discretionary capital that we would spend this year. I don't know if you saw the New York Times this morning. There's an interactive in advertising (multiple speakers) Project Canoe, where we will be spending between \$50 million and \$70 million. Now, that's not a meaningful portion within our entire CapEx budget, but we have reallocated how we are looking at capital, frankly, more for a management tool as well as to provide investors some transparency. That discretionary number is sort of between 5% and 10%, and there are a number of projects in there, whether it's switch digital or Project Canoe. Then we have the growth drivers we just covered, and then there is that maintenance side, which is sort of 25% to 30%.

Spencer Wang - Bear Stearns - Analyst/Moderator

Speaking of new initiatives, Mike, I think there's a perception that the cable business right now is fairly moderate but you do talk about some new opportunities, commercial services, Project Canoe. So can you give us a sense of when you think this (inaudible) material enough to reaccelerate growth for the industry, or is it not a big enough of a needle movement? And maybe talk about wireless in that equation also.

Mike Angelakis - Comcast Communications - CFO

You know, our guidance for '08 is 8% to 10% growth on the top line. That's all organic. That's anywhere -- if you do the numbers -- between \$2.4 billion and \$3 billion of new revenue that we would generate. I do really look at that as anemic growth, particularly -- (multiple speakers)

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Spencer Wang - Bear Stearns - Analyst/Moderator

Modest (multiple speakers).

Mike Angelakis - Comcast Communications - CFO

Okay, modest, sorry -- particularly during what we are experiencing in the economy, and also with competition. So if you're talking about top line, that's the sort of organic revenue growth we're generating. I think we're very focused, as we said, on free cash flow growth as well. A particular metric I like is unlevered free cash flow, which is one that we are also very focused on.

So I think that we have a number of businesses. Video and (inaudible) is more of a mature business. High-speed is growing nicely double digit, and I think that will continue for awhile.

Voice is growing high double digits. We actually have a bit of a lag with our circuit switch voice business, so if you really carve that out, it's growing really nicely.

We grew our business services at 45% last year. That number will accelerate.

We have some Internet businesses which are growing (inaudible) so I think we've got a portfolio of businesses, including content, which is growing at 20-odd% now. So I think that you will see more growth from us, but the 8% to 10% I think is a pretty good number on the revenue side.

Spencer Wang - Bear Stearns - Analyst/Moderator

Beyond '08?

Mike Angelakis - Comcast Communications - CFO

Beyond '08.

Spencer Wang - Bear Stearns - Analyst/Moderator

Okay. Wireless -- this is probably the big unknown for the cable industry. Most people I've talked to in the industry -- it seems like there are a lot of mixed opinions about ultimately where you go with wireless. Wireless as a product is very different (inaudible) leverage the existing cable network. So maybe you can just update us on how you are strategically thinking about wireless right now.

Mike Angelakis - Comcast Communications - CFO

Well, one thing we are really focused on in (inaudible) is, if you look at our company, we are delivering multiple products over one network. We really like those efficiencies, and I think that's important.

We have a number of products. When we think about wireless, we are not thinking about just the quad-play voice. What we really are thinking about is what is the product that can get assembled, and what is the technology that can be utilized that takes our existing product of voice, video and data and creates some level of mobility to that?

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So we're not necessarily saying "Let's go build a new network and create a voice (inaudible) product." I think that's a fool's aim. I think what we really need to do is look at how do we take -- add another feature to our existing, really very good products, and how do we add mobility to them in some form or fashion?

There is a lot of [destiny] in wireless. I mean, you saw the FTE commissioner yesterday on open access, and obviously with the 700 option, there is a lot going on. So our view is we're taking a very cautious and careful approach to what is the right product, what is the right technology and what is the right business plan around that, that we think is attractive for us?

Spencer Wang - *Bear Stearns - Analyst/Moderator*

Great. One last question before we open it up to Q&A from the audience.

From a capital allocation perspective, we've talked about reinvesting in some more business and new opportunities. Obviously, there are other ways to redeploy excess financial capacity -- dividends, buybacks, and M&A. You guys have recently reinstated the dividends and have committed to the buybacks with a set timetable.

I guess the first question is, in the context of all of the volatility in the credit market, how do you feel about your kind of current return of capital plans? Because it does require some incremental leverage on your part.

Mike Angelakis - *Comcast Communications - CFO*

It does require some incremental borrowing. I think what is interesting is, when you look at our free cash flow and where we are forecasting at least 20% growth this year, when we looked at what our capability is -- and by the way, we did 130% of free cash flow last year, returns through buyback. We will borrow a little bit of money this year and next year just to fulfill the dividend and the buyback. We think that's adequate. We think the dividends reflects an appropriate payout ratio for free cash flow, an appropriate payout ratio against net income. You look at companies [in our] DDD or S&P 500, we thought that was the right to pinpoint. We really wanted to provide clarity over our buyback. So the credit markets are clearly a mess, and it's very important for us to maintain our investment-grade credit rating, which we have continually talked about and I think people are hopefully understanding why, given what turmoil you are seeing out there. So it's about balance on how you deal with capital allocation.

Spencer Wang - *Bear Stearns - Analyst/Moderator*

Great. Let's see if we have any questions from the audience at this point.

QUESTIONS AND ANSWERS

Spencer Wang - *Bear Stearns - Analyst/Moderator*

(inaudible) I think [Larry Haverty] in the back there?

Larry Haverty - *Analyst*

(Inaudible question--microphone inaccessible)

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Mike Angelakis - Comcast Communications - CFO

You know, to be fair, we have a very good relationship with the Commission. It's one member of the Commission that we have the issues with. When you look at the aggregation of these issues that's been a bit confrontational to say the at least, it's really too bad because I've come into Comcast relatively new and I can tell, from talking to many of the colleagues who've never had this kind of relationship, that's been as difficult as it's been. But I think we feel pretty comfortable that the issues that are being dealt with -- number one we either had very good responses to and are very capable handling of them, and they really aren't going to impact the core business.

Net neutrality is actually a great example of that. Actually, in 2005, the SEC said reasonable network management is fine. That's what you should be doing to enhance the Internet experience. You can talk to most carriers and they do utilize reasonable network management. You can talk to most application providers, and one of their most -- one thing they say to me is network health is pretty paramount. So these differences of opinion is what that really means, but I think Comcast is pretty dedicated to making sure that our customers have a great experience. I think, as time goes on, you will see that we will deal with that at the SEC.

Spencer Wang - Bear Stearns - Analyst/Moderator

A few questions upfront?

Unidentified Audience Member

Could you just clarify a question of HD capacity? If you are, as you say, two-thirds digital, how many HD channels can you offer compared to DirecTV? (inaudible) next year go all-digital, how many HD channels will you be able to offer? In general, I don't understand, given all the bandwidth you have, why you haven't been more aggressive in building that capacity and why you give a little (technical difficulty) company that only has one product when you have your so-called bundle. I just don't understand how you run the business.

Mike Angelakis - Comcast Communications - CFO

Well, I can tell you that I think, number one, you need, in order to effectively utilize part of this digital transition, you need to have a box that's actually relatively inexpensive and works appropriately.

I think that you're also making the difference between quality versus quantities. We don't think, -- we've done a number of surveys. We think our HD service is a great service. I will admit, which is what I did, I think, in the marketing world, the folks at DirecTV have done a bit of a better job, but in reality, our customers are pretty happy. We have 6.3 million HD customers. That's a pretty big number. We are selling HD boxes on a pretty regular basis.

I think part of your question is around bandwidth management. Using my example, if we have 80 analog channels today in a system, we reclaim 50 of them to a digital transition. That's 300 MHz. We could literally add 150 to 200 HD channels off that alone, compared to what we have today.

Now, we think there's many HD channels that don't deserve to be on, but they are not watched very much. What we're also doing is very focused on putting a lot of HD through our OnDemand aspect as well. So we're trying to balance those with that.

Unidentified Audience Member

(Inaudible question--microphone inaccessible)

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Mike Angelakis - Comcast Communications - CFO

It's a black and white question. I think they've done a good job on marketing. I think, while we have done a terrific job on growing the bundle and the triple-play, they've done a very good job on taking a bit of the high road, which we are trying to get back -- has been we have actually launched a marketing campaign recently that is focused on our HD service, which we haven't done as aggressively in the past.

Spencer Wang - Bear Stearns - Analyst/Moderator

We have time for one last question.

Unidentified Audience Member

Yes, actually two questions. One is, as you mentioned, that residential CapEx should be down next year, but it sounds like CT you will be up on the per-box costs. So which bucket within (inaudible) your CapEx?

Mike Angelakis - Comcast Communications - CFO

No, no. When I talk about CTs, that is including in the residential -- that's all grouped under residential.

Unidentified Audience Member

(Inaudible question--microphone inaccessible)

Mike Angelakis - Comcast Communications - CFO

Line extension is part of residential; that is going down.

Unidentified Audience Member

(Inaudible question--microphone inaccessible)?

Mike Angelakis - Comcast Communications - CFO

We don't go into that (multiple speakers) (LAUGHTER)

Unidentified Audience Member

(multiple speakers) video product is really differentiated I believe by your (inaudible) offering.

Mike Angelakis - Comcast Communications - CFO

Absolutely.

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Unidentified Audience Member

Yet you've been -- or the industry really has been criticized for creating a service that's not as usable as it could be and clearly as you add more HD and other services. Where are we at in that transition to a really usable product and how long is that going to take?

Mike Angelakis - Comcast Communications - CFO

You're talking about navigation?

Unidentified Audience Member

Yes.

Mike Angelakis - Comcast Communications - CFO

There's two components to that. One is we are trying as quickly and as aggressively as we can to put more content on our VoD platform. We recognize we have to enhance the navigation. We do -- we've actually hired a lot of software engineers, internally, two-way and other kinds of efforts, and now we're getting time crunch. But we're looking to enhance our navigation efforts through the VoD aspect. So actually we just saw, even last week, a new enhancement on our navigation, which I think is much better (inaudible) with respect to that.

Spencer Wang - Bear Stearns - Analyst/Moderator

Great. Well, with that, I think we are running over a little bit, but thank you, Michael for coming by. I appreciate it.

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