PARTICIPANTS

Corporate Participants

Marlene S. Dooner – Senior Vice President-Investor Relations
Brian L. Roberts – Chairman, President & Chief Executive Officer
Michael J. Angelakis – Chief Financial Officer and Vice Chairman
Neil Smit – Executive Vice President; President & CEO, Comcast Cable Communications
Stephen B. Burke – Executive Vice President

Other Participants

Jason Boisvert Bazinet – Analyst, Citigroup Global Markets Inc. (Broker)
Jessica Reif Cohen – Analyst, Bank of America Merrill Lynch
Jason S. Armstrong – Analyst, Goldman Sachs & Co.
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MANAGEMENT DISCUSSION SECTION

Operator: Good morning, ladies and gentlemen, and welcome to Comcast's fourth quarter and full-year 2012 earnings conference call. At this time, all participants are in a listen-only mode. Please note that this conference call is being recorded.

I will now turn the call over to Senior Vice President, Investor Relations, Ms. Marlene Dooner. Please go ahead, Ms. Dooner.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thank you, operator, and welcome, everyone. Joining me on this morning's call are Brian Roberts, Michael Angelakis, Steve Burke, and Neil Smit.

We have a full agenda this morning. Brian and Michael will make formal remarks on both our earnings results and our announced early acquisition of GE's 49% common equity interest in NBCUniversal. Following their remarks, Steve and Neil will also be available for Q&A.

As you review our materials, please refer to our trending schedules, which are available on our Investor Relations website, for pro forma results covering the past 12 quarters as well as detailed information for our business segments and other consolidated metrics.

As always, let me refer you to slide number two, which contains our Safe Harbor disclaimer, and remind you that this conference call may include forward-looking statements subject to certain risks and uncertainties. In addition, in this call we will refer to certain non-GAAP financial measures. Please refer to our 8-K for the reconciliation of non-GAAP financial measures to GAAP.

With that, let me turn the call to Brian Roberts for his comments. Brian?

Brian L. Roberts, Chairman, President & Chief Executive Officer

Thanks, Marlene, and good morning everyone.

This is a really special moment for our company, with a number of exciting developments to tell you about today. We're reporting strong results for the fourth quarter and the full year of 2012, accelerating the acquisition of GE's equity interest in NBCUniversal, and demonstrating confidence and optimism in the future of all our businesses by increasing our dividend 20% and announcing our plan to repurchase $2 billion of our stock during 2013.

Let me begin with our strong financial results for both the fourth quarter and the full year, which highlight our momentum and how we're benefiting from scale and from our focus on operational excellence. These results demonstrate that our investments for growth and strategic differentiation, particularly in programming, technology, and in new products, are helping us lead in innovation and strengthening our position in the market. Michael will discuss results in more detail, but I want to provide a few highlights.

Let me start with Cable, which capped accelerating performance throughout the year with a strong fourth quarter. Every part of the Cable business showed strength, with revenue increases in all our residential products, in Business Services, and in advertising.

High-speed Internet led the way in both revenue and subscriber growth. We added 1.2 million HSI customers in 2012, a 6% increase and the seventh year in a row of more than 1 million customer additions.

In Video, we extended the trend of improving subscriber and revenue results. The fourth quarter was the ninth quarter in a row of year-over-year improvements in video subscribers. And we expect that excluding the impact of Hurricane Sandy, we added subscribers in the fourth quarter. Just as important, video revenue growth of 2.9% in the fourth quarter was the highest in four years.

Our triple-play offering is driving a rebound in Voice with strong customer growth in the fourth quarter, and we reached the milestone of 10 million voice customers early this new year.

Last but certainly not least, Business Services was again the second largest contributor to Cable's growth, as it continues to expand its services to small business and its presence in the midsized market.

So it has been a fantastic 2012 for Cable and a great fourth quarter. The XFINITY brand is taking hold, and we're making steady headway in customer service. And the Cable team is delivering consistent and first-rate operating performance. Neil Smit is doing a fabulous job, and so is his team.

Similarly at NBCUniversal, Steve Burke and the NBCUniversal folks have had a very successful year. NBCUniversal's 2012 results highlight in particular the improving performance of our broadcast businesses. NBC's primetime performance this fall has been improving. While we recognize it's early in the turnaround, this is driving a big swing in momentum, which should continue to help the network.

Our cable networks continue to drive NBCUniversal's profitability, and there were some real highlights there too. USA remained the highest rated cable entertainment network for the seventh year in a row. Bravo had its seventh consecutive best year ever. And we also completed rebrands at E! and Style. And in terms of rating, Golf, Mun2, and MSNBC were three of the five fastest growing channels on television all of last year. NBCUniversal's 2012 results also included stronger box office performance in film and outstanding results at the theme parks.

So let me talk about now our future since we're excited about our businesses and are going to continue to invest to reinforce our differentiation and to drive growth. High-speed Internet and Business Services continue to be the drivers for cable. And in 2013, we are investing to increase the speed once again of our high-speed Internet services and to expand the deployment of wireless gateways that deliver the fastest in-home service and power the growing number of wirelessly connected devices in our customers' homes. We're also extending our network to business-rich areas to continue to gain share in small businesses and medium sized businesses and to expand our Metro-E [Metro Ethernet] products.

Our XFINITY Home service has exciting growth potential too. It is now available across the entire footprint. But while it's still early and the numbers are relatively small, XFINITY Home is attracting new customers and working well as the fourth product in some of the bundles. 76% of our XFINITY Home customers are quad play; 22% are new to Comcast; and of those, 73% come in buying all four products.

In 2012, we rolled out our first X1 service, our cloud-based interactive guide and user interface, in six markets. This year, we will expand the rollout of X1 to the majority of our footprint, and you will also begin to see X1 more as a platform as we enable cloud delivered applications to our customers.

At NBCUniversal, the Universal Theme Parks have been a real standout, and we see great potential in the years ahead. And so we're investing in new attractions to continue to transform our parks into more must-visit destinations. The new Transformers ride was an enormous excess at Universal Studios Hollywood this past year and will be opening in Orlando in 2013. And we're expanding the hugely successful Harry Potter attraction, including working on bringing it to Hollywood.

Now let's discuss the announcements we made last night regarding our acquisition of GE's existing 49% equity interest in NBCUniversal. Two years in, the strategic rationale for bringing together our content and distribution businesses and the opportunities for growth and value creation available at NBCUniversal are even stronger and better than we first anticipated. We've been hard at work inside these businesses for the last two years, and now have the knowledge and confidence to accelerate the buyout of GE. In effect, we're buying stock in our own company and investing in businesses that we know well. Our programming investments are beginning to pay off, driving strong early results at NBC Broadcast Network and the turnaround in ratings and financial performance at our local stations.

We also successfully integrated the Comcast cable channels and regional sports networks, and we're investing across our cable networks to strengthen the brands and to reinforce the value. As a result, we are beginning to see improved affiliate fees for the cable channels and the benefits of retransmission consent fees for NBC and Telemundo. We have achieved strong growth across the theme parks, and we're also reinvigorating our franchises in the film business.

Finally, we've demonstrated real value when we bring together our content and distribution businesses to support important initiatives for the whole company. We call that Project Symphony. And whether you look at the success of The Lorax or The Voice or, in particular, last year's Olympics, many of these successes were amplified because of our Symphony approach. So we're really pleased with the transition, have a great management team in place and strong momentum, and we're bullish about NBCUniversal's future.

This is also a good time to complete the acquisition since we are able to fund it through a combination of cash from operations, proceeds from the sale of non-strategic assets, plus attractively priced public debt and seller financing from General Electric. We now have a simplified structure and balance sheet, and our goal is to continue to strengthen this balance sheet and achieve even stronger credit ratings over time while we continue to provide a sustainable return of capital to shareholders.

I believe we are uniquely positioned with great businesses and real opportunities for growth and aim to continue to strengthen our company. As we start 2013, we have real momentum, and we're maintaining our focus on execution and disciplined investment to build in each and every one of these exciting businesses.

Let me now pass it to Michael to cover the results and the transaction in greater detail.

Michael J. Angelakis, Chief Financial Officer and Vice Chairman

Good morning and thank you, Brian.

There is quite a bit to review today, including the NBCUniversal transaction and our 2013 financial strategy. But I think most important is our strong operational performance and positive momentum in the fourth quarter and for all of 2012. As Brian mentioned, we are very pleased with our results on slide four, which reflect sustainable and profitable growth and the fundamental strength of our businesses.

For the full year, consolidated revenue increased 12% to $62.6 billion and operating cash flow increased 9% to $20 billion, reflecting strong organic growth in both our Cable Communications and NBCUniversal businesses.

Free cash flow for the full year, which excludes the impact of the economic stimulus, increased 13% to $7.9 billion, primarily reflecting growth in operating cash flow and improvements in working capital, partially offset by higher cash taxes and capital expenditures. Free cash flow per share increased 16% to $2.92 per share in 2012. For the year, our Cable free cash flow generated $6.2 billion or 78% of the total, while NBCUniversal contributed $1.7 billion or 22% of consolidated free cash flow.

Earnings per share grew 52% to $2.28 per share for the full year from $1.50 per share in 2011. Excluding gains from the SpectrumCo and A&E transactions and an income tax benefit resulting from a state tax law change in 2012 and NBCUniversal transaction and related costs and other non-recurring items in 2011, our adjusted earnings per share increased 22% to $1.93 per share.

Now let's review the pro forma results of our Cable Communications and NBCUniversal businesses on slide five. As you know, we believe the pro forma presentation provides a more meaningful comparison of the operating performance of the businesses. The pro forma results are only necessary for the full year and are presented as if NBCUniversal and the Universal Orlando transactions were both effective on January 1, 2010.

For the fourth quarter of 2012, consolidated revenue increased 6% to $15.9 billion, and consolidated operating cash flow increased 7% to $5.3 billion. Fourth quarter results reflect Cable Communications revenue increase of 7% to $10.1 billion, driven by growth in high-speed Internet, Business Services, video, and advertising. Cable operating cash flow also increased 7% to $4.2 billion. At NBCUniversal, fourth quarter revenue increased 5% to $6 billion and operating cash flow increased 11% to $1.2 billion, driven by strong results at our broadcast business.

For the full year of 2012, consolidated pro forma revenue increased 8.5% to $62.6 billion, reflecting the inclusion of $1.2 billion of revenue generated by the Olympics and $259 million of revenue from the Super Bowl. Excluding the Super Bowl and the Olympics, full-year consolidated pro forma revenue increased 6%.

Consolidated pro forma operating cash flow increased 7% to $20 billion, including $120 million of operating cash flow from the Olympics. Excluding the Olympics, the full-year consolidated operating cash flow increased 6%.

Cable Communications revenue increased 6% to $39.6 billion for the full year and represented 63% of our consolidated revenue, while Cable operating cash flow grew 6% to $16.3 billion and represented 81% of consolidated operating cash flow. For the full year, NBCUniversal revenue increased 13% to $23.8 billion, and operating cash flow increased 9% to $4.1 billion. Again, excluding the results of the Super Bowl and the Olympics, NBCUniversal revenue and operating cash flow increased 6% respectively.

Please refer to slide six, and we'll review Cable Communication results in a bit more detail. For 2012, Cable Communications reported another year of strong financial results and customer growth with substantial year-over-year improvements, reflecting growth in our residential businesses, continued strength in our Business Services, and increased advertising revenue, driven by political. Contributing to Cable's growth are rate adjustments, new customer additions, and the increasing number of customers taking multiple products. At the end of the fourth quarter, 75% of our video customers took at least two products and 40% took all three services compared to 37% in the fourth quarter of last year. As a result, total revenue per video customer increased 9% to $154 per month in the fourth quarter.

We continue to experience real strength in our customer metrics. In the fourth quarter, we added 503,000 total video, high-speed Internet, and voice customers, an 8% increase in net customer additions over last year's fourth quarter. For the year, we added 1.5 million total customers, a 5% increase in net customer additions compared to 2011. In the fourth quarter, even with the negative impact of Sandy, we reduced video losses by 60%, reporting a loss of only 7,000 video customers compared to the 17,000 video customer losses in last year's fourth quarter. And for the full year, we reduced video losses by more than 25% over 2011, as we continue to execute with improved products and customer support. Video revenue increased 3% for the fourth quarter and 2.5% for the full year, reflecting rate adjustments and a higher number of customers taking advanced services.

In addition to our improved video results, our high-speed Internet business performed well, as we added 341,000 new customers in the fourth quarter and 1.2 million customers during the year. High-speed Internet revenue was again the largest contributor to Cable revenue growth, as revenue increased 9% in both the fourth quarter and for the full year, reflecting rate adjustments, continued growth in our customer base, and 29% of our customers now receiving higher tier services.

With regard to Voice, revenue increased 1% in the fourth quarter and 1.5% for the full year, reflecting continued growth in our customer base. We added 168,000 Voice customers, a 15% increase in the fourth quarter, and 613,000 customers in the full year. Our Voice penetration is now at 19% of homes passed, and our customer results improved throughout 2012 as we increased the number of triple-play customers.

The momentum in Business Services continues, with revenue increasing 32% in the fourth quarter and 34% for the full year, for total revenue of $2.4 billion in 2012. The small end of the market, or businesses with less than 20 employees, continues to be the primary driver of growth and accounted for 85% of Business Services revenue in 2012. The midsize business is established and growing rapidly, and now represents almost 15% of this group's revenue.

As I mentioned, cable advertising also performed well in the fourth quarter, with revenue increasing 19% and full-year revenue increasing 14%, including political revenue of $131 million in the fourth quarter and $239 million in the full year.

Please move to slide seven. In the fourth quarter, Cable Communications operating cash flow increased 7% to $4.2 billion and full-year operating cash flow increased 6% to $16.3 billion, resulting in stable margins for the quarter and the year.

During 2012, total expenses in Cable increased 6%, driven primarily by three pressures, two of which we control and have positive ROIs. First, we are absorbing expenses as we offer and expand new products like XFINITY Home and Signature Support. Secondly, we have been increasing our sales and marketing spend in media, direct sales, and new marketing channels to more effectively target customers and enhance our competitive positioning in both our residential and commercial segments. These increased marketing efforts have had a positive impact on our core customer metrics.

Finally, programming expenses increased 7% in 2012, reflecting higher rates and an increase in the amount of content we provide to consumers across multiple platforms. As we look to 2013, we expect programming expenses to increase at low double-digit rates, driven by several factors, including the continued expansion of rights to multiple platforms, additional channel launches, continuing increase in sports costs, meaningful increases for retransmission consent fees, and step-ups for recently completed long-term agreements. We have appropriately planned for these programming expense increases and are confident we can effectively offset these costs through modest rate adjustments, further efficiencies, and improving product mix, as well as increasing the number of customers upgrading to higher tiers of service. As a result, we expect to maintain relatively stable margins.

In addition, we remain very focused and believe we can continue to gain further efficiencies in our customer service and technical operations. In 2012, we reduced our activity levels by more than 4.5 million truck rolls and by 16 million agent calls handled in our call centers, even as we added 1.5 million total new customers. Our service is improving and customers continue to elect self-installations, which accounted for 36% of our total installations at year-end 2012 compared to 21% at year-end 2011. In addition, we now have 27% of customers managing their accounts online. All these improvements reflect the innovative efforts we are making to increase customer satisfaction by giving our customers more choice and control, which results in lower activity levels for our cable operations.

Overall, our XFINITY brand is building momentum, and Cable's performance in 2012 clearly demonstrates that we are executing well and competing effectively with our improved products and services.

Please refer to slide eight so we can review our pro forma results for the segments of NBCUniversal. For the fourth quarter, NBCUniversal's revenue increased 5% and operating cash flow increased 11%, as it was a strong fourth quarter that ended a solid performance in 2012. For the full year 2012, NBCUniversal revenue increased 13% and operating cash flow increased 9%. These strong results were partially driven by the success of the Super Bowl and the Olympics during the year. Excluding any impact from these two events, NBCUniversal revenue and operating cash flow each increased 6%, which was driven by strong results at Broadcast Television and Theme Parks as well as solid results at Filmed Entertainment and Cable Networks.

As we review the pro forma results of the individual segments in 2012, Cable Networks generated revenue of $8.8 billion, an increase of 3%, driven by a 5% increase in distribution revenue and a 2% increase in advertising revenue, as weaker ratings were more than offset by higher pricing. In the fourth quarter, distribution revenue increased 2.5%, but was negatively impacted by the NHL lockout. Cable Networks operating cash flow declined 1% to $3.3 billion, primarily reflecting higher programming and production costs due to our continued investment in increased original programming. In addition, we experienced higher sports programming costs, mostly driven by more NBA games in 2012 compared to 2011 due to the lockout.

With regards to our Broadcast segment, full-year revenue increased 27% to $8.2 billion, reflecting the inclusion of $1.2 billion of revenue generated by the Olympics and $259 million of revenue from the Super Bowl. Excluding the impact of both the Olympics and Super Bowl, broadcast revenue increased 5%, reflecting the strong primetime ratings at the NBC Broadcast Network and over $100 million of political revenue at the owned local stations. This was partially offset by lower content licensing revenue from the library content agreement signed in 2011.

Full-year 2012 broadcast operating cash flow increased by $246 million to $369 million. And excluding the Olympics, operating cash flow more than doubled, increasing by $126 million to $249 million, reflecting higher revenue and a slight increase in programming costs.

Moving to Filmed Entertainment, 2012 revenue increased 12% to $5.2 billion, driven by higher theatrical revenue from the strong box office performances of Ted, The Lorax, and Les Misérables as well as higher home entertainment and content licensing revenue. Film operating cash flow increased $55 million to $79 million, reflecting the performance of the film slate, partially offset by an increase in the amortization of film costs.

Switching to our Theme Parks segment, 2012 was a terrific year. Full-year revenue increased 5% to $2.1 billion, and operating cash flow increased 10% to $953 million. These solid results were driven by increased attendance and per-capita spending at our parks, which are continuing to benefit from the success of the Wizarding World of Harry Potter attraction in Orlando and the new Transformers attraction in Hollywood.

Let's move on to slide nine to review our consolidated capital expenditures. We strongly believe that operational excellence, strategic differentiation, and attractive capital investment drive profitable growth and shareholder value. Therefore, we have a disciplined and balanced capital allocation strategy that is returns focused as we invest in our core businesses while maintaining a strong balance sheet and providing consistent and sustainable return of capital to shareholders. Our first priority is to generate strong returns by investing in our businesses. In both Cable and NBCUniversal, we are continuing to reinvest to strengthen our competitive position and to support attractive organic growth opportunities.

For 2012, consolidated capital expenditures increased almost 8% to $5.7 billion compared to $5.3 billion in 2011. At Cable Communications, full-year capital expenditures increased 2% to $4.9 billion, equal to 12.4% of cable revenue versus 12.9% in 2011. The increase in capital expenditures reflects the continued expansion of Business Services and investment in network infrastructure to ensure our product leadership. Our capital investment plan is focused on strategic areas of growth that yield strong risk-adjusted returns. Our investments in our network and in CPE to support strategic initiatives like all-digital and DOCSIS 3.0 and in new businesses like Business Services have yielded strong returns, enhanced our competitive advantage, and contributed to our strong financial performance.

At NBCUniversal, we have a similar approach. NBCUniversal's capital expenditures for 2012 increased $329 million to $763 million, driven by increased investments in parks and facilities. Our higher facilities investment reflects the consolidation of operations and improvements made in our New York area and LA properties. At Parks, we have increased our investment in new attractions at both Orlando and Hollywood, as we opened Despicable Me in Orlando and Transformers in Hollywood with great results.

We will moderately increase our 2013 investment in attractive growth areas for Cable and NBCUniversal. We plan to continue to increase high-speed Internet speeds, deploy new wireless gateways to deliver the fastest in-home Wi-Fi, invest more aggressively in the midmarket with Metro-E, expand the rollout of X1 across our footprint, and accelerate the expansion of XFINITY Home. As a result of these investments, our 2013 Cable capital expenditures will increase by approximately 10%, with capital intensity increasing slightly or equal to 2011 levels. We are excited about these initiatives to accelerate our product offerings, drive future growth, and provide attractive returns.

At NBCUniversal, our 2013 capital investment plan will increase by approximately 25%, primarily driven by our Theme Parks investment in new attractions, including Transformers and other attractions in Orlando and Harry Potter and Despicable Me in Hollywood. Investments in our Theme Parks over the last few years have actually reset the level of their performance, generating strong returns and dramatically expanding the potential of our Theme Park business.

Please refer to slide 10. As we balance our capital allocation priorities, our acquisition of GE's remaining 49% common equity interest in NBCUniversal also demonstrates our disciplined investment approach. We're buying stock and investing in businesses that we own and where we believe we have significant and attractive opportunities to build shareholder value. As the slide outlines, we agreed to an accelerated acquisition of GE's 49% common equity interest in NBCUniversal for $16.7 billion. We are also purchasing NBCUniversal's 30 Rockefeller Center and Englewood Cliffs facilities for $1.4 billion, which we consider strategic facilities given the amount of infrastructure and capital investment that have been made in both of these properties.

The transaction values NBCUniversal at approximately $39 billion of enterprise value. We believe this values NBC at approximately nine times operating cash flow exclusive of tax benefits and in line with comparable media peers and is attractive to our shareholders relative to the business's trajectory and our estimates of value under the originally contemplated redemption structure. The transaction yields meaningful tax benefits to Comcast and generates strong returns, yielding double-digit cash-on-cash IRRs and is immediately accretive to EPS.

In addition, we have conservatively planned for this event, as NBCUniversal and Comcast have built significant financial capacity to fund part of this transaction. We will utilize $11.4 billion of existing cash on hand, which was generated primarily from operations, the sale of our A&E and SpectrumCo assets, and the issuance of $7.5 billion of long-dated senior notes since July of 2012. We will borrow $2 billion of additional debt under our credit facilities and will issue to GE $4 billion of seller notes and $725 million of subsidiary preferred shares. In addition, GE has made additional long-term advertising commitments to NBCUniversal.

Based on this transaction and on a pro forma basis, we will have consolidated debt of approximately $48 billion and a debt to operating cash flow leverage ratio of 2.4 times. We view our strong balance sheet as an important strategic asset, and we plan to moderately delever over the next few years with a medium-term goal to further strengthen our credit ratings. Given the magnitude of our balance sheet, we believe a new medium-term leverage target of between 1.5 to two times provides the appropriate financial flexibility and liquidity to support our balance sheet and our long-term operating and strategic plans.

Please refer to slide 11. Within the context of the NBCUniversal transaction, which is an indirect stock buyback, and our long-term leverage target, we remain committed to deliver a consistent and sustainable return of capital to shareholders through a combination of dividends and buybacks. Today, we have announced a 20% increase in our dividend to $0.78 on an annual basis and plan to repurchase $2 billion of stock in 2013. The newly announced dividend represents 32% of our last 12 months net income and raises our current dividend yield to approximately 2%, which we believe is attractive and in line with the S&P 500.

Since the initiation of our dividend in 2008 and through our return of capital commitment in 2013, we will have returned $19 billion to shareholders, including $7 billion in dividends and repurchasing $12 billion in shares. We strongly believe we can continue to balance investing in our business and returning meaningful amounts of capital to shareholders, even as we strengthen our balance sheet.

So as we conclude 2012, the company is performing well, with a real focus on innovation and execution. In addition, we are pleased with the start in 2013 and hope to build on Cable Communications' and NBCUniversal's momentum. We also are very pleased that this momentum, our financial strength, and our confidence in the business are allowing us to invest for profitable growth and to provide a meaningful return of capital to shareholders.

Now let me turn the call to Marlene for Q&A.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thanks, Michael. Operator, let's open up the call for Q&A please.

QUESTION AND ANSWER SECTION

Operator: Thank you. [Operator Instructions] Our first question will come from the line of Jason Bazinet with Citi Investment Research. Please go ahead.

<Q – Jason Bazinet – Citigroup Global Markets Inc. (Broker)>: Thanks, I just had two questions for Mr. Angelakis. I'm sure there are a lot of moving parts to the economic stimulus and I don't know if there are any changes with the full redemption of the NBCU stake. But would you mind just outlining anything that you can on cash taxes for the next few years on a percentage basis?

And then secondly, if you had to quantify what sort of assets there are on an NPV basis, are there any guideposts you can give us in terms of what folks should be thinking about for their valuation? Thank you.

<A – Michael Angelakis – Comcast Corp.>: Is your second question, Jason, regarding the tax benefits we're receiving as part of the transaction on an NPV basis? I just want to make sure I clarify the question.

<Q – Jason Bazinet – Citigroup Global Markets Inc. (Broker)>: Correct.

<A – Michael Angelakis – Comcast Corp.>: Okay. So when we announced the transaction, the first part of the transaction back in December of 2009, we articulated that we thought the NPV benefit of the taxes was approximately $1.5 billion. We've been fortunate in terms of how we structured it and other benefits where now we estimate that the NPV of those tax benefits is approximately $2.2 billion, so they've gone up nicely over the last several years. We expect to receive those benefits over really the next 10 to 15 years, which is several hundred million dollars a year of benefits to Comcast, so we're really pleased with how this has been structured.

With regards to cash taxes, they do move around a little bit related to gains and other kinds of things. We don't anticipate any meaningful changes, and I think you'll see that our effective tax rate on our P&L will probably hover around 38% – 39% as we go forward.

<Q – Jason Bazinet – Citigroup Global Markets Inc. (Broker)>: Okay, thank you very much.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jason. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of Jessica Reif Cohen with Bank of America Merrill Lynch. Please go ahead.

<Q – Jessica Reif Cohen – Bank of America Merrill Lynch>: Thanks. I had a question for Neil and Steve, if each of you could just talk about the big three drivers for your divisions for the year ahead.

<A – Neil Smit – Comcast Corp.>: Hi, Jessica. It's Neil. I think the big drivers for our business are, number one, executing the growth of our businesses, our high-speed business and Business Services. Those are our drivers of our profitability and revenue, and I think we're very focused on those. Number two is grow and continuing the improvement on our Video business. We've seen, as you know, about nine quarters of improving results in Video, and I'd like to continue that trend. And number three is just executing well on some of the efficiencies we're finding in the business, reducing truck rolls, improving the call center performance, and just overall improvement on the execution side of the business.

<A – Steve Burke – Comcast Corp.>: And, Jessica, on the NBCUniversal side, I would say if I had to pick three, the first would be what I call the monetization gap or the entitlement gap. I think our affiliate fees are not what they should be both in terms of the cable channels and retransmission consent. And on the advertising side, our CPMs are lower than some of the other people in the business who have lower ratings than we do. Secondly, I'd say the broadcast business continues to seem like a big opportunity to us, whether it's the NBC Network, our local stations, or Telemundo. I think all three of those represent a big opportunity. And finally, Theme Parks, which is a business that we have come to really appreciate over time, we're doing quite well in the theme park business I think that growth will continue.

<Q – Jessica Reif Cohen – Bank of America Merrill Lynch>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jessica. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of Jason Armstrong with Goldman Sachs. Please go ahead.

<Q – Jason Armstrong – Goldman Sachs & Co.>: Thanks, good morning and congratulations; first, maybe a question on content cost growth that you talked about in the double-digit range. Where are we in the process of content step-ups and authentication rates? I guess what's included here is presumably FOX and I know ESPN at the beginning of the year. Does this represent the later stages of the process and content costs can start to moderate – or growth in content costs can start to moderate after this year, or are we still in the middle stages of this process? And then just related to that, Cable margins, you talked about stable Cable margins in 2013 despite the content cost growth. I guess in order for that to be the case, it looks like you probably have to accelerate revenue growth in Cable. Is that the right assumption? Thanks.

<A – Michael Angelakis – Comcast Corp.>: Good morning, Jason. Let me take the Cable margin and we can pass off to Neil with regards some of the content costs. So in the Cable margin, we've done a great job over a few years keeping a relatively stable margin. When you look at really the revenues of our Cable business right now, roughly half of the revenues are the Video side and the other half are our other services, which from a product mix standpoint have better margins and are higher growth. So a combination of increasing product mix, some adjustments that we'll have on the pricing on our Video side, some efficiencies that we're confident we'll be able to access which actually help the customers and help our efficiencies, we think as we look to 2013 we'll be able to keep pretty stable margins.

On the content side in terms of where we are and the FOX deal that was announced yesterday, I'll let Neil answer that.

<A – Neil Smit – Comcast Corp.>: Hi, Jason. On the content side, our programming costs, as you know, have grown from about 7% this year to low double digits is what we're projecting. With that, we're extending the terms. We're getting more programming content. We're getting it across more platforms in and out of house. And I think what we're doing now is figuring out how to leverage that content so we deliver more value to the customers and that comes in the form of X1. And X1 improves the ability to discover that content, and it also acts as a platform so that we can deliver more cloud services and applications going forward. So we've got the most on-demand. We have the 80 authenticated networks on our online service.

What's driving the growth is a mixture of things. One is we had a couple step-ups this year. We have sports costs continuing to grow. We have retrans fees coming in, and we're just growing the overall content. I think we've planned for and anticipated these increases. And as Michael said, we're able to offset that with efficiencies in the business and moderate rate increases.

I think that the content along with better marketing and execution is really delivering results. We saw a 27% reduction in Video losses this year. And we've also seen improved revenue growth.

Last year was 1.3% for 2011, and this year it was 2.5%, and that's $490 million worth of growth. So I think we can manage the programming increases. We're going to continue to deliver great product, and I think that's our plan. We want to drive share growth.

<A – Brian Roberts – Comcast Corp.>: I just want to add one last point. Each of these agreements, including the FOX agreement and the Disney agreement that Neil alluded to before, we've signed long-term agreements. So the question of where are we with most of our – we always have some agreement coming up but we've now with the majority of our relationships for the next several years – there are always a few here or there and then there are new things to get created. And we'll always be finding new ways to deliver content to consumers, so it's an ongoing dialogue. That being said, we did plan for this and expected this for 2013.

<Q – Jason Armstrong – Goldman Sachs & Co.>: Great, thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jason. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of Doug Mitchelson with Deutsche Bank. Please go ahead.

<Q – Doug Mitchelson – Deutsche Bank Securities, Inc.>: Thanks so much, one for Michael, one for Brian. I guess I'll just ask them both up front if that's all right. For Michael, the NBCU price was cheaper than I expected. I understand quite well the pricing mechanism for the original deal for GE's exit in 2014 and 2017. But I would think GE would have held out for a nice premium to exit this early. The price was right in line with Time Warner, Viacom's trailing 9.5 times multiple. I think NBCU would trade for something like 12 times forward in this market. Did Comcast provide any additional benefits to GE that convinced them to be so reasonable here on price and timing?

And then for Brian, perhaps this is revisionist history, but I feel like you've had a very clear vision for the past couple of decades. So in the 1990s, you were building scale, had a very strong belief in video on-demand, and last decade you were building out the pipes and building out a broadband and technology platform and buying content. Is the Comcast you were hoping to build now built? What's the vision as you look forward over the next five to ten years? Thanks.

<A – Michael Angelakis – Comcast Corp.>: Why don't I take the price? Listen, for NBC – I mean for GE, I think it's a very good deal for them as well. I think that they were expecting to receive half of the value of their ownership in 2014, almost two years from now. It would have been closer to the end of 2014. And then they really had to wait really until the early part of 2018 to receive the other half. So I think from their standpoint, they're going to receive a lot of cash, which we know they're going to deploy to other services. And from our standpoint, I think it was an advantage to accelerate that, and I think we received a very fair price. So we're quite pleased with the price and how we've structured the transaction as well. So I'll pass it over to Brian for his answer to the second part of the question.

<A – Brian Roberts – Comcast Corp.>: I think we – I appreciate what you said. I'm not sure you ever have a perfect vision for a company at any one moment in time. But we have believed that the scale in Cable was going to make a difference, and it's really starting to pay dividends. You're seeing it in the innovation, the service, and frankly just the results that Neil and the team have done.

I think for content, we have always thought for many years that it's a great business on a standalone basis. It has created a lot of wealth over a long period of time and we think we'll find ways to do so in the future. Having both in one company makes us a really special company. And I think now we need to execute and continue to find ways to have the two work together and apart. And it's a very special day for the company. And I think the employees and a place where people want to come to work would be the last – my next goal would be to make it – continue to make it the absolute home for where a young person coming out of school or somebody with their career says this is a company at the crosshairs of media and technology, and all parts of this company make it where I want to spend my career.

<Q – Doug Mitchelson – Deutsche Bank Securities, Inc.>: Great, thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Doug. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of John Hodulik with UBS. Please go ahead.

<Q – John Hodulik – UBS Securities LLC>: Okay, thanks, first a clarification and then a quick follow-up. On the clarification, the CapEx guide on the Cable side says 10% growth in CapEx, equating to about 12.9% of sales. Is it right to think that that suggests you're going to see Cable revenue growth of close to or around 6% in 2013? Am I looking at that the right way?

And then in terms of CapEx, you've got a meaningful step up here 2013 versus 2012. Is this the right level, maybe for Michael, that you're investing in? Should we think of that from a dollar standpoint as a good level going forward, or is 2013 an outsized year? Thanks.

<A – Michael Angelakis – Comcast Corp.>: Let me take that. I think on your first question, we're not providing guidance and your math is directionally correct, so let's just leave it at that.

With regards to 2013, we are actually excited about investing in the areas that we articulated, both on the Comcast Cable side and on the NBCUniversal side. So we do look at intensity in terms of 12.4% of Cable CapEx in 2012, and we articulated around 12.9% in 2013. And really the difference is we're investing in high-growth, high-opportunity areas in both parts of the business. So we've got X1, Comcast Business Services, high-speed Internet, wireless gateways, a whole variety of areas, XFINITY Home that we think are transforming the product set that we have on the cable side. I think Neil's team has done an amazing job of how we deploy that. So those all are primarily variable-type costs of how we successfully deploy really new products that we've invested in.

And on the NBCUniversal side, as Steve mentioned, Theme Parks has been terrific, really have reset the bar, and the majority of those dollars are going into new attractions at the theme parks, which really are, again, high-growth, high-opportunity dollars. So we're not looking at multiple-year plans. But for 2013, we wanted to step on the pedal in areas where we think there are some high-growth, high opportunity areas for the company.

<A – Marlene Dooner – Comcast Corp.>: Thanks, John. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of Marci Ryvicker with Wells Fargo. Please go ahead.

<Q – Marci Ryvicker – Wells Fargo Advisors LLC>: Thanks. I had two questions, one related to NBCU and the transaction. Can you help us with the accretion math? We're hearing anywhere from $0.05 accretion to $0.30, so any guidance on how to think about that would be helpful.

And then with regard to the programming cost guidance, can you just confirm that this is a P&L basis and not a per sub basis? And does the incremental expense at all incorporate an assumption of positive Video adds for any period of time in 2013?

<A – Michael Angelakis – Comcast Corp.>: Okay. Let me take the accretion one, and let's be really clear about the accretion. So on free cash flow, there's really no accretion because we've been consolidating 100% of NBCUniversal's free cash flow since we've controlled 51%. So on free cash flow, what the impacts will be, as we just talked about, we'll have a little bit higher CapEx. We're going to have a little bit higher interest expense related to the dollars that we're borrowing to complete the transaction. But we're also going to have operating cash flow growth, and we feel that we'll be able to keep relatively stable free cash flow for 2013. But the transaction itself isn't creating any kind of accretion.

On the P&L side, we are going to see EPS accretion. So we're going to pay a bit more in taxes because now we'll pay 100% of the taxes related to NBCUniversal, but we're also going to eliminate the non-controlling interest which is in our P&L. And net-net that's about a positive $550 million, which is about $0.19 to $0.20 of EPS accretion, so that's a number we think is immediately accretive on our P&L related to the transaction.

With regard to your second point on programming costs, it is all in with regards to the P&L, so we look at our total dollars of programming expense increasing in the low double digits for 2013. We're not providing any kind of view on what subscribers will do. Obviously, we're making progress, and I think that's the key part in making progress with quality-type customers.

<Q – Marci Ryvicker – Wells Fargo Advisors LLC>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thank you, Marci. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of Ben Swinburne with Morgan Stanley. Please go ahead.

<Q – Ben Swinburne – Morgan Stanley & Co. LLC>: Thanks, good morning; maybe for Neil, some color on the investment areas for 2013 that you called out. First on commercial, it's obviously running at a 30%-plus clip. I don't know if you could talk about what your expectations are for 2013 in that business given the capital you're putting behind it, what kind of market share you think you have.

And then on the residential side, any more color on X1 and the gateway product? What is the gateway? Is that purely a modem, or is it a residential gateway set-top combo? And are the X1 markets performing better than your broader footprint? I'm just curious of what kind of benefits you're seeing in the market. Thank you.

<A – Neil Smit – Comcast Corp.>: So, Ben, concerning the Business Services, it is growing at a 30%-plus clip, and we've been very pleased with the growth. Bill Stemper and his team have done a terrific job there. The mid-market is really a lot of the investment that we're putting in now with Metro-E and hosted voice. That's growing at a faster rate than our small business side, and it's already 15% of the overall revenue.

Concerning HSI, we are investing, as you mentioned, behind the wireless gateways. The wireless gateways are a combination modem and router, and that provides for efficiency in the install process and gives us a better look into – a self-diagnostic look into the network, so it's efficient as well as a better customer experience. It takes in some of our older modems, which perform at a 22-meg throughput; this takes it up to over 200-meg throughput. So as people hang more devices off of their Wi-Fi, you're getting better throughput of the device, so we're excited about that.

Concerning X1, we are seeing, it's preliminary still, but we are seeing lower churn and higher customer satisfaction in the X1 markets, so we're pleased with that. And we are going to roll it out through the majority of our footprint this year based on those results. It also gives us the ability – it acts as a platform. It gives us the ability, as Brian mentioned, to hang more applications and services off of it. So it's a great customer experience and it gives us a platform for future growth.

<Q – Ben Swinburne – Morgan Stanley & Co. LLC>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Ben. Operator, let's go to the next question, please.

Operator: Our next question will come from the line of Michael Senno with Credit Suisse. Please go ahead.

<Q – Michael Senno – Credit Suisse Securities (USA) LLC (Broker)>: Hi, thanks for taking the question. Just a question in regards to NBCU, another growth opportunity a lot of the media companies are investing in is internationally. I was just wondering, with this transaction behind you, what the view is on a large-scale international M&A play weighed against the shareholder returns, or what the general international strategy is moving forward.

<A – Michael Angelakis – Comcast Corp.>: Hi. It's Michael. I'll take the question. I think that we are very focused on execution, and I just really want to emphasize that. The investment of $16.7 billion in NBCUniversal I think really highlights our confidence in the business but also where we think there are organic growth opportunities in the business. And I think where our focus will be is clearly on organic growth opportunities that we think exist. International is an important area and we're continuing to study that, but we're excited about the organic opportunities we have.

<A – Steve Burke – Comcast Corp.>: And there's plenty to do organically. If you look at some of our businesses like film right now, the majority of our revenues are going to come from outside of the United States. We have cable channels all over the world. We have a very large television syndication business. and Jeff Shell, one of the senior-most Comcast executives that we put in place at the deal close, has a great team and they're doing a great job. There's plenty to do organically and we should grow that business in the future.

<A – Marlene Dooner – Comcast Corp.>: Thank you, Michael. Operator, let's have this be the last question, please.

Operator: Our final question will come from the line of Bryan Kraft with Evercore Partners. Please go ahead.

<Q – Bryan Kraft – Evercore Partners (Securities)>: Hi, thank you. I just had two quick ones. One, since you're taking in the properties from NBC in Englewood Cliffs and 30 Rock, will there be some lease or rent savings that will positively impact NBCU EBITDA; and if so, if you could maybe quantify that? And I also want to clarify. Is the $1.4 billion for the real estate in your $39 billion enterprise value calculation, or is that in addition to it? Thanks.

<A – Michael Angelakis – Comcast Corp.>: I'll take that. No, the $1.4 billion really has nothing to do with the $39.4 billion enterprise value. That value is separate for the business. A separate part of General Electric actually owned the real estate, and we thought it was important to bring that into the transaction given what we considered to be both strategic facilities that we were fortunate to have both under one roof, one GE roof, to be able to negotiate that.

So your first question, there will be some savings on EBITDA related to rent expense that we would have at both facilities that when the transaction closed that we won't have that. It's not that meaningful given the size of roughly $20 billion of operating cash flow, but it's certainly going to help. And we made the decision that it was strategic to buy these facilities as well as from an economic perspective it was a smart deal, and you can look at a whole variety of real estate metrics to make that decision.

<Q – Bryan Kraft – Evercore Partners (Securities)>: Thanks very much.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thank you all for joining us this morning.

Operator: There will be a replay available of today's call starting at 12:30 PM Eastern Standard Time. It will run through Wednesday, February 20 at midnight Eastern Time. The dial-in number is 855-859-2056 and the conference ID number is 85751942. A recording of the conference call will also be available on the company's website beginning at 12:30 PM today.

This concludes today's teleconference. Thank you for participating. You may all disconnect.