Okay, great. Good afternoon, everybody. If we can all take our seats we'll get started with our next session. And it is really my privilege to introduce our next keynote speaker, Michael Angelakis, CFO of Comcast. Thank you, Michael, for joining us today and welcome.

Michael Angelakis - Comcast Corporation - CFO
Happy to be here.

Spencer Wang - Credit Suisse - Analyst
Thank you. Well Comcast has had a very busy past 12 months. Congratulations first on closing the NBCUniversal transaction. So with the deal closed I thought maybe it would be good to just take a step back and start first with big picture, if you could to start by outlining Comcast's main strategic priorities over the coming year?

Michael Angelakis - Comcast Corporation - CFO
We are delighted to have the transaction behind us. And I think it sort of clears the runway for us to really focus on just execution, execution, execution. When we think about execution we think about things like operational excellence, whether it's in the cable business or whether it's in NBCUniversal.

We also think about how we want to continue what we would call product leadership and innovation, which is something we're pretty intensely focused on. And we also want to drive profitable growth, which is a bit of a mantra we have in the organization of really driving profitable growth.

So as we look into 2011, I think there's a level of optimism and confidence that we really want to execute. There are no distractions; that the net neutrality, which was something that was involved in the industry last year is now behind us, we have clarity on that. The transaction being closed and the regulatory framework, that is behind us as well. So I think our management team is just super focused on how do we execute and how do we drive profitable growth this year.

Spencer Wang - Credit Suisse - Analyst
That's great. Well, that's a perfect segue into the next question. As you execute and deploy the strategies, Comcast is fairly unique in the US, now is really the only major vertically integrated media company. And so I know vertical integration in and of itself is really not a factor in the deal per se. But maybe you could just talk about some of the qualitative benefits and opportunities.
I know it was a good financial transaction in and of itself, but maybe you could just talk a little bit about some of the benefits of having the Company structured this way.

**Michael Angelakis** - Comcast Corporation - CFO

Yes, there's a lot in the question. To me honestly vertical integration is a bit of a technical term.

**Spencer Wang** - Credit Suisse - Analyst

Right.

**Michael Angelakis** - Comcast Corporation - CFO

It's really what's your culture and how are you going to organize and how are you going to manage the business. And I think when we look at our Company; we're going to manage it across the entire enterprise. And we look at the content and distribution sides very much linked or connected.

**Spencer Wang** - Credit Suisse - Analyst

Right.

**Michael Angelakis** - Comcast Corporation - CFO

The cable distribution business represents about 80% of the profitability. The cable channels business, the two of them obviously are incredibly connected, represents about another 17% of the profitability so 97% of our business is going to be either in cable distribution or cable channels.

The other 3%, whether it's the broadcast network or studio, obviously there's content provision within those that are valuable whether it's windowing or whether it's VOD or whether it's online. And I think that we really are looking at it from a cultural perspective where Steve Burke is now the CEO of NBCU and --

**Spencer Wang** - Credit Suisse - Analyst

Right.

**Michael Angelakis** - Comcast Corporation - CFO

obviously has been with Comcast a long time and has intimate knowledge of the distribution business. We're really managing across the entire enterprise. And when we were contemplating the transaction we really looked at it through two lenses. One lens is what's the strategic benefit. And we feel very strongly that there are many strategic benefits. Lots of them are singles or doubles, there's no knock it out of the park grand slam.

And then what are the financial benefits. And I think we've been very careful to structure the transaction in a financially attractive way. So we are right now, to go back to your first question, completely executing on the plans within the cable distribution side and executing the plans, now that we've been in charge for five or six weeks, on the content side. And also beginning now the integration where there's overlap and where we can help each other business.
And I think that we have a very good chance -- I'm really confident that we can build value in both the content side and the distribution side at a faster pace than if they were independent. And that's a real goal for our organization. And stay tuned.

Spencer Wang - Credit Suisse - Analyst

Great. Before we delve into some of the business details, maybe we could also just touch a little bit on the balance sheet, Michael. So Comcast delivered around 2.4 times after incorporating NBCU, you're within that 2 to 2.5 times range that you articulated. Maybe you could just give the audience some flavor on why you think that is an appropriate leverage range for the Company. And would you entertain a higher target leverage ratio and what would govern that thought process?

Michael Angelakis - Comcast Corporation - CFO

So to answer your -- probably not in a higher leverage ratio. We've done a ton of analysis on debt to operating cash flow, debt to free cash flow, payout ratios, credit ratings. And I think that we are very comfortable making sure that we have a strong balance sheet, we have flexibility within our balance sheet and that we maintain our BBB+ investment grade ratings.

As we've looked at our weighted average cost of capital, as we've looked at companies of equal size or balance sheets that are as large as ours, we again look at and say we are right in the sweet spot of where we want to be.

So we think that with regards to our free cash flow, what our payout ratio is and with regards to our leverage ratio, whether it's again debt to operating cash flow or debt to free cash flow, that range of between 2 and 2.5 times is the appropriate range for our Company. And I think we've communicated that obviously publicly and we meet with our rating agencies and speak with them and I think everyone feels very comfortable that's where our range should be.

Spencer Wang - Credit Suisse - Analyst

That's great. So the flip side of the coin I guess for the balance sheet question is returns of capital as a use of your financial flexibility. Comcast has taken up the hybrid approach; you recently raised your dividend by 19% and also accelerated the share buyback plan which is very well received by the Street. So maybe you could just talk a little bit, Michael, about why you like this type of hybrid approach to returning capital to shareholders.

Michael Angelakis - Comcast Corporation - CFO

Well, we can go back to actually 2007/2008 -- we actually talked to many, many shareholders and also many prospective shareholders. And it was pretty clear to us that some really like dividends and some really like buy back.

And we decided that we wanted to attract a broad set of investors, we wanted to be clear and consistent with what our return on capital strategy was. And in 2008 we instituted a dividend. And we've actually raised it four times in the last three years. So there are not many companies who I think and say during 2008, 2009, 2010 they've actually raised their dividend that frequently.

We've also continued our buyback plan and we like our buyback plan and I think as we continue with what 2011 is, we've been very clear that 2011 we're going to have -- articulate what our return of capital strategy is, which -- increase the dividend 19%, accelerate the buy back so that by the end of that year we actually will exhaust our authorization and then we'll have another discussion with our Board at the end of the year regarding the dividend and the buy back and we're looking at an annual conversation related to what our financial strategy is.

So we think call it the hybrid approach of dividend and buy back makes a lot of sense to our investor base. We've gotten a lot of kudos. I've spent the last two weeks with Marlene and others literally going across the country meeting many, many
investors. I think they're very happy with how we've increased the dividend consistently and our goal that hopefully as the business progresses we'll continue that and we'll step on the pedal regarding to the buy back this year.

Spencer Wang - Credit Suisse - Analyst

Great. Well, maybe we can turn to some of the businesses now. And perhaps we could start with NBCUniversal since I'm sure it's exciting that you have the deal closed. I know Steve is excited about all the opportunities in front of NBCUniversal and Comcast. And I believe he's talked specifically about "content-on-content synergies". And so while recognizing it's very early days in the acquisition, maybe you could just flesh out some of the opportunities that you see in terms of content-on-content synergies.

Michael Angelakis - Comcast Corporation - CFO

Well, Steve has talked about a couple of things. One is content-on-content, real synergies, we'll talk about that. The other one is content helping distribution and the other one is distribution helping content. And we actually have an individual who is now working half-time for Steve and half-time for Neil whose only job is to execute on those three areas. It is to work on how those innovations can actually, or how those efforts whether it's content on content, content on distribution, distribution on content can actually bring value to both organizations.

So when we think specifically about content on content, if you watched the golf tournament this past weekend and you turned on NBC you saw a logo on the bottom right-hand corner that was the Golf Channel brought to by NBC. So the Golf Channel, which was historically one of Comcast's programming assets, now it is managed by NBCU Sports, or NBC Sports.

And when they're doing golf Thursday and Friday they're using the same talent, they're using the same production and they're cross promoting pretty frequently between the broadcast network and the Golf Channel and we think that is a very smart and intelligent move that actually improves of the value of both franchises.

We're doing the exact same thing on hockey with VERSUS, where VERSUS had some real benefits because they have hockey, NBCU has hockey. We're going to be doing the same thing with VERSUS with regards to horse racing. And if you look at some of the Comcast programming assets that have been contributed, G4, which is a relatively small emerging network, is now part of the USA and SyFy management team. And there is content that they'll be sharing and things that they'll be executing that can really help G4.

Style, which is another Comcast programming network, again somewhat an emerging framework, is now part of our Lifetime which is Oxygen and Bravo, so what we call a Lifetime Style. And Style is being managed by that organization. And again, same kind of demographic and we think that the management team within NBCU, whether it's in NBC Sports, whether it's in the Bravo/Oxygen/Style realm or G4, is going to add a lot of value and can certainly help on content on content.

Spencer Wang - Credit Suisse - Analyst

That's great. That's a great segue into my next question which is one of the --

Michael Angelakis - Comcast Corporation - CFO

Happy to give segues.
Spencer Wang - Credit Suisse - Analyst

Segues are excellent. So maybe we'd just talk about -- you brought up NBC sports and the Golf Channel situation. As we look at the pay-TV ecosystem, it looks like -- obviously I'm referring to ESPN, but just some of the other networks where so much of the value accretes to seems to be in sports because of the popularity of sports programming. How do you think about ways to perhaps really use NBC Sports to supercharge VERSUS? Is it the thing you talked about, Michael, like cross promotion or is there a grander plan perhaps?

Michael Angelakis - Comcast Corporation - CFO

Well, I want to make sure that we're pretty clear that there's been some press around VERSUS competing with ESPN and that's really -- that's not where our contemplation or strategy is. We look at VERSUS as an interesting channel, not that profitable, should be a heck of a lot more profitable, and needs really access to content.

And by having a bit of a cable centric mentality versus a broadcast centric mentality, we can add some value that is typically within the broadcast rights onto sort of VERSUS. And then we can utilize the cross promotional efforts of all of the 16 channels, cable channels that NBCU has as well as the broadcast network to try to drive new viewership into that.

So VERSUS is a little bit unique, but it's managed within NBC Sports. By the way, we also have a large number of regional sports networks which are also part of NBC Sports. So I think that we're going to be very disciplined. Steve mentioned something on our last earnings call that I love is we're here to make money and I think we're going to be very disciplined in how we approach it.

Spencer Wang - Credit Suisse - Analyst

That's great. And speaking about making money and one of the other big opportunities seems to be at the NBC broadcast network. I always feel like ratings are over talked about in the business.

Michael Angelakis - Comcast Corporation - CFO

Maybe losing less money would be helpful too.

Spencer Wang - Credit Suisse - Analyst

Yes, well we can talk about that in a moment. And I know it's very challenging to predict timing of a ratings turnaround at the broadcast network and whatnot. But it just seems like there was a big opportunity there to just, as you say, lose less money or just get better at the business. So --.

Michael Angelakis - Comcast Corporation - CFO

So let's just -- NBCUniversal, when we embarked on the transaction it was pretty clear to us that the vast majority of the value was in the cable programming (multiple speakers).

Spencer Wang - Credit Suisse - Analyst

Sure.
Michael Angelakis - Comcast Corporation - CFO

And we also knew that the challenges in losses existed at the broadcast network because they've been in fourth place for a very long time. We looked at that as an opportunity, it's clearly a challenge but it's an opportunity. They're actually investing a reasonable amount in the programming side, but it's a turnaround. And I don't want to sugarcoat that.

I think the turnaround is a creative turnaround, we actually have hired a new head of the network who I think has a great reputation and has started to change out some of the management team within the network and he's hyper focused. I think he will say it's going to take a while to get that creative turnaround going. I think as that creative turnaround hopefully materializes ratings will follow and advertising will follow there.

At the same time, I think it's been pretty well known that retransmission consent is starting to materialize. I know you've had people here, at other conferences, that have chatted about it. So we look at the network as having a heck of a lot more upside than downside. And we realize that the goal is to keep those cable channels growing really nicely and focus on a turnaround related to the broadcast network.

Spencer Wang - Credit Suisse - Analyst

And just to maybe frame that opportunity, Michael, it seems when we look at other broadcast networks that have gone from a fourth-place position to something more like a number one or number two, there does seem to be a, rough order of magnitude, $1 billion profit type of opportunity over a couple year period. Is that roughly -- I don't want to paint you into a corner --.

Michael Angelakis - Comcast Corporation - CFO

I would hate to have you put a model in play. But I mean, this is a real value creation opportunity for us. So I think if we can get the formula right that we will build a lot of value in the network that frankly we might not have actually contemplated when we embarked on the transaction. I think that we've been lucky frankly that the advertising market this year and last year has actually been more robust than we anticipated.

And I think that they've actually performed a little bit better than we might have anticipated than with re-trans materializing. I think we have a good shot to build a lot of value in that business. And we didn't put a lot of value on it when we started and obviously we're watching closely what's happening with reverse comp or program fees and what Chase is talking about or what Les is -- who we have a lot of respect for. So we're watching that quite carefully.

Spencer Wang - Credit Suisse - Analyst

Great. So you touched on the ad market just now, Michael, that's obviously a big revenue stream for your cable networks which, as you mentioned, are significant portion of the Company's cash flow and EBITDA.

As we look beyond the cyclical recovery though in cable networks, I believe at the time of the deal announcement you talked about an expectation for sustainable high single-digit growth at the cable networks. Now that you've closed the acquisition do you feel that that's still the right level of growth?

Michael Angelakis - Comcast Corporation - CFO

These are terrific assets, I don't want to underestimate how strong these franchises are. USA has been number one in terms of the ratings for approximately five years -- Syfy is now in number eight channel; MSNBC is number two in news; Bravo and Oxygen have had the best years both in ratings and profitability than they've ever had; E! is knocking the cover off the ball. And then you have more emerging channels like Chiller or Sleuth and G4 and VERSUS and Style.
So when you look at the portfolio of roughly 16 channels -- by the way, CNBC, I don't want to miss that one -- they are just great brands and great franchises. And our goal is to put more fuel in the tank to make sure that they can grow pretty nicely and to help those emerging ones and to maintain the growth related to the more mature ones. So I feel great about that business.

Spencer Wang - Credit Suisse - Analyst

And as we think about the growth opportunities for the cable networks, I'm sure it's -- we shouldn't generalize, but as you think about the affiliate revenue stream versus the advertising revenue stream, any sort of rough indication at this stage -- do you see more opportunity on the affiliate revenue side or on the ad revenue side? Or again is it (multiple speakers)?

Michael Angelakis - Comcast Corporation - CFO

It's hard to generalize because you have 16 channels. But I think there are clearly opportunities in both. And I think we have a very strong management team who time and time again has really delivered in growing -- has grown assets nicely. And again, I'm not sure what more I can say except for they're terrific franchises that are growing nicely that I think have real opportunities within them as well. We're -- it all boils down to execution right where we started.

Spencer Wang - Credit Suisse - Analyst

That's great. Well, that's another good segue I think into --

Michael Angelakis - Comcast Corporation - CFO

Anything to help you, Spencer.

Spencer Wang - Credit Suisse - Analyst

Thanks, I need it. So turning to the Comcast core cable operations --

Michael Angelakis - Comcast Corporation - CFO

By the way, that's 80% of the operating cash flow. I'm not sure how much time we have left, so let's recognize that.

Spencer Wang - Credit Suisse - Analyst

We still have another 15 minutes, we have plenty of time. So looking at the current environment, your basic subscriber trend showed a real nice improvement in the fourth quarter. So I was hoping you could talk a little bit more about what drove that, how much of that is slower (inaudible) video roll out or perhaps increased marketing, Xfinity perhaps from a product or branding perspective -- what are the couple key factors there?

Michael Angelakis - Comcast Corporation - CFO

I think one of the key factors in -- I don't want to overuse the word, is I think we are just executing better. And I also think we have a lot of product enhancements that have allowed us to leapfrog some of our competitors with regards to what the products look like. So if you look at our video business, which still had video losses in the fourth quarter -- no one loves those. They were less in the third quarter, less in the fourth quarter in 2009.
The video business actually has really leapfrogged with Xfinity. We have -- when you go all-digital we have a lot more HD channels, we have a lot more foreign-language channels. We have all digital versus some analog programming we had before. We have a heck of a lot of VOD, we now have a lot of online and now we have innovation with regards to the Xfinity application that's used on the iPad or Android or iTouch's. And I think all of that backed up with some marketing and conversion to Xfinity is having pretty good results.

People are using On Demand a lot. We have 350 million views of On Demand on a monthly basis. So I think people really do like our product and I think our video product has somewhat leapfrogged and people feel a lot better about Xfinity and what it represents. And as we've marketed and done research people have liked it more being more technology advanced, more value for money, higher customer satisfaction rates.

Then you go to the next product which is High-Speed Internet. And we've deployed DOCSIS 3.0 in about 85% of our footprint, we've doubled speeds and I think people feel that that's just a superior product. And when we look at our share gains, we're taking 40% of the net adds and we only have 20%-23% of the footprint. We've clearly outperformed the large three RBOCs. The last six quarters we did more than the three RBOCs in aggregation. So high-speed data I think is separating itself and performing quite well.

The phone business, which no one really talks about, put on 1 million customers last year. We've taken cost out of it, we have 17% penetration, that's growing nicely. And when we bundle it it's actually very much a value added and sticky product.

So I think where we're focused is on improving the customer experience, is enhancing our product leadership and putting a lot of innovation there and just block and tackle -- put the right foot in front of the left. And I think the fourth quarter demonstrated that we're making progress and we had a bit of momentum.

Spencer Wang - Credit Suisse - Analyst

So a lot of those great trends that you just talked about, Michael, seem to be fueled by -- I would characterize it as an early leadership position that Comcast has staked out on things like DOCSIS 3.0, ongoing all digital. So I was hoping to spend a moment just on the state of the cable plant.

There's a lot of publicity around over-the-top services and the amount of traffic that it consumes. Our work suggests that you guys having gone all digital have plenty of capacity to handle that. But perhaps you could just talk a little bit more broadly about how you feel about plant capacity at this point in time?

Michael Angelakis - Comcast Corporation - CFO

I mean, I feel great about plant capacity. If you're talking about our High-Speed business, our entire High-Speed business, DOCSIS 3.0, which is 85% of our footprint, operates over four bonded video channels. So if you think about the number of video channels we have on the platform and you take four of them and that's our entire high-speed business. So if we wanted to increase from four to a larger number and increase the capability of our bandwidth and our speeds we could do that. But even with that four I think we're performing just nicely.

We have a 250 gigabytes cap, the average or the median user is about 4 to 6 megabytes. Only 1% of our customer base is over that 250 cap. Just to put it in context, and I always kind of look at this, is that 250 is like 50 million e-mails a month, it's like 125 million downloaded movies in a month. So again, only 1% comes near that and the average is a fraction of it.

So I think we have tremendous capacity and going back to why we added 1 million customers and frankly we're able to have some pricing upward there. We have more people taking higher-speed, by the way. We have about 23% of our broadband customers take the higher-speed tier. I think people just love that product.
And given what our share gains have been, given what the performance is, I mean it’s pretty easy to say it’s a great product. And when you look at what our network looks like from a bonded perspective in the caps, I think we have a lot of room left in our business.

**Spencer Wang - Credit Suisse - Analyst**

Well, it definitely does sound, Michael, like the 250 gig cap gives you -- or demonstrates a lot of confidence I guess in your ability to manage bandwidth in the plan. The other alternative or opportunity to manage bandwidth that's discussed in the industry is consumption-based pricing for broadband. You guys have been I think fairly consistent in saying that that's not something you're thinking about going down at least at this stage. Maybe you'd just talk about your view about consumption-based pricing for broadband?

**Michael Angelakis - Comcast Corporation - CFO**

I don’t think we have any intention of deploying it. We’ve deployed a lot of the meters, at least right now we deployed a lot of meters. I would say it's inconsistent in terms of people monitoring how much they're using. Obviously with the cap where it is and the usage padding relatively low, our goal is to wow the customer with the best customer experience. And we're not sure having today some consumption-based billing in place wows the customer and doesn't disrupt the customer.

So we want to continue to separate from the pack, we have 33% of the homes passed within our territory take our service. Where is broadband penetration going to go? Could it go to 90%? Possibly. I think that means there's a lot of headroom left within our growth capability if we want to make sure that we just have the best product.

So I think there's a strategic aspect to that question. I also think there's a consumer aspect to that question and I think there's a network aspect. And I think that we feel pretty good that the consumer is buying our product, that they like it and we're just going to continue to forge ahead. And we will monitor that situation very closely to see what other people do and how patterns continue to change. But today I think we're just executing on the plan we have in front of us.

**Spencer Wang - Credit Suisse - Analyst**

So maybe just to synthesize, Michael, if we stitch together the consumer element, the strategic element and then the third element, it seems like you guys -- the network element I think was the third one. You guys seem to have basically staked a technology advantage by doing a lot of things with the plant early on that we talked about. So my sense is, tell me if I'm wrong on this, is that with this technology advantage there's a lot of opportunity to drive a better value proposition for customers and to also take share, is that a fair way of characterizing it?

**Michael Angelakis - Comcast Corporation - CFO**

And penetrate the market a little bit more.

**Spencer Wang - Credit Suisse - Analyst**

Right.

**Michael Angelakis - Comcast Corporation - CFO**

Did I cover that well?
Spencer Wang - Credit Suisse - Analyst

Yes, yes. Super. Maybe just one or two more questions before we open up to the audience. Comcast has been a real pioneer and leader in the deployment of TV Everywhere, which is a significant industry, I think, initiative right now. So maybe you could just update us.

And it seems like you guys are, again, I hate to sound repetitive, but ahead of the curve in terms of deploying TV Everywhere too. So maybe you could just talk about where you are with the initiative. Having seen it myself it seems very impressive. But maybe you could just talk about what you’re seeing in the field from customers that have it and use it and how many homes you’re in front of?

Michael Angelakis - Comcast Corporation - CFO

So TV Everywhere or Xfinity TV has developed really nicely and we’ve partnered with a lot of content providers to provide as much content within the platforms that are available. So there’s always the linear model, which has historically been business, and now that’s Xfinity TV. Our VOD model, which we’ve had for a number of years now, has 25,000 titles, most tend to be in the newer category, newer movies, newer TV shows and so forth. That’s the product that I mentioned earlier that gets 350 million views per month.

Then we deployed TV Everywhere, which is primarily an online component, that now has 150,000 titles online with a terrific user interface and search capability online. And then we’ve just launched the Xfinity TV app which can be downloaded on an iPad or in Android device that allows you to watch -- control your TV from a guide perspective, allow you to actually watch programming and about 3,000 titles, it’s called Play Now, you hit a button on your tablet or device, you can actually watch 3,000 titles and our goal is to obviously add a lot more content to that device.

We just signed a deal with Time Warner, we’ll be adding more content there. It has no NBCUniversal content, I guarantee you that will change. So the goal is really to continue to add more content there and the view or the vision is we have a video customer who is paying us a certain amount per month and has different devices that they prefer and we want to provide that video customer with the ability to watch their content whether linear, whether On Demand, where DVR by the way, because people manage their DVR -- anytime, anywhere, whatever device.

And I think we set that strategy or that vision several years ago and it takes time to put in not only the infrastructure but to work with partners and I think we are racing ahead in order to provide just a great experience to our customers. It’s getting used a lot, we have downloaded 1.3 million downloads on the Apple iPad for the Xfinity app to date.

So if he think that the app was launched in the latter part of the fourth quarter of last year, so in the last 90 days we have 1.3 million downloads just on iPads. We have 23 million customers. By the way, this is only right now on a Motorola footprint which is 80% of our footprint. The other 20% is Cisco, that will be finished up in a few months and the app will be available there.

But if you’ve think about the number of customers that have iPad within our territory, it’s a staggering amount of people who have done the download. And people are utilizing it. We’re seeing a lot more VOD usage because people can navigate a heck of a lot better using that app. So we’re pretty excited about how Xfinity is developing and we’re just going to continue to go back to the first conversation, execute, execute.

Spencer Wang - Credit Suisse - Analyst

So last question on TV Everywhere, Michael. I know you guys have devoted significant resources to Xfinity, you have a lot of content, you have a lot of resources behind it, you have a great multi-platform type of offering it feels like with the iPad app.
Would you ever consider maybe going out of market with Xfinity or is that just so -- A, do you have the right to do that; B, is that just even realistic I guess?

**Michael Angelakis** - Comcast Corporation - CFO

So, one thing we really try to do is -- and let me say this right again, profitable growth and remain really focused. And we also have a multi-product service with the High-Speed data component and with the voice component. So where do we think the highest ROI is for our efforts? Where do we think the highest likelihood is for us to succeed?

It’s frankly to improve penetration within our territory. So I think right now we are just going to focus within our territory with Xfinity, improving the product proposition and continuing trying to penetrate and stay in-market, that’s really where our focus is.

**Spencer Wang** - Credit Suisse - Analyst

Great. And last question before we turn to the audience. And no conversation about cable is ever done without talking about CapEx. Going IP seems to be a big focus for cable operators behind the scene. What are your thoughts about Comcast going all IP and is this a swing back from a capital spending perspective?

**Michael Angelakis** - Comcast Corporation - CFO

So go right there. I don’t think it is at all. I think that we have done a nice job of decreasing the capital intensity in the business. And oh, by the way, we’ve been paying real offense with our Capital, whether it’s all digital, Xfinity, DOCSIS 3, business services. We’ve been I think playing a lot of offense and still bringing the absolute dollars and the percentage of revenues down pretty nicely over the last few years.

I think that business services is doing quite well we haven’t talked about that. And if you look at how CapEx has come down and to try to bifurcate residential versus business, residential has actually come down at an accelerated fashion. So, when you talk about IP, we actually have a ton of IP and people don’t quite realize we have a lot of regional hubs and all the transport of the video among those regional hubs is actually all IP.

We’ve invested a lot in it, we have a number of hubs, we convert at the hub into MPEG in order to interface with the set top boxes. So there will be an evolution here to some IP over time, we don’t think it’s going to impact sort of a CapEx cycle at all. If you look at the tablet which we just talked about, all of that is IP, a lot of it’s in the cloud and over time there will be more development related to that. So we’re excited about it. We see it as a competitive advantage for us as we walk down that path.

**Spencer Wang** - Credit Suisse - Analyst

Great. Well with that let’s take some questions from the audience. If you have a question feel free to raise your hand and we’ll circulate a mic. Any questions -- oh, to the left.

**QUESTIONS AND ANSWERS**

**Unidentified Audience Member**

Yes, hi, thanks. Mike, can you just talk about -- I think Brian alluded to on the call to the possibility of international investments. Can you talk about any strategy on that front?
Michael Angelakis - Comcast Corporation - CFO

So international is really more about NBCUniversal, I think that’s where the question was. Jeff Shell who ran all of our programming assets has now moved overseas, he’s in London. And I think we have an opportunity within the international segment. If you look at some of the peers in the content business, they are way, way ahead of where NBCUniversal is in terms of product and capability on an international basis.

If we look at the 16 channels that we have or NBCU or Universal, we look at that as a real organic opportunity to continue to grow the Universal side – I’m sorry, the international side of the business. So we took a really capable executive and he’s now over there. I can tell you he’s traveling around the world trying to understand exactly what NBCUniversal’s opportunities are given all the rent different product sets or service sets we have. And we look at how much that contributes today to NBCUniversal over all and it’s a fraction of what it should be.

Spencer Wang - Credit Suisse - Analyst

Great. Any other questions?

Michael Angelakis - Comcast Corporation - CFO

He has a follow-up.

Unidentified Audience Member

(inaudible) about cable assets?

Michael Angelakis - Comcast Corporation - CFO

You know, on the dis -- I would never say no, but on the distribution side it’s different. You can’t really leverage your network. There are different regulatory frameworks. So I think that we really like the domestic cable business and if you haven’t heard anything today it’s more we’ve got a lot of opportunity within the domestic cable business. I think that’s really what we’re going to focus on.

Spencer Wang - Credit Suisse - Analyst

I think there’s a question from Larry in the back.

Unidentified Audience Member

Yes. You now own or partially own those parks and a couple things have been going on that are interesting. One, in Florida it looks like this Harry Potterville, or whatever you call it, has been phenomenally successful. And then second is you opened a Universal Studios in Singapore, which also seems to be doing well. What do you do with this business, it’s a little (multiple speakers)?
Michael Angelakis - Comcast Corporation - CFO

Don’t forget about King Kong in Los Angeles, you forgot about that one. Sometimes it's better to be lucky than smart. And to be fair, when we were looking at the transaction we were well aware of the theme parks’ efforts with Harry Potter in Orlando, with the King Kong attraction they did in Los Angeles and the licensing and the transactions they have which are primarily licensing and management opportunities overseas.

And as we’ve spent the last 14 months spending a lot more time in these assets, I’m quite impressed. The Harry Potter asset has just been a huge success for Universal Orlando. I think there’s somewhat of a permanent reset within that market, within how Universal Orlando is performing. So touch wood, they’ve done a terrific job of creating an attraction there that has increased revenue, increased EBITDA per capita within that market.

They've done a similar thing with King Kong in LA which is a little bit more integrated and they've been able to succeed with doing some interesting licensing deals overall. From our perspective we like it, they’re growing nicely, it’s not a big part of the business. I don’t think there’s a lot of insight we can give today to that business. But it is part of the ecosystem.

Where Despicable Me was a great hit related to Universal Studios, ultimately there will be a Despicable Me kind of promotion within the theme parks. And we're seeing that kind of IP transfer happen within the parks which is quite interesting. And we'll see where it goes.

Unidentified Audience Member

And second, within the Comcast business, forgetting NBCUniversal, you have a fairly significant ad business. What do the trends in that business tell you? Because that's really more local than most everything else in the Company?

Michael Angelakis - Comcast Corporation - CFO

So, talking from an economic point of view. We have a lot of insight and really I would say local advertising, we call it spotlight, that's selling to restaurants and car dealers and those kinds of efforts. We also have regional advertisers and we have national advertisers. And it’s pretty robust.

Automotive has come roaring back, which has really helped the spotlight business. As it’s a local business the dealers are advertising, the regional folks are advertising. So on both the local, regional and national basis the advertising market is still quite robust.

Spencer Wang - Credit Suisse - Analyst

And with that I think we’re out of time.

Michael Angelakis - Comcast Corporation - CFO

We’re done?

Spencer Wang - Credit Suisse - Analyst

So I want to thank you, Michael, for joining us today. Thank you very much.
Thank you.