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PRESENTATION

Ben Swinburne - *Morgan Stanley - Analyst*

All right, good morning. We are going to get started. Just to remind everybody once again, please note that important disclosures, including my personal holdings disclosures and Morgan Stanley disclosures, all appear as a handout available in the registration area and on the Morgan Stanley public website. And we are thrilled to welcome back to the conference this year Comcast. To my left, I think all of you know, is the CFO and Vice Chairman, Michael Angelakis. Michael, thank you so much for being here.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Delighted to be here. It is always great to be with you.

Ben Swinburne - *Morgan Stanley - Analyst*

So it has been already a pretty busy year for you guys. Maybe we can start out with the big announcement, which is Time Warner Cable. What was attractive about that opportunity for Comcast? Why do you think shareholders should be excited about the potential of that transaction?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Well, listen, it's really important for us to continue to sort of build what we think is a world-class company and when we think about these kinds of investments, we have to believe that they are compelling strategically and they are compelling financially. And obviously, we spend a fair amount of time evaluating this. We love the cable industry and we are able to work on a transaction that we think is really value-enhancing and at a price that we are comfortable with -- more than comfortable with. We see a lot of synergies with regards to the top line, as well as sort of on the operating line. So we are valuing it at roughly 6.6, 6.7 times operating cash flow and really importantly, I think we are continuing to build a world-class company that will continue to innovate and build our business. So we are very excited about it. It is a large transaction, but it is not really a very complicated transaction in our mind. We look at it as a continuation of our operating strategy and our financial strategy and our technology strategy and that will happen over obviously a number of years.

Ben Swinburne - *Morgan Stanley - Analyst*

What are the areas you guys are looking at in terms of creating value? You mentioned top-line synergies, in particular commercial. Is that something you guys see as a big opportunity with (multiple speakers)?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

We think commercial is an enormous growth area for us. So just to level set, and I think you know this, our business services group today has roughly $3.5 billion of revenue and we really do divide it into three areas. We have the small side, which has been in business now for roughly five or six or seven years and that business is roughly a $3 billion business with accretive margins, growing nicely double-digit top-line revenue and we have roughly 20% market share, but these are really small businesses. These are small enterprises with primarily less than 20 employees and that is where we really started on the enterprise side and we put all the building blocks in place to move that from sort of a new business to now it is very much in the execution mode.

Several years ago, we moved upscale a little bit and now we are talking about larger businesses, a little bit more sophisticated and those are businesses that have say less than 250 employees. And we had to put similar building blocks in place whether it's technology and provisioning and people and literally, we've hired thousands of people across this segment. And that business now is about a $600 million business growing even faster also with accretive margins and in our estimate, it is about a $10 billion or $15 billion opportunity in our market. We have about 5% share.

The enterprise side, which is obviously larger, more sophisticated, we haven't really even begun to move into. And obviously having access to two premier markets and obviously Dallas as well and having access to 19 of the top 20 markets in the country, we think that is an enormous growth opportunity for us and our business services folks, as well as the Time Warner Cable business service folks, we think are very excited about developing that business, which we look at as a very large opportunity as well.

So there is a whole number of revenue upside that we would benefit from the scale and having these additional markets and additional benefits that we are obviously excited about.

Ben Swinburne - *Morgan Stanley - Analyst*

You mentioned the transaction while large is relatively straightforward, relatively simple. How did you guys come up with a valuation or an exchange ratio when you put these two together and you thought about fair value?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, I think that is the right viewpoint is what is fair value. Back in 2009 when Time Warner Cable was spun out from Time Warner, basically, the exchange delta at that point was roughly 2.67 times and the number has moved a little bit between those numbers over time. And we thought having the exchange ratio, which is roughly just under 8 times operating cash flow and when we apply our expense synergies, it is 6.6, 6.7 times cash flow, we think that is a very fair price. That is a very attractive price for us. So listen, there is always a negotiation about that. I think the folks at Time Warner Cable are pleased with the price. We think it is a very fair price and we are going to build I hope a lot of value for shareholders over time.

Ben Swinburne - *Morgan Stanley - Analyst*

You guys have spent some time talking about the cost synergies and laying out a view there. Can you just help the audience understand what is driving the $1.5 billion and the $400 million and the timeline to achieve those?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, there is a tremendous amount of duplicative areas that obviously over time we will rationalize and that is a relatively big number. We also have, although we have areas of efficiencies in terms of technical operations and one platform and the ability to do things within the infrastructure of the organization that I think will generate significant benefits as well.

The programming side, which tends to get a little bit of attention, is actually the minority of those numbers and we feel we've sort of set a target of $1.5 billion in synergies of which we hope to get about $750 million of that in the first year and then the other 25% we believe we will get in year two and the other 25% we believe we will get in year three. So we feel very comfortable, we have done our diligence and we are working collaboratively with the Time Warner Cable folks to fine-tune those and we have begun forming our integration teams and obviously it's going to take some time to do that, but we are quite comfortable that the $1.5 billion that we've set as a synergy number is achievable.

Ben Swinburne - *Morgan Stanley - Analyst*

You have been through a couple of the acquisitions with Comcast -- well, I guess NBC and there have been others in the past before your time, but what is your view of the regulatory approach to this transaction and what gives you confidence and the team confidence this deal can get approved?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

The reality is that we have upfront said we may divest up to 3 million customers from the combined group. If we do that, we will have roughly 30% share of the multichannel video market. We actually had basically the same share when we did the AT&T transaction, as well as when we did the Adelphia transaction. And the 30% threshold that we are talking about is actually a bit of a theoretical threshold, it is not actually a legal threshold.

So we feel very comfortable that we don't compete with Time Warner Cable. It is a very different situation than some other situations. We really look at it as we are just expanding our footprint. We are going from roughly 22 million video customers to say 30 million video customers. We are going to be at roughly the same share we were at in two previous periods of time when I would say even today it is a more competitive, more intense, more dynamic time today than it was when we had that share before.

So we've done our homework. We have a very open dialogue with the regulatory framework and we feel pretty comfortable that we will get this approved. And we understand some of the angst and I think we will work through a lot of that angst over time.

Ben Swinburne - *Morgan Stanley - Analyst*

You guys sort of in your announcement talked about the 3 million subscriber divestitures or willingness to look at that. There is a lot of focus in the market about that. Can you just talk about your thought process on where those might be or where you are as a team in the process of figuring out what is going to happen with those?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, I just think it is too early. I know there has been some conversations and I know that there is some interest in it, but we have a lot of data gathering to do internally and we have a lot of analysis and this is a complex issue. So I think we are going to be methodical about it and thoughtful about it. I think we want to gather a whole variety of data points, everything from tax information, to plant quality, to where we think some of the DMAs play out and I think we will also have some conversations with folks who may be interested and this will play out over months, not weeks. And I just think it is literally way too early to determine where, when, how one may divest those 3 million customers.

Ben Swinburne - *Morgan Stanley - Analyst*

There is probably a lot of Comcast customers in the room given where we are, but for those of us Time Warner Cable customers in New York, like myself, what is the likely timeline for rolling out the product suite that has really helped drive the cable business for you guys over the last couple years and maybe you can put the history in Comcast into context for us with Time Warner Cable?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, I think again we are going to -- as time goes on, I think we will be a little bit more articulate and precise in terms of how we intend to integrate and how we intend to roll out. But clearly if you go back four or five years ago, we initiated a project. We called the project Calvary and that project was really designed to go all-digital. It was really designed to upgrade the broadband capacity with DOCSIS 3.0. It was designed to expand the VOD platform and provide many more choices for VOD and it was also designed to add more high def and more digital channels.

And the reality is when we completed that project kind of on a market-by-market basis, it was a bit of a transformation of the video product at that point in time. I think if you look at that as a baseline and you layer on top of that all the TV Everywhere apps we have today that we have developed over the number of years and really importantly the X1, X2 navigation and user interface that we have developed, I think you will see a similar kind of transformation over time whereas we are deploying X1, X2 in Comcast markets, we are deploying cloud DVR, we just announced it in Boston. As we ultimately begin to integrate on the Time Warner Cable side, I think you will see some of those same technology platforms, same services be deployed in other markets. And I think we have to work through that business plan. We have to work through that technology roadmap, but I think that is a good indication of how the integration will develop.

Ben Swinburne - *Morgan Stanley - Analyst*

You mentioned upfront that this transaction doesn't change sort of the operational financial philosophy of Comcast, but can you talk about the impact, if there is any, of this transaction on your return of capital and sort of balance sheet view at Comcast?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, I mean when I say it is large, but it is not that complicated, that is one of the areas where it is really not that complicated. If you think about 2013 and where we ended in 2013, our balance sheet had roughly 2.2 times leverage, 2.3 times leverage and that is after, in 2013, we actually purchased the remaining 49% of NBCUniversal. Our target has been between 1.5 and 2 times leverage for a number of years. So put aside TWC, we were certainly on a glide path of doing multiple things at once, from having modest organic deleveraging to try to get into the target range we want to get into. We've increased the dividend pretty nicely. We just announced January a 15% increase in the dividend and if you look at our track record of increasing dividend, it has been modestly aggressive and then we increased our buyback by 50%, which we also announced in January.

So that is going to be the strategy for 2014. I think when you pro forma TWC, our leverage is approximately 2.2, 2.3 times as well. That is if you pro forma it at the end of 2014. I really don't see a material difference in our financial strategy as we think about payout ratio for dividends, how we think about buybacks. We are obviously very close to our target leverage range. So it has actually been relatively simple in terms of the financial strategy and I think the strategy we have had at Comcast for the last, I don't know, four, five, six years, I think you will see that just continue with the new Company as we go forward.

Ben Swinburne - *Morgan Stanley - Analyst*

Great. Okay, coming back from this transaction to your core business.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, that would be important.

Ben Swinburne - *Morgan Stanley - Analyst*

Right.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

That would be highly important.

Ben Swinburne - *Morgan Stanley - Analyst*

Let's talk about the opportunities you see for Comcast. Let's start on cable in 2014 and beyond. You guys clearly ended the year with a lot of strong momentum products and top-line growth. But maybe you could just set the stage for everybody about how you are feeling about the opportunities ahead of the Company organically?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Listen, we are continuing to feel bullish. We think that we do have some operating momentum. I do think it started a little bit with Project Calvary and how we have been very focused on a number of areas. One is just block and tackle and literally very -- lots of, quote, devils in the detail and continue to drive the business from a block and tackle perspective.

Second is I think be very innovative and develop a whole variety of apps in TV Everywhere and multiplatform type services and then I think support all that with improving customer service. So the cable business today, they've done a really nice job in 2013 and I think in 2014, we feel we have real momentum throughout the year and hopefully we will continue with that.

Business services, a large growth area. We talked a little bit about that. Our market shares are relatively low within the two areas that we are focused in and we continue to see accretive margins and nice top-line growth there. High-speed data, which is a terrific business for us, continues to grow nicely. We are at about 38% market share with regards to high-speed data and we are continuing to develop that product and our view is we will continue to increase speeds in that product. So over the last 12 years, we have increased speeds literally 12 times and now about 36% of our customers have 50 meg or greater and you are going to continue to see us embellish that product and somebody mentioned earlier what do you think about even higher speeds and last year, we demoed 3 gigabits and three years ago, we demoed 1 gigabit. So that product is a terrific product and we are going to continue to invest heavily in that product because obviously it is pretty important to our business.

Don't forget phone. We are at 10 million customers on phone and growing and we are big believers in the bundle. We have about 44% of our customers take all three services. Just under 80% take at least two services. That really helps with customer lifetime value, really helps with retention and particularly when you are able to sort of surround it with what we think is best-in-class video product and best-in-class high-speed data product. So video itself, we are trying to do better. It is a competitive market. We lost 300,000 customers last year; went positive in the fourth quarter. We lost less customers last year than we did the year before and we have more RBOC competition and a little bit more intensity and our goal is to continue to do better and do it in a very balanced way.

So what I mean by that is we want to continue to have more financial discipline in the system, as well as customer growth and I think we have been able to achieve that. We have been very consistent with our revenue growth, been very consistent with our margins and the team is doing an outstanding job of executing on that business. So we are pretty bullish as we enter 2014.

Ben Swinburne - *Morgan Stanley - Analyst*

Terrific. Let's stay on the cable business, big focus in the industry, as you know, on programming costs or maybe more holistically rights, content rights, a big announcement with DISH and Disney overnight.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes.

Ben Swinburne - *Morgan Stanley - Analyst*

What has been the benefit -- we always focus on the cost growth and margin pressure. What has been the benefit of these rights to your business, to your video business and why are you doing the deals you are doing?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Listen, I think that we want to be able to provide our customers who obviously pay us a monthly fee to access their video on whatever device, wherever they are, in the home, out of the home, whether on-demand or whether linear. And I think that goal requires us to purchase more rights. So we have 400 million VOD views every month now and that number has continued to accelerate. We have many shows where we have prior seasons, we call them full bankable and we have obviously EST now and we have obviously our pay-per-view, but the whole view from our perspective, whether it is TV Everywhere or On Demand or download to go, and if you look at our app store, how people can go on a tablet and watch 39 live channels or download a movie onto their tablet, which they can watch on an airplane if they are heading back East.

So we are totally focused on adding more value to the video product for our customers so that whether it is my young son or whether it is my older daughter or whether it is my wife or myself, we can almost ultimately personalize our service. Part of that is how you navigate and that is part of the X1, X2 and part of it is do you have the rights, whether they are in the home, outside the home, tablet, phone, wireline, wireless, linear, On Demand, SVOD, and that all obviously costs incrementally more money. But we are big believers that linear TV is one platform, but many people want to watch different platforms, and I think our results speak for themselves, that we are trying to surround that customer so that if they want to watch a piece of content that we will provide it for them in whatever platform they choose to watch it.

Ben Swinburne - *Morgan Stanley - Analyst*

Great. Along with your product offering, you have had a lot of operational initiatives. I know you talked about Calvary five years ago, but there are things going on today I think on the sales side and the [relation] side, some of the blocking and tackling that makes a real difference to the bottom line. Can you sort of talk about some of those items?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, I mean this is the block and tackle that exactly I did mention. I think that the team is really focused on taking noise out of the system and at the same time providing a better customer interface or relationship. So we have many customers, about 40% of our customers now are managing their services online. We have about 40% of our customers also are doing self-installs of their own services and obviously we have help lines and those kinds of things.

We have been able to take about 8 million truck rolls out of the system over the last two years and been able to take about 13 million agent calls out of the system. People are utilizing self-help more. We have more tools, automated tools that people are utilizing and the goal really is to take some of that noise out of the system and reduce the processes.

That does two things for us. One, it provides a higher customer satisfaction because frankly people can access information online and do things much easier themselves. And secondly, it reduces our cost and our activity levels. So our costs have increased in the last year by under 4% when you take out programming, yet we have added almost 2 million new customers and different RGUs. The whole goal for us is continue to try to take the noise out of the system, provide much more innovation and choice and hopefully we will continue to make progress on that.

Ben Swinburne - *Morgan Stanley - Analyst*

Does this, over the long term and you mentioned B2B being accretive to margins and that you guys have the kind of top line where you probably could see some operating leverage, but how do you think about the margin structure of cable over the longer term?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

The margin structure in cable has been very stable for a relatively long time and it's true, you have, and you mentioned it, you have pressure on the video margin, but we probably have other areas of expansion in business services and so forth. The biggest headwind is really on the programming side and we are not being as aggressive on video rate increases and we have a tough comp last year versus this year on video rate increases. But the reality is that we are going to continue to invest in the business. So we are absorbing costs on the medium-size business. We are absorbing costs on XFINITY Home. We are absorbing costs on the deployment of X1, X2. We are absorbing costs in the deployment of wireless gateways, which is something we should talk about.

So from our standpoint, we are kind of -- we can walk and chew gum at the same time. We can absorb some of the programming headwinds. We have some tailwind from some other areas that is being very helpful. We have some investment areas that we think are medium-term, long-term, very profitable areas that we want to pursue and then we have some efficiencies in the business that we're continuing to capture.

When you sort of add it all up, net is margins are relatively stable and I can tell you I don't think we really manage specifically to margins. We really manage to are we making the right financial decisions and are we investing in areas that make a lot of sense and are they going to be high ROIC type investments where they are going to hopefully be beneficial to the business over the short, medium and long term. But the net benefit has been that we have had pretty stable margins and I think our expectations are we can manage some of that headwind and keep relatively stable margins.

Ben Swinburne - *Morgan Stanley - Analyst*

Let's stay on the theme of investing. And I know, as CFO, you scrutinize every dollar going out the door. X1 is a big investment for the Company. CapEx has been rising, capital intensity has been rising for the cable business. Tell the audience why this investment makes sense in your mind, what the returns look like and what is the timing for getting X1 to where you guys want it in the base?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Okay. So X1, and I am sure a lot of folks have seen the demo and I think when I was here, I don't know if it was last year or the year -- I think it was last year.

Ben Swinburne - *Morgan Stanley - Analyst*

Yes, a year ago.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Last year, we did the demo on X1 and it is the same way Calvary I think was a bit of a step function. I think the deployment of X1 is another step function. And actually we are already at X2 in deploying that. And if our goal is to provide a world-class service that allows you to navigate through tens of thousands of choices, then you need to have a terrific interface that is ubiquitous over your TV, over your tablet, over your laptop, over your smartphone and I think that is what X1, X2 does. And really 12 months ago when I was here, we were kind of demo it and the goal was to start to deploy it in 2013. It is now available in every market for Comcast and we have decided in 2014 to accelerate that deployment. And that means moving a lot of boxes and a lot of software into people's homes.

And why it's beneficial, why we are making that investment is one, we want to have a world-class video experience; two, when it is in the home, we have lower churn within that home. People have a higher satisfaction rate related to that. People watch more VOD and therefore your VOD revenues are higher. So it literally is a whole other element of -- it's really changing our architecture.

So the X1, X2 deployment is a cloud-based architecture. So literally if you go back three years, if we put a box in someone's home, the next generation box that came out the next day almost made the box you deployed yesterday obsolete. And by the way, you had to program to the lowest common denominator versus what your most advanced box was.

Here, everything is in the cloud. I have had X1 in my home now for about a year and I now have X2 and literally I can toggle like I do between webpages between X1 and X2. And X2 is clearly better than X1. So this is a smart investment for us both in terms of pure cash-on-cash returns, as well as strategically how we think about providing a great service to our customers.

Ben Swinburne - *Morgan Stanley - Analyst*

Great. Let's shift over to the broadband side of the equation. A lot of focus particularly in this area around Google fiber and gigabit speeds. You mentioned you have tested some of that, but what is your -- what is the Comcast view over time ramping speeds and what is the appetite for the consumer for those level of super speeds?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

We are going to continue to increase speeds; I have no doubt about it. A lot of the edge providers, some of them clearly out here are benefiting from that. By the way, I think there is a very symbiotic relationship between us and those edge providers. It is important whether in Netflix, Google in terms of YouTube, Amazon Prime, we can go through a whole variety and number of folks, hulu. Obviously people who are consuming those services over broadband are using more and more speed, watch ESPN, I can go right down the list.

So we are going to continue to invest heavily in broadband. We are going to continue to increase speeds. We have deployed wireless gateways, which is something I wanted to come back to. If you go back a couple years, the wireless gateways that we would deploy had a 25 megabit throughput limit. That was the technology that was available at that point in time. We literally have gone out and proactively replaced about 8 million of those and we are going to continue to replace more and more this year and now the technology allows for a 250 megabit throughput.

So our goal is to have the best pipe coming into the house that provides the best user experience, but also within the house, all of us have tablets, all of us have smartphones and the number of devices that are connected has gone from two and change to over five over the last few years and the majority of those are all connected through WiFi.

So our short-term, medium-term, long-term goal is to have the best pipe coming into the house and then have the best WiFi experience and connection in the house. And I think you can see that is one of the elements of increasing our investment this year is providing more and more of those wireless gateways.

Ben Swinburne - *Morgan Stanley - Analyst*

Sticking on the data theme and it has been a big topic at this conference and generally, which is net neutrality and interconnects. At the risk of asking a simple question on an incredibly complex topic, can you talk a little bit about your view of net neutrality and what has happened with the courts, the outlook with the FCC and then any comment you would want to make at all on the agreement with Netflix that was announced?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Sure. Listen, we have been actually supporters of net neutrality. So from a principle perspective, we have always believed in having an open Internet, we have always believed in net neutrality. In fact, when we did NBCUniversal, we agreed to a multiyear consent decree that required us to have net neutrality no matter what happened in the court system. And from our standpoint, we were very supportive of the commission's view at that point and the new commission with regard to Chairman Wheeler were very supportive of what he is trying to do there. We think it is the right thing to do from a consumer perspective.

So from our standpoint, actually going back a little bit to Time Warner Cable, the customers that we ultimately will own will be under that consent decree that we have right now and therefore will be under the net neutrality side. So listen, we are big believers in broadband. We are big believers in WiFi and we are going to continue to invest in that and we think net neutrality is a foundational principle that is important to it.

On Netflix, I think there is a lot of misinformation to be honest with you. I don't think the press has completely got it right, but we have a number of interconnect agreements with many companies, both in terms of CDNs, as well as transport type companies that have worked in a commercial arrangement for the benefit of our customers. Netflix, we have many customers who use our broadband to access Netflix. We think it is important to provide them with a really good experience and obviously it is in Netflix's interest as well.

So for months, we have been talking to them about what is an appropriate interconnect agreement and we think we have a commercial agreement with them that is sound for both companies and the benefit is really to both our customers. So I really don't think it is as big a deal as the press has made it. I really think that we are complementary in a lot of ways and they have been helpful with our broadband business and we have been helpful to them with our broadband business. So I am not sure there is much more to say. I think the dollars that have been articulated are quite de minimis and this is just a normal commercial relationship.

Ben Swinburne - *Morgan Stanley - Analyst*

Got it. Home security is an area that the Company has invested a lot in and it seems to be really getting some momentum. You don't disclose the numbers, but maybe you could tell everybody about how you feel about that business, the opportunity, the addressable market, how Comcast is positioned?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes, it is still a developing business. I am not sure I completely define it as home security. I tend to think of more -- we call it XFINITY Home. Some people can refer to it as digital home and really what it is about in our mind is providing more WiFi devices in the home that can be used for security, can be used for energy management, can be used for lighting and a whole variety of different things. So I think this is an exciting area for us and we are investing in it. We do have thousands and thousands and thousands of customers, don't go through the exact number.

What's really interesting is that a large number of -- over 40% of the customers that we do have that have come on the service have never had a relationship with Comcast. Of those customers, more than half take all four services. So it is a terrific entry point for us where people are looking for more innovative type services and when they do look at what other services we have, they are taking all four services.

Interestingly too, about two-thirds of them have never had a home security service. So it is hard to sort of pigeonhole and say the addressable market is what security is and there is a competitive market share move on the security side. We don't quite look at it that way. So I think this is going to be evolutionary. It is going to clearly be a lot about the digital home. We are also launching a product where there is no professional monitoring service.

I can get -- somebody opens up a door in my home, I can get text. Somebody sets an alarm, I can get text. I have cameras outside my home where if something happens, I can get a text or an email. I can turn lights off, turn lights on, I can move thermostats, all kind of WiFi and digitally connected and I think that is clearly an area that we are going to continue to push into. We think it is important and again given that pipe that is coming into the house, given the WiFi that we have, I think these applications are really exciting and we are going to continue to invest in the business.

Ben Swinburne - *Morgan Stanley - Analyst*

Great. Let's shift over to NBC --

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Yes.

Ben Swinburne - *Morgan Stanley - Analyst*

-- in the time we have left. You guys have talked a lot about the monetization gap. I wonder if you could touch on where you guys are around retransmission fees at the network, how you feel NBC is positioned there and then the same sort of question on the cable network portfolio.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

So listen, NBC has -- we just finished our three-year ownership of NBCUniversal. In a lot of ways, it feels much longer than that. In a positive light, I think that we've -- strategically it has been a terrific transaction for us and obviously financially operating cash flow is up roughly 50% since we bought it. We have a lot of work to do left. The monetization gap that you talk about exists in not only cable networks, but exists in the broadcast side as well. We are making progress in both. Retransmission consent is an important part of the broadcast network's revenue model. When we bought NBCUniversal, there was de minimis numbers, so at a single-digit revenue of single-digit million dollars of retransmission consent. That moved up to $40 million in 2011 -- or 2012 and it moved to $240 million last year. And that is a pretty darn big jump and then in 2014, it will be close to $350 million. So from going to zero up to $350 million over roughly a four-year period is pretty great acceleration. We still think there is a monetization gap when we look at some of our peers in that business.

Also, in the broadcast side, we have done a terrific job on really ratings. Right now, we are -- we were number four and we made a joke that you can't fall off the floor when we bought it. We were so far behind. And you have got to give the team such great credit. We have now been number one for I think it is 17 weeks this year. Our ratings our way up and we had a good upfront last year. Our expectation is we will have a good upfront this year. Obviously the Olympics helped, but really I hate to say block and tackle. It's been just making progress and sort of really continuing to build the broadcast network whether it is on sports or news or entertainment. All of them are making real progress and we have high hopes that we will have continued financial growth from that business.

On the cable network side, we have a great portfolio of cable networks that are doing really well and we also have a dozen regional sports networks that are also doing well. There is still a monetization gap there too both in terms of affiliate fees, as well as on advertising and as contracts come up, we will continue to monetize them appropriately. And part of the goal is really just market to market and I think we are doing a terrific job on that. I would think we are in the fourth or fifth inning of that process and as I talked with Steve just yesterday, we are going through our LRP and we are pretty optimistic over the next few years of how that will develop.

So NBC overall, and we can talk about film, which had a terrific year last year. We have kind of changed the parameters or the risk profile of the slate and have spent a lot of time on that and they had a great year last year and we are off to a good start this year. That is one of the businesses you can see how it does every Friday or Saturday. It's kind of amazing. You can --.

Ben Swinburne - *Morgan Stanley - Analyst*

Liam Neeson.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Les Mis was one. I mean Ride Along and Lone Survivor and we have been just very fortunate this year so far to do pretty well and come out of the box strong. And I can't say enough about theme parks. We have obviously one here in California where we are building Harry Potter and that is a big project. We have Harry Potter 2 going into Orlando and that will open in just several months actually, as well as some hotels and we have been an investor in parks. We think parks has been undercapitalized for a number of years and numbers don't lie, but when you have under $400 million of EBITDA several years ago and now that number has blown through $1 billion, that is just great execution and we are excited about that. So NBC has been a terrific transaction for us and strategically it has been really important in helping that ecosystem that we are trying to lead.

Ben Swinburne - *Morgan Stanley - Analyst*

Let me ask one more and then we will see if the audience has any quick questions. Content licensing has been a really nice tailwind for the media business over the last couple years. Your business has been, the one that you report, has been a bit more flattish. Is there a strategy to own more of your own programming and drive that business up from here?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

You have got to go back three or four years, right and we said that part of NBC really was a turnaround. Broadcast was a turnaround. It was in fourth place. Clearly, content licensing was a turnaround. The pipeline that we had was just not very robust, so we have invested in that pipeline. We have a couple of shows, Brooklyn 99 and a couple others, Mindy Project over at FOX and the goal is to continue to build that pipeline and hopefully licensing.

It is a lucrative business if you can make the right shows. That is easy to say, hard to do. So we are investing in that pipeline both for our own network, as well as our cable networks and hopefully we will generate more content license fees. We do generate about $1.8 billion or so a year, but we are probably not doing as good a job as we would hope to and there is a little bit of a turnaround there.

Ben Swinburne - *Morgan Stanley - Analyst*

Great, quickly, if we have any questions from the audience, please raise your hand and wait for a microphone. One right up here, upfront.

QUESTIONS AND ANSWERS

Unidentified Audience Member

Will you be issuing A shares or K shares for the Time Warner deal?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

I'm sorry. I couldn't hear what you said.

Unidentified Audience Member

Will you be issuing A shares or K shares for the Time Warner --?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Oh, A shares, A shares.

Unidentified Audience Member

Would the anti-dilutive provision kick in on the voting rights on the B shares?

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

No, there is nothing really changed. We are just issuing A shares.

Ben Swinburne - *Morgan Stanley - Analyst*

We have one last -- Simon, go ahead.

Unidentified Audience Member

Sure. So Michael, one of the advantages of the merger is you are going to put together a lot of WiFi hotspots. Can you talk a little bit about your plans to leverage those? What is the opportunity to bring out new products and services and even get into the wireless business more broadly? Thanks.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

I'm sorry, I can't see where the gentleman is.

Ben Swinburne - *Morgan Stanley - Analyst*

He's way back ---.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Listen, we think WiFi is really a terrific service. The majority of the WiFi issues are clearly in the home and also a lot of it is in businesses as well. So as we deploy these wireless gateways, we are providing multiple SSIDs in homes and in businesses and trying to create more public hotspots. We are doing it in train stations and other areas. And I am not sure the TWC transaction has a lot to do with our strategy of WiFi, but you are going to see us be more aggressive in deploying WiFi as clearly an extension of our broadband service. We want to have people be able to access that content that we are providing on whatever platform they are and we know that the primary mechanism or the primary transport outside the home actually even sometimes inside the home is WiFi.

I think Time Warner Cable turbocharges that a little bit for us. Obviously we have a relationship with them today on the WiFi alliance, but as we think about the markets and we think about our desire to deploy more and more WiFi in the home, as well as outside the home, we can see lots of opportunities as we can leverage that network, I think, to the benefit of our customer base, as well as others. So right now, it is primarily an extension of our broadband service. It could move into more as we think about how people want to access remotely video whether it is cloud DVR or other services. So we are pretty excited about our deployment of WiFi. I think you will see us accelerate it.

Ben Swinburne - *Morgan Stanley - Analyst*

Michael, thank you so much for your time.

Michael Angelakis - *Comcast Corporation - Vice Chairman & CFO*

Anytime.

Ben Swinburne - *Morgan Stanley - Analyst*

Thanks, everybody.

Important Information For Investors And Shareholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. In connection with the proposed transaction between Comcast Corporation ("Comcast") and Time Warner Cable Inc. ("Time Warner Cable"), Comcast and Time Warner Cable will file relevant materials with the Securities and Exchange Commission (the "SEC"), including a Comcast registration statement on Form S-4 that will include a joint proxy statement of Comcast and Time Warner Cable that also constitutes a prospectus of Comcast, and a definitive joint proxy statement/prospectus will be mailed to shareholders of Comcast and Time Warner Cable. INVESTORS AND SECURITY HOLDERS OF COMCAST AND TIME WARNER CABLE ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders will be able to obtain free copies of the registration statement and the joint proxy statement/prospectus (when available) and other documents filed with the SEC by Comcast or Time Warner Cable through the website maintained by the SEC at http://www.sec.gov. Copies of the documents filed with the SEC by Comcast will be available free of charge on Comcast's website at http://cmcsa.com or by contacting Comcast's Investor Relations Department at 866-281-2100. Copies of the documents filed with the SEC by Time Warner Cable will be available free of charge on Time Warner Cable's website at http://ir.timewarnercable.com or by contacting Time Warner Cable's Investor Relations Department at 877-446-3689.

Comcast, Time Warner Cable, their respective directors and certain of their respective executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of Time Warner Cable is set forth in its Annual Report on Form 10-K for the year ended December 31, 2013, which was filed with the SEC on February 18, 2014, its proxy statement for its 2013 annual meeting of stockholders, which was filed with the SEC on April 4, 2013, and its Current Reports on Form 8-K filed with the SEC on April 30, 2013, July 29, 2013 and December 6, 2013. Information about the directors and executive officers of Comcast is set forth in its Annual Report on Form 10-K for the year ended December 31, 2013, which was filed with the SEC on February 12, 2014, its proxy statement for its 2013 annual meeting of stockholders, which was filed with the SEC on April 5, 2013, and its Current Reports on Form 8-K filed with the SEC on July 24, 2013, August 16, 2013 and February 14, 2014. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this communication regarding the proposed acquisition of Time Warner Cable by Comcast, including any statements regarding the expected timetable for completing the transaction, benefits and synergies of the transaction, future opportunities for the combined company and products, and any other statements regarding Comcast's and Time Warner Cable's future expectations, beliefs, plans, objectives, financial conditions, assumptions or future events or performance that are not historical facts are "forward-looking" statements made within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are often, but not always, made through the use of words or phrases such as "may", "believe," "anticipate," "could", “should,” “intend,” “plan,” “will,” “expect(s),” “estimate(s),” “project(s),” “forecast(s)”, “positioned,” “strategy,” “outlook” and similar expressions. All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed in the statements. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following: the timing to consummate the proposed transaction; the risk that a condition to closing of the proposed transaction may not be satisfied; the risk that a regulatory approval that may be required for the proposed transaction is not obtained or is obtained subject to conditions that are not anticipated; Comcast’s ability to achieve the synergies and value creation contemplated by the proposed transaction; Comcast’s ability to promptly, efficiently and effectively integrate Time Warner Cable’s operations into those of Comcast; and the diversion of management time on transaction-related issues. Additional information concerning these and other factors can be found in Comcast’s and Time Warner Cable’s respective filings with the SEC, including Comcast’s and Time Warner Cable’s most recent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Comcast and Time Warner Cable assume no obligation to update any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.