FINAL TRANSCRIPT

Thomson StreetEvents℠

CMCSA - Comcast Corp at Barclays Capital Global Communications, Media, and Technology Conference

Event Date/Time: May. 24. 2011 / 12:45PM GMT

THOMSON REUTERS

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PRESENTATION

James Ratcliffe - *Barclays Capital - Analyst*

All right. So, I think we'll get started. We are pleased to have with us Mike Angelakis, CFO of Comcast, who has had a rather interesting six months or so, closing the NBCU deal and moving forward from there.

But let's start off on the Cable side. I mean last couple quarters, you have had very strong subscriber growth, getting nearly flat on video for the first time in three-and-a-half, four years and continued strong broadband growth. So what's driving that? Is it macro? Is it things you are doing? Is it a combination of both or --?

Mike Angelakis - *Comcast Corporation - CFO*

Well, I don't think it's the macro environment, to be honest. That would be nice and that would be nice to have some wind in our sails related to that, whether it's housing growth or other issues.

I really think it started a couple of years ago when we announced that we were going to embark on a bit of a transformation of our products. That included the all-digital product; that included the DOCSIS 3.0 product; that was more VOD; integrated voice; Xfinity branding; and at the same time, we were refocused on customer service. We didn't really want to have lip service to that. We really refocused on customer service.

And I think if you look at the execution of the team, which I give a lot of credit to, our video product I think is the best video product in the marketplace. We have -- we have really transformed it with lots of HD, lots of foreign language, 25,000 VOD titles. We now have multiplatform aspects with Xfinity with regards to iPads and iTouches and online. And I can go on and on and on in terms of how the product has really become a much better video experience, new navigation, etc.

And then you look at the broadband product with DOCSIS 3.0, where we are continuing to do quite well, and that product has been I think significantly enhanced from a variety of perspectives. So, I think that the product overall, whether you are talking about video or data or voice, has really transformed -- that all-digital product is like 85% complete in our footprint. The DOCSIS 3.0 is almost 90% complete. The Xfinity branding has very high awareness and it's all positive attributes in terms of how that branding has gone about.

And then you look at our retention and customer service efforts, where we have really devoted a lot of time and energy to, and those numbers are improving. So I really chalk it up to just terrific execution that started a little while ago. And I think we have some momentum in that business that people are feeling pretty good about.

All that being said, we've also been able to manage our ARPU quite well. So if you look at our overall ARPU, I think the management of that has done very well, so we've had, in the last couple of quarters, a really good subscriber performance as well as a really good financial performance.

James Ratcliffe - *Barclays Capital - Analyst*

One of the drivers of growth and a disproportionate portion of it actually has been Business Services. And how do you feel about the mix of actual services you are bringing into the marketplace of targeted SMBs, particularly as you move perhaps a more medium-size businesses? And are there opportunities to move beyond the more difficult connectivity services you offer to those clients?

Mike Angelakis - *Comcast Corporation - CFO*

I wouldn't underestimate the value of the connectivity services. If you really look at the highest ROI we can actually execute upon, it's leveraging our existing network. And if you look at our market share in those areas, we have about a small business that's employees of sort of 20 and under. We have a run rate of about $1.6 billion. I would argue that's a 10% market share, maybe a little bit more, 12%, depending on how you want to look at that. So there's a long way to go, and I think we have a terrific product advantage in that small end of the size. This is just the connectivity side that we're talking about.

The medium size that you brought up, which is 20 to 250 or 500 employees, depending on how you want to define it, we're in the top of the first inning. We have metro Ethernet in 20 of our largest markets. We've deployed that CapEx om services. We're now doing other types of innovation within that product category over more markets. And we have very little revenue, but a massive market to go after.

And again, I think we have a real product advantage and we have a real pricing advantage compared to our competitors. So we're going to be boots on the street, and we're going to be really focused on how we execute with regards to that particular product. That is probably a $10 billion to $15 billion opportunity in terms of market size for us. And again, we have pretty negligible revenues right now. And our goal is to build those revenues this year and next year and year after, similar to how we have executed on the small part of Business Services, which I think is doing just great, growing at 40%, 45%, 50% top line accretive margins, free cash flow positive. That business is, let's just keep the momentum going.

So I don't want to have -- get distracted with ancillary services that have most likely much lower ROIs. And from our standpoint, we have a lot of work to do in just executing the business. We will provide third-party services. We do that today with Microsoft and a variety of others to provide a comprehensive product to our customers, but where our focus is is where we have product advantage and how we can leverage our network. And we have I think a very large opportunity within our business to do that.

James Ratcliffe - *Barclays Capital - Analyst*

One other -- you talked about a good bit on the Business Services side has been wireless backhaul. And clearly seeing tremendous amount of free data growth driving demand for backhaul to towers. How big can that business get?

Mike Angelakis - *Comcast Corporation - CFO*

Nowhere near as big as the topic we just talked about. If we talk about the small to medium-sized businesses, $25 billion to -- say $25 billion opportunity, we're at $1.6 billion today.

On the cell backhaul, our valuation is probably about $1 billion revenue opportunity, but very high margins, real nice business, you sign long-term contracts, really high ROI. And we've been pretty successful in getting thousands and thousands and thousands of towers that we have under contract. And the revenues are starting to come in, but it's not a $20 billion opportunity. It's a $1 billion opportunity. And again, that business is based on how do you leverage your existing network to have a competitive product advantage and really high ROI.

And I think that we have a whole team focused on cell backhaul with a variety of carriers and we're executing that business well too. I don't want to -- $1 billion is $1 billion.

James Ratcliffe - *Barclays Capital - Analyst*

It is. Moving on to sort of the product offerings, and clearly you've been leading with broadband for quite a while and have a very robust offering there, both on the more traditional DOCSIS 2.0 and then with DOCSIS 3.0 or wideband; how do you think about the pricing strategy for these higher end broadband services, particularly looking at the wideband offerings? Some players internationally have been going with a modest price boost, but much higher speed strategy, essentially going for market share, acquisition versus trade-off of targeting customers willing to pay substantially more. So how do you think about that sort of ARPU share question around wideband?

Mike Angelakis - *Comcast Corporation - CFO*

I think we can walk and chew gum at the same time. And I think if you really look at our high-speed data business, if you really study it, the last seven quarters, we have added -- just Comcast has added more high-speed data customers than the two largest Bells, and they have much, much larger footprints than we do. So their net adds combined are lower than our nets adds, over seven consecutive quarters. So I would argue that we are clearly capturing share.

Secondly, if you look at our ARPU, our ARPU has gone up quite nicely over the last couple of years, and now we have about 23% of our customer base taking a higher speed service than sort of our core flagship service.

I think that DOCSIS 3.0, again, deployed in about 90% of our territory, was a terrific investment. I think it separated us from the pack in terms of competitive advantages. We now have 50 megabits capable in about 90% of our footprint. We have 105 megabits capable in about 80% of our footprint, so we will look at different products with regards to the cost of those products, but our goal is to capture share, and our goal is to drive ARPU in a pretty balanced fashion, not sacrificing one for the other.

I think you also have to look at the marketplace. We're about 33% penetrated of our homes passed of our market. The question, if you ask -- we were sitting here five years ago, people would say what do you think broadband penetration will be? And I haven't looked at your research. I should have. But I would argue that it's a lot less than where I think the number would be today. And I think people are going to say that broadband penetration should be 85%, 90% at some point. And if we are today at 33% with a far better product than our competitors and great runway, and real discipline around ARPU, I think that is just a terrific position for that high-speed data product to be in.

James Ratcliffe - *Barclays Capital - Analyst*

How do you think about usage-based pricing around data? You folks have had a very high cap in bytes -- 200 gigabytes for a couple, I guess close to three years now, sort of targeting the small portion of the customers who are very high load on the network. I mean how do you think about that versus potentially more tiering --?

Mike Angelakis - *Comcast Corporation - CFO*

You know, usage-based pricing -- I don't think we've --first of all be clear, we're not adopting it. Obviously, we are watching it. We're very comfortable with our structure. Our goal is to really capture share and increase ARPU.

And I think that -- and make sure that we have the best product that's going in the house or in the business. And I think that we absolutely do, whether it's in the business or in the house. So we're pretty comfortable with the model. We've deployed the instrumentation that people need to sort of gauge how much they're using, and if we ever wanted to go to usage-based billing

or consumption-based billing, we could possibly do that. I don't know why we would disrupt a pretty good run we're having right now. We feel really good about our capacity and our capability to continue to manage additional bandwidth needs. So I feel pretty good.

James Ratcliffe - *Barclays Capital - Analyst*

Move over to video for a bit. Clearly it's been a much more significant area of focus for Comcast in the last couple of years in terms of aggressively improving the actual video product. And we're starting to see more and more IP-capable devices in the home, be they tablets like iPads, be they smartphones, or in some cases, at least initial stages, Internet capable televisions and devices. How do you think about the role those play, both in terms of potential to affect the user experience and essentially improve it beyond the traditional set-top box and remote infrastructure versus potential benefits on the CapEx side?

Mike Angelakis - *Comcast Corporation - CFO*

So let's talk about the user experience with regards to sort of IP transition. Our Xfinity app is basically all IP. That can be a tablet. It can be an iTouch iPhone, where you can watch our services, you can navigate our VOD. You can use it as a guide. All that is IP, which is really fantastic because it allows a very fast innovation cycle. So from a customer experience, a transition to IP we think is really beneficial to us.

Secondly, our whole VOD product, which is now about 25,000 titles and getting larger and larger, for the most part, nationally, is all distributed IP. We also have a variety of sort of test beds related to IP, which we think certainly helps with regards to bandwidth management and those kinds of areas, and really makes the customer experience a better experience of navigation, those kinds of items. So we are actually excited about how this will evolve on IP.

And by the way, we've been using IP for a pretty long period of time. It's not that new to us. How it -- and I think your second part is how do you think about the CapEx cycle or set-top boxes.

Set-top boxes I think will be here for a while. I think a lot of intelligence will move to the cloud, which is beneficial to us and probably will put some compression on CapEx, but I think for at least the short to medium term, we're going to continue to see set-top boxes. And what their functionality will be will change.

We love the idea of IP because we certainly recognize, the minute you put a set-top box on someone's television set, the next day, someone has developed a more advanced set-top box. So the more intelligence you can move to the cloud on an IP basis and use that terminal as more of software downloads and those kinds of interactivity, I think that only benefits both our customer experience to CapEx overall.

And I think for us, we really want to be more innovative. I think we are doing a lot of that, and that cycle is a more rapid cycle, which I think has been a huge benefit for us over the last couple years.

James Ratcliffe - *Barclays Capital - Analyst*

Programming costs have continued to be a key concern for video product providers across the board. I know that you have something of a hedge now on that with the NBCU positions, but in general, do you think we've seen a peak in terms of growth rates with running out of teams that don't have their own RSN, re-trans, at least the first wave of that through?

And also, how do think about video packages? And do you have opportunities to sort of create more tiers in the video package, somewhere between the broadcast basic and the more traditional expanded basic offerings?

Mike Angelakis - *Comcast Corporation - CFO*

Let's go through the tiers. I think we are toying and playing with a few things, testing a few things. Not that easy. Consumers want all of it. You're talking about creating tiers where you have to exclude certain items. And the reality is a lot of consumers want as much as they possibly can get. So we are testing and thinking through different tiers. But I think the real question is what's going to happen to programming costs overall.

And I think you are going to see a continued increase in programming costs. Part of it is people are watching more. We are doing a lot of things like VOD. We now do 350 million views a month on VOD. We are now getting rights for online rights. We're getting rights for iPad-type rights -- live, on-demand. So the multiplatform aspects of how we are utilizing rights is expanding. That's putting a bit of upward pressure on rights.

Sports is continuing to be a challenge. There's no doubt about that, and you know we're trying our best to moderate that.

Our programming costs last year were under 6% total. In the first quarter, they were, again, under 6%. I think the number is about 5.6% or so. I think we are doing as good a job as anybody in trying to moderate those costs. And with our scale, that's one major benefit, we know we're pretty much the low-cost provider, given our scale. So we are doing our best to get more rights, more platforms, more utilization in different areas, and also try to keep those costs as low as possible, but it's a challenge and we will have to work through it.

James Ratcliffe - *Barclays Capital - Analyst*

As we move more video being consumed by consumers on online platforms as a whole, be they mobile or fixed, how important is it that for Comcast customers, the video they consume be essentially within our Comcast wrapper, so hypothetically viewing HBO content as part of going to the Xfinity app to view that versus being authenticated and going say through the HBO Go app?

Mike Angelakis - *Comcast Corporation - CFO*

Yes; I mean I think we've been very clear on that; when we have an Xfinity customer, we want to be able to provide that Xfinity customer with the most comprehensive video service anyone can provide wherever they are. So whether they are online, whether they are on a tablet, whether they are on their Android or Apple device in terms of an iPhone or iTouch, whether at home on a large-screen TV on linear or VOD, it's really our goal to sort of -- I wouldn't use the word wrapper, but provide a comprehensive service, so our customers can go to an Xfinity site and access the program they want to access.

So it is important to us. We have relationships with our customers that are near and dear to our heart, and we want to enhance those relationships. We are testing things like HBO To Go and we're testing -- with Turner and other kinds of things. But our priority is really to make sure our customers have the most comprehensive service available. And we really don't look at the Time Warner's of the world as our competitors in that. We think there's other competitors that we are most focused on. And we have good partnerships with the programming side.

So whether it's -- and we're seeing a lot of usage on iPads and other devices. And online, we have 150,000 titles right now for someone who wants to go to Xfinity online. And that number is just going to continue to increase. And with the iPad navigating through 25,000 titles on your VOD, has gotten so much easier. So when we look at Xfinity, we just want to make sure that we have the best service.

James Ratcliffe - *Barclays Capital - Analyst*

Let's talk a little about wireless. Certainly, major development and it touches the Comcast business in a number of ways, and you've got a lot of things going on there. You've got your relationship in (inaudible) that's taking Clearwire. You've got Xfinity now moving beyond tablets onto smartphones as well. For the app, you're deploying wi-fi, you -- the bulk of the AWS spectrum. How does this all fit together in terms of Comcast's strategy, in terms of how it impacts your product portfolio?

Mike Angelakis - *Comcast Corporation - CFO*

Well, the reality is, what are we trying to accomplish? And what we're trying to accomplish is exactly what I just said, is we have three core residential services, voice, video, and data. And we also have, to some degree, those same services within the business environment. And our goal is to provide our customers with the portability and mobility of those products. So, whether it's in iPad app, where they can watch 6,000 titles outside the home and looking at different things on it on an iPad or iTouch, wonderful.

Whether it's going online through a 4G or WiFi connection, great. So we are really focused on using all the quivers we have; whether it's WiMAX with regards to the Clearwire relationship; whether it's WiFi which we are deploying pretty tactically, and a lot in the home, actually. Most of the usage of WiFi is in the home, so we're deploying a lot of our modems with WiFi embedded called [doris]; whether it's the app itself. So we think we have a number of quivers, and we're trying to put together somewhat of a cohesive strategy to provide really the customer focus that wherever they are they can access those products. And it's still a work in process. There's bumps in the road here or there, but I think it's going to work out just fine.

James Ratcliffe - *Barclays Capital - Analyst*

Clearly, the focus in talking to the investor community has been increasingly on ARPU per subscriber, and essentially --

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Mike Angelakis - *Comcast Corporation - CFO*

ARPU per --?

James Ratcliffe - *Barclays Capital - Analyst*

ARPU per subscriber.

Mike Angelakis - *Comcast Corporation - CFO*

Well they've got the right topic.

James Ratcliffe - *Barclays Capital - Analyst*

And, do you internally think about product ARPUs primarily? Or do you primarily think more in terms of the ARPU per subscriber basis, when you think about what drives the (multiple speakers)?

Mike Angelakis - *Comcast Corporation - CFO*

We think about it all. We are laser focused on ARPU per customer. We look at revenue per homes passed. We look at ARPU by product and product category within products. So this is a -- this is some complication to these businesses. When somebody

says you raise your rates, you've got to look at your bundled services and how it flows through a waterfall with regards to how much do you end up with rates. So when we think about ARPU, it is one of the significantly top metrics we manage.

And go back to your first question -- we really want to have the best product. We want to have great customer service. We want to have a real focus on retention. We want to manage ARPU. And year over year in the first quarter, we were up about 9% or so on ARPU and I think we've been able to manage it pretty nicely. So I can't emphasize enough that's an important metric for us.

James Ratcliffe - *Barclays Capital - Analyst*

Moving on, Mike, let's talk a little bit about NBCU, which certainly got a lot of attention, and particularly, a comment on the last earnings call that you are going to be investing $300 million in programming. On a proportional basis, that's 1% of Comcast proportional EBITDA, so in the grand scheme of things, doesn't drive things that much. But I'm curious if you can give us a little context around the thought process around that and your investment program in general.

Mike Angelakis - *Comcast Corporation - CFO*

Yes, I personally, I think that the market overreacted to that particular comment. We're trying to be as transparent as we possibly can with regards to what NBCUniversal look like, how we're thinking about it.

The majority of that investment, which, by the way is not a heck of a lot different than what was happening last year, is in the network. And that network is -- it's a weak fourth player. And our goal is to make sure that we can turn that around, and we think that spending some additional investment, which by the way, is not much different than last year. If you think about last year, there was also the Leno area that moved from 10 to 11.30, do you had to fill that hole. We think if we're able to turn around the network, there is enormous upside from a profitability standpoint to NBCUniversal. So I think it was a significant overreaction.

Personal opinion, I think that we're not doing anything really different than what happened in 2010. Maybe some of the calendaring is a little bit different. I think we're focused on a turnaround which we've been very clear of, we knew about, no surprises, of an asset that we think has more upside than downside. So, I'm optimistic about it. $200 million, whatever the number is in the network on a business that generates a lot of operating cash flow is just not that material.

And we are -- if you look at that NBCU business, the NBC part of the broadcast, it's no secret that we've got -- it's going to take us time to turn that around.

And I think we have to fill that 10 o'clock hole. I think we will make some other tactical investments within that number. And hopefully over the next couple of years, we will show real progress, both operationally and financially.

James Ratcliffe - *Barclays Capital - Analyst*

Now that you've closed that transaction, can you talk more about prospects for capturing some -- what sort of content and distribution synergies that are out there?

Mike Angelakis - *Comcast Corporation - CFO*

Sure. I think we all have to understand that if you look at Comcast now, 97% of our operating cash flow is either the Cable business from a distribution standpoint or cable programming business. I think that is one ecosystem. We just spent half an hour talking about multiplatform and moving content around and content pricing. Our view is that is one ecosystem. We're putting working partnerships together in how we operate. We're doing a lot of cross promotion between the two organizations.

I don't know how many people here live in our territory. Great example is the voice with a new program that was launched on the network on NBC. Comcast Cable got behind that from an advertising standpoint. We're also offering promotions for Comcast Cable customers to go to the voice finale. We're doing that from a marketing standpoint.

And as we have marketed it, in Comcast Cable markets, the voice over performed by 41% compared to non-Comcast Cable markets. That is a great example of where Comcast Cable, with its advertising and marketing and digital capabilities, put its shoulder down and helped the NBCU side.

The NBCU side is helping on also a variety of cross marketing efforts and helping from a customer perspective. So, there's going to be a lot of singles. We call them singles. We've always been clear there's no Eureka. They're all singles. They're all part of, in our view, one ecosystem that has to work really closely together.

We're putting people in place that are about working partnerships and trying to maximize that ecosystem. And our view is we want to have both assets be optimized from a value perspective for our customers on either side.

And we're doing that a lot and there's all -- we've got lists of things that we're working on, a lot of it from the cross promotional side, a lot of it from the digital side where it benefits Comcast Cable, and it benefits NBCUniversal; VOD, SVOD, the whole kit and caboodle.

So I'm pretty excited. We have been in it now for four months I think. So it's pretty early days, but people are very, very focused on how do we have these two organizations work closely together. And I think it's been working quite nicely so far.

James Ratcliffe - *Barclays Capital - Analyst*

When you look at capturing those synergies, how does GE's 49% stake affect that? I would imagine it makes it at least somewhat more complex than if it were wholly-owned?

Mike Angelakis - *Comcast Corporation - CFO*

You know, not really. GE has been a perfect partner. One of the things that we have, which I don't know if everyone knows, is we have an incentive or carried interest, so our goal is to maximize the value of NBCUniversal as well. One of the things that was structured into the transaction so that you don't have those discussions of value leakage one way or another is we have a pretty meaningful carried interest on the value of the transaction. So we are very focused on making sure there's fairness in terms of how we build value on both sides, but we want to remain very good partners and we've had no complexity at all. They've been terrific guys.

James Ratcliffe - *Barclays Capital - Analyst*

Sports have clearly been important to Comcast, even before NBCU. RSN ownership, the NHL rights at VERSUS and the like. How important are they going forward? And how do they fit in terms of synergies between Cable and NBCU?

Mike Angelakis - *Comcast Corporation - CFO*

Well, sports -- let me be perfectly clear about sports. Sports are important to the extent that we can make money and build value. Just leave it at that. I think that we are trying to manage sports. On the Comcast Cable side, we have an escalation in affiliate fees, probably well above other types of services. And that is a constant battle we have. One of the reasons we have heavily invested in Regional Sports Networks is to benefit from that. And we have now 12 Regional Sports Networks. So sports, as I said earlier, is a challenge.

When you sort of look at NBCUniversal, a great example is the recent pack 12 issue. Did we look at it? Absolutely, we looked at it. Were we disciplined? Totally. Did we pencil out that what we thought was a right number was in a build value for the organization and make money? Absolutely. Did we lose? So be it. We're not that emotional about it.

So I think sports is a conundrum, but I think we're going to be very financially disciplined on it. We are -- we look at this as a business, and we're here to make money for our shareholders. And if things like pack 12 come and go, then we will find other areas where we can focus our resources.

James Ratcliffe - *Barclays Capital - Analyst*

Capital structure for a second sort of coming up to the corporate level. You've been pretty clear that you look at sort of free cash flow in two buckets. There's the Comcast Cable and there's the NBCU bucket that essentially gets paid to GE over time, you know, built up and then drained down and the like.

Mike Angelakis - *Comcast Corporation - CFO*

I wouldn't call it drained down, that's not a great metaphor.

James Ratcliffe - *Barclays Capital - Analyst*

Paid out.

Mike Angelakis - *Comcast Corporation - CFO*

It's got much higher return than drained down, but that's okay.

James Ratcliffe - *Barclays Capital - Analyst*

But, within that context, are there circumstances in which you would consider tapping the Comcast cash flow pool to invest in NBCU or assets at NBCU?

Mike Angelakis - *Comcast Corporation - CFO*

You know it's really -- that's not the intention at all. If this -- the transaction has been very carefully structured to make sure that there are two pools of capital. The NBCU pool, which is pretty free cash flow generative. We all know the dynamics of that business will be used over time to buy down the GE stake.

It will be self funding. That's clearly our intention. And I don't think anything has changed in that intention.

The Comcast pool -- and by the way, we're now reporting how these two pools look in terms of operating and free cash flow. The Comcast pool primarily is to reinvest in the business, but also from a dividend and buyback standpoint, being utilized in that. So I think that that transaction was structured in December of 2009, so about a year and a half ago. I don't think anything has changed in our intention. And I think it's working out just fine.

James Ratcliffe - *Barclays Capital - Analyst*

When you look at cable on the M&A side, traditionally synergies in cable M&A have been a combination of clustering and just absolute scale. When you think about the footprints you have in cable right now and theoretical possibility of expanding it, are there still synergies from scale given your size? Or is it basically all clustering at this point?

Mike Angelakis - *Comcast Corporation - CFO*

You know, I take it that question is more about from an acquisition standpoint, and obviously there's been a number of transactions that are either in the works or announced.

We don't really see any further benefits from scale. To go from where we are today and add a couple million customers, I'm not sure that does anything for us. And I think that for us to really look at further cable acquisitions, I think the strategic side is not as compelling because of what I -- because I don't think there's additional scale synergies or opportunities. And, therefore, I think it has to be purely a financial review that this is a outstanding ROI. And I'm a little bit skeptical that at least what we are seeing falls into that category.

So I think we're going to be very disciplined in looking at that. And I think the decision-making is all about is this financially a better ROI than some alternatives, buying back stock or those kinds of elements? So that probably disappoints a lot of bankers. I've disappointed them before, disappoint them again.

And our view is, let's just stay really focused on execution. We have a lot of organic opportunities within our business. And we should be focused on those. And I think that's where the entire management team is spending its time.

James Ratcliffe - *Barclays Capital - Analyst*

One more M&A-related one, one that is something that you are facing reasonably near-term. How does the parks business really fit into NBCU? You're going to come to a point where going to have to make a call on Universal Orlando. How does the thought process work around that?

Mike Angelakis - *Comcast Corporation - CFO*

We are studying it really carefully. To be fair to them, it's actually a reasonably good business, probably better than reasonably. It's a good business. We have been very fortunate where King Kong on the West Coast and Harry Potter down in Orlando have been absolute home runs. Those are out-of-the-park home run events. And we will make a decision over the next few weeks.

It is part of the Universal ecosystem with the studio and IP management and so forth. It is very well-managed. I came in at the end of your -- Joe, what keeps you up at night? Parks don't keep me up at night. I think they're very profitable, real free cash flow generative and very well-managed. And I think that we are continuing to study them, and we will make a decision in the not-too-distant future.

James Ratcliffe - *Barclays Capital - Analyst*

I think we'll open it up to the floor at this point if there are questions.

QUESTIONS AND ANSWERS

Unidentified Audience Member

Hello, thank you. What are you doing with 3D TV and how do you see that playing out over the next two, three years?

Mike Angelakis - *Comcast Corporation - CFO*

You know, it's interesting. You know, with the ability to wear glasses and those kinds of things, it's really our view more event driven. We have lots of 3D, whether on-demand or from an event standpoint. It will be interesting how the technology develops. We've seen 3D obviously that you don't have to wear glasses. We're a little bit skeptical that it's not going to be as adopted as quickly as high-def or those kinds of elements. But we are prepared to provide that programming to the extent that TVs with sort of 3D become more ubiquitous and people start being more interested in it. So we are prepared.

We're really out in front in some areas with regards to golf. If you saw 3D golf, I think it was the Masters, it's pretty impressive, but you've got to wear the glasses, and I'm not sure how many people are going to do that on as frequent a daily use type versus I'm going to watch an event; I'm going to watch a specific movie. So I think technically and programming-wise, we're pretty well prepared for it, and we will see how it develops.

Unidentified Audience Member

Michael, are you seeing a greater level of management, top management, turnover at NBC than you expected or want to see?

Mike Angelakis - *Comcast Corporation - CFO*

You always ask the greatest questions. The answer is that's a tough one and I think that the turnover we've seen at NBC is very much expected from our side. So, not really worried about it.

The people we brought in are absolutely terrific. They've been both culturally and operationally I think doing a great job and they are four months on the job. And some of the turnover I would think has clearly been expected from our side.

James Ratcliffe - *Barclays Capital - Analyst*

Hop in with one more. When you think about the capital structure and the like, and anything over the last say six months and the like that changes your view of dividend versus buyback as a way to deploy that capital out of the mix?

Mike Angelakis - *Comcast Corporation - CFO*

Hate to be boring, but, you know, no I don't think it's really changed. I think we're setting a -- the financial strategy on an annual basis. We've accelerated all those items in terms of buybacks and dividends. And obviously we'll exhaust our buyback program by the end of this year. And we will have to sit down with our board and talk about it again. I'm pretty optimistic. And so nothing has really changed. I think that we've laid down the strategy and now it's just executing that strategy.

Unidentified Audience Member

I know you said that the NBCU, that the cash build was going the way you expected. If you had the opportunity to accelerate, would you do that? Are you sticking on a 3.5 and 3.5 years? Or would you accelerate that if you could?

Mike Angelakis - *Comcast Corporation - CFO*

You know, it's a great question and the answer is probably not. We have, as I mentioned earlier, a 50% carried interest that obviously will grow in value to the extent we execute. So, I kind of like having that value grow in our favor. No offense to GE, if we're building value, we're going to get compensated for that. So, to eliminate that or extinguish that prematurely and take on more risk from a -- probably a debt perspective, just doesn't seem to be the right risk/reward for us.

I think we spent enormous amount of time trying to fine tune that structure, and I think we are pretty happy with how the structure will play out.

James Ratcliffe - *Barclays Capital - Analyst*

Wrap up with two for similar to how --

Mike Angelakis - *Comcast Corporation - CFO*

Two questions?

James Ratcliffe - *Barclays Capital - Analyst*

Two questions, yes, okay. We are two sides of the same question.

Mike Angelakis - *Comcast Corporation - CFO*

Okay.

James Ratcliffe - *Barclays Capital - Analyst*

What are you most excited about? And what keeps you up at night?

Mike Angelakis - *Comcast Corporation - CFO*

Oh God. I'm pretty -- I think that we have done a really nice job of positioning the company -- but if you just talk about the Cable business -- to really play offense. And I really like playing offense. And I think that the management team is very focused on all the things we talked about. And I think from an organic standpoint, it feels really good that we are executing as precisely as we are.

And we're focused on, I think, all the right levers, whether they be retention, customer service, product enhancement, innovation, ARPU management, I think there's just the right amount of effort being put into all those. And I think the numbers in the last couple quarters show that. So I'm very excited about that.

NBCU is early days. The core cable channels, which we haven't talked about, which is really what we bought, are stellar businesses. They will do well over $3 billion of operating cash flow this year.

I think that they are in very good shape, where we have some fully distributed channels, but there's real opportunity still within them. We have some medium and less mature channels that I think we're going to continue to build and grow.

I think that the -- we talked about the network as a turnaround, and we will try as hard as we can to figure that out.

So, I feel pretty good that we have a great set of assets that is positioning the company in a pretty unique fashion. We've just got to execute. I also think we have really solid management team who is pretty cohesive in terms of working together.

I actually sleep pretty well at night, really do. So, not much keeps me up. I think that John's question is the right question, that you have the right people in place for all the different areas. I think that is a bit of a work in process. We're still working through that. And it's not a fun process. So I think we've got a terrific team. That team will be enhanced, but I -- overall I sleep pretty well at night.

James Ratcliffe - *Barclays Capital - Analyst*

We'll wrap up. Thanks very much, Mike.

Mike Angelakis - *Comcast Corporation - CFO*

Thanks, James.
