

REFINITIV STREETEVENTS

# EDITED TRANSCRIPT

CMCSA.OQ - Q4 2020 Comcast Corp Earnings Call

EVENT DATE/TIME: JANUARY 28, 2021 / 1:30PM GMT

## OVERVIEW:

Co. reported 4Q20 reported revenue of \$27.7b and adjusted EPS of \$0.56.

## CORPORATE PARTICIPANTS

**Brian L. Roberts** *Comcast Corporation - Chairman & CEO*  
**Dana Strong** *Comcast Corporation - Group Chief Executive Officer, Sky*  
**David N. Watson** *Comcast Corporation - President & CEO, Comcast Cable*  
**Jeff Shell** *Comcast Corporation - CEO, NBCUniversal*  
**Marci Ryvicker** *Comcast Corporation - SVP of IR*  
**Michael J. Cavanagh** *Comcast Corporation - CFO*

## CONFERENCE CALL PARTICIPANTS

**Benjamin Daniel Swinburne** *Morgan Stanley, Research Division - MD*  
**Brett Joseph Feldman** *Goldman Sachs Group, Inc., Research Division - Equity Analyst*  
**Craig Eder Moffett** *MoffettNathanson LLC - Founding Partner*  
**Douglas David Mitchelson** *Crédit Suisse AG, Research Division - MD*  
**Jessica Jean Reif Ehrlich** *BofA Merrill Lynch, Research Division - MD in Equity Research*  
**John Christopher Hodulik** *UBS Investment Bank, Research Division - MD, Sector Head of the United States Communications Group and Telco & Pay TV Analyst*  
**Philip A. Cusick** *JPMorgan Chase & Co, Research Division - MD and Senior Analyst*

## PRESENTATION

### Operator

Good morning, ladies and gentlemen, and welcome to Comcast's Fourth Quarter and Full Year 2020 Earnings Conference Call. (Operator Instructions) Please note that this conference call is being recorded.

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

---

### Marci Ryvicker - Comcast Corporation - SVP of IR

Thank you, operator, and welcome, everyone. Joining me on this morning's call are: Brian Roberts, Mike Cavanagh, Dave Watson, Jeff Shell and Jeremy Darroch. Brian and Mike will make formal remarks and Dave, Jeff and Jeremy will also be available for Q&A.

Let me now refer you to Slide 2, which contains our safe harbor disclaimer, and remind you that this conference call may include forward-looking statements subject to certain risks and uncertainties. In addition, during this call, we will refer to certain non-GAAP financial measures. Please see our 8-K and trending schedules for the reconciliations of these non-GAAP financial measures to GAAP.

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

---

### Brian L. Roberts - Comcast Corporation - Chairman & CEO

Thanks, Marci, and good morning, everyone. I'm really proud of our fourth quarter results and look forward to giving you a glimpse of what we're focused on and excited about once we come out of this pandemic.

Our most recent performance was highlighted by Cable, which grew EBITDA by over 12% and net cash flow by 26%. These are the best results of the year and of any fourth quarter in over a decade. We also have good news to share on our parks segment, which reached breakeven, excluding Beijing, even with Hollywood being closed.

Our premium ad-supported streaming service, Peacock, now has 33 million sign-ups within just 6 months of its nationwide launch. And encouragingly, Sky's customer and revenue base essentially returned to pre-COVID levels this past quarter. Clearly, our company is strong, a testament to the tough decisions made by our leadership team and the excellent execution and coordination by our dedicated employees.

Looking back over the whole year, 2020 was one of the most uncertain and challenging periods that any of us can remember. But we rose to the occasion, ensuring the safety and protection of our employees, providing customers with unparalleled service and innovative products that they relied on more than ever, strengthening our investment-grade balance sheet and continuing to invest for long-term growth and success.

This year's Cable results were nothing short of exceptional, hitting a number of company records. We generated 2 million net broadband additions for the year and 538,000 for the fourth quarter, reaching record-low churn. High-speed internet drove our highest-ever full year net customer relationship additions of 1.6 million, bringing us to 33 million total customer relationships. Yet with just only 50% penetration of our footprint, there remains plenty of opportunity for future growth. We also delivered outstanding EBITDA growth of nearly 9% and cash flow growth of 16% for all of 2020.

Broadband is the cornerstone of what we do, powered by our robust, flexible and reliable network. And the many years of investments we've made have been on full display. We've continued to enhance our market-leading competitive position while keeping people connected, protected, informed and entertained by proactively managing our network, increasing broadband speeds, expanding our Internet Essentials program for low-income households, providing payment plans for customers struggling the most and offering Peacock and Flex for free.

This pandemic has forced us to rethink the way we operate and service our customers. Immediately, we moved all of our care reps to work remotely from home, which has gone so well that we're leaning towards embracing this model permanently. In addition, we promoted further adoption of our digital self-help tools, such as Xfinity Assistant, which are available 24/7. We also expanded our self-installation eligibility. And now over 2/3 of our customers are connecting to our services this way.

We are working hard with our communications and marketing efforts to enhance awareness of all we have to offer, which enables us to take cost out of the business while delivering a better experience for our customers. In fact, in the past 12 months, we've reduced agent-handled calls by over 16 million and truck rolls by 1.6 million, all while adding the more than 1.5 million net new customer relationships.

Our efforts to reduce costs have been extremely successful. But what's even more exciting are the investments we're making to grow the overall business. A great example is Flex, which is offered to all of our broadband-only customers for free so that they can connect seamlessly to the streaming services they love. Within the first half of this year, Flex, along with X1, will be carrying all of the top streaming apps in the United States. We just added HBO Max. We'll be adding Disney+ in the near future. And we have many more on the road map. Flex has been a major win for us, and we continue to have really high hopes.

Xfinity Mobile just came off a strong fourth quarter with nice sequential improvement in customer additions, resulting from a number of significant changes as we fully integrated mobile into our core cable operations and reprioritized our sales channels. We're really excited for 2021 as we've recently expanded parts of our MVNO agreement with Verizon that will enable us to improve our range of offerings and acquire more customers more profitably. As we said from the beginning, an MVNO-led, capital-light wireless model is the right one for us and has even more strategic opportunity in the years ahead.

Business services came back faster than we expected. This quarter, we added 26,000 net new customers and generated revenue growth of 4.8%, the highest we've seen since the pandemic began. With less than 20% share of an approximately \$50 billion total addressable commercial market in our footprint, we saw plenty of runway. So all in all, Cable had a fantastic 2020. And we look forward to a very strong 2021 and beyond.

While the global pandemic has had a more significant impact on NBCUniversal, we took advantage of this moment to make a number of changes in both management and operations that sets us up for success. The most notable example is the reorganization of our cable networks and broadcast television businesses, which are now combined, along with Peacock, in a structure meant to drive long-term cost efficiencies and revenue opportunities. We finished the year having renewed a number of carriage agreements with many of our valuable distribution partners, putting us in a position of strength as we enter 2021.

Peacock has had an exceptional start, exceeding all of our internal targets. This premium hybrid AVOD service, which has a light ad load and is unlike any other, offers a breadth of content that appeals to just about every demographic at an unbeatable consumer value, much of it for free. Momentum has further accelerated with the addition of *The Office*, which we own and began streaming exclusively on Peacock as of January 1.

Not only is *The Office* driving incremental users, but these viewers are naturally finding and watching other programs on this platform, like *Parks and Rec*; *Yellowstone*; our latest original, *Saved by the Bell*; mega-hit movies from Universal and other studios; and sporting events such as the Premier League, golf and even an NFL Wild Card game. And earlier this week, we announced that *Modern Family* will be coming to Peacock next month, followed by the WWE in March.

In film, our decision to release our titles direct-to-consumer via premium video on-demand when theaters were forced to close, has proven to be profitable and the right move for us. While we look forward to when we can enjoy the theatrical release of many franchise films, such as *Fast 9* and the next *Minions* and *Jurassic World*, we will lean into what has become a successful hybrid distribution model.

COVID had the most direct impact on our theme parks, which were either closed or running at limited capacity for the bulk of 2020. But I'm pleased with how quickly we were able to reopen Orlando and Osaka while ensuring the safety of our staff and guests. We continue to provide an amazing entertainment experience, and our guests are responding, as confirmed by our steadily increased attendance and our most recent financial results. What we saw this fourth quarter, especially in Orlando, gives us even more conviction in the momentum that our theme parks will experience when we reach a sustainable recovery. We may experience some near-term setbacks with the most recent pickup in COVID cases. But I am optimistic as ever about the long-term trajectory of this very special business.

Sky had a strong and encouraging fourth quarter. We added net new customers in every market, bringing our customer base essentially back to pre-COVID levels. The same can be said for revenue, which was essentially flat from what we generated in the fourth quarter of 2019. And we continue to make meaningful progress on our strategic initiatives. Sky Q, which integrates streaming, has surpassed 60% penetration in the U.K. and is poised to continue with recent additions of Disney+, discovery+ and Amazon Prime Video. We're really pleased with the success of Sky Originals, which contributed to the 20% increase in viewership on our Sky Entertainment channels during the fourth quarter and all of 2020, reaffirming our commitment to creating Sky Studios and expanding original programming.

While the recent wave of COVID infections and related lockdowns across Europe are once again creating disruption, we are implementing the same protocols and procedures that worked the first time around with confidence of a similar pattern as this latest lockdown recedes. We really look forward to the second half of this year when we will also start to see the benefits from the reset of major sports rights contracts and cost savings that should result from a new, leaner operating model. And we're still on plan to double 2020 EBITDA over the next several years, as Jeremy recently laid out.

Speaking of Jeremy, I want to thank him for his exceptional leadership of Sky and for his partnership since the acquisition. He and the team have established a unique world-class brand and a strong, well-run business that's now fully integrated. I'm thrilled for Dana Strong, who has now taken over as CEO of Sky. Many of you on this call have met with Dana since she joined our Cable business as Head of Consumer Services back in 2018. She is an accomplished executive with a wonderful ability to transform, inspire and drive positive change. And on top of all that, she also has over 20 years of international experience with nearly half of it spent in Europe.

2021 offers a lot of promise for Comcast and hopefully for the entire world. While the first half will be more challenged than the second due to the most recent strain of COVID, we're really encouraged by the promise of a vaccine, which is the first step in putting the parts of our business that have been most impacted back on a path toward growth. This optimism is shared by our Board of Directors, which this morning announced an

increase in our dividend for the 13th consecutive year. I'm also pleased that it's now our expectation that we will return to repurchasing shares in the back half of this year.

While 2020 was not what any of us had imagined a year ago at this time, our execution, cooperation and fast decision-making enabled all parts of Comcast, NBCUniversal and Sky to respond and manage through a difficult environment remarkably well. I'm truly proud of what we have accomplished. And our fourth quarter shows just how well this company is positioned to succeed.

Mike, over to you.

---

**Michael J. Cavanagh** - Comcast Corporation - CFO

Thanks, Brian, and good morning, everyone. Now I'll review our fourth quarter 2020 results and make some comments on current conditions and, where possible, on the year ahead.

Let's begin on Slides 4 and 5 with our consolidated results. Revenue declined 2.4% to \$27.7 billion for the fourth quarter and 4.9% to \$103.6 billion for the full year.

Adjusted EBITDA declined 15% to \$7.2 billion for the fourth quarter and 10% to \$30.8 billion for the full year. COVID-related severance and restructuring charges were \$590 million in the fourth quarter and \$828 million for the full year as we took actions to position our businesses for success in a post-COVID world. The Corporate and Other segment includes these charges and also includes Peacock for its launch year. For 2020, Peacock generated revenue of over \$100 million while EBITDA losses approached \$700 million. We continue to expect that EBITDA losses for 2020 and 2021 combined for Peacock will total roughly \$2 billion.

Adjusted earnings per share declined 29% to \$0.56 for the quarter and 17% to \$2.61 for the year. Finally, free cash flow was \$1.7 billion in the quarter and \$13.3 billion for the full year, reflecting the decline in EBITDA and the benefit from a reduction in working capital and capital expenditures, in part due to the pandemic.

Now let's review our business segments, starting with Cable Communications on Slide 6. For the fourth quarter, Cable Communications revenue increased 6.3% while EBITDA increased 12% and adjusted EBITDA less capital grew 26%. For the full year, we grew customer relationships by 1.6 million, a 41% increase year-over-year with 455,000 net additions in the fourth quarter, driven by high-speed Internet, where we added 2 million net new residential and business customers this year and 538,000 in the fourth quarter. These record customer additions were the primary driver of our high-speed Internet revenue growth of 13% for the quarter and 10% for the full year.

Other revenue highlights include acceleration in both business services and wireless. Business services posted 4.8% revenue growth and 26,000 net new customer additions, primarily driven by improvement in small businesses. Wireless revenue grew 36% with 246,000 net new lines in the quarter, bringing us to 2.8 million total lines at year-end.

Wireless is a strategic priority for us and should accelerate on the back of several actions we have taken. First, we've expanded our Verizon MVNO agreement. Second, we fully integrated mobile into our core operations. And third, we've refined our marketing and activated all of our sales channels. And we're seeing a nice lift in our retail stores, which are now fully open.

For video, revenue declined 0.7% with higher rates implemented in the beginning of 2020 more than offset by subscriber declines, including a 248,000 net loss in customers this quarter. And advertising revenue increased 34% year-over-year or 2.2%, excluding political, which almost doubled what we had generated in the last presidential election cycle in 2016.

Turning to expenses. Cable Communications fourth quarter expenses increased 2.4%. Programming expenses were up 7.2% primarily due to the number of contract renewals that started to cycle through in 2020, combined with annual escalators in existing agreements. Non-programming expenses declined slightly, reflecting lower technical and product support and customer service costs, which were partially offset by higher

advertising, marketing and promotion spend to drive top line growth and higher expenses associated with the increased political advertising activity this quarter. Non-programming expenses per customer relationship decreased 5.1% despite our record customer growth.

Cable Communications EBITDA grew by 12% in the quarter and 8.6% for the full year, with margins reaching 42.1%, an improvement of 170 basis points, excluding the RSN adjustments that impacted results earlier in the year.

Cable capital expenditures decreased 1.1% resulting in CapEx intensity of 13.5%. For the full year, capital expenditures declined 4.4%, resulting in CapEx intensity of 11%, our lowest full year on record and an improvement of 100 basis points year-over-year, exclusive of RSN adjustments, driven by lower spending on customer premise equipment and support capital, partially offset by higher spending on scalable infrastructure, which was driven by our ongoing investment to enhance the capacity of our network to support increased data usage.

Turning to the current environment. High-speed internet customer additions remain healthy. And we have all the pieces in place for 2021 to be a very strong year. We also have to remember that 2020 was exceptional on many accounts. And because of that, we view 2019, which was also very strong for us, as the more appropriate year against which to benchmark our performance.

Turning to video. We expect the higher video rates we implemented at the beginning of this year, resulting from our current programming renewal cycle, to drive video sub losses back to the levels we had experienced in the first half of 2020. Our video strategy is centered on profitability. We do not chase unprofitable video subscribers as we can now offer Flex for free to those who prefer a streaming-only entertainment option.

Looking to the full year. We expect Cable Communications revenue growth to exceed the 3.4% we just reported for 2020 as we remain focused on driving our connectivity businesses with better year-over-year comparisons in the first half. We expect programming expense growth to increase at high single-digit levels similar to the fourth quarter as programming carriage renewals roll through in 2021, but programming expense growth is expected to moderate in 2022 and thereafter.

Non-programming operating expense growth should normalize at a low single-digit increase to 2019 levels as we support the higher level of customer relationships and accelerate growth in our wireless business, which we expect will achieve stand-alone profitability in 2021.

With our consistent discipline on expenses and capital investment, coupled with the trends at work as we remain focused on connectivity, we are confident in our ability to increase profitability, expand margins and improve CapEx intensity both in 2021 and thereafter.

Now let's turn to Slide 7 for NBCUniversal. For the fourth quarter, NBCUniversal revenue decreased 18% to \$7.5 billion and EBITDA decreased 21% to \$1.6 billion.

Cable Networks revenue was down 6.4% in the fourth quarter, driven by a 38% decline in content licensing and other revenue, while distribution revenue was flat compared to a year ago, reflecting the absence of carriage renewals, combined with modest sequential improvement in subscriber losses. The delay to the start of the NBA and NHL seasons had a negative impact on our advertising revenue, which declined 4.2%, while the related shift of sports rights amortization out of the quarter was a benefit to the EBITDA, which grew 22% year-over-year.

For the full year, Cable Networks EBITDA increased 4% primarily driven by the sports-related impacts of COVID. Fewer sporting events in 2020 contributed to lower distribution and advertising revenue as well as lower programming and production expenses of \$655 million year-over-year. Seasons were shortened earlier in the year and current seasons were delayed, pushing a number of events and the related rights amortization costs for 2021.

Looking to 2021, we expect healthy distribution revenue growth as a result of recent successful carriage renewals. We also currently expect significantly more sporting events compared to 2020, which should result in higher advertising revenue but also a significant increase in sports-related programming and production costs, equating to a low double-digit decline in Cable Networks EBITDA this year.

Turning to Broadcast. Revenue decreased 12% in the fourth quarter due to a 39% decline in content licensing and a 9.6% decline in advertising revenue, partially offset by another quarter of double-digit increases in retransmission consent fees. The content licensing revenue declines at

both Broadcast and Cable Networks were timing-related as sales to streaming platforms, including Peacock, were more heavily concentrated in the first 9 months of the year. We also had a difficult comparison to a significant library deal in last year's fourth quarter. The decline in advertising revenue was driven by lower ratings, partly due to the delayed launch of our fall season. This was somewhat offset by record levels of political advertising at our local stations. The lower revenues were partially offset by a decline in operating costs, reflecting lower content licensing and a delay in production due to COVID-19, resulting in a decline of 24% to \$356 million in Broadcast EBITDA.

Filmed Entertainment revenue declined 8.3% and EBITDA increased 65% to \$151 million for the fourth quarter. Theatrical revenue declined 70% due to theaters being either closed or operating at limited capacity while content and licensing increased 23%, driven by PVOD. Expenses were significantly lower due to fewer releases as a result of COVID-19. In 2021, we hope to debut a number of our franchise films in theaters, such as Fast 9 and Minions 2. But the situation remains fluid, and we are still adjusting our 2021 slate to maximize value as evidenced by our recent decision to push back the release of Boss Baby 2 from March to September.

Theme Parks revenue was \$579 million in the quarter with an EBITDA loss of \$15 million. These results reflect Universal Orlando Resort and Universal Studios Japan operating at limited capacity while Hollywood remains closed. Results also include \$45 million of Universal Beijing preopening costs. For 2021, keep in mind that the first quarter tends to be seasonally light in terms of attendance. And we also expect an increased COVID impact, given new restrictions in Japan, which have also caused us to delay the opening of Super Nintendo World. We are pleased that Universal Beijing remains set to open this summer with preopening costs ramping to \$300 million in the first half of this year.

One last item I'd like to highlight. We will be changing the way we report for NBCUniversal starting in the first quarter of 2021 with the largest impact being to our television businesses as we combine Cable Networks and Broadcast into one segment along with Peacock.

Now let's turn to Slide 8 for Sky, which I'll speak to on a constant currency basis. Sky revenue for the fourth quarter declined 0.9% to \$5.2 billion, reflecting a 2.8% decline in direct-to-consumer revenue, driven mostly by our hospitality or pubs and clubs segment, which was challenged by additional COVID-related lockdowns during the quarter. Excluding hospitality, direct-to-consumer revenue was essentially flat year-over-year with solid low single-digit growth in the U.K. Somewhat offsetting the decline in direct-to-consumer revenue was a 10% increase in content revenue as we monetized our original programming while advertising revenue grew 3.9% as Sky outperformed a challenged advertising market helped by a strong performance in the U.K.

Sky added 244,000 net new customers in the quarter, bringing us essentially back to pre-COVID levels of total customer relationships with additions in all markets, driven by a very healthy streaming business. We've also seen strong uptake in our broadband and mobile products in the U.K.

Sky EBITDA was \$139 million as the fourth quarter was impacted by a number of expense items, such as incremental sports rights amortization related to the shift of sporting events that have been delayed as a result of COVID-19, higher investments in entertainment programming, costs related to the launch of our new Sky channels last May as well as higher marketing spend to promote strategic initiatives, such as Sky Q, growth in our mobile product in the U.K. and broadband in Italy.

Looking ahead, we would characterize 2021 as a tale of 2 halves. The first half is under pressure due to the recent increase in COVID-related restrictions to the extreme levels we experienced at the beginning of the pandemic. With the government mandating the closure of pubs and clubs as well as many retail outlets, we are experiencing weakness in hospitality and advertising, and we now expect Sky's first quarter revenue to decline slightly year-over-year. We also expect first half expenses to be elevated when compared to 2020 as higher sports rights amortization resulting from sporting events being postponed from 2020 to 2021 will be with us through the second quarter. In non-sports-related costs, we will see an increase as we grow broadband and mobile in the U.K., broadband in Italy and launch the SMB business in the U.K. later this quarter.

In the second half of '21, we expect a quick recovery in hospitality and advertising revenue once these latest restrictions are lifted and an acceleration in EBITDA growth from the tailwinds related to our major sports rights resets and more efficient operating structure.

I'll wrap up with free cash flow and capital allocation on Slide 9. We generated \$13.3 billion in free cash flow and paid \$4.1 billion in dividends to our shareholders in 2020. Consolidated total capital, which includes CapEx as well as software and intangibles, decreased 6.4% for the year to \$11.6 billion while working capital improved by \$2.2 billion to a decline of \$178 million for the full year, both reflecting an impact from COVID. Looking



to 2021, we anticipate total capital will remain relatively flat to 2020 levels while the working capital drag will increase relative to the levels we saw in 2019, which is the more appropriate comparison due to an increase in content investments, our broadcast of the Olympics and the reversal of COVID-related one-time tax deferrals.

Turning to capital allocation. Our strategy has always been a balance of several important priorities: maintaining a strong balance sheet, investing in profitable organic growth and returning capital to shareholders.

First, on our balance sheet, we've made great progress reducing net debt from \$108 billion post the Sky acquisition at the end of 2018 to \$90 billion at the end of 2020.

Second, we remain focused on organic investment in our businesses to grow the long-term earnings power of the company, including our CapEx investment in broadband and parks and continued investment behind other growth initiatives where we see strong return on investments, such as Xfinity Mobile, Peacock, Flex, Sky Q and broadband in Italy.

Third, we are committed to returning capital to shareholders through dividends and buybacks. And we have a proven track record. We have increased our dividend 13 years in a row at a 17% CAGR, significantly in excess of the S&P over that same time period. In addition, we have a demonstrated history of buying back stock, having reduced our share count by nearly 20% between the NBCUniversal and Sky acquisitions.

In 2021, we believe we will be able to return to our historical practice of returning ample capital to our shareholders. We are again raising the dividend by \$0.08 a share to \$1 per share. And we are planning to return to buying back our stock. As Brian mentioned, our hope is to start in the back half of this year gradually ramping up to historical levels while we continue to pace towards hitting our intended target leverage levels, which we currently expect to reach by year-end 2022. The specific timing and magnitude of our buyback activity will be subject to improvement in our businesses most impacted by the pandemic and the implications related to potential changes in tax policy.

So thanks for joining us on the call this morning, and I'll now hand it back to Marci to handle Q&A.

---

**Marci Ryvicker** - Comcast Corporation - SVP of IR

Thanks, Mike. Regina, let's open the call for questions, please.

---

## QUESTIONS AND ANSWERS

### Operator

(Operator Instructions) Our first question comes from the line of Ben Swinburne with Morgan Stanley.

---

**Benjamin Daniel Swinburne** - Morgan Stanley, Research Division - MD

One for, I guess, Brian and Dave on Cable and then one for Jeff on NBC. So obviously, really strong customer metrics in 2020, particularly on the broadband side. And I was curious, when you look at what transpired last year in terms of the increased demand for the product and also how you guys operated the business, what are the things that you think are COVID-specific versus durable? I mean I know you talked about 2019 as the benchmark year. But as we think about the longer term, how do you look at last year's performance and some of the specific drivers in terms of their durability beyond the pandemic?

And then for Jeff, you guys laid out, and I realize this is prior to your elevation as CEO, I think, 30 million to 35 million active accounts on Peacock by '24. I know sign-ups and active accounts are different metrics, but it seems like you're nicely ahead of that trajectory. Can you just sort of reframe



the opportunity with Peacock for us today versus kind of the initial outlook? And when might revenues become kind of material to NBC for that business?

---

**David N. Watson** - Comcast Corporation - President & CEO, Comcast Cable

Well, Ben, this is Dave. I'll kick off on the Cable side. I think it starts with the main point that we've had great momentum in broadband for many quarters now, well before COVID. So there's been real strength in the category for us. And I think we point towards the fundamentals of broadband. And the fundamentals have been very consistent for us. And it starts with the market. The market is growing. We're taking share. And the sources are geographic all over the country where we serve and across the board competitively with DSL sources, telco, wired, wireless and other competitors.

So I think while there in '20, truly an exceptional year for performance, and as Brian said, I think the right way of looking at '20, you've got to look at the full year results. And when you do that, the 2 million net customer additions, it really is extraordinary. The fundamentals that we see going forward, low churn, we compete well on the front end because we've consistently invested in the best network in the marketplace, I think. That is ubiquitous. We deliver the best overall service, redefined the category in speed, coverage, control and now streaming. And so you add up all those things, I think you -- it points towards strong organic growth.

But as you look to next year, as Mike said, we do have a healthy start to the year. We're really encouraged to -- at what we're seeing right out of the gates. But I do think 2020, as everybody went home and there's just a lot more in a short period of time, folks that were working from home, schooling from home, I think there is -- that's a unique moment. But I think the fundamentals continue. We have penetration upside. There's growth opportunities that we believe strongly. I think '19 was a very strong year, too, by the way. I think that is the right one to look at as the best benchmark on a go-forward basis.

---

**Operator**

Our next question will come from the line of Jessica Reif Ehrlich with Bank of America.

---

**Jeff Shell** - Comcast Corporation - CEO, NBCUniversal

Hey, Ben. So Peacock obviously is a -- is primarily an AVOD service. And we have a number of metrics. The one that we -- that Brian and Mike talked about today is sign-ups, which we've said every quarter, which we reached 33 million this week. People sign up, then they use it actively and then the usage per user, that drives the amount of hours that we sell in advertising. And we were up significantly over all of our metrics versus what we anticipated going into the business. We're only -- we launched this on Comcast just over 9 months ago and nationally just over 6 months ago. So we're at the very beginning of this business.

But we're very confident, based on the small amount of time, that the business model is exactly the right business model. People are signing up. They're using it more than we expected. And advertisers are very interested in buying it. So this steady growth is very promising for us. And we don't have anything to reframe at this point. But I think that the performance, that is much better than we expected, gives us a lot of optionality going forward. But we're just going to continue to drive this business model now and focus on the advertising revenue.

---

**Operator**

Our next question is from the line of Jessica Reif Ehrlich with Bank of America.

---

**Jessica Jean Reif Ehrlich** - BofA Merrill Lynch, Research Division - MD in Equity Research

I also have two questions. First, on NBCU, can you talk about kind of the time frame and where you'll see the benefits of the restructuring? And within that, like what is the long-term view of Cable Networks? Will it all eventually be in Peacock? And on the Cable side, several of you mentioned,

I think, Brian -- I think all of you mentioned the benefits of the new Verizon MVNO deal. Where will that show up? Will it be in revenue, additional services? What's the time frame for that as well?

---

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Jeff, do you want to start?

---

**Jeff Shell** - Comcast Corporation - CEO, NBCUniversal

Yes. Thanks, Brian. Jessica, so we view, obviously, our television business as a whole. As Mike says, we're going to redo how we report starting next quarter. And we view the whole television business as a whole. And while our restructuring definitely took a lot of cost out of the business, but you're starting to see in the numbers, the real purpose of it was to allow us to grow it in the future and really run it as one business. So Cable Networks, obviously, are a big part of the business. They're still the biggest EBITDA driver. And I don't expect that to change anytime in the near future.

But we're looking at the 2 revenue streams of the business, it's subscription and advertising, as one business, Broadcast, Cable and Peacock, and we're programming it as such. We're selling it to advertisers as one platform as such. And so I think, over time, it will be harder and harder to distinguish between the profitability of Cable Networks and the rest of our television business because we're looking at it as one business. But the restructuring allows us to run it like that. And we think that, that's going to allow us to really grow the business over time.

---

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Dave, do you want to chip in on wireless?

---

**David N. Watson** - Comcast Corporation - President & CEO, Comcast Cable

Yes. Jessica, so the -- we've been really pleased with the relationship with Verizon. We've had a great partnership and glad that one important aspect of things is that improved MVNO. Brian mentioned the capital-light approach is working for us. We think it's going to work in the future. So I think as a starting point certainly will enable us to amplify what we're already doing, really push towards a range of offers to keep us very competitive. We continue to grab, switch and share in the mobile space.

But you back up for a second, and we're just -- overall, we have been pleased and we're very optimistic about the mobile business and what it will do, in particular, continues to perform very well for broadband retention. And so we're committed to accelerating growth in mobile, and we mentioned this last time. And while the MVNO enhancement is a nice step forward, there are a lot of other things that we're doing like, really going after every single sales channel that we have.

We reopened retail in a safe mode, new safety protocols. And every single sales channel, whether it's digital, call centers, you name it, we're really focusing on mobile. So we're also leaning into 5G. We'll participate very much in 5G. And we're featuring mobile in packaging with broadband, leading in some cases. When there's a new product NPI, whether it's Apple, Samsung, we use that moment to literally lead with mobile. So I think, overall, we're really pleased. And I think it -- we feel good about the runway.

I would also point towards our overarching plan that, one, we have access to, I think, the country's best network with Verizon and so talked about that. I think we also are leveraging -- continue to leverage WiFi. And we've always uniquely provided a great experience, not just in the home. We're improving things outside in the public area. And then over time, I think the other key thing, too, is being able to add a third layer, which could be our own targeted wireless infrastructure, which we might use to supplement the Verizon network and really go after the high dense usage areas from spectrum that we've already acquired. So I think all these factors point towards, I think, a unique opportunity for us.

---

**Operator**

Your next question comes from the line of Doug Mitchelson with Crédit Suisse.

---

**Douglas David Mitchelson** - *Crédit Suisse AG, Research Division - MD*

If I could just follow up on wireless, when you said that you can improve the range of offerings to more customers as part of the new MVNO, can you address business customers now with your wireless service? And perhaps you could before, but any clarification on that? And what are the new offerings and what are the new customers that you can address as a result of the changes to the MVNO? And then Brian, not to put you on the spot, but any thoughts on the Olympics and its likelihood and potential benefit to Peacock or the rest of the operations?

---

**Brian L. Roberts** - *Comcast Corporation - Chairman & CEO*

Well, I think on the wireless question, I think this is the beginning of the year, so I think we'll have more to report as the year goes on with -- to follow up on what Dave just said. But we -- including some offerings to businesses. But we're -- kind of it's early in the year, so stay tuned. But I think what we wanted to convey today is that the piece parts are in place and that we have momentum and it's a strategic part of our bundle, as Dave just said, in terms of reducing churn and also driving us toward breakeven and profitability. And this was -- these were important elements to get right. So I would say more to follow. And the question about Olympics is what? Will it happen? Or be a bit more specific, if you don't mind, Doug.

---

**Douglas David Mitchelson** - *Crédit Suisse AG, Research Division - MD*

Yes. Sorry, Brian. I guess there's some concern out there as to whether or not the Olympics will happen. And I know it's sort of important for driving your businesses. And it was something you're excited about in terms of marketing Peacock last year. And as you think of the step forward in Peacock and had some initial success, how do you think about using Olympics as a vehicle to drive usage and awareness of Peacock?

---

**Brian L. Roberts** - *Comcast Corporation - Chairman & CEO*

Yes. Understood. Well, first of all, I want to echo what Jeff said, really pleased with how fast Peacock has exceeded this year, even without the Olympics that we had hoped for and that was going to be the big launch moment. So I think the team is doing an outstanding job and giving us the fast start that I think everyone would want to have and even better than that, perhaps. So that gives us just great expectation for the future. So sitting here today, I believe there will be an Olympics. I hope there will be an Olympics, and I think that's our best intelligence at this time, and we're excited about that.

I think it can be done in a variety of ways as we've seen sporting events all over the world take place from Premier League to the NFL and many others with limited spectators, no spectators or wherever the world may be in Japan in July, that will be up to the country and host committee. If in the event it doesn't happen, we have another Olympics coming in Beijing 7 months later or so. So I don't know, Jeff, whether you want to add anything to that. But we're very hopeful and believe that they'll find a way to safely and successfully have the Olympics, which for us is a television event and would be an amazing moment for the world to come back together post what we've all globally been through, which is so unprecedented. So we're super hopeful and optimistic.

---

**Jeff Shell** - *Comcast Corporation - CEO, NBCUniversal*

Yes, I guess...

**Marci Ryvicker** - Comcast Corporation - SVP of IR

Go ahead, Jeff.

**Jeff Shell** - Comcast Corporation - CEO, NBCUniversal

No, I was just going to add to what Brian said. I think advertisers also are optimistic that the Olympics are coming. We continue to pace. I think last earnings call, I said we were up over where we were a year ago, when we thought the Olympics would be a year ago. That gap has grown even further as advertisers kind of jumped in to buy. So we're -- anything can happen in this COVID world. We don't know what's going to happen. But we're pretty confident the Olympics is going to happen and advertisers are kind of jumping in and agreeing with Brian's sentiments.

**Operator**

Your next question comes from the line of Phil Cusick with JPMorgan.

**Philip A. Cusick** - JPMorgan Chase & Co, Research Division - MD and Senior Analyst

Thanks for the buyback commentary. Should we still look at 2.5x trailing 12-month EBITDA as the test for buybacks? And can you remind us what the year-end '22 target is? And then Mike, to confirm your comments on margins and capital intensity, I think you're guiding to Cable margins and capital intensity improvements versus 2020 but not giving a level. I assume that's against reported numbers despite all the moving pieces. Can you give us any sort of direction on that level? And why not guide this year versus previous years?

**Michael J. Cavanagh** - Comcast Corporation - CFO

Sure, Phil, it's Mike. And Dave -- I'll do the second one first. I think Dave gave plenty of color in terms of -- as well as, I think, in the earlier comments about the activities of the Cable division in terms of focus on expenses, locking in programming renewals, which -- and just driving the business towards connectivity and wireless towards profitability. All those factors come together. And when you look at the long-term trajectory of the business, including our comment, is that we are confident in our ability to increase profitability, expand margins and improve capital intensity, not just in 2021, and that is versus reported 2020 numbers to your question, but really thereafter.

I mean I think the business is set up for that for the long-term horizon beyond just the year ahead. So calling out specific numbers, I think, is of less utility, frankly, than giving you the broad backdrop that gives you the long-term lens through which you can judge all those pieces. But we're quite confident that all those things coming together, expense discipline and efficiency on the capital side, combined with innovation and focus on connectivity, allows us to give that outlook that -- of improving margins and capital intensity looking out ahead. In terms of -- Dave, I don't know if you have anything to add there?

**David N. Watson** - Comcast Corporation - President & CEO, Comcast Cable

Yes. I think the focus of us really going after margin, capital intensity improvements, that's not going to stop. It starts with connectivity and building customer relationships in a profitable way, managing this video transition like we're doing and extreme focus around expenses that we, in a healthy way, Mike talked about it, Brian talked about it, just taken a lot of transactions out. Our digital focus and self-install kits, these are things that I think are very durable that will go beyond this -- what we're dealing with in this environment.

I think we've learned a ton and we'll continue to operate the business in a unique way. So I think you look towards those kinds of activities, the amount of SIK today, 2/3 of the transactions that connects are that way and then 3/4 of our digital-capable transactions are being completed through our digital tools. We're going to continue to focus on all those things that just drive non-programming cost. And so we'll stay focused on all of that.

**Michael J. Cavanagh** - Comcast Corporation - CFO

And then just elaborating, I think earlier comments really covered it all on buybacks, but I'll just expand a bit. I mean, obviously, we've been talking, Brian and I and the team, for a while about our desire to get back into the historical balance on capital allocation, which, as you know, is keeping the balance sheet strong, making healthy investments in the organic growth across our businesses, which I think from listening to the call today, anyone would, I hope, gather that we continue to be very much leaning into doing that where we see returns and opportunity to make investments in these businesses for growth, and then get back to our balance with complete capital return. It's the 13th year we've increased the dividend. But we turned off buybacks for a while and want to return to being in that portion of the return element as well.

So as I said, we're pleased with where the balance sheet is. We've gotten net debt down to \$90 billion from \$108 billion after Sky. Just the evidence that we're seeing in parks in the fourth quarter, we were breakeven ex the Beijing pre-operating cost, even with Hollywood closed and even with the capacity constraints, just gives us a high degree of confidence that when people can return to travel on the other side of vaccinations outpacing the virus that we're going to see the COVID-impacted EBITDA businesses snap back to historical levels.

To your point, it's going to take 12 months for it to run through and get a full -- and get it fully back. Hence, our point that in the second half of this year, we'd expect to see the beginnings of that. And rather than wait for a full 12 months, we'll start -- we hope and plan to begin our buyback at that moment. We'll keep it at the historical level, call it, as much as \$5 billion, ramp-up to that, and probably stay there until we actually get to the definition that you called out with -- on a 12-month trailing basis to get to around or just inside 2.5x. And I expect that to happen by the end of 2022.

**Operator**

Your next question comes from the line of Craig Moffett with MoffettNathanson.

**Craig Eder Moffett** - MoffettNathanson LLC - Founding Partner

Two questions if I could. First, Brian, you talked a little bit about how pleased you are with Flex. We certainly get more questions about it from our clients now than had been the case with a lot of enthusiasm for what Flex could become. So I wonder if you could just expand on Flex a little bit and talk about what your hopes and expectations are for Flex. And could you grow that into a national product that is widely distributed or even a global product that's widely distributed as an aggregator platform?

And then with respect to wireless, I wonder if you could just update us on your thinking about the CBRS spectrum now that we're out of the CBRS quiet period and what you might do now with strand-mounted small cells for traffic offload, whether you're testing that in any markets or how much traffic you expect you might be able to offload from the MVNO agreement.

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Dave, why don't you take the second one first about wireless and CBRS? I don't know if there's anything to add at this moment. But -- and if we're -- if you want to, feel free to talk about that.

**David N. Watson** - Comcast Corporation - President & CEO, Comcast Cable

Well, Craig, we have...

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

But if you want to start on Flex, that's fine, and I can follow you, so we can do both.

---

**David N. Watson** - Comcast Corporation - President & CEO, Comcast Cable

Yes. Well, let me touch on the first one then and go into CBRS. But on Flex, starting, Craig, with the -- our current strategy just a little bit, that we're -- we package it with broadband, another great way of surrounding broadband with products that drive better retention outcomes. And that's -- it's working. It's working very well. So we target it to the streaming segment and give the customer a great experience with the X1 voice and all the apps. So we've got tons of apps. We'll have just about everything, pleased with the Peacock performance for sure, all the other apps that we've launched, including HBO Max and soon to be later on this quarter, Disney.

I think today, it is more targeted. But as you mentioned, I really do think the next phase that we're working on and developing for and turning our innovation focus is that this is a long-term platform opportunity for us. And an aspect of the company that we have, called Xumo, that I think you all didn't know that, that's one piece of being able to drive -- help drive advertising. We can participate in revenue in the app splits that we get. And so we think of this with scale.

And as you build a common software stack that includes Sky, do it together, which we're already working on, and then you have opportunities and -- which we've talked about going to smart TVs but really leveraging unique scale internationally that we can have, whether it's a device or whether it's a software solution. But I think these are the things that we'll look at. Right now, it's working great within footprint, but we're building out plans beyond that.

---

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Hang on 1 second. Let me just add to that then that the whole articulation of the company's strategy with broadband and aggregation into streaming, I think, is embodied inside Flex. So Peacock's success very much partially due to the early success to what Flex can do for broadband customers. And we're seeing other programmers are approaching us with their content and seeing what both the X1 platform and the Peacock platform and this Flex platform can do for them. So that's led us to looking at what Dave was just talking about, what are other opportunities that are in -- that could be taking advantage of the scale on this platform and the ability to bundle things that way. And I think we'll have more to talk about throughout the year.

Same sort of answer on the wireless question. I think we're set up for future opportunities with some of the investments we've made and some of our early success. So I share your clients' enthusiasm. I think the product is going to continue to improve. We'll have some more updates on that as we go along. But I'm very encouraged as well. And I think the team that created Flex has done a great service for the company. Keep going, Dave.

---

**David N. Watson** - Comcast Corporation - President & CEO, Comcast Cable

I think the only other point on wireless, Brian and Craig, would be we are looking at and working on development plans around the targeted use of the CBRS spectrum in dense, high-usage areas and how we could offload traffic, have the experience be terrific in doing so. So nothing more really to come at this point. This is a multiyear effort. So -- but a lot of focus is on it right now.

---

**Operator**

Your next question comes from the line of Brett Feldman with Goldman Sachs.

---

**Brett Joseph Feldman** - *Goldman Sachs Group, Inc., Research Division - Equity Analyst*

And if you don't mind, I'm actually just going to follow up on Phil's question. So Mike, when you were responding to his question on the buybacks, you talked about ramping back up towards the historical level of \$5 billion a year until you get back to sort of that long-term leverage target of about 2.5 turns. But if I think longer term, if you were to sort of remain at your historical buyback pace, you would probably continue to delever, and I think actually quite rapidly.

Historically, you've tended to redeploy that excess liquidity into your strategic M&A program. And so the question is how do you think about the medium- to long-term importance of preserving dry powder for that type of flexibility versus whether your current asset portfolio is sufficiently well suited to meet your long-term operating targets?

**Michael J. Cavanagh** - *Comcast Corporation - CFO*

Well, sure. Brian can obviously chime in. But I think we feel very good about the collection of businesses that we have, how they fit together, how the -- how Sky has enabled, together with Cable and NBC, things that -- our advances in the 3 pillars that Brian described, broadband, streaming and aggregation. So I won't repeat too many of those proof points of what we are as a company. But we'll always look at M&A. But I don't think there's any doubt that we are very pleased and don't see any strategic gaps in the portfolio that we have. So we'll talk about it when we get to the 2.5x. But I wouldn't suggest that beyond that stage, we would just delever. I mean we get inside that number. And from there, we'll have options. And we'll discuss it with folks as we get there. But it's -- that's where we stand today. Brian, anything else you want to add?

**Brian L. Roberts** - *Comcast Corporation - Chairman & CEO*

Yes. I would just add two other things. I think it's an important moment for us with -- today in getting to a point that we feel the businesses are healthy, that we can see, we believe and we hope, obviously, things can change with progress with the vaccinations and the impaired businesses really having a road map to full recovery and beyond. And so getting back in balance with, as Mike described earlier, I think, is really important, something that I certainly really have wanted us to get to.

Second, we've also said that we like the mix of businesses. Roughly 70% of the company, being broadband-centric, is -- proved to be a really successful model. And we've had 10 wonderful years of growth of NBCUniversal. And last year was the only exception to that. So we expect great growth in all our businesses. But having a mix with -- where the businesses can work together, but having majority of the company being broadband-centric has worked really well for us.

So I think it's a -- we're very pleased with the company we've got. We've got great scale. We've got momentum. That's where our focus is at. And the main priority was today to get to this announcement of our expectations and then go ahead and hopefully see the world go in the right direction here and continue on the path we're on and get to the execution of that later in this year, so an important step today.

**Operator**

Our final question will come from the line of John Hodulik with UBS.

**John Christopher Hodulik** - *UBS Investment Bank, Research Division - MD, Sector Head of the United States Communications Group and Telco & Pay TV Analyst*

Two quick ones, I think. Maybe, first, a follow-up for Jeff on Peacock. Can you give us a sense of what content is resonating? And any color you have on engagement or ARPU or pay subs? And should we expect more spending on sports rights for the platform, following up on the WWE deal? And then maybe for Brian, just thoughts on how the regulatory backdrop will evolve. And is there any concern that net neutrality will emerge as a new policy bill?



---

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Jeff, why don't you go first?

---

**Jeff Shell** - Comcast Corporation - CEO, NBCUniversal

Yes. Yes. It's Jeff. So it's -- obviously, let me start with The Office. So The Office, we have The Office as of January 1. We've had it now for almost a month, very pleased with how it's doing. Our usage among our customers are actually higher than we think the usage was amongst Netflix customers. And more importantly, what's happening is we're seeing that people who are watching The Office on Peacock are watching lots of our other comedies. So it's really driving Parks and Rec and really driving Brooklyn Nine-Nine, amongst others. So there's kind of an ecosystem effect.

We've talked in previous quarters about how EPL has really worked for us, English Premier League, and how those viewers also came in to our surprise, a much greater percentage of them, then turned and watched other things like Yellowstone and our comedies. So we believe there's kind of an ecosystem here, like the whole world of broadcast, where people will -- we can cross-promote people into different things. And that certainly seems to be working and The Office has really worked.

WWE is kind of a perfect property for us because it allows us to, number one, thousands of hours of programming that were behind a paywall that we'll now put on the free service of Peacock, which will not only enhance the brand of WWE, but we can monetize in advertising. We get the events that were behind a paywall that used to be pay per view can drive our \$4.99 premium version of Peacock.

And then remember, we have a big investment in WWE at USA on our linear networks. And so this kind of particularly fits into our model of operating the business as a whole and cross-promoting and selling advertising clients one platform, one solution, as Linda calls it. So I think the model that we've constructed here to really kind of leverage our existing linear businesses and drive advertising is working. And I think comedy, sports, two of the success stories certainly so far.

---

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Okay. And I know we'll be having this conversation about the new administration government. So let me just quickly say I don't think there's anything new. We've managed successfully to work with different administrations with different regulatory perspectives around the broadband business. And -- but our view is obviously strongly felt that the long-standing light touch regulation has worked since President Clinton created that classification and hence reduces regulatory risk for investors and allows the company to invest more and that paid dividends unbelievably well during COVID.

And we were never asked to down-res any services. And content providers and consumers really benefited. And that wasn't universally the case around the globe with different broadband regimes. But we do believe in net neutrality and have -- we're not going to discriminate, block, throttle on some of the other principles that we've committed to. And so if there's a way to find a way to codify that and perhaps put this issue in a permanent, more consistent place, that's certainly a possibility.

I would like to just end the call by introducing Dana Strong just for a moment, who's taken over Sky just the last couple of weeks. Starting next call, Dana will be available to talk about Sky in great detail. But Dana, I didn't want this moment to pass without congratulating you and just introducing you to the group here to say just a few words.

---

**Dana Strong** - Comcast Corporation - Group Chief Executive Officer, Sky

Thanks so much, Brian. It's great to have the opportunity to say a quick hello to everyone. Looking forward to talking with you in future quarters, as Brian mentioned. Maybe for now, let me just briefly say that having spent the past few weeks in the U.K., I'm extremely confident about the exciting opportunities ahead for Sky.

When Brian called me, I knew this was an opportunity I couldn't pass up because I've always had great admiration for Sky. Having worked in Europe as long as I have, Brian mentioned that before, sometimes competing and partnering with Sky across those many years, I think I'm in the position to truly appreciate the unique market position that Sky holds in its iconic brand. And I just have to say that Jeremy has built an incredible organization, an amazing breadth of assets and a fantastic team. And I couldn't be more excited about leading Sky in this next chapter.

So Brian, we'll look forward to talking more about it in future calls. And back to you.

---

**Brian L. Roberts** - Comcast Corporation - Chairman & CEO

Thank you. And Jeremy, thank you as well. And I know you'll be guiding us here through the rest of this year as well. But both of you are going to be a great team. That wraps it up for me. Marci, do you have anything else?

---

**Marci Ryvicker** - Comcast Corporation - SVP of IR

I just want to thank everyone for joining us on our fourth quarter and full year 2020 earnings call. We hope you stay healthy and safe.

---

**Michael J. Cavanagh** - Comcast Corporation - CFO

Thanks, everybody.

---

**Operator**

There will be a replay available of today's call starting at 12:00 p.m. Eastern Time. It will run through Thursday, February 4, at midnight Eastern Time. The dial-in number is (855) 859-2056 and the conference ID number is 7964167. A recording of the conference call will also be available on the company's website beginning at 12:30 p.m. Eastern Time today. This concludes today's teleconference. Thank you for participating. You may all disconnect.

---

**DISCLAIMER**

Refinitiv reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2021, Refinitiv. All Rights Reserved.