

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): April 29, 2021

Comcast Corporation
(Exact Name of Registrant
as Specified in its Charter)

Pennsylvania
(State or Other Jurisdiction of Incorporation)

001-32871
(Commission File Number)

One Comcast Center
Philadelphia, PA
(Address of Principal Executive Offices)

27-0000798
(IRS Employer Identification No.)

19103-2838
(Zip Code)

Registrant's telephone number, including area code: (215) 286-1700

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading symbol(s)	Name of Each Exchange on Which Registered
Class A Common Stock, \$0.01 par value	CMCSA	NASDAQ Global Select Market
0.250% Notes due 2027	CMCS27	NASDAQ Global Market
1.500% Notes due 2029	CMCS29	NASDAQ Global Market
0.750% Notes due 2032	CMCS32	NASDAQ Global Market
1.875% Notes due 2036	CMCS36	NASDAQ Global Market
1.250% Notes due 2040	CMCS40	NASDAQ Global Market
9.455% Guaranteed Notes due 2022	CMCSA/22	New York Stock Exchange
5.50% Notes due 2029	CCGBP29	New York Stock Exchange
2.0% Exchangeable Subordinated Debentures due 2029	CCZ	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition

On April 29, 2021, Comcast Corporation (“Comcast”) issued a press release reporting the results of its operations for the three months ended March 31, 2021. The press release is attached hereto as Exhibit 99.1. Exhibit 99.2 sets forth the reasons Comcast believes that presentation of the non-GAAP financial measures contained in the press release provides useful information to investors regarding Comcast's results of operations and financial condition. To the extent material, Exhibit 99.2 also discloses the additional purposes, if any, for which Comcast's management uses these non-GAAP financial measures. A reconciliation of these non-GAAP financial measures with the most directly comparable GAAP financial measures is included in the press release itself. Comcast does not intend for this Item 2.02 or Exhibit 99.1 or Exhibit 99.2 to be treated as "filed" under the Securities Exchange Act of 1934, as amended, or incorporated by reference into its filings under the Securities Act of 1933, as amended.

Item 9.01. Exhibits

<u>Exhibit Number</u>	<u>Description</u>
<u>99.1</u>	<u>Comcast Corporation press release dated April 29, 2021.</u>
<u>99.2</u>	<u>Explanation of Non-GAAP and Other Financial Measures.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMCAST CORPORATION

Date: April 29, 2021

By: /s/ Daniel C. Murdock
Daniel C. Murdock
Executive Vice President, Chief Accounting Officer and
Controller
(Principal Accounting Officer)

COMCAST REPORTS 1st QUARTER 2021 RESULTS

PHILADELPHIA - April 29, 2021... Comcast Corporation (NASDAQ: CMCSA) today reported results for the quarter ended March 31, 2021.

"We are off to a great start in 2021. Our entire company performed well across the board, highlighted by another strong performance from cable, which posted its third consecutive quarter of double-digit Adjusted EBITDA growth, while adding the most quarterly customer relationships in our company's history. Outside of cable, I was also very pleased by the persistent recovery and increasing momentum at NBCUniversal and Sky. Our theme parks once again reached breakeven, excluding Universal Beijing Resort pre-opening costs; and – to the delight of our guests – we successfully re-opened Universal Studios Hollywood on April 16th. At Sky, customer relationship additions increased by 221,000, marking the best first quarter result in six years despite the lockdowns imposed throughout Europe. Across all parts of the company, our teams are executing at a high level and collaborating to drive growth and innovation, and I couldn't be more excited about our future," commented Brian L. Roberts, Chairman and Chief Executive Officer of Comcast Corporation.

(\$ in millions, except per share data)

Consolidated Results	2021	1st Quarter	
		2021	2020
			Change
Revenue	\$27,205	\$26,609	2.2 %
Net Income Attributable to Comcast	\$3,329	\$2,147	55.1 %
Adjusted Net Income ¹	\$3,529	\$3,266	8.1 %
Adjusted EBITDA ²	\$8,413	\$8,130	3.5 %
Earnings per Share ³	\$0.71	\$0.46	54.3 %
Adjusted Earnings per Share ¹	\$0.76	\$0.71	7.0 %
Net Cash Provided by Operating Activities	\$7,751	\$5,824	33.1 %
Free Cash Flow ⁴	\$5,280	\$3,325	58.8 %

For additional detail on segment revenue and expenses, customer metrics, capital expenditures, and free cash flow, please refer to the trending schedules on Comcast's Investor Relations website at www.cmcsa.com.

1st Quarter 2021 Highlights:

- Consolidated Adjusted EBITDA Increased 3.5%; Adjusted EPS Increased 7.0% to \$0.76; Generated Free Cash Flow of \$5.3 Billion
- Total Customer Relationships Across Cable Communications and Sky Increased 3.3% Year-Over-Year to 56.9 Million, Including Net Additions of 602,000 in the Quarter
- Cable Communications Total Customer Relationship Net Additions Were 380,000, the Best First Quarter Result on Record; Total Broadband Customer Net Additions Were 461,000
- Cable Communications Adjusted EBITDA Increased 12.4% and Adjusted EBITDA per Customer Relationship Increased 7.0%
- Cable Communications' Wireless Business Reached Breakeven for the First Time Since Launch in 2017; Total Customer Line Net Additions Were 278,000, the Best Quarterly Result on Record
- Marked the 10 Year Anniversary of Cable Communications' Internet Essentials Program and Continued to Invest in Lift Zones, Comcast Rise, and Other Important Programs That Help Close the Digital Divide and Increase Equity in the Communities in Which We Serve
- Theme Parks Reached Breakeven for the Second Consecutive Quarter Excluding Universal Beijing Resort Pre-Opening Costs
- Peacock Has 42 Million Sign-Ups to Date Across the U.S., Benefiting from the Recent Addition of Exclusive Domestic Streaming Rights to WWE Network and *The Office*
- Sky Launched 'Sky Connect' to Provide Small Businesses in the U.K. with a Better Broadband Experience; Utilized Cable Communications' Award-Winning Portfolio of Solutions and Services in the U.S.
- Amid Renewed Lock-Downs in Europe During the Quarter, Sky Total Customer Relationships Increased by 221,000 to 23.4 Million, the Best First Quarter Result in Six Years; Revenue Increased 10.6%, or 2.0% On a Constant Currency Basis, Led by Growth in Our U.K. Market

Consolidated Financial Results

Revenue for the first quarter of 2021 increased 2.2% to \$27.2 billion. **Net Income Attributable to Comcast** increased 55.1% to \$3.3 billion. **Adjusted Net Income** increased 8.1% to \$3.5 billion. **Adjusted EBITDA** increased 3.5% to \$8.4 billion.

Earnings per Share (EPS) for the first quarter of 2021 was \$0.71, an increase of 54.3% compared to the first quarter of 2020. **Adjusted EPS** increased 7.0% to \$0.76.

Capital Expenditures decreased 1.2% to \$1.9 billion in the first quarter of 2021. Cable Communications' capital expenditures increased 8.0% to \$1.4 billion. NBCUniversal's capital expenditures decreased 54.4% to \$172 million. Sky's capital expenditures increased 37.6% to \$271 million.

Net Cash Provided by Operating Activities was \$7.8 billion in the first quarter of 2021. **Free Cash Flow** was \$5.3 billion.

Dividends paid during the first quarter of 2021 totaled \$1.1 billion.

Cable Communications

(\$ in millions)			
	1st Quarter		
	2021	2020	Change
Cable Communications Revenue			
Broadband	\$5,600	\$5,001	12.0 %
Video	5,623	5,632	(0.2 %)
Voice	871	899	(3.1 %)
Wireless	513	343	49.7 %
Business Services	2,167	2,043	6.1 %
Advertising	618	557	10.8 %
Other	413	443	(6.7 %)
Cable Communications Revenue	\$15,805	\$14,918	5.9 %
Cable Communications Adjusted EBITDA	\$6,830	\$6,076	12.4 %
<i>Adjusted EBITDA Margin</i>	43.2 %	40.7 %	
Cable Communications Capital Expenditures	\$1,370	\$1,269	8.0 %
<i>Percent of Cable Communications Revenue</i>	8.7 %	8.5 %	

Revenue for Cable Communications increased 5.9% to \$15.8 billion in the first quarter of 2021, driven by increases in broadband, wireless, business services and advertising revenue, partially offset by decreases in other and voice revenue. Broadband revenue increased 12.0% due to an increase in the number of residential broadband customers and an increase in average rates. Wireless revenue increased 49.7% due to an increase in the number of customer lines and an increase in device sales. Business services revenue increased 6.1%, reflecting an increase in average rates and an increase in the number of customers receiving our services. Advertising revenue increased 10.8%, primarily reflecting higher revenue from our advanced advertising businesses and from recent acquisitions. Excluding political advertising revenue, advertising revenue increased 13.3%. Voice revenue decreased 3.1%, primarily reflecting a decrease in the number of residential voice customers. Other revenue decreased 6.7%, primarily reflecting lower revenue from our security and automation services and a decrease in certain billing and collection fees. Video revenue was consistent with the prior year period, reflecting a decrease in the number of residential video customers offset by an increase in average rates.

Total Customer Relationships increased by 380,000 to 33.5 million in the first quarter of 2021. Residential customer relationships increased by nearly 370,000 and business customer relationships increased by nearly 11,000. Total broadband customer net additions were 461,000, total video customer net losses were 491,000 and total voice customer net losses were 106,000. In addition, Cable Communications added 278,000 wireless lines in the quarter.

(in thousands)

	<u>1Q21</u>	<u>1Q20⁵</u>	<u>Net Additions</u>	
			<u>1Q21</u>	<u>1Q20</u>
Customer Relationships				
Residential Customer Relationships	31,062	29,483	370	360
Business Services Customer Relationships	2,437	2,408	11	11
Total Customer Relationships	33,499	31,891	380	371
Residential Customer Relationships Mix				
One Product Residential Customers	12,997	10,775	589	554
Two Product Residential Customers	8,645	8,848	(89)	(75)
Three or More Product Residential Customers	9,420	9,860	(130)	(119)
Residential Broadband Customers	28,774	26,854	448	466
Business Services Broadband Customers	2,261	2,226	12	11
Total Broadband Customers	31,034	29,080	461	477
Residential Video Customers	18,590	19,900	(404)	(388)
Business Services Video Customers	765	944	(87)	(22)
Total Video Customers	19,355	20,845	(491)	(409)
Residential Voice Customers	9,533	9,840	(112)	(94)
Business Services Voice Customers	1,363	1,347	6	5
Total Voice Customers	10,896	11,187	(106)	(89)
Total Wireless Lines	3,103	2,267	278	216

Adjusted EBITDA for Cable Communications increased 12.4% to \$6.8 billion in the first quarter of 2021, reflecting higher revenue, partially offset by a 1.5% increase in operating expenses. Programming costs increased 5.5%, reflecting the timing of contract renewals, partially offset by a decline in the number of video subscribers. Non-programming expenses decreased 1.1%, primarily reflecting lower other expenses, advertising, marketing and promotion expenses and customer service expenses, partially offset by higher franchise and regulatory fees. Non-programming expenses per customer relationship decreased 5.9%. Adjusted EBITDA per customer relationship increased 7.0%, and Adjusted EBITDA margin was 43.2% compared to 40.7% in the first quarter of 2020. Cable Communications results include Adjusted EBITDA⁶ of \$6 million from our wireless business, compared to a loss of \$59 million in the prior year period.

Capital Expenditures for Cable Communications increased 8.0% to \$1.4 billion in the first quarter of 2021, primarily reflecting increased investment in scalable infrastructure. Cable capital expenditures represented 8.7% of Cable revenue in the first quarter of 2021 compared to 8.5% in last year's first quarter.

NBCUniversal

(\$ in millions)

		1st Quarter		
	2021	2020	Change	
NBCUniversal Revenue				
Media	\$5,036	\$4,878	3.2 %	
Studios	2,396	2,409	(0.6 %)	
Theme Parks	619	925	(33.1 %)	
Headquarters and other	16	9	85.9 %	
Eliminations	(1,043)	(492)	(111.5 %)	
NBCUniversal Revenue	\$7,024	\$7,729	(9.1 %)	
NBCUniversal Adjusted EBITDA				
Media	\$1,473	\$1,529	(3.7 %)	
Studios	497	300	65.7 %	
Theme Parks	(61)	87	(170.9 %)	
Headquarters and other	(209)	(221)	5.7 %	
Eliminations	(210)	(6)	NM	
NBCUniversal Adjusted EBITDA	\$1,490	\$1,689	(11.8 %)	

NM=comparison not meaningful.

Beginning in the first quarter of 2021, the operations of Peacock, which were previously reported in Corporate and Other, will now be included with NBCUniversal results and the operations of NBCUniversal will now be presented in three reportable business segments: Media, Studios and Theme Parks. Prior periods have been adjusted to reflect this presentation.

Revenue for NBCUniversal decreased 9.1% to \$7.0 billion in the first quarter of 2021. **Adjusted EBITDA** decreased 11.8% to \$1.5 billion.

Media

Media revenue increased 3.2% to \$5.0 billion in the first quarter of 2021, reflecting higher distribution revenue and other revenue, partially offset by lower advertising revenue. Distribution revenue increased 9.1%, driven by contractual rate increases, partially offset by a decline in subscribers. Other revenue increased 5.3% due to an increase in revenue from our digital properties. Advertising revenue decreased 3.4%, reflecting ratings declines, partially offset by higher pricing and sports volume, as well as advertising revenue from Peacock, which had not yet launched in the prior year period. Adjusted EBITDA decreased 3.7% to \$1.5 billion in the first quarter of 2021, reflecting higher revenue, more than offset by higher programming and production expenses primarily driven by amortization of content at Peacock. Media results include \$91 million of revenue and an Adjusted EBITDA⁶ loss of \$277 million related to Peacock, compared to a loss of \$59 million in the prior year period.

Studios

Studios revenue decreased 0.6% to \$2.4 billion in the first quarter of 2021, primarily reflecting lower theatrical revenue, offset by higher content licensing revenue. Theatrical revenue decreased 87.7%, primarily driven by the deferral of theatrical releases as a result of theater closures and theaters operating at reduced capacity due to COVID-19. Content licensing revenue increased 14.1%, primarily due to a new licensing agreement for content that became exclusively available for streaming on Peacock during the quarter. Adjusted EBITDA increased 65.7% to \$497 million in the first quarter of 2021, reflecting lower revenue, more than offset by lower operating costs. The decrease in operating costs was primarily driven by lower advertising, marketing and promotion expenses, partially offset by higher programming and production expenses. The decrease in advertising, marketing and promotion expenses was primarily due to a reduced number of theatrical releases compared to the prior year period as a result of COVID-19. The higher programming and production expenses were primarily driven by costs associated with the new licensing agreement with Peacock during the quarter, partially offset by lower amortization associated with theatrical releases in the current period.

Theme Parks

Theme Parks revenue decreased 33.1% to \$619 million in the first quarter of 2021, primarily due to Universal Orlando Resort and Universal Studios Japan operating at limited capacity, while Universal Studios Hollywood remained closed during the quarter as a result of COVID-19. Theme Parks Adjusted EBITDA loss was \$61 million in the first quarter of 2021, which included pre-opening costs related to Universal Beijing Resort.

Headquarters and Other

NBCUniversal Headquarters and Other includes overhead, personnel costs and costs associated with corporate initiatives. Headquarters and Other Adjusted EBITDA loss was \$209 million compared to a loss of \$221 million in the first quarter of 2020.

Eliminations

Eliminations reflect the accounting for transactions among the NBCUniversal segments. Revenue eliminations for the quarter ended March 31, 2021 were \$1.0 billion compared to \$492 million in 2020, and Adjusted EBITDA eliminations were \$210 million compared to \$6 million in 2020. The year-over-year changes were primarily driven by the licensing of content by the Studios segment to Peacock in the Media segment.

Sky

(\$ in millions)				
		<u>1st Quarter</u>		
	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>Constant Currency Change⁷</u>
Sky Revenue				
Direct-to-Consumer	\$4,065	\$3,679	10.5 %	1.8 %
Content	358	325	10.3 %	1.7 %
Advertising	574	513	11.9 %	3.4 %
Sky Revenue	\$4,997	\$4,517	10.6 %	2.0 %
Sky Operating Costs and Expenses	\$4,633	\$3,966	16.8 %	7.8 %
Sky Adjusted EBITDA	\$364	\$551	(33.9 %)	(39.6 %)
<i>Adjusted EBITDA Margin</i>	<i>7.3 %</i>	<i>12.2 %</i>		

Revenue for Sky increased 10.6% to \$5.0 billion in the first quarter of 2021. Excluding the impact of currency, revenue increased 2.0%, reflecting higher direct-to-consumer revenue, advertising revenue and content revenue. Direct-to-consumer revenue increased 1.8% to \$4.1 billion, driven by increases in average revenue per customer relationship and customer relationships. Advertising revenue increased 3.4% to \$574 million, due to higher advanced advertising revenue in the U.K. Content revenue increased 1.7% to \$358 million, primarily due to higher wholesale revenue from sports programming.

Total Customer Relationships increased by 221,000 to 23.4 million in the first quarter of 2021.

(in thousands)				
		<u>Customers</u>		<u>Net Additions</u>
		<u>1Q21</u>	<u>1Q20⁸</u>	<u>1Q21</u>
Total Customer Relationships		23,446	23,216	221
				(65)

Adjusted EBITDA for Sky decreased 33.9% to \$364 million in the first quarter of 2021. Excluding the impact of currency, Adjusted EBITDA decreased 39.6%, reflecting higher revenue and lower other expenses driven by decreases in personnel-related costs, more than offset by higher programming and production expenses and direct network costs. The increase in programming and production expenses primarily reflects higher sports programming costs due to an increase in the number of sporting events in the current period. The increase in direct network costs was driven by higher costs associated with growth in Sky's residential mobile and broadband businesses.

Corporate, Other and Eliminations

Corporate and Other

Corporate and Other primarily relates to corporate operations and Comcast Spectacor. Revenue for the quarter ended March 31, 2021 was \$89 million compared to \$120 million in 2020. Corporate and Other Adjusted EBITDA loss was \$281 million compared to a loss of \$193 million in 2020, reflecting the impact of COVID-19 on Spectacor operations.

Eliminations

Eliminations reflect the accounting for transactions between Cable Communications, NBCUniversal, Sky and Corporate and Other. Revenue eliminations for the quarter ended March 31, 2021 were \$710 million compared to \$675 million in 2020, and Adjusted EBITDA eliminations were a benefit of \$10 million compared to a benefit of \$7 million in 2020.

Notes:

- 1 We define Adjusted Net Income and Adjusted EPS as net income attributable to Comcast Corporation and diluted earnings per common share attributable to Comcast Corporation shareholders, respectively, adjusted to exclude the effects of the amortization of acquisition-related intangible assets, investments that investors may want to evaluate separately (such as based on fair value) and the impact of certain events, gains, losses or other charges that affect period-over-period comparisons. See Table 5 for reconciliations of non-GAAP financial measures.
- 2 We define Adjusted EBITDA as net income attributable to Comcast Corporation before net income (loss) attributable to noncontrolling interests and redeemable subsidiary preferred stock, income tax expense, investment and other income (loss), net, interest expense, depreciation and amortization expense, and other operating gains and losses (such as impairment charges related to fixed and intangible assets and gains or losses on the sale of long-lived assets), if any. From time to time, we may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other charges (such as significant legal settlements) that affect the period-to-period comparability of our operating performance. See Table 4 for reconciliation of non-GAAP financial measure.
- 3 All earnings per share amounts are presented on a diluted basis.
- 4 We define Free Cash Flow as net cash provided by operating activities (as stated in our Consolidated Statement of Cash Flows) reduced by capital expenditures and cash paid for intangible assets. From time to time, we may exclude from Free Cash Flow the impact of certain cash receipts or payments (such as significant legal settlements) that affect period-to-period comparability. Cash payments related to certain capital or intangible assets, such as the construction of Universal Beijing Resort, are presented separately in our Consolidated Statement of Cash Flows and are therefore excluded from capital expenditures and cash paid for intangible assets for Free Cash Flow. See Table 4 for reconciliation of non-GAAP financial measure.
- 5 In the first quarter of 2021, we updated Cable Communications' total residential customer relationships and broadband customers due to a conforming change to methodology resulting in a reduction of approximately 26,000 customers. There was no impact to net additions and prior periods have been recast on a comparable basis.
- 6 Adjusted EBITDA is the measure of profit or loss for our segments. From time to time, we may present Adjusted EBITDA for components of our reportable segments, such as Peacock and the wireless business within Cable Communications. We believe these measures are useful to evaluate our financial results and provide a basis of comparison to others, although our definition of Adjusted EBITDA may not be directly comparable to similar measures used by other companies. Adjusted EBITDA for components are generally presented on a consistent basis with the respective segments and include direct revenue and operating costs and expenses attributed to the component operations.
- 7 Sky constant currency growth rates are calculated by comparing the current period results to the comparative period results in the prior year adjusted to reflect the average exchange rates from the current year period rather than the actual exchange rates in effect during the respective prior year periods. See Table 6 for reconciliation of Sky's constant currency growth.

8 In the first quarter of 2021, we implemented conforming changes in the methodology for counting commercial customer relationships in Italy and Germany, which are now counted on a consistent basis with customers in the United Kingdom. The change resulted in a reduction in Sky's total customer relationships of 714,000 as of December 31, 2020. The impact of the change in methodology to customer relationship net additions for any period was not material. For comparative purposes, we have recast Sky's historical total customer relationships to reflect this adjustment.

All percentages are calculated on whole numbers. Minor differences may exist due to rounding.

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Conference Call and Other Information

Comcast Corporation will host a conference call with the financial community today, April 29, 2021 at 8:30 a.m. Eastern Time (ET). The conference call and related materials will be broadcast live and posted on our Investor Relations website at www.cmcsa.com. Those parties interested in participating via telephone should dial (800) 263-8495 with the conference ID number 5168008. A replay of the call will be available starting at 12:00 p.m. ET on April 29, 2021, on the Investor Relations website or by telephone. To access the telephone replay, which will be available until Thursday, May 6, 2021 at midnight ET, please dial (855) 859-2056 and enter the conference ID number 5168008.

From time to time, we post information that may be of interest to investors on our website at www.cmcsa.com and on our corporate website, www.comcastcorporation.com. To automatically receive Comcast financial news by email, please visit www.cmcsa.com and subscribe to email alerts.

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Caution Concerning Forward-Looking Statements

This press release includes statements that may constitute forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made, and involve risks and uncertainties that could cause actual events or our actual results to differ materially from those expressed in any such forward-looking statements. In evaluating these statements, readers should consider various factors, including the risks and uncertainties we describe in the "Risk Factors" sections of our most recent Annual Report on Form 10-K, our most recent Quarterly Report on Form 10-Q and other reports filed with the Securities and Exchange Commission (SEC). We undertake no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise.

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Non-GAAP Financial Measures

In this discussion, we sometimes refer to financial measures that are not presented according to generally accepted accounting principles in the U.S. (GAAP). Certain of these measures are considered "non-GAAP financial measures" under the SEC regulations; those rules require the supplemental explanations and reconciliations that are in Comcast's Form 8-K (Quarterly Earnings Release) furnished to the SEC.

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About Comcast Corporation

Comcast Corporation (Nasdaq: CMCSA) is a global media and technology company that connects people to moments that matter. We are principally focused on broadband, aggregation, and streaming with over 56 million customer relationships across the United States and Europe. We deliver broadband, wireless, and video through our Xfinity, Comcast Business, and Sky brands; create, distribute, and stream leading entertainment, sports, and news through Universal Filmed Entertainment Group, Universal Studio Group, Sky Studios, the NBC and Telemundo broadcast networks, multiple cable networks, Peacock, NBCUniversal News Group, NBC Sports, Sky News, and Sky Sports; and provide memorable experiences at Universal Parks and Resorts in the United States and Asia.

Visit www.comcastcorporation.com for more information.

TABLE 1
Condensed Consolidated Statement of Income (Unaudited)



	Three Months Ended March 31,	
	2021	2020
(in millions, except per share data)		
Revenue	\$27,205	\$26,609
Costs and expenses		
Programming and production	8,919	8,301
Other operating and administrative	8,269	8,254
Advertising, marketing and promotion	1,616	1,938
Depreciation	2,117	2,107
Amortization	1,245	1,157
	22,166	21,757
Operating income	5,039	4,852
Interest expense	(1,018)	(1,212)
Investment and other income (loss), net		
Equity in net income (losses) of investees, net	136	(668)
Realized and unrealized gains (losses) on equity securities, net	237	(58)
Other income (loss), net	17	10
	390	(716)
Income before income taxes	4,411	2,924
Income tax expense	(1,119)	(700)
Net income	3,292	2,224
Less: Net income (loss) attributable to noncontrolling interests and redeemable subsidiary preferred stock	(37)	77
Net income attributable to Comcast Corporation	\$3,329	\$2,147
Diluted earnings per common share attributable to Comcast Corporation shareholders	\$0.71	\$0.46
Diluted weighted-average number of common shares	4,665	4,617

TABLE 2
Consolidated Statement of Cash Flows (Unaudited)



(in millions)	Three Months Ended March 31,	
	2021	2020
OPERATING ACTIVITIES		
Net income	\$3,292	\$2,224
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,362	3,264
Share-based compensation	373	298
Noncash interest expense (income), net	62	227
Net (gain) loss on investment activity and other	(239)	791
Deferred income taxes	28	(120)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Current and noncurrent receivables, net	554	198
Film and television costs, net	393	3
Accounts payable and accrued expenses related to trade creditors	(198)	(727)
Other operating assets and liabilities	124	(334)
Net cash provided by operating activities	<u>7,751</u>	<u>5,824</u>
INVESTING ACTIVITIES		
Capital expenditures	(1,859)	(1,881)
Cash paid for intangible assets	(612)	(618)
Construction of Universal Beijing Resort	(428)	(371)
Acquisitions, net of cash acquired	(147)	(194)
Proceeds from sales of businesses and investments	388	17
Purchases of investments	(52)	(69)
Other	98	15
Net cash provided by (used in) investing activities	<u>(2,612)</u>	<u>(3,101)</u>
FINANCING ACTIVITIES		
Proceeds from borrowings	192	9,281
Repurchases and repayments of debt	(124)	(7,439)
Repurchases of common stock under employee plans	(309)	(233)
Dividends paid	(1,080)	(977)
Other	(577)	(258)
Net cash provided by (used in) financing activities	<u>(1,898)</u>	<u>374</u>
Impact of foreign currency on cash, cash equivalents and restricted cash	(33)	(77)
Increase (decrease) in cash, cash equivalents and restricted cash	3,208	3,020
Cash, cash equivalents and restricted cash, beginning of period	<u>11,768</u>	<u>5,589</u>
Cash, cash equivalents and restricted cash, end of period	<u><u>\$14,976</u></u>	<u><u>\$8,609</u></u>

TABLE 3
Condensed Consolidated Balance Sheet (Unaudited)



(in millions)	March 31, 2021	December 31, 2020
ASSETS		
Current Assets		
Cash and cash equivalents	\$14,950	\$11,740
Receivables, net	10,986	11,466
Other current assets	3,502	3,535
Total current assets	29,438	26,741
Film and television costs	12,983	13,340
Investments	7,889	7,820
Investment securing collateralized obligation	487	447
Property and equipment, net	52,317	51,995
Goodwill	70,106	70,669
Franchise rights	59,365	59,365
Other intangible assets, net	34,861	35,389
Other noncurrent assets, net	11,065	8,103
	\$278,511	\$273,869
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses related to trade creditors	\$11,148	\$11,364
Accrued participations and residuals	1,619	1,706
Deferred revenue	3,376	2,963
Accrued expenses and other current liabilities	9,891	9,617
Current portion of long-term debt	4,777	3,146
Total current liabilities	30,811	28,796
Long-term debt, less current portion	98,936	100,614
Collateralized obligation	5,168	5,168
Deferred income taxes	28,260	28,051
Other noncurrent liabilities	20,690	18,222
Redeemable noncontrolling interests and redeemable subsidiary preferred stock	546	1,280
Equity		
Comcast Corporation shareholders' equity	92,575	90,323
Noncontrolling interests	1,525	1,415
Total equity	94,100	91,738
	\$278,511	\$273,869

TABLE 4



Reconciliation from Net Income Attributable to Comcast Corporation to Adjusted EBITDA (Unaudited)

(in millions)	Three Months Ended March 31,	
	2021	2020
Net income attributable to Comcast Corporation	\$3,329	\$2,147
Net income (loss) attributable to noncontrolling interests and redeemable subsidiary preferred stock	(37)	77
Income tax expense	1,119	700
Interest expense	1,018	1,212
Investment and other (income) loss, net	(390)	716
Depreciation and amortization	3,362	3,264
Adjustments ⁽¹⁾	12	14
Adjusted EBITDA	\$8,413	\$8,130

Reconciliation from Net Cash Provided by Operating Activities to Free Cash Flow (Unaudited)

(in millions)	Three Months Ended March 31,	
	2021	2020
Net cash provided by operating activities	\$7,751	\$5,824
Capital expenditures	(1,859)	(1,881)
Cash paid for capitalized software and other intangible assets	(612)	(618)
Free Cash Flow	\$5,280	\$3,325

Alternate Presentation of Free Cash Flow (Unaudited)

(in millions)	Three Months Ended March 31,	
	2021	2020
Adjusted EBITDA	\$8,413	\$8,130
Capital expenditures	(1,859)	(1,881)
Cash paid for capitalized software and other intangible assets	(612)	(618)
Cash interest expense	(911)	(991)
Cash taxes	(87)	(281)
Changes in operating assets and liabilities	(176)	(1,393)
Noncash share-based compensation	373	298
Other ⁽²⁾	139	61
Free Cash Flow	\$5,280	\$3,325

⁽¹⁾ 1st quarter 2021 and 2020 Adjusted EBITDA exclude \$12 million and \$14 million of other operating and administrative expense, respectively, related to the Sky transaction, primarily relating to the replacement of share-based compensation awards and costs related to integration activities.

⁽²⁾ 1st quarter 2021 and 2020 include decreases of \$12 million and \$14 million of costs related to the Sky transaction, respectively, as these amounts are excluded from Adjusted EBITDA.

Note: Minor differences may exist due to rounding.

TABLE 5



Reconciliations of Adjusted Net Income and Adjusted EPS (Unaudited)

(in millions, except per share data)	Three Months Ended March 31,			
	2021		2020	
	\$	EPS	\$	EPS
Net income attributable to Comcast Corporation and diluted earnings per share attributable to Comcast Corporation shareholders	\$3,329	\$0.71	\$2,147	\$0.46
<i>Change</i>	55.1 %	54.3 %		
Amortization of acquisition-related intangible assets ⁽¹⁾	477	0.11	458	0.10
Investments ⁽²⁾	(287)	(0.06)	544	0.13
Items affecting period-over-period comparability:				
Loss on early redemption of debt ⁽³⁾	—	—	106	0.02
Costs related to Sky transaction ⁽⁴⁾	10	—	11	—
Adjusted Net income and Adjusted EPS	\$3,529	\$0.76	\$3,266	\$0.71
<i>Change</i>	8.1 %	7.0 %		

(1) Acquisition-related intangible assets are recognized as a result of the application of Accounting Standards Codification Topic 805, *Business Combinations* (such as customer relationships), and their amortization is significantly affected by the size and timing of our acquisitions. Amortization of intangible assets not resulting from business combinations (such as software and acquired intellectual property rights used in our theme parks) is included in Adjusted Net Income and Adjusted EPS.

	Three Months Ended March 31,	
	2021	2020
Amortization of acquisition-related intangible assets before income taxes	\$592	\$575
Amortization of acquisition-related intangible assets, net of tax	\$477	\$458

(2) Adjustments for investments include realized and unrealized (gains) losses on equity securities, net (as stated in Table 1), as well as the equity in net (income) losses of investees, net, for certain equity method investments, including Atairos and Hulu.

	Three Months Ended March 31,	
	2021	2020
Realized and unrealized (gains) losses on equity securities, net	(\$237)	\$58
Equity in net (income) losses of investees, net	(133)	663
Investments before income taxes	(370)	721
Investments, net of tax	(\$287)	\$544

(3) 1st quarter 2020 net income attributable to Comcast Corporation includes \$140 million of interest expense, \$106 million net of tax, resulting from the early redemption of debt.

(4) 1st quarter 2021 and 2020 net income attributable to Comcast Corporation includes \$12 million and \$14 million of operating costs and expenses, \$10 million and \$11 million net of tax, respectively, related to the Sky transaction.

Note: Minor differences may exist due to rounding.

TABLE 6



Reconciliation of Sky Constant Currency Growth (Unaudited)

(in millions)	Three Months Ended March 31,		
	2021	2020 ⁽¹⁾	Change
Direct-to-Consumer	\$4,065	\$3,993	1.8 %
Content	358	352	1.7 %
Advertising	574	555	3.4 %
Revenue	\$4,997	\$4,900	2.0 %
Operating costs and expenses	\$4,633	\$4,298	7.8 %
Adjusted EBITDA	\$364	\$602	(39.6 %)

(1) 2020 results for entities reporting in currencies other than United States dollars are converted into United States dollars using the average exchange rates from the current period rather than the actual exchange rates in effect during the respective periods.

Note: Minor differences may exist due to rounding.

Exhibit 99.2 - Explanation of Non-GAAP and Other Financial Measures

This Exhibit 99.2 to the accompanying Current Report on Form 8-K for Comcast Corporation (“we”, “us” or “our”) sets forth the reasons we believe that presentation of financial measures not in accordance with generally accepted accounting principles in the United States (GAAP) contained in the earnings press release filed as Exhibit 99.1 to the Current Report on Form 8-K provides useful information to investors regarding our results of operations and financial condition. To the extent material, this Exhibit also discloses the additional purposes, if any, for which our management uses these non-GAAP financial measures. Reconciliations between these non-GAAP financial measures and their most directly comparable GAAP financial measures are included in the earnings press release itself. Non-GAAP financial information should be considered in addition to, but not as a substitute for, operating income, net income, net income attributable to Comcast Corporation, earnings per common share attributable to Comcast Corporation shareholders, net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure and is the primary basis used to measure the operational strength and performance of our businesses as well as to assist in the evaluation of underlying trends in our businesses. This measure eliminates the significant level of noncash depreciation and amortization expense that results from the capital-intensive nature of certain of our businesses and from intangible assets recognized in business combinations. It is also unaffected by our capital and tax structures, and by our investment activities, including the results of entities that we do not consolidate, as our management excludes these results when evaluating our operating performance. Our management and Board of Directors use this financial measure to evaluate our consolidated operating performance and the operating performance of our operating segments and to allocate resources and capital to our operating segments. It is also a significant performance measure in our annual incentive compensation programs. Additionally, we believe that Adjusted EBITDA is useful to investors because it is one of the bases for comparing our operating performance with that of other companies in our industries, although our measure of Adjusted EBITDA may not be directly comparable to similar measures used by other companies.

We define Adjusted EBITDA as net income attributable to Comcast Corporation before net income (loss) attributable to noncontrolling interests and redeemable subsidiary preferred stock, income tax expense, investment and other income (loss), net, interest expense, depreciation and amortization expense, and other operating gains and losses (such as impairment charges related to fixed and intangible assets and gains or losses on the sale of long-lived assets), if any. From time to time, we may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other charges (such as significant legal settlements) that affect the period-to-period comparability of our operating performance.

We also use Adjusted EBITDA as the measure of profit or loss for our segments. Our measure of Adjusted EBITDA for our segments is not a non-GAAP financial measure under rules promulgated by the Securities and Exchange Commission.

Adjusted Net Income and Adjusted EPS

Adjusted Net Income and Adjusted EPS are non-GAAP financial measures presenting the earnings generated by our ongoing operations that we believe is useful to investors in making meaningful comparisons to other companies, although these measures may not be directly comparable to similar measures used by other companies, and period-over-period comparisons. Adjusted Net Income and Adjusted EPS are defined as net income attributable to Comcast Corporation and diluted earnings per common share attributable to Comcast Corporation shareholders, respectively, adjusted to exclude the effects of the amortization of acquisition-related intangible assets, investments that investors may want to evaluate separately (such as based on fair value) and the impact of certain events, gains, losses or other charges that affect period-over-period comparisons. Acquisition-related intangible assets are recognized as a result of the application of Accounting Standards Codification Topic (“ASC”) 805, *Business Combinations* (such as customer relationships), and their amortization is significantly affected by the size and timing of our acquisitions. Amortization of intangible assets not resulting from business combinations (such as software and acquired intellectual property rights used in our theme parks) is included in Adjusted Net Income and Adjusted EPS. Investments that investors may want to evaluate separately include all equity securities accounted for under ASC Topic 321, *Investments-Equity Securities*, as well as certain investments accounted for under ASC 323, *Investments-Equity Method and Joint Ventures*.

Exhibit 99.2 - Explanation of Non-GAAP and Other Financial Measures, cont'd

Free Cash Flow

Free Cash Flow is a non-GAAP financial measure that we believe provides a meaningful measure of liquidity and a useful basis for assessing our ability to repay debt, make strategic acquisitions and investments, and return capital to investors through stock repurchases and dividends. It is also a significant performance measure in our annual incentive compensation programs. Additionally, we believe Free Cash Flow is useful to investors as a basis for comparing our performance and coverage ratios with other companies in our industries, although our measure of Free Cash Flow may not be directly comparable to similar measures used by other companies. Free Cash Flow has certain limitations, including that it does not represent the residual cash flow available for discretionary expenditures since other non-discretionary payments, such as mandatory debt repayments, are not deducted from the measure.

Free Cash Flow is defined as net cash provided by operating activities (as stated in our Consolidated Statement of Cash Flows) reduced by capital expenditures and cash paid for intangible assets. From time to time, we may exclude from Free Cash Flow the impact of certain cash receipts or payments (such as significant legal settlements) that affect period-to-period comparability. Cash payments related to certain capital or intangible assets, such as the construction of Universal Beijing Resort, are presented separately in our Statement of Cash Flows and are therefore excluded from capital expenditures and cash paid for intangible assets for Free Cash Flow.

Constant Currency

Constant currency and constant currency growth rates are non-GAAP financial measures that present our results of operations excluding the estimated effects of foreign currency exchange rate fluctuations. Certain of our businesses, including Sky, have operations outside the United States that are conducted in local currencies. As a result, the comparability of the financial results reported in U.S. dollars is affected by changes in foreign currency exchange rates. In our Sky segment, we use constant currency and constant currency growth rates to evaluate the underlying performance of the business, and we believe it is helpful for investors to present operating results on a comparable basis period over period to evaluate its underlying performance.

Constant currency and constant currency growth rates are calculated by comparing the comparative period results in the prior year adjusted to reflect the average exchange rates from the current year period rather than the actual exchange rates in effect during the respective prior year periods.

Other Adjustments

We also present adjusted information (e.g., Adjusted Revenues), to exclude the impact of certain events, gains, losses or other charges. This adjusted information is a non-GAAP financial measure. We believe, among other things, that the adjusted information may help investors evaluate our ongoing operations and can assist in making meaningful period-over-period comparisons.

Pro Forma Information

Pro forma information is used by management to evaluate performance when certain acquisitions or dispositions occur. Historical information reflects results of acquired businesses only after the acquisition dates while pro forma information enhances comparability of financial information between periods by adjusting the information as if the acquisitions or dispositions occurred at the beginning of a preceding year. Our pro forma information is adjusted for the timing of acquisitions or dispositions, the effects of acquisition accounting and the elimination of costs and expenses directly related to the transaction, but does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. Pro forma information is not a non-GAAP financial measure under Securities and Exchange Commission rules. Our pro forma information is not necessarily indicative of future results or what our results would have been had the acquired businesses been operated by us during the pro forma period.